

Minutes
Board of Directors Meeting
Association of Small Business Development Centers (ASBDC)
September 13, 2009
Orlando, Florida

Board Members Participating: Jerry Cartwright (Chair), Georgianna Parkin (Vice Chair), Debbie Trujillo (Secretary), Michael Myhre (Treasurer), Don Wilson, Tee Rowe, Jody Keenan, Mary Lynn Wilkerson, Allan Adams, Al Salgado, and Jim King.

Others Participating: Henry Turner, Greg Panichello, Jim Heckman, Gail Krugler, Janet Roderick, Casey Jeszenka, Beth Melnick, Kim Hendlick, Lyle Wright, Liz Klimback, Carol Lopucki, Mark Petrilli, Donna Ettenson, Doug Gurley, Patrick Geho, Mike Young, Renee Sprow, Clinton Tymes.

Call to Order: The meeting was called to order by Chairman Cartwright at 8:45 am (Eastern Time) on Sunday, September 13, 2009. Chairman Cartwright welcomed everyone to the State of Florida. He mentioned that sales in the state have dropped over 31% and all local expenditures during the fall conference were appreciated. The Chairman reviewed the agenda and added two discussion items: CEO evaluation and the Performance Matrix.

Secretary Debbie Trujillo presented the minutes from the meeting of July 28, 2009. She noted that the minutes now have action items highlighted.

Motion: A motion was made by Mary Lynn Wilkerson to accept the minutes with a second by Al Salgado. The motion was passed by voice vote.

Treasurer Report: Treasurer Mike Myhre reported that the 2009 conference remains within budget due the increased registration fee, registration that surpassed original projections. This is significant considering sponsorships were \$50,000 less than projected and variable costs are up. He reported that the Association investment portfolio has experienced a slight increase. The Treasurer has been meeting with the CEO and incoming CEO to review the financial condition of the association. He will work with Tee Rowe to develop a budget for 2010.

CEO Don Wilson reported that there are 185 SBA representatives attending the ASBDC Fall Conference.

Chairman's Report: Chairman Jerry Cartwright reported that both he and CEO Don Wilson continue to meet with Antonio Doss, SBA OSBDC regarding changes to the Notice of Award that may simplify the process when multiple awards are issued. He also noted that there is an expected change to the carry forward language.

Accreditation: Mike Young, Chair of the Accreditation Committee reported that the accreditation training this year included a session on the federal regulations and the statute as they pertain to the SBDC. The committee will post the federal regulations and the committee changes to the ASBDC website.

Mike Young reported on the status on the four action items assigned to the accreditation committee.

1. *Provision in process whereby the Board is alerted when there is a circumstance (identified during the accreditation process) that may impact the association:* The committee is concerned with confidentiality. It is

recommended that when an incident is identified that it be brought to the attention of the Board Chair and the CEO. They would determine how to respond and when it becomes necessary to involve the Board and/or OSBDC. Jerry Cartwright stated that ASBDC needs to know when SBA knows and this ideally should occur through the Accreditation and Financial examination process. The next step would be to meet with OSBDC.

2. *Consideration for modification to a 4-year review cycle:* Mike Young stated that there is support within the committee to maintain the 4-year cycle. The committee will conduct an assessment of the process and how to improve it. The committee recommends a survey to membership assessing how accreditation may be improved with an inquiry about frequency included. The committee is nearing the end of a 4-year cycle. If there is a change to the cycle the soonest they might have something for membership to vote on is September with implementation in 2011.

ACTION: Marc King and Mike Young will develop a survey and send out by the end of the year. Feedback will go to membership in Spring. A draft of the survey will be sent to the Board and Accreditation Committee. Survey will go out before December with the goal to have results to membership in Spring 2010.

3. *Incorporation of counselor core competencies into the Self-study:* The committee recommends that this issue go back to the board and consideration be given to incorporating this training on core competencies into the conference. Consider having the Professional Development Committee explore this. Mike Young stated that Antonio Doss would like to see a minimum standard of core competencies for all counselors. Some states have specialized consultants so this presents a challenge.

Mark Petrilli stated that at the accreditation meeting Antonio was given some insight to the practicality of imposing a general process where there is high use of specialists.

ACTION: Accreditation Committee will review the standards and look to where they can incorporate some of these core competency standards.

Al Salgado reminded the board that it does not fall upon the accreditation process to be prescriptive. Jerry Cartwright recommended swift action. The board discussed options for providing training and possibly a basic and advanced competency certificate at the national conference or on a CD.

