

Minutes

Board of Directors Meeting

Association of Small Business Development Centers (ASBDC)
January 11 - 13, 2006
Tucson, Arizona

Board Members Participating: John Massaua (Chairman); Don Wilson (President); Henry Turner (Vice Chairman); Roy Miller (Secretary); Carmen Marti (Treasurer); Jody Keenan (Assistant Treasurer); Carol Lopucki; Georgianna Parkin; Mark Petrilli; Al Salgado.

Others Participating: Mike Young; Barbara Necarsulmer (Chair, Associate State Directors Group); Donna Ettenson; Dan O'Grady.

Call to Order: The meeting was called to order by Chairman Massaua at 8:30 a.m. on January 11, 2006.

Approval of Minutes: Secretary Miller presented the draft minutes of the Board conference call of December 21, 2005, and asked that they be approved. Henry Turner moved that the minutes be approved. Carmen Marti seconded the motion and the motion passed by voice vote.

Financial Report: Treasurer Marti reviewed the Association's financial statements and reported that the Association's financial position is sound.

Distribution of *Member Connection* Newsletter: The Board discussed the distribution of the Association's newsletter.

Motion: Roy Miller offered a motion to send the *Member Connection* newsletter to all SBDC center directors.

Chairman Massaua noted that the Board had decided at its previous meeting to send the newsletter to associate state and regional SBDC network directors, and that the Board had discussed developing a new newsletter for distribution to all network members. The motion offered by Roy Miller was tabled for consideration at a later time.

President's Report: Don Wilson reported to the Board on the following matters.

- 1) **New State/Regional SBDC Directors:** Don Wilson noted the relatively large number of new state/regional SBDC directors. Chairman Massaua stated that a study should be done on the qualifications and role of a state/regional SBDC director. Henry Turner noted the importance of designating experienced directors to mentor new directors.
 - @** The Board asked that Don Wilson speak to USASBE leaders, foundations and Bob McKinley about the possibility of publishing a paper on the qualifications and role of a state/regional SBDC director.

- 2) Preparations for Spring Meeting: Don Wilson noted that state/regional directors should be urged to prepare leave-behind materials for Congressional visits that are specific to individual states and Congressional Districts. They should also invite Members of Congress to visit their local SBDCs.

 - ⓐ Board members should urge state/regional directors to prepare leave-behind materials for Congressional visits that are specific to individual states and Congressional Districts. They should also invite Members of Congress to visit their local SBDCs early in the year.
 - ⓐ Chairman Massaua asked that every Board member send Don Wilson and him an e-mail listing the top four issues that the Board should be speaking to the membership about during the Spring Meeting.
- 3) Multi-Year Contract for Annual Meeting Hotels: Don Wilson reported to the Board that, in order to address rising hotel costs, the ASBDC signed a multi-year contract with Hyatt Hotels to host the Association's Annual Meetings. The Association had already signed a contract with Hyatt to hold the 2007 Annual Meeting in the Hyatt Hotel in Denver. In addition, the multi-year contract calls for holding the Annual Meetings at Hyatt Hotels in Chicago (in 2008); San Antonio (2010); and San Diego (2011).

Henry Turner suggested that the Association consider holding the 2009 Annual Meeting in Louisiana. Chairman Massaua suggested that the Association should do a presentation at the Annual Meeting this year about the national SBDC network's role in assisting small businesses devastated by the hurricanes in 2005.

- ⓐ Association staff will prepare a presentation for the Annual Meeting in Houston about the national SBDC network's role in assisting small businesses devastated by the hurricanes in 2005.

Louisiana SBDC Meeting on Hurricane Recovery: Henry Turner and Mike Young reported on a meeting they attended that was convened by Mary Lynn Wilkerson, State Director of the Louisiana SBDC, to assist in the recovery of Louisiana's small business community from the devastation of Hurricanes Katrina and Rita. The meeting was attended by economic development officials from Louisiana, and SBDC state directors and personnel including Jerry Cartwright from the Florida SBDC; Allan Adams from the Georgia SBDC; Jon Ryan from the Iowa SBDC; Doug Gurley from the Mississippi SBDC; Jim King from the New York State SBDC; Mike Siebert from the North Carolina SBTDC; and Greg Higgins from the Pennsylvania SBDC.

