



BOARD OF DIRECTORS

MEETING AGENDA

February 5, 2017

Washington, DC

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. [ASBDC Bylaws]

8:36 AM CONVENE BOARD MEETING

WELCOME AND ROLL CALL

PRESENT	BOARD MEMBER	NOT PRESENT
X	Michele Abraham (South Carolina)	
	Terry Chambers (Washington)	X
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 AND INTRODUCTIONS

Mary Hoffman, Jody Keenan, Tricia James, Lisa Shimkat, Jill Kline, Laura Fine, Michael Singleton, Duane Fladland, Russell Wyrick, Allan Adams, Mark Petrilli, Beth Melnik, Debra Martin, Jacqueline Taylor, Roberta Skebo, Ed Huttenhower, Mark Gregory, Al Salgado, Diane Howerton, Matt Sullivan, Bruce Strong, Cheryl Kirby, David Weeks

CALL TO ORDER AND AGENDA OVERVIEW BY CHAIR, MIKE MYHRE

8: 30 AM OFFICER AND COMMITTEE REPORTS

APPROVAL OF THE MINUTES OF THE BOARD OF DIRECTORS' MEETING – JAN. 17, 2017

Acting Secretary Michele Abraham presented the January Board meeting minutes as posted by Terry Chambers. Greg Panichello moved to accept the minutes. Mark Langford seconded the motion. The Board unanimously approved the minutes.

DISCUSSION AND APPROVAL OF PRESIDENT'S REPORT

Tee reported that Linda McMahon was confirmed as Administrator. Nomination should go to the floor of the Senate probably the week after this.

Marisol Rivera-Diaz has been hired as the association office manager; she will also be helping with Spanish translation. Everything is set for the client showcase which will be held in the Rayburn cafeteria this year.

Cyber security language has been included in the National Defense Authorization Act. Tee said he will be sending out a request to all SBDCs to provide information on current cyber security activities. This will be assessed along with any SBA initiatives to determine next steps. Ultimate goal is to create a program with collateral materials that all SBDCs can use. AT&T may be a good partner to help with this program.

There is a significant concern in Congress with the need for outreach in many rural communities across the country. Most job formation has occurred in 70 counties only. Many community banks are closing which contributes to the problem. America's SBDCs have a huge opportunity to address these concerns given our footprint. Broadband and infrastructure issues along with diminishing population in parts of the country contribute to the problem. Greg Panichello suggested that America's SBDC strategy should be broader than just rural outreach. Mike Myhre noted that while we should focus this week on our short term priorities, we can also show empathy for the rural issues and build the rural development program longer term. Michele Abraham suggested that we also reach out to the entire network to capture what we are now doing across the country as a starting point.

SBA has pulled back on all the special initiatives for now. The B2B RFP is still out there; Tee believes this is to demonstrate their concern for veterans' outreach. Tee will be responding and will call on key networks to develop approach. The SBA is starting to realize that the

current curriculum is lacking and they would like to establish broader collaboration on the program. America's SBDC is positioned to do that. Tee recommended that we not pursue any overseas programs. Again, the SBDC has footprint to do follow-through with those who go through the B2B program. Michele Abraham noted a collaborative effort the SC SBDC is doing with BMW on qualification and expansion of existing veteran owned businesses. BMW says this is of interest to the entire automotive industry. The board agreed that this is of interest and Tee mentioned that Harley Davidson and other similar companies have the same interest. Mark Petrilli asked that the B2B initiative be shared with the entire network.

Tee explained that the SBA has suspended almost all spending temporarily which puts America's SBDCs under a magnifying glass. Our budget of \$117 million represents about half of the total SBA entrepreneurial budget. This makes it especially important that we demonstrate our ROI to Congressional members. Mike Myhre explained that he tried to get the new SBA administrator to this membership meeting, but it was not possible at this time.

DISCUSSION AND APPROVAL OF CHAIRMAN'S REPORT

Mike Myhre presented the Board with an organization chart and description of committees/working groups/task forces/interest sections for America's SBDC. He has received 48 responses to the membership survey so far. He would like to set up a framework for function of interest groups. Greg Panichello asked that we make sure to identify and convey leaders of all groups to facilitate interaction. Christian Conroy mentioned that the description of the Operations Committee reflects an expanded scope and suggested that sub-committees be created so that all responsibilities are handled. Janice Washington suggested that an additional analysis be done to review what Mike presented; she agreed to do this.