4. *Review of Fees and the Governance statement:* The committee recommends that this be referred to operations committee and that they establish guidelines on fees for service. These guidelines will provide the accreditation committee with the authority needed to respond.

Mike Young noted that the committee needs board meeting dates for 2010 to schedule their meetings and trainings.

Motion: A motion was made by Allen Adams to extend the Chair appointment of Mike Young to the Accreditation Committee for one year. This was seconded by Mary Lynn Wilkerson and passed by voice vote.

President Report: Don Wilson reported that the association is in good financial standing. He stated that both he and Tee Rowe have been meeting with several representatives in D.C. Don Wilson commented that relationships with Senator Snow, Senator Durbin, and Senator Landrieu are all strong and they know the program well.

Don Wilson noted that the ASBDC Committee structure is not working well. Board liaison roles extend the board too much. He recommends returning to having staff fulfill this role.

Executive Vice President Report: Tee Rowe alerted the Board that Senator Snowe may go to another committee. He also noted that with the national deficit, increase in military spending, and state budgets offering no help – there will be very little discretionary funding. Tee Rowe recommends diversifying funding streams and has been in contact with EXIM bank, U.S. Department of Census, and will also explore Veteran’s Affairs. Jim Heckman recommended that USDA also be followed up with.

Tee Rowe reported that since he is coming from a federal agency, he is required to go through a one year “cooling off” period through January 21, 2010 where he cannot represent the SBDC in federal level activities. The association will be utilizing staff and the Board Chair to interface during this time. Jerry Cartwright noted that the Board may be called on from time to time to assist.

Tee Rowe stated that he has been working closely with ASBDC staff and very impressed by the level of productivity in the office. Tee Rowe has also attended Accreditation Committee meetings.

Legislative Report: Jim King, Chair of the Legislative Committee reported that the legislative survey was released and the committee is awaiting responses. Of the 26 surveys received, 93% stated they could not meet the match at the \$110 million level. The goal is to have collateral materials available to the membership ahead of the Spring meeting. All committee members have agreed to continue serving. The committee is recommending that a legislative “swat team” be developed to go into states that need assistance. Travel would be covered by supplemental funds (if approved). Jim King noted a report issued by Rhonda Abrams where she chided the federal government for not providing the SBDC with sufficient funding.

Economic Impact Study (Dr. Chrisman): Beth Melnick, Associate Director-Georgia SBDC, reported that a survey was conducted to assess the ASBDC Economic Impact study and to identify recommendations to strengthen the process or questions. Recommendations made were to develop an online survey, identify a phone survey vendor, add benchmarks, and consider response goals.

Through the survey it was learned that some states do not have enough responses to generate a report. In addition, those utilizing an electronic survey do not always get responses to all the questions. Online data collection has presented some challenges with consistent reporting system. It is suggested that a single online vendor be used. It was further suggested that questions be revisited annually.

It was suggested that ASBDC cover the cost of the surveys. Jim King recommended establishing a confidence level.

Overall the Committee recommends that they form an action plan to address these issues within the Strategic Plan.

Motion: Mike Myhre made a motion to accept the committee recommendations and to authorize the board to move forward with implementation. This was seconded by Al Salgado and passed by voice vote.

OSBDC Report: The Board was visited by OSBDC representatives: Antonio Doss, Jean Smith, and Jean Holcombe.

Goaling

Antonio Doss reported that there was deep concern in the agency regarding meeting capital infusion goals. After a review the results are encouraging and not as poor as anticipated with recovery occurring at a faster rate than expected. Antonio Doss held a meeting with Mark Petrilli two weeks ago. The committee is reviewing goals and other key items that should be tracked. Consideration to what outcomes under SBDC control, should be (and are being) achieved. The goals for 2010 are under review. It was suggested that Jobs Created be included in goaling. Al Salgado noted that the membership would need notice in order to address timing for implementation.

Field Changes

Jean Smith reported that Project Officer Training is being delivered at the conference for a day and a half. The role of Project Officers is changing to avoid redundancy with OSBDC. They will be responsible for oversight and monitoring and addressing compliance issues. The Program Manager focus on program oversight, data trends, and performance.

Review of Regulations

Antonio Doss reported that OSBDC has the regulations under review by the General Counsel. These will come back to the agency and then be submitted to the legal office before being announced. He committed to getting the changes to the association early in the process.

