



# BOARD OF DIRECTORS

## MEETING AGENDA & MINUTES

January 17, 2016

WebEx Conference Call

### OUR SHARED MISSION

Deliver high-quality, professional business advice, education, and information that generates meaningful results.

### OUR SHARED VISION

America's SBDCs are highly valued for driving economic prosperity.

### ASBDC'S PURPOSE

To support the success of its members.

## BOARD OF DIRECTORS OBJECTIVE

*To establish the Association's mission, vision, strategic direction, approve the Association's budget and operations plan, and appoint and evaluate the performance of the Association's President, including setting compensation.*

### 3:00 PM CONVENE BOARD MEETING

### WELCOME AND ROLL CALL

PRESENT	BOARD MEMBER	NOT PRESENT
X	Michele Abraham (South Carolina)	
X	Terry Chambers (Washington)	
X	Christian Conroy (Pennsylvania)	
X	Bill Cummins (Alabama)	
X	Mark Langford (Texas)	
X	Michael Myhre (Florida)	
X	Greg Panichello (Kansas)	
X	Georgianna Parkin (Massachusetts)	
X	Katie Sewell (Idaho)	
X	Janice Washington (Arizona)	
X	Tee Rowe, Association President	

Others Attending -

## **PRESENTATION OF CONSENT AGENDA**

### **APPROVAL OF THE MINUTES OF THE BOARD OF DIRECTORS' MEETING – DEC. 19, 2016**

Secretary Chambers posted to the December Board meeting minutes. Greg Panichello moved to accept the minutes. Michele Abraham seconded the motion. The Board unanimously approved the minutes as presented.

### **DISCUSSION AND APPROVAL OF PRESIDENT'S REPORT**

Tee Rowe said he was doing a cash flow for the SBNA and would be sending a memo to the board for their review and comment. Janice Washington requested Greg Panichello note any changes from Tee's analysis in an update to the 2017 budget.

Tee Rowe said that he was doing an analysis comparing external sources of funding to staff management.

Legislative update included Tee's update on a conversation with Skiffington Holderness (Sen. Risch's staff for the Small Business & Entrepreneurship Committee) concerning the continuing resolution and 2018 funding. Tee noted he would update the membership at the spring meeting. Tee also said that he would have updated legislator and staff lists for the members for the spring meeting. Christian Conroy asked about what was happening with the new SBA Director appointment. Tee Rowe noted that it was not finalized and that about 4,000 appointments were being made making the process a lengthy one.

Tee Rowe noted that he has collected several potential responders to the RFP for the national survey and that he should have an idea of costs soon.

Tee Rowe also indicated he would be talking with Jason Dorsey on the 18<sup>th</sup> which should give him additional information to review with members.

Tee noted that he had sent information to the board concerning the new \$2.5MM Veterans grant for offering 2-day Boots-to-Business and Transition assistance as well as on-line counseling. He noted there will be a call on February 1<sup>st</sup> with a submittal deadline of February 17<sup>th</sup>. He noted he will pass the grant opportunity on to the membership. The big question in his mind is whether the SBDC stays with what it is already doing or change their delivery model for additional funding opportunities. Greg Panichello asked what involvement the DoD will have with Tee indicating they may take a strong hand in the process and training delivery. Michele Abraham asked for specific information on the grant with Tee noting it was still unclear. Michele Abraham said that the only thing that made sense for us was to respond with what made sense for each member.

Michele Abraham asked about the status of Tee choosing client for the reception at the spring meeting. Tee reviewed the candidates and choices he had made for client companies. He will send out the completed list to the members. Katie Sewell asked about plans for having a welcoming group that could direct legislators and staff. Tee indicated that the DC SBDC had volunteered to act in that role as well as our having reader boards above each client to help direct people. The reception will be held in the Rayburn café.