Chairman Myhre opened the floor for discussion about the national advisory board meeting. Greg Panichello stated that his board member does not have a good idea of the role and objective of their group. We would like to hear about the results of the recent host survey they conducted. Lisa Shimkat suggested that the national advisory board be more transparent with their activities and allow involvement. Katie Sewell offered that we have the board do national surveys on key topics. Tee mentioned that their budget is about \$50,000 which is controlled by Adrianna Menchaca-Gendron. Research and studies they conduct could be utilized by America's SBDCs to support key initiatives. Mark Petrilli stated that the advisory board should be a strong advocate for the SBDCs. Mark Langford asked for clarification on how they developed the questions for the host survey. Georgianna Parkin mentioned that a board member from Babson University had made congressional visits with her, which was very effective. Christian Conroy asked that we veer them away from conducting a host summit. He also suggested that they might be able to help with district office relationships. Diane Howerton suggested that the board work through the state director on any contact with hosts. Several board members offered additional thoughts.

10:00 AM BOARD MEETING SUSPENDED

ASBDC & NATIONAL ADVISORY JOINT BOARD SUMMIT (BOARD MEMBERS ONLY)

12:00 PM BOARD LUNCH (Board Members Only)

1:02 PM

BOARD MEETING RECONVENED

SBA LEADERSHIP ENGAGEMENT

The meeting was reconvened at 1:02 p.m. Adriann Menchaca-Gendron, Lori Guillan and Vicki Mundt joined the board and introductions were made. Mike Myhre opened with expression of appreciation of Adrianna's visits around the network and her team's efforts to do internal process improvements. He asked for their input on what the SBDC can do to improve our relationship with the SBA. Adrianna suggested that the SBDC network "let go" of old issues and focus on moving forward together. Lori echoed Adrianna's comments and noted the importance of open, honest communication between the entities with shared focus on helping clients that walk through SBDC doors every day. Mike asked that OSBDC work on expediting the NOA process because of the serious issues it creates for many of the networks including personnel layoffs. Mike gave a brief summary of the meeting between the SBA advisory board and the America's SBDC board, highlighting a recommendation that Adrianna and advisory board members attend an SBDC accreditation review.

Adrianna offered an update on the agency transition. Today there are nine interim directors on board, six of whom have gone through a full briefing on the agency and its programs. They expect that Linda McMahon will be confirmed as the new SBA Administrator within the next two weeks. Strategic initiatives are on hold and they have pulled back introduction of a new SBA logo. Renaming of loan programs is also on hold. Adrianna added that we should anticipate being prepared to demonstrate and offer new ideas on addressing women and veteran owned businesses. Feedback from the SBDC network on this topic included many client success stories; SBA wants stories about SBDC initiatives in the areas they identified. Adrianna will use what she has already received for the year-end report, but she welcomes additional input on initiatives for future discussions. Lori said that phase I of the EDMIS review will be complete by the end of Feb.; this included looking at SBDC uploads and issues with discrepancies in numbers. Of ten networks reviewed, about half had errors at the rate of 3%. The EDMIS platform for reporting is also being evaluated, headed by the new SBA CIO. A tiger team meets every other day and reports to Lori and the CIO every two weeks. Mike Myhre asked that the SBA engage the SBDC in discussions as they begin Phase II. Scott Henry continues to work on data collection and Lori stated that the premise is to make the process less onerous for everyone. Lori and Adrianna mentioned some of the early findings, and the board asked that we be kept informed of developments on a timely basis. Mark Petrilli suggested ideas on how the OSBDC might further improve the review process for NOAs. Adrianna committed to looking at this internally.

Board wrap-up after the meeting with SBA included several key points:

1) Work toward having Adrianna attend an accreditation review.

2) There is a sense of urgency to complete the RFPs for proposals from potential new vendors for SBDC data collection and reporting. Concern was expressed about this causing us to send out an additional survey. Response rate from an unknown third party is also likely to reduce response rates. Lengthy discussion followed; it was agreed that we should continue to pursue the RFPs with implementation in 2018.

3) The board discussed creating an annual national America's SBDC report.

OFFICER AND COMMITTEE REPORTS RESUMED

DISCUSSION AND APPROVAL OF TREASURER'S REPORT

Greg Panichello presented the Treasurer's Report. The January financials are not yet available. The budget includes a \$50 increase in conference fees – and increased costs for salaries. This will produce a net profit of \$69,911 for the year. Katie Sewell made a motion to approve the budget which was seconded by Mark Langford. After discussion, Bill Cummins made an amended motion to approve the budget as presented including the \$50 increase in conference fees and other edits. The motion was approved. Greg also offered a proposal to index the annual dues cap for the large states which would then be maintained moving forward. This would create a relatively small increase for the largest states. Allan Adams asked to receive an accounting of where and how dues are being spent. The board agreed to continue to investigate and discuss at the fall membership meeting.

DISCUSSION AND APPROVAL OF COMMITTEE REPORTS

Accreditation Committee – Beth Melnik, Chair; Katie Sewell, Board Liaison. Jody Keenan was elected as the new committee chair for 2018. The committee had a full agenda and will meet again in March to finish. Accreditation training will be held here at the hotel on Thursday of this week.