“What’s Working” Calls

Antonio Doss announced the initiation of monthly half-hour calls with the SBDC Network to discuss effective programs and practices covering operations and programs. The calls will occur in a webinar format and will be recorded. State Directors are asked to contact Program Managers with items that might be shared. The first call will include Puerto Rico and how their counselors work with clients. These calls will be open to anyone within the network.

Supplemental funds

Jean Holcomb announced that there are presently funds in an estimated amount of \$800,000 that is a result of funds that some states could not match. Jerry Cartwright recommended that the OSBDC refer to the list of items previously provided by the board as priorities for projects. Jean Smith noted that there is some urgency in moving forward with these allocations. She stated that the funds need to address the goals of the national program. There are efforts to modify the current award language to allow for an increase of funding an award without having to reissue a new one.

Special Purpose Grants

Jean Holcomb shared that these additional grants have been difficult to manage. The Portable Assistance grant of \$1 million is reserved for states impacted by job loss. No match is required for this grant. The DEDA grant awards will be announced in November and are issued in increments of \$200,000. The total grant is \$2 million. The Veterans Grant will roll out in October and does not require match. The total grant is \$1 million and the intent of the project is to target veterans, provide online counseling, and promote the program on websites. It is possible that some previous successful grant recipients will be reissued an award this next round. The Energy grant will be released in November and is being split into two: energy audit assistance and commercialization of renewable energy products. The total grant amount is \$1 million and this does require match.

OSBDC is presently assessing EDMIS and how it tracks the special purpose grant information in the system. There have been problems with the Veteran counts.

District offices now have a 10-day deadline for year-end budget submissions.

Antonio Doss noted that SBA OSBDC has a calendar full of events during the conference. This includes a full day meeting with the District Directors, an evening reception, joint sessions with SBDC State Directors and training.

Notice of Award

Antonio Doss reported five changes to the notice of award. These include an \$80 million dollar provision (that will allow them flexibility to enhance the award without reissuing a new one), the yellow ribbon national award, a notice of project

officer's requirement to submit the financial reports, and the URL for data required in the performance report.

California

Antonio Doss reminded the board of a statewide stakeholders meeting held in California with the 6 leads and host administrators, District Directors, OSBDC, ASBDC, and the California Community College Chancellor's Office. Jean Smith noted that the intent of this meeting was to identify ways to improve the cooperation level across the state. Issues identified in the meeting were a need for one voice and marketing. Two groups met after the meeting to discuss the structure of the Lead program and funding. There is some consideration given to including language in the notice of award to support the six leads in their collaborative work. Moving the structure of 6 Leads to 1 was not popular. A follow up meeting is scheduled this week and recommendations will be provided to Antonio Doss.

International

Jean Smith reported that there is an important international trade meeting scheduled this week and potential for expanding linkages between the SBDC and international opportunities. She is performing a four-month rotation (Jan-April 2010) where she will explore bridging opportunities with the state department and the SBDC (Pathways to Posterity).

Liaison Reports: Georgiana Parkinson announced SBDC and PTAC training delivered for lenders across the New England states. She also noted that there is interest in "T" designation, counselor certification, and an effort to keep the interest level high.

Mary Collins reported that her university has brought up an issue regarding the A-21 and a 100% time and effort certification. Her university is questioning time that is not directly attributed to SBDC work and questions if this should be considered part of the grant.

Mexican Delegation Presentation: The Board Chair introduced Rosario Valencia and Francisco "Paco" Fernandez, representatives from the Mexican delegation. Rosario Valencia reported that in 2006, Mexico signed a formal memorandum of understanding with the SBDC to build a relationship to expand the concept of the SBDC into Mexico. She is presently working with Florida, Michigan, Arizona, and San Antonio on this project. Much of this work has been funded by a USAID grant. The first SBDC in Mexico was established in 2003. Currently there are 60 centers, 900 counselors and directors, and 90 universities involved in the Mexico SBDC program. Last year they initiated the accreditation process. The program differs in the fact that Mexican SBDC's do not receive federal grant funding. With the basis of a successful program, they are now pursuing federal support. Rosario Valencia noted strong support with US SBDC's and highlighted their 10 year working relationship with Jerry Cartwright.

In 2008 a conference was held in Atlanta and another in 2009 in Columbia to expand the SBDC concept to other countries. It is expected that 7 countries will participate in the upcoming Mexican SBDC Conference in the Yucatan next month. The SBDCs are viewed as a vehicle to reduce poverty and increase commerce.

Motion: A motion was made to adjourn the meeting by Jim King and seconded by Mike Myhre. The motion passed by voice vote at 4:05 p.m.