Carol Lopucki suggested that efforts to coordinate disaster recovery assistance might benefit from the use of decision-tree software.

- ① Carol Lopucki will send a link to Board members for information about decision-tree software.

Board Liaison State Updates: Board members discussed their conversations with their assigned state/regional directors.

The Board discussed the fact that the scarcity of funding is of concern to SBDCs throughout the country. Concerns were also expressed about EDMIS 2, SBA goaling, and the SBA's use of data to establish cost-per-center figures.

It was noted that the Wisconsin SBDC has developed the Wisconsin Entrepreneurship Network. Henry Turner stated that the Wisconsin Entrepreneurship Network should be highlighted as a best practice for the nationwide network.

Mark Petrilli stated that Walter Kearns of the Kansas SBDC suggested that the Chrisman survey instrument should be made available on-line.

Carmen Marti noted the late issuance by SBA of Notices of Award. She stated that the Puerto Rico SBDC, a fiscal year program, had only recently received its Notice of Award.

Jody Keenan informed the Board that the District of Columbia SBDC, the Maryland SBDC and the Virginia SBDC are hosting a presentation for their networks about the JJ Hill Library's services for SBDCs and SBDC clients.

Al Salgado informed the Board that the Northwest Texas Border Region SBDC has developed an Associate State/Regional Director's Toolkit to share best practices throughout the network. The Toolkit is available from SBDCNet.

The Board discussed the new grantees in California.

- ① Carol Lopucki and Don Wilson will let the new California regional SBDC directors know that the Association is available to assist them.

The Board discussed the re-competing of the Rhode Island SBDC grant.

- ① Chairman Massaua and Don Wilson will send a letter to institutions of higher education in Rhode Island to encourage them to consider competing for the Rhode Island SBDC grant.

- ① Roy Miller will send to Board members information about the important role that SBDCs play in the work of their host institutions.

Committee, Taskforce and Interest Section Updates:

- Accreditation Committee: The Board discussed strengthening accreditation standards; the new code of ethics adopted by the Accreditation Committee; the development of technology

accreditation standards; whether and under what conditions an SBDC should use a Technology designation; the development of a technology counselor certification; and the development of other specialty certifications.

- ① Carmen Marti will compile suggestions regarding the Accreditation Committee's new code of ethics from Board members, for the purpose of recommending possible changes.
- ① The Board will invite Darryl Mleynek, Chair of the Accreditation Committee, to the Board's meeting in February, to discuss accreditation issues.
- ① Mark Petrilli and Carmen Marti, at the request of Chairman Massaua, will co-chair a committee to consider whether a technology accreditation should be required of SBDCs that hold themselves out as having technology expertise similar to that of a "T" accredited state. Members of the committee will also include Henry Turner, Carol Lopucki and Barbara Necarsulmer. The committee will report back to the Board in March.
- ① Al Salgado will include a discussion of the Technology designation in the professional development presentation at the Association's Annual Meeting in Houston.

Motion: John Massaua moved that ASBDC staff work with the Kauffman Foundation and universities such as Babson University to develop a proposal for a certification program for all SBDC counselors, in cooperation with the Counselor Certification Committee chaired by Janet Roderick and Kate Hoelscher, and present a proposal at the ASBDC Annual Meeting in Houston. The motion was seconded by Henry Turner and passed by a unanimous roll-call vote of 10 ayes to 0 nays.

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Motion: John Massaua moved that, in conjunction with the development of a certification for all SBDC counselors, ASBDC staff communicate with the University of Maryland to develop a proposal for a technology counselor certification program and make a recommendation to the Board by March; and that any proposal for technology counselor certification include the following elements: (1) a review by an independent institution of higher education of an applicant's resume and portfolio; (2) a review of the applicant's knowledge and training; (3) a review of a case study; and (4) approval by the applicant's state/regional director. The motion was seconded by Carol Lopucki and passed by a unanimous roll-call vote of 10 ayes and 0 nays.

