

Minutes

Board of Directors Meeting

Association of Small Business Development Centers (ASBDC)
March 2, 2009
Arlington, Virginia

Board Members Participating: Jerry Cartwright (Chair), by telephone; Don Wilson; Georgianna Parkin (Vice Chair); Rich Werner (Secretary); Mike Myhre (Treasurer); Allan Adams, by telephone; Jody Keenan; Jim King; Al Salgado; Debbie Trujillo; Mary Lynn Wilkerson.

Others Participating: Michele Abraham; Jim Ackley; M. E. Gamble; Jim Heckmann; Marc King; Liz Klimback; Kim Kollig; Gayle Kugler; Carol Lopucki; Beth Melnik; Barbara Necarsulmer; Greg Panichello; Mark Petrilli; Janet Roderick; Brett Rogers; Henry Turner; Mike Young; Donna Ettenson; Dan O'Grady.

Call to Order: The meeting was called to order by Vice Chair Georgianna Parkin (pending the arrival of Chairman Cartwright who would be joining the meeting by telephone) at 8:00 a.m. on Monday, March 2, 2009.

Approval of Minutes: Board Secretary Rich Werner presented the draft minutes of the Board meeting that was held on February 25, 2009. Mike Myhre moved that the minutes be approved. The motion was seconded by Jody Keenan and approved by voice vote.

Treasurer's Report: Treasurer Mike Myhre reviewed the Association's financial statements and reported that the financial position of the Association is sound. Treasurer Myhre stated that, while the Association's financial position is sound, the Association needs to address its reliance on income from the annual conference, find alternative sources of revenue, and consider changes in its dues structure to achieve long-term financial stability.

Auditor's Report: The auditor hired by the Board of Directors (Mr. Steven Collins, account executive and partner in the Virginia CPA firm of Murray & Cavanaugh, PC) presented the Association's audited financials for Calendar Year 2008. The auditor gave the Association an unqualified audit opinion, which is the highest audit opinion possible.

It was suggested that the Association memorialize its financial procedures, given the coming transition to a new Association CEO. It was agreed that the Association will work with Mr. Collins to do that.

Chairman's Comments: Chairman Cartwright joined the meeting by telephone. He stated that he is pleased with the progress of the Association's strategic planning process and the work of the Personnel Committee to transition to a new Association CEO.

Strategic Plan: Marc King presented the Strategic Plan. He suggested adding language to the Plan, calling for a review of the Accreditation Standards in 2010, and there was no objection to

the suggestion. He stated that the Strategic Plan and its appendices have been posted on the ASBDC website. It was noted that the Strategic Plan's Implementation Matrix is still in progress.

Motion: Rich Werner moved that the Board approve the Strategic Plan as presented by Marc King. The motion was seconded by Al Salgado and passed by voice vote.

Personnel Committee: Georgianna Parkin, Chair of the Personnel Committee, updated the Board on the search for a new CEO to replace Don Wilson, who is retiring. Georgianna Parkin stated that the Committee had conducted a survey on the most important qualities for a CEO. The Committee then wrote a job description and an advertisement for a CEO. The advertisement was sent to a number of publications and organizations, and 48 responses had been received.

Georgianna Parkin stated that the deadline for applications for the CEO position is April 17. She stated that the Committee's goal is to interview candidates before the end of May, and to introduce finalists to the Board at the June meeting. She stated that the plan is for the new CEO to work with current CEO Don Wilson for six to eight weeks before the Annual Fall Conference in Orlando, in September.

Legislative Policy Advisory Committee: Jim King, Chair of the Legislative Policy Advisory Committee, presented to the Board the legislative strategy that was developed by the Committee. There was a discussion of the Committee's proposal to ask for a reduction in the match funding requirement for any increase in the network's Federal Funding. It was suggested that reducing the match funding requirement could undermine support for the network's funding. It also was recommended that the funding level request for FY' 10 be reduced from \$140 million to \$135 million as current Authorization level, which was accepted without opposition.

Motion: Jim King moved that the Board approve the legislative strategy proposed by the Legislative Advisory Committee, excluding the proposal to reduce the match funding requirement for any increase in the network's Federal Funding. The motion was seconded by Mary Lynn Wilkerson and passed by voice vote.

SBA Update: The Board welcomed Antonio Doss and Ann Bradbury from the SBA Office of SBDCs, who updated the Board on the following matters:

1. **SBA SBDC Advisory Board:** Antonio Doss stated that members of the SBA SBDC Advisory Board were meeting in Washington, and they planned to hold a "Town Hall" forum for members of the Association in conjunction with the ASBDC Spring Meeting.
2. **Goals:** Antonio Doss stated that the SBA Office of SBDCs would like to begin a dialogue with the Association's members about new metrics that could be included in future goal setting.
3. **New Recognition Awards:** Antonio Doss stated that the SBA Office of SBDCs would like to recognize superlative activities taking place in SBDCs across the nation.

