

**ASBDC Board of Directors
Conference Call Meeting Minutes
October 11, 2011**

Meeting called to order by Chairman Salgado at 11:05 AM Eastern Daylight Time.

Board Members present - Chairman Salgado; CEO Tee Rowe, Mike Young; Georgianna Parkin; Allen Adams; Gayle Kugler; Marc King; Jim Heckman; and Diane Howerton

Board Members absent – Jim King, Brett Rogers

ASBDC Members on the call –Mark Petrilli, Becky Naugle, Rod Hollenstine and Sienna Mavima.

Approval of September 5, 2011 Minutes – Moved for approval by Mike Young and seconded by Allan Adams.

Approval of September 6, 2011 Board Election Minutes- Move for approval Jim Heckman seconded by Allan Adams.

Treasurer's Financial Summary – Mike Young presented abbreviated balance sheets which remain unchanged. ASBDC continues to pay conference related bills and some are still outstanding. As a result final figures are not available. Tee Rowe did indicate that we should be at 129% of revenue budgeted. We will turn a profit and will know exact figures once all outstanding bills are paid. Mike Young and Tee also indicated that the financial audit for the Association will commence this November and the results will be presented at the ASBDC Spring meeting in 2012.

President's Report/ Legislative Update – Tee discussed the slow movement on the appropriations bills and stated that Congress has passed a CR through November 18, 2011. Congress is working on an omnibus bill. It is unclear at this time how many Continuing Resolutions will need to be passed in the meantime. Tee further indicated that the late passage of an actual budget and numerous CRs presents problems for the network. He indicated that he and Al plan to speak with Jean Smith to better inform and let the network know when funds will be available, amounts and timetables. For example, it is important that SBDCs and SBA share information more quickly. Tee then addressed the Senate reauthorization bills and indicated that the proposed language is mostly a tune-up of existing language. Changes proposed include removing WBCs as eligible lead hosts for the SBDC program, creation of a disaster business revolving fund, and some other technical changes.

Tee then reiterated conference revenues should be at 129% of budget due primarily to increased sponsorship and attendance. The total revenue is \$1.8 million of which \$1.25 million was conference revenue. He also indicated that there are a few conference bills outstanding amounting to about \$103,000 of which half is from sponsorships.

Jim Heckman stated that he has been questioned about his lobbying efforts on behalf of the SBDC program in his state (Iowa). It was expressed that it was necessary that there be clarity on the lobbying/use of funds issue. SBA has basically adopted the OMB circulars language which is unfortunately unclear. There is an exemption to the "Byrd rule" regarding the use of federal funds if the activities are necessary to avoid impairment of performance of the program.

Tee indicated that there is not a problem at the state level and with use of state funds, the problem arises from SBA's vague expressions of the use of state/matching funds. He also suggested that perhaps Mark Petrilli and the Operations Committee try clarifying this in the next program announcement. He expressed concern that requesting an interpretation from the SBA General Counsel might be unwise in the event of a restrictive response. Tee also initiated a discussion as to how State Directors budget to attend the Spring meeting and that using federal funds may be problematic. Use of state/matching funds for the trip is not so much of an issue.

He indicated that the primary purpose of the Spring meeting is a membership meeting plus congressional meetings, but focus on congressional meetings has been growing. Tee asked that each Board liaison go out to their member groups and ask how they budget for the Spring meeting, and what funds they use so he can get an understanding as to how the membership is dealing with this. Venable partner Ron Jacobs suggested getting a clear understanding of how each state is dealing with this. Tee again stated the need for clarity. Jim Heckman indicated he had been questioned why he had not registered as a lobbyist in Iowa and he indicated that Iowa has strict rules. He was going to register but then was advised it might not be prudent to do so. Diane Howerton indicated that she presents the two meetings as professional development for state directors. Tee polled the Board regarding which funds they use and found most use state/matching funds.

Conference Report-

Rod Hollenstine highlighted lessons learned to assist with planning the 2012 conference. Rod thanked the Board, speakers and all involved with the conference. He indicated a key priority was moving the call for papers process ahead this year. Usually the request is sent out in early January. This year the goal is to get it out by November to increase number of submissions. Usually they average 350. The call for papers will focus on several core issues 1.0 Core Competencies, 2.0 International Trade and 3.0 Technology. Rod indicated that his committee would also like input from the Board about avenues to pursue. He also reported that the 2011 conference had record attendance of 1,650. The SBDC professionals represented 1,400 full registrations. This is pretty impressive in such difficult economic times. He will strive to meet the needs of the Board and the ASBDC organization. Anyone with suggestions or input is asked to email Rod and Tee and cc the ASBDC staff.

Action Matrix- Before Marc King began the discussion Al Salgado indicated that the prior meeting of the Board and Michael Chodos resulted in several follow up action items which should be incorporated into the plan. He stated that they should be put under the Operations committee. Marc King stated that the EDMIS discussions and action items should be incorporated under item 2.6 and the outreach and messaging issues should be placed under 5.3. Other SBA issues /strategies enhancement and communications could be

placed under 1.5 which could be expanded into issues with SBA and discussing critical issues.