- ① ASBDC staff will meet with officials of the University of Maryland School of Business to solicit a proposal for a technology counselor certification program, and make a recommendation in conjunction with the Technology Task Force to the Board by March.

Motion: Al Salgado moved that ASBDC staff, in cooperation with the International Trade Interest Section, seek a Memorandum of Understanding with NASBITE that acknowledges the SBDC role in international trade counseling for small business and recognizes the NASBITE certification as the certification standard for SBDC international trade counselors. The motion was seconded by Roy Miller and passed by voice vote.

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- Women's Entrepreneurship Taskforce: Carmen Marti updated the Board on the work of the Taskforce.
- Veterans Taskforce: Roy Miller updated the Board on the work of the Taskforce.
- Minority Outreach Taskforce: Henry Turner updated the Board on the work of the Taskforce.
- Government Contracting Interest Section: Georgianna Parkin updated the Board on the work of the Interest Section. Roy Miller stated that there is a report on the PTAC program which finds that the best PTACs are those associated with SBDCs.

- ① Roy Miller will send to the ASBDC office the report which finds that the best PTACs are those associated with SBDCs.

- Manufacturing Interest Section: Carol Lopucki updated the Board on the work of the Interest Section. She stated that the Interest Section would like direction from the Board.
- Agriculture and Rural Interest Section: Jody Keenan updated the Board on the work of the Interest Section. The Board discussed efforts by community colleges and others to seek funds for entrepreneurship training for farmers and ranchers in the next Agriculture Reauthorization bill.

- ① ASBDC legislative staff will determine what efforts are being made to provide funds for entrepreneurship training for farmers and ranchers in the next Agriculture Reauthorization bill.

- International Interest Section: Al Salgado updated the Board on the work of the Interest Section. He asked that the Association send a representative to the meeting of the Mexican SBDCs in Monterrey, Mexico, from March 29-31. The Board agreed that Don Wilson will represent the ASBDC at the meeting of the Mexican SBDCs.
 - ① Al Salgado will research the availability of funds for the representative of the ASBDC to travel to the meeting of the Mexican SBDCs in Mexico.
 - ① The Association will encourage ASBDC members to attend the meeting of the Mexican SBDCs in Monterrey, Mexico, from March 29-31.
 - ① The Association will invite members of the Mexican SBDC association to attend the ASBDC annual meeting in Houston, and consider a special event for the occasion.
- Regulatory Compliance Interest Section: Roy Miller updated the Board on the work of the Interest Section. The Board discussed an informal proposal from the Interest Section to re-write the SBDC Regulatory Assistance legislation in Congress, changing the scope of the legislation from all forms of regulatory assistance to only safety and environmental regulatory assistance. Chairman Massaua stated that the question of re-writing the legislation should be referred to the ASBDC Legislative Committee, for a recommendation from the Legislative Committee to the Board.

The Board also discussed earmarks of SBDC funding for the Compliance Alliance and for Defense Transition Assistance. The Board reaffirmed the Association's position that earmarks are harmful to the nationwide SBDC network, and that the Association opposes the creation of new earmarks but will not actively oppose existing earmarks. It was generally felt that the FY 2006 Compliance Alliance Earmark was new since it had not been funded in 2005 and took needed funds from the Network to operate base programs.

- ① Chairman Massaua, Don Wilson, Roy Miller, Bill Carter (Chair of the ASBDC Legislative Committee) and SBDC legislative staff will hold a conference call to discuss earmarks.
- ① The Association will ask the SBA for a list of SBDCs that receive Defense Transition Assistance earmarks.
- ASBDC Synergies Taskforce: Carol Lopucki updated the Board on the work of the Taskforce. She stated that the Taskforce has been active in three areas: (1) the national SBDC Needs Assessment; (2) the SBDC Technology Assessment; and (3) the development of a uniform format for reporting best practices. Carol Lopucki stated that the Taskforce has completed the SBDC Technology Assessment, and that best practices compiled by the Taskforce will be included in the SBDCNet Associate State Director's Toolkit.

