

Minutes

Association of Small Business Development Centers

Board of Directors

Date: March 2, 2003
Place: Washington, D.C.

Board Members Present	Clinton Tymes Erica Kauten Don Wilson Liz Klimback Don Kelpinski Jim Hogge	Diane Wolverton Grady Pennington Doug Gurley
Others Present:	Dan O'Grady Jim King	Albert Labs

The meeting began at 8:10 EST March 2, 2003.

Approval of minutes 1/29/03

Moved by Doug and seconded by Grady. Unanimous approval.

Chair Opening remarks – Clinton Tymes

1. SBA Relationship – Clinton has been working closely with Kaaren Johnson Street. The relationship is good and the understanding of the SBDC issues is improving.
2. Kauffman – There is a good opportunity to partner with the Kaufmann Foundation.
3. Inclusion of others: Clinton stressed the need to be inclusive. This includes working closely with other technical assistance providers such as the WBC, SCORE, etc.

President's Report

See Don's Report

Financial

Last year's net income of \$300,000 is very positive. Insurance provided this amount plus a very successful conference in Nashville. The ASBDC will most likely need this reserve to support the conference in San Diego. There is a concern with the ability of the membership to attend the conference due to budget shortfalls. We need to encourage members to attend the Conference.

Congressional Support

Dan O'Grady has improved the contact with the Congress. We were not able to get an increase for the 24 states that lost funding. There is a modest increase of \$421,000 for appropriation; however, most SBA program had cuts.

Current year. House presentation was well received. However, the House (Manzullo) recommended \$89 million which is very disappointing. The Rep. Valazquez is supportive and will recommend \$125 million. There may not be Senate review of the SBDC budget since the entire budget process is so far behind.

State Issues

Don is spending more time with States such as Virginia, California, Colorado, and Iowa. Virginia is doing well.

California – State funding and Community College funding are at risk. There is a potential for six programs, one per district. Governor has eliminated funding that supported the state office. There is Congressional pressure from California legislators to continue funding of the program. The Administration is strengthening the role of the Regional Administrators, but the DDs are opposed to this move. There may not be a decision until late March on the California issue.

SBA relations

Relations seem to be improving. Clinton and Don have a good relationship with Kaaren Johnson Street. Don continues to have regular conversations with Johnnie.

There is a potential regional meeting with Administration/Deputy, Regional Administrator, State Directors, Advisory Board Chairs, and Don Wilson. The goal is to discuss and solve common issues such as reporting (monthly). Jim Hogge requested a letter from the Association to each state director stating the Association position on monthly reporting so the membership is informed.

Other Issues

There are SBDCs in Mexico and Central America. What is the Association's position on supporting this effort? The Association needs to determine if and how we are involved with these SBDCs.

Rural Outreach - There appears to be SBDC contraction in this area. The fear is that rural areas are not being served. There is significant risk of not serving rural areas due to the Congress support in this area. We need to seek out other funding sources (Farm Bill) to ensure SBDCs are serving rural area.

Fund raising by organization like the Friends of the SBDC is critical to the success of the SBDC program.

Authorization Amounts

This is a difficult issue. The Authorization must be high enough to encourage and allow increased funding, but we do not want to be viewed as greedy. Legislative Committee stands by their recommendation of \$175, 200, 225 & 250 million for the next four years. Don, Dan, and Clinton do not believe that we sell these numbers. Their recommendation is to keep under \$200 million.

Diane Wolverton moved that the authorization marks should be \$135, 155, 175, 195 Million. Liz Klimback Second. The vote was unanimous supporting the motion.

Kauffman

National 3rd Party Counselor Certification presentation was well received. Kauffman want to do things on a grand, national scale. The Association will develop a concept paper. Kauffman will help fund the development of the concept paper. Clinton will ask the Education committee to work on the concept. Clinton will appoint a Board committee to determine how best to use the \$135,000 available from Kauffman (i.e. website, other)

PBS

We are having difficulty getting the PBS stations to play the program. The Problem: not a series, not familiar with ASBDC. The SBDCs will have to develop grassroots support to get aired.

New Initiatives

The Association is working with the NFL to develop pilot programs in 5-6 cities to help players with entrepreneurial development.

Don is working with the Department of Energy to keep the SBDCs involved and funded to support an effort to reduce energy consumption by small businesses.

The Association is work with AIG to develop and deliver a Risk Management system/curriculum.

Forest Service – Education for Contractors was not implemented to do increased costs of fire fighting last year. Progress this year is dependent upon the fire season.

There was a legislative change that allows Veterans' Affairs to pay for NxLevel and FastTrac training. This will hopefully increase the numbers of Vets using our training programs.

SBA Update

California

The State will not have the funds after July 1, 2003 to manage the SBDC. Tom Mueller is program manager. State could receive the funds and be a fiscal manager, but could not manage the system operation. The decision is in the hands of the Administrator. Administrator will visit California to determine the facts and make a decision. The DD want a six-program system. Johnnie and Greg Higgins visited California and met with potential hosts. There are five to six universities that are interested.

Field Ops vs OSBDC requirements for performance.

The Board and Johnnie discussed the goal development process does not consider the SBDC Coop Agreement. Johnnie did not appear to be aware to the issues relative to monthly reporting.

Participation of the ASBDC in the selection of a new state director.

Calling Tree Reports

Grady – concerns 5% increase in milestones; Innovative Bank – how do we handle? Are there standard agreements

Liz – PBS

Jim – State funding

Don – 5% increase, state funding cut – Maine, RI, NH

Doug – Dues, Performance card, EDMIS, Communication

Diane – OMB rating system; FAST;

Erica – same as above

It was agreed that there should be a small group session to determine the impact of state funding during the State Directors Meeting. Dan O'Grady will develop a survey form.

FAST

Interest section at the end of the session

Needs Assessment

Don Kelpinski provided an update on the Nation Needs Assessment Tools. There are 28 questions in the current survey. In the initial survey effort, 2,000 businesses were surveyed and had 200 responses were received in three days. The cost less than \$2,000 per center paid by SBA up to 500 responses.

Next Meeting

Conference Call: March 25, 2003.

Quarterly Board Meeting: Jun 20-21 in Kansas City.

Adjournment

The meeting was adjourned at 5:00 EST, March 2, 2003.

Respectfully submitted,

Jim Hogge