4. Collaborations: Ann Bradbury stated that the new Administration is interested in collaborative efforts, across programs and across agencies. She stated that she is working with Jody Keenan and Henry Turner on a self-assessment tool for 8(a) clients, to identify their business needs and direct them to their local SBDCs for any needed management and technical assistance.
5. MEPs: Antonio Doss stated that the MEP program had asked SBA to work with the MEPs to assist smaller manufacturers who need equipment financing. He stated that additional assistance might be requested.
6. USDA: Antonio Doss stated that he is working with John Hemmingstad (Chair of the ASBDC Agriculture and Rural Interest Section) on ways in which the SBDC network can work with USDA at the national and local levels. He stated that other SBDC networks that would like to participate in that effort are welcome. The Government Accountability Office (GAO) has found that some USDA programs duplicate SBA activities.
7. Possibilities for Additional Support for Entrepreneurs and SBDCs: Antonio Doss asked for suggestions about ways in which SBA could further support entrepreneurs and SBDCs if the agency were to receive additional funding for FY 2010.
8. Program Announcement: Antonio Doss stated that the draft new Program Announcement was expected to be ready for consideration by the ASBDC in the following month or two. He stated that he did not expect major changes in the new Program Announcement.

Legislative Update:

Omnibus Bill: Don Wilson stated that the FY 2009 Omnibus Appropriations bill was passed by the House and was being debated in the Senate. He noted that the Omnibus bill provides \$110 million in funding for the nationwide SBDC program, which is an increase of approximately \$12.9 million compared to FY 2008. He stated that the FY 2009 funding includes set-asides of \$1 million for the SBDC Veterans grant program and \$1 million for the SBDC Energy grant program, as provided in the original Senate-passed bill. The bill originally passed by the House set aside \$5 million for the SBDC Veterans and Energy grant programs, out of SBDC core funding.

Stimulus Bill: Don Wilson stated that Senators Landrieu and Snowe (Chair and Ranking Member, respectively, of the Senate Small Business Committee) tried to amend the Stimulus Bill to provide additional funding for SBDCs, Women's Centers and SCORE. However, the Senate did not adopt the Landrieu-Snowe amendment.

President's Budget Request: Don Wilson stated that the President's Budget proposal to Congress calls for \$700 million for the SBA for FY 2010 - 2014, an increase of \$43 million compared to the FY 2009 SBA budget. The Budget proposal envisions level funding for the SBA in the coming years, and it speaks of changes in the SBA's programs.

Resignation of Rich Werner from the Board: The Board discussed the resignation from the Board of Rich Werner, who is leaving the Colorado SBDC network to accept employment elsewhere. The ASBDC bylaws provide that the Associate State Directors Group selects the associate state directors' representative on the Board, and the Board may then ratify the selection to give voting rights to the Associate State Directors Group representative on the Board.

Selection of New Board Secretary: The Board discussed the selection of a new Board Secretary, to replace Rich Werner who is resigning from the Board.

Motion: Rich Werner moved that the Board select Debbie Trujillo to serve as the new Board Secretary. The motion was seconded by Jim King and approved by voice vote.

Note: The Board wished to express its appreciation for the efforts of Rich Werner during his tenure on the Board and acknowledge his exemplary contributions, wishing him every success in his new endeavors. The expression of appreciation was approved by voice vote of the Board.

Accreditation Update: Accreditation Committee Chairman Mike Young updated the Board on the work of the Committee. He stated that the Committee held a two-day weekend meeting, preceding the Board meeting. He stated that he believes the SBA is recognizing the value of the accreditation process, with a new five-year accreditation contract and additional funding. He stated that the Committee will hold a one-day training session for ASBDC members following the Spring Meeting, and he noted that SBA program managers had signed up to take the training. He also stated that the Committee had developed a process for sharing high-performing activities throughout the nationwide SBDC network.

ASBDC Policy Guidelines on Fees for Services: The Board discussed updating the Association's policy guidelines regarding fees for services. Mike Young recommended that the Board defer action in this matter until definitions of key terms could be developed and a fuller discussion of the issue could be held.

Committee and Taskforce Reports:

EDMIS Committee: EDMIS Committee Chairman Greg Panichello stated that the Committee is still seeking guidance from the Board regarding recommendations that the Committee submitted to the Board months earlier. Don Wilson stated that he would re-circulate the Committee's recommendations to the Board, and the Board agreed to again place the matter on the Board's agenda. Greg Panichello stated that it is very important for the Association to address the inconsistencies of the SBA's EDMIS data.

Technology Counselor Certification Taskforce: The Taskforce is reviewing recommendations from Andrew Sherman regarding the certification exam and preparation for the exam. The top scorers from the first exam, held at the 2008 Annual Conference in Chicago, reviewed responses from the first exam takers to a survey about the exam and the certification process. The Committee plans to make recommendations to the Board regarding future exams.

Counselor Professional Development Core Competencies Task Force: The Taskforce has begun working under the leadership of Co-Chairs Lyle Wright and Lenae Quillen Blume, and it plans to conduct a survey of the membership during the Spring Business Meeting.

Adjournment: Al Salgado moved that the meeting adjourn. The motion was seconded by Jim King and passed by voice vote. The meeting adjourned at 5:00 p.m. on Monday, March 2, 2009.

Next Meetings of the Board:

Regular meetings of the Board are held by conference call on the fourth Tuesday of each month, at 2:30 p.m. (Eastern Time), with the following exceptions:

- June 30 and July 1, 2009 (Tuesday and Wednesday)
- September 13, 2009 (Sunday, preceding the Fall Conference in Orlando)
- October 13-14, 2009 (Tuesday and Wednesday)