It was agreed that we will wait until the face to face meeting in January to update the matrix. There was discussion that issues with the financial review, confidentiality and goaling could fall under the Operations committee. There needs to be a goaling meeting with SBA and Marc King suggested adding a strategy for communications with SBA. Al suggested asking Mark Petrilli to look at the lack of engagement by SBA. Mark suggested having regular calls between himself, Tee and Jean Smith. There was general discussion expressing the belief that, if talks did not move along the Board should go directly to Michael Chodos.

Chairman Salgado indicated that there are three primary areas which need to be discussed with SBA 1) Financial reviews, 2) Confidentiality and 3) Goaling. Most of these should fall under discussions through the Operations committee. It was also stated that there needs to be a "goaling" related meeting with SBA and engage them to listen. This could fall under the ASBDC communication strategy.

The Board then discussed the data collection initiative. Diane Howerton was surprised to receive an invoice from Outreach Systems about this initiative. There needs to be an EDMIS conference call scheduled and a way to collect data from the membership. Tee indicated there was a problem with the original plan to use Google fusion tables due to formatting. Tee stated that the project should get underway asap so the association has data immediately, some disagreed as to the urgency. Tee indicated it was not the intent that the membership pay the cost but rather the association. There was a discussion as to how to get the best price and how to best format the data to be most useful.

Al then discussed the new committee, task force and group assignments for the upcoming year as well as the Board liaisons. Professional Development and Education is eliminated, Network Engagement will be merged with the Marketing Committee. Technology Certification needs a chair, and Women's Enterprise will be merged with Minority Issues and chaired jointly by Debbie Trujillo and Priscilla Lopez from California. Jody Keenan will head the Veterans initiative, Sustainability is open. Disaster will be led by Barry Parker.

Each chair will submit a work plan for the upcoming year by the end of November 2011. Mike Young suggested that the data collection project be tabled until we discover its costs and what we will actually get out of it. He suggested that a report be prepared for the Board until any further movement is taken. He indicated the Board would then discuss what action to take before going out to the membership. Tee suggested sitting down with Greg Panichello and doing up a white paper. Diane Howerton wanted to wait until she brought in a resource from California to get his assessment. There was discussion of Tee sending template of the project to the Board and to temporarily put the project on hold for now.

ACCREDITATION - Mike Young

Mike announced that Marc King has left the Accreditation Committee and Beth Melnick of Georgia is now the Vice Chair. Mike Young mentioned that he is working on a course for technology certification within his own institution and others should feel free to adopt it if they find useful. He also indicated that the committee plans to have a short column in each member connect.

OLD BUSINESS

Marketing - Tee and Mike Young will meet with Larry Kelley and they will request feedback from the membership on the proposal. The final report should be complete by the March meeting.

Chrisman Benchmark Proposal – Tee has received four reports based on banding levels identified by Federal funding levels. This should allow SBDC s to see how they are performing based on their peer groups. It is important that the bands be corrected to allow members to view the high and low performers in each group. There was concern expressed by Jim Chrisman that 1/3 of the SBDCs either don't participate or don't provide enough data to conduct statistically valid analysis. Therefore, the other 2/3 is "carrying" the 1/3 not providing data and feedback. It was also stated that the programs with higher response rates are the high performers. Beth and Marc put together another analysis drilling down data from the Chrisman reports which should be more helpful to states. Tee suggested a call with the three of them and Chrisman to discuss the issue and how to maximize the usefulness of the reports to the membership. Chrisman charged the ASBDC for each report. There was further discussion on how SBDCs can view how they are doing against their peers without revealing specific information. The reports Chrisman sent to Tee will be sent to the Board. The analysis Marc and Beth conducted will also be sent to the Board.

There was then discussion about the ASBDC putting together policy/procedure manual of activity performed by ASBDC office staff capturing much of the historical/institutional knowledge. This would detail how the conference is carried out, key functions of staff, as well as other activities that are currently taken for granted. There was then a discussion of succession planning at the association level for all positions. It was suggested that the Board needs to bring in an outside writer to assist Tee to get this done as he has many other pressing functions. Tee submitted his CEO work plan for the upcoming year and it will be aligned with the action matrix.

AL then discussed core competency for high growth companies.

The meeting dates for January Board meeting are January 29-30, 2012 at the Hilton RiverWalk in New Orleans. The Spring meeting will be March 10-14th in DC at the L'Enfant Plaza Hotel. The March Board meeting will be on the 13th. Members will arrive on the 12th. The June meeting will probably be June 17 or 18th in DC.

Tee will follow up and confirm Accreditation meeting dates.

No further business being identified, Marc King moved to adjourn, seconded by Gayle Kugler. Passed by voice vote and meeting adjourned at 12:55 PM Eastern.