- Marketing Committee: Georgianna Parkin updated the Board on the work of the Committee. She stated that the Committee is focusing on three key efforts: (1) developing a template for press releases about newly accredited SBDCs; (2) disseminating monthly success stories based on a calendar of themes developed by the Committee; and (3) developing a monthly e-mail communication vehicle to all staff beyond state/regional directors.
- Legislative Committee: Dan O’Grady updated the Board on the work of the Committee. The Board discussed the SBDC Congressional funding request for Fiscal Year 2007. It was noted that the Senate had passed an amendment in 2005, during the consideration of the appropriations bill that funds the SBDC network, to increase funding for the SBDCs to \$110 million. A similar amendment had earlier been included in the Senate Budget Resolution. In addition, a funding level of \$110 million would restore funding lost to inflation to nearly all state/regional SBDCs since their peak funding years.

Motion: Jody Keenan moved that the Association request \$110 million in Federal funding for the nationwide SBDC network for FY 2007. The motion was seconded by Mark Petrilli and passed by voice vote.

- Professional Development Committee: Al Salgado updated the Board on the work of the Committee. He stated that the Committee had chosen a theme for the Annual Meeting in Houston (“Small Business -- America’s Future”). The Board agreed that the Professional Development Committee, and its Conference Organization Subcommittee, should decide the theme for the Annual Meeting, as it has always done.
- Network Engagement Committee: Mark Petrilli updated the Board on the work of the Committee. He stated that the Committee is working to develop a possible associate member benefit package. Chairman Massaua stated that funding would be needed for data base management if an associate membership program is established. There was considerable discussion on the benefit of SBDC counselors and staff being associate members of the ASBDC. The discussion was tabled until the February Board meeting in Alexandria, Virginia.

@ ASBDC staff will work with the Network Engagement Committee to determine a strategy to move forward on associate membership for counselors and staff.

- Investment Committee: Don Wilson updated the Board on the work of the Investment Committee and the status of the Association’s rainy day fund.

Discussion of SBA Issues and Opportunities: Board members discussed the Association’s relationship with the SBA, including: (1) the partnership between the ASBDC and the SBA; (2) Congressional issues; (3) goaling; (4) EDMIS 2; (5) non-negotiable issues; (6) leadership meetings between the SBA and the ASBDC; (7) on-line training; (8) authority within the SBA over the SBDC program; and (9) the ASBDC presentation to SBA senior management during the Spring Meeting.

- ① Chairman Massaua and Don Wilson will write to the SBA to state that EDMIS 2 will not work correctly as currently designed, and that the SBDC network will not manipulate data in any inappropriate way to make EDMIS 2 work as it relates to prep time.

Motion: Mark Petrilli moved that the Board re-confirm for the membership the importance of preserving the integrity of program data despite any problems that may arise as a result of trying to implement EDMIS 2. The motion was seconded by Henry Turner and passed by voice vote.

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Women’s Business Centers: The Board discussed having a dialogue with leaders of the Women’s Business Centers to explore increased cooperation between the SBDCs and the Women’s Business Centers.

Motion: Roy Miller moved that the Board support a dialogue with leaders of the Women’s Business Centers to explore increased cooperation and a formal relationship between the SBDCs and the Women’s Business Centers. The motion was seconded by Carmen Marti and passed by voice vote.

SBA Update: The Board welcomed Antonio Doss (SBA Associate Administrator, Office of SBDCs).

1. ASBDC Presentation to SBA Senior Management: The Board and Mr. Doss discussed the ASBDC presentation to the senior management of the SBA during the ASBDC Spring Meeting. Mr. Doss suggested that the ASBDC make a presentation about on-line training and the use of technologies in delivering services by SBDCs. Board members stated that the Association believes it is important to inform senior management of SBA about the work of the SBDCs, their economic impact and their role in the SBA. It was suggested that the ASBDC emphasize in its presentation how the SBDCs use Federal funding to leverage non-Federal funding and private sector resources. It was stated that the interest in on-line training stems from an interest in increasing head-counts, not increasing economic impact. It was stated that the SBA is interested in quantity, while the SBDCs are interested in quality. It was stated that some within the Executive Branch view the SBDCs as an expensive and “dinosaurish” program.
2. New Grantees in California: The Board and Mr. Doss discussed the new SBDC grantees in California. Mr. Doss stated that the current Rhode Island SBDC grantee will relinquish the SBDC grant at the end of June, and a new grantee will administer the grant beginning in July. Mr. Doss stated that there will be a bidders conference in Rhode Island at the end of January, and Georgianna Parkin will assist the SBA in the bidders conference. Board members stated that the ASBDC wants to work with the SBA on the transition in Rhode Island.