## **DISCUSSION AND APPROVAL OF CHAIRMAN'S REPORT**

Chairman Michael Myhre reviewed the updated five points of the congressional guide. Michael Myhre asked the board for feedback and questions. Several board members indicated they had not had time to review it in detail as yet with Greg Panichello, Christian Conroy and Georgianna Parkin noting they either liked it or thought it was clearer. Christian Conroy, Michele Abraham and Bill Cummins asked about a new message for this year's hill visit and how to make it clearer for the members. The BOD discussed the feedback and it was agreed that a footnote would be added to clarify the total funding ask for 2017 and 2018. Michael Myhre noted there would be two webinars, January 24<sup>th</sup> and 30<sup>th</sup>, for members to help clarify the message and answer questions. Michael Myhre also discussed doing the VIP panel at the members meeting. Three panelists are being talked with at this time.

Michael Myhre suggested we move ahead with the congressional guide for the members.

## **DISCUSSION AND APPROVAL OF TREASURER'S REPORT**

### 2017 Budget

Treasurer Panichello posted the 2017 Draft Budget v 1-6-16.xlsx, providing detail on the 2017 operating budget for our association.

The workbook includes the following five worksheets:

1. 2017 Budget Summary – a summary of the major revenue categories, conference assumptions, staffing/benefits, and total expense by class; all comparing 2017 Budget to 2016 Forecast total revenue and expense. Please note the value in E21, which is the increase in conference registration fees to maintain in 2017 the 2016 conference margin – business model discussion item (the value in E21 is not included in the budget).
2. Dues Summary – Summary data on the three major SBA funding categories (Minimum Funded, Middle, and “Capped” programs). There are 18 minimum funded, 33 “middle” funded, and 12 “Capped Funding” dues paying members. The chart at the top of the worksheet lays out 2011-2017 percent of the overall SBA funding and dues for the middle funded and capped programs.
3. Dues Detail – trend data
4. Detail Budgets by Class – Staff budget by class
5. Staff Assumptions – staff worksheet of assumptions

Please note the SBNA budget of \$990K (revenue and expense) is a new federal grant, year one of three.

Greg Panichello noted that the 2016 financials won't be final until sometime in February. Cash should end around \$300,000 due to good accounts receivable management by ASBDC staff. Greg Panichello also noted that an unrealized gain of \$60,000 overstates profit. Greg

Panichello asked for questions. Michael Myhre asked for a date for final numbers to which Greg Panichello noted March.

The 2017 budget discussion included a discussion about cash flow for the year. Greg Panichello noted that to maintain a similar position as we had in 2016 that we need to raise annual conference fees up to \$81 per registration. Christian Conroy noted that the 2017 budget included 5 BOD meetings instead of the four agreed to by the board. Greg Panichello will make an adjustment to the budget to reflect 4 meetings. The BOD also discussed SBA three year grant funding including the indirects of about 15% coming to the ASBDC which was successfully negotiated by Tee Rowe. Janice Washington and Tee Rowe reviewed the required reimbursement and payment approval process for invoices which will be critical to follow through-out the grant. With these budget impact discussions completed Michael Myhre recommended a \$50 increase in conference fees under the assumption that the increase was actually needed. Michele Abraham clarified that the increase was another increase on top of the last \$100 and that our goals should be to keep member professional development costs as low as possible. Additionally she asked whether an increase could be absorbed by having more sponsors. Greg Panichello noted that conference costs had not been increase for several years even though costs continued to increase over those same years. Greg Panichello discussed his analysis. Michele Abraham suggested asking the members their thoughts on the increase. Michele also suggested the members be notified of the potential registration cost increase for their planning purposes and that it should be reviewed by the BOD at the spring meeting. Michael Myhre noted that there was a motion on the floor. Greg Panichello clarified the motion as a vote to use the \$50 increase for planning purposes only and moved to accept his recommendation with Katie Sewell seconding the motion. The Board unanimously approved the motion as revised.

Michael Myhre had to leave the meeting to meet another commitment. He turned the meeting over to the Vice Chair, Janice Washington.

Greg Panichello continued budget discussions with an overview of member's dues. He reviewed the current dues capping policy which impacts the 12 largest states. He noted that the structure is resulting in continuing decline of funds to the Association. Bill Cummins asked how the capping structure was established with Greg Panichello and Tee Rowe talking through what they understood as the original philosophy. Greg Panichello indicated that there needed to be equity in the model for all members. Janice Washington asked if a conversation had occurred at a member level yet. Michele Abraham requested access to the needed information concerning dues with Bill Cummins suggesting Janice Washington add it to the agenda for the next board meeting.

Janice Washington asked for additional questions or comments with none being brought forward. Greg Panichello reviewed the summary of the discussions and asked for a vote on the budget as presented with the discussed review of additional information concerning conference fees, dues, grant funding. Christian Conroy noted that Greg Panichello had done a great job of financial analysis and budget development. Greg Panichello made a motion to accept the budget with the review items noted. Bill Cummins seconded the motion. The Board unanimously approved the motion as stated by Greg Panichello.

## **DISCUSSION AND APPROVAL OF COMMITTEE REPORTS**

### Conference Committee

New Conference submission portal opened January 1, 2017 (and close February 15, 2017) Portal allows multiple attachments and simplifies the submission requirements as compared to past years.

Currently 36 submissions in the portal.

International subcommittee to begin process of soliciting for submission their preferred proposals/presentations.

General session for 2 days have been confirmed with possibility of contracting with another sponsor for 3<sup>rd</sup> general session.

Conference Committee convenes in Nashville April 3-5 for final program selection process.

### Marketing Committee

Full committee has not met in several months, but there has been a great deal of subcommittee activity, particularly by the #SBDCDay subcommittee. As the Board will recall, the committee has planned the first #SBDCDay for Wednesday, March 22, 2017 as a way to promote SBDCs and their clients nationally. A by-product will be promotion of the America's SBDC brand where it has been adopted. The committee is in the process of recruiting volunteers from each SBDC network to spearhead the initiative and as of this writing, has 51 volunteers lined up. A webinar is planned for Wednesday, January 25, to update the volunteers on their roles and responsibilities and to give them suggestions for what they can do get their states/regions to participate in #SBDCDay. Participation was originally planned to be mostly on social media, but can also include traditional media and live events.

Christian Conroy asked if the SBDC Day will be an agenda item at the spring meeting. He suggested doing a break-out session for a deeper discussion. Janice Washington and Michele Abraham thought that would be a great idea to help firm up connections and participation.

## **OLD BUSINESS**

### Generation Study by Jason Dorsey

The board liaisons indicated that there was general support of the concept but many were concerned about having more details and in particular in particular about how the results are to be implementation at the local level. Janice Washington said she had sent the comments she had gotten to Tee. Christian Conroy noted that doing the study was in alignment with the strategic plan goals. Tee noted he would be talking with Jason on the 18<sup>th</sup> and that he would bring others into the conversation as well. Janice Washington asked

if there were other questions or comments. Tee noted he would talk with Jason and then do a briefing with both Janice Washington and Christian Conroy.

Tee Rowe had reviewed the economic impact study in his President's report.

Michele Abraham asked the board members to make revisions to the Leadership portion of the strategic plan and upload them to the board Dropbox.

## **NON-BOARD MEMBER COMMENTS (MEMBERSHIP)**

Mark Gregory, Oregon asked when we would know more about the Small Business Network of the America's. Tee Rowe said it was still in the start-up stage and he would update the members with what he knew in February. Mark Gregory asked if was to be a franchise initiative across the country. Tee Rowe said it needed discussion in February.

Janice Washington asked if there were any more comments or questions, none were noted.

Janice Washington asked for a motion to adjourn if there was no other business for the board. Michele Abraham made a motion to adjourn which was seconded by Mark Langford. The Board voted unanimously for adjournment.

**5:15 PM            ADJOURN MEETING**

## **UPCOMING BOARD MEETINGS**

**March 20th (Monday)**

**3:00 PM ET - 4:30 PM ET**

WebEx Meeting

**April 17th (Monday)**

**3:00 PM ET - 4:30 PM ET**

WebEx Meeting