Communications, Marketing and Branding Committee – Jacqueline Taylor, Chair; Michele Abraham, Board Liaison. Jacqueline summarized the first national SBDC Day campaign plans for March 22nd, which will be mostly a social media campaign. The committee is developing content that the states can use for promotion. Additional ideas are to get proclamations from Governors, Mayors, etc. Other activities are encouraged to help get the word out. Jacqueline will provide updates on trending and results both during and after.

Legislative Committee - Christian Conroy and Tee Rowe, Co-Chairs; Christian Conroy, Board Liaison. Christian summarized the Heritage Foundation report. Elimination of ITA and MEP may offer a great opportunity for the SBDCs. However, based on history it is unlikely that these programs will be abolished. Dept. of Energy R&D spending will cause an issue for some SBDCs and their clients. Interest in Cyber Security is an opportunity for us. Additional changes are noted in the full report which Tee sent to all state directors. OSHA, cyber security and Congressional program changes are recommended as focus areas for ASBDC. SBDC network members are not being encouraged to address this with Congress. Bill Cummins mentioned that he heard there will likely be a reset of this report. He also noted that Congress and the new administration may be at odds about the future of EXIM bank. Christian expressed concern about the possibility that increases in defense budgets will come at the expense of discretionary funding (includes America's SBDCs). Tee noted that it may be premature to bring this up until we know more about where Congress will go with the overall budgeting process. Christian asked that the membership be advised that even the CR could suffer a cut at some point this year.

Operations Committee - Pam Benedon and Mary Hoffman, Co-Chairs; Greg Panichello, Board Liaison. Mary Hoffman described the last call with SBA about data collection. There was concern that the SBA might try to collect data on every client we touch, but more recently the indication is that this will not be the case. The committee is ready to tackle any new SBA document and process reviews. Mike asked that the Operations Committee communicate with the SBA staff on these issues. Mary noted that this has been tried before, but they are willing to address it again, which could be a proactive initiative on improving the financial review portion of the NOA approval process.

Professional Development Committee - Conference and Education Subcommittee - Drew Tonsmeire, Chair; Mark Langford, Board Liaison. Mark Langford announced that the conference committee is on track and has nothing to request of the board.

Professional Development Committee – Leadership Development Subcommittee - Kristin Johnson, Diane Howerton, Allan Adams, Co-Chairs; Bill Cummins, Board Liaison. Diane Howerton thanked board members who have been participating in the committee. The next new state director onboarding program will be held May 8th-10th in Maine. The committee has identified five new state directors for this cohort and evaluated a variety of factors in determining good matches for the mentoring program.

Executive Committee – Investments & Finance Subcommittee - Janice Washington, Chair and Board Liaison. Janice stated that there is nothing new to report.

Executive Committee – Personnel Subcommittee - Georgianna Parkin, Chair and Board Liaison. Georgianna noted that they are working on annual review for President Tee Rowe.

Research and Data Committee - Lisa Shimkat, Chair; Mike Myhre, Board Liaison. Lisa stated that the team will be taking on some new assignments from the board chair.

Associate State Director Work Group - Terry Chambers, Chair and Board Liaison. The group is looking for a time to meet while here in D.C.

Strategic Task Force – Core Competency Report - Lyle Wright, Chair; Greg Panichello, Board Liaison. Lyle will make a short presentation at the membership meeting tomorrow.

NEW BUSINESS (BOARD)

NEW BUSINESS TOPICS

Mike Myhre reviewed the agenda for the membership meeting and reception tomorrow. Tee has volunteers to help him and Anthony Bedell with greeting Congressional members and staff.

ASBDC “Open for Business” proposal: Mike described the proposal that two of the SE region SBDC experts created for disaster recovery. It is included in membership packets and will be presented tomorrow at the meeting.

SSTI letter is not being pursued.

Mark Gregory talked about a franchise certification through FranFit which includes a franchise assessment tool and process. Some information was sent to the board and an additional report which he summarized will be forwarded. Franchise growth warrants having SBDC specialists trained and he recommended that we add a training program for the network. There is no formal certification at this point. Training is about two days. Mark is requesting that the FranFit (or similar) program be included and sponsored by the board. The board discussed getting additional data to assess level of interest and value of expanding the program. Mark noted that encore entrepreneurs are particular fits for this type of business.

There is a major event occurring in Washington D.C. that conflicts with the planned board meeting in May. A different location may be chosen, but the goal is to maintain the May 17-18 dates previously scheduled.

OLD BUSINESS (BOARD)

OLD BUSINESS TOPICS

GenStudy update was provided by Tee Rowe. He suggested Feb. 16th as a kick-off conference call date. Prior to that Jason Dorsey wants the board to assist with identifying 3-5 categories that would include specific questions in the survey. Tee asked for input from the board as soon as possible so that he can send feedback to Jason by next Saturday.

NON-BOARD MEMBER COMMENTS

Nothing new offered.

4:55 PM MEETING ADJOURNED

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

May 17th - 18th

Location TBD

In-person meeting