3. Goaling: Mr. Doss stated that the SBA will meet later in the month with NIST/MEP staff to discuss NIST/MEP performance metrics. SBA is interested in moving away from headcounts in its program metrics. Don Wilson and Jody Keenan will attend the meeting, and Mike Young and others from the ASBDC Board and Operations Committee will participate on-line. Mr. Doss stated that later in the month there will be a meeting between the SBA and members of the ASBDC Operations Committee to discuss goaling. Mr. Doss stated that the SBA National SBDC Advisory Board has written a paper on goaling, which finds that SBA's goaling process is flawed because it is developed by too many different divisions of the SBA and because it focuses too much on headcount instead of impact. Chairman Massaua stated that SBA should implement the goaling process in true partnership with the ASBDC and its members.
4. Notices of Awards for Calendar-Year Programs: Mr. Doss stated that he has started signing Notices of Awards for calendar-year SBDCs. He stated that he would send out information to the network about the schedule for issuing Notices of Awards.
5. Accreditation Contract: Mr. Doss stated that the SBA is considering an interim five-month extension of the accreditation contract with the ASBDC while its grant's management office resolves some issues internal to the SBA.
6. EDMIS 2: The Board discussed EDMIS 2 with Mr. Doss. Mr. Doss was informed that the Board is concerned that EDMIS 2 will not work as currently configured, and that, because of design flaws, statistics reported by EDMIS 2 will not reflect reality. Mr. Doss was informed that the ASBDC Board will re-confirm with its members the importance of preserving the integrity of program data despite any problems that may arise as a result of trying to implement EDMIS 2. SBDCs will send in all appropriate data to EDMIS and let the SBA decide whether to accept or reject the data. SBDCs cannot certify downloaded data, only uploaded data.

Chairman Massaua recommended to Mr. Doss that, until the problems associated with EDMIS 2 are resolved, the SBA should run EDMIS 2 in parallel with the current I AM SECURE reporting system so that the SBA can be certain of having accurate data. Chairman Massaua noted that a business concern would implement any new, unproven data information system in parallel with the existing system.

7. New On-Line Tool for Pre-Ventures: Mr. Doss informed the Board that the SBA wants to develop an on-line tool for pre-ventures to assess what they need to start a business. Chairman Massaua stated that the Maine SBDC is developing such a tool and he would be willing to work with SBA. Chairman Massaua stated that the key to making such a tool useful is to make it specific to the state in which the pre-venture entrepreneur wants to open a business.

Working Lunch with Officials of USASBE: Board members participated in a working lunch with USASBE (U.S. Assn. of Small Business and Entrepreneurship) officials Joan Gillman and Frank Hoy. The Board discussed possible synergies between the ASBDC and USASBE.

USASBE Pre-Conference Presentation: Board members attended a USASBE pre-conference presentation on entrepreneurship SBI programs at universities. During the session, the presenter stated that SBDCs are overworked and under-funded.

Role of Associate State/Regional SBDC Directors: The Board discussed the role of the associate state/regional SBDC directors in the Association.

Motion: Al Salgado moved that the Board recommend to the membership, for discussion and review during the 2006 Spring Meeting and possible ratification during the 2006 Annual Meeting in Houston, that the By-Laws of the Association be amended so that:

- (1) The associate state/regional SBDC directors' group shall be formally recognized as a part of the Association;
- (2) the elected chair of the associate state/regional SBDC directors' group (elected from among the associate state/regional SBDC directors designated by their respective state/regional SBDC directors as the second-highest ranking official in their state/regional SBDCs) shall serve as a non-voting member of the Association's Board of Directors; and,
- (3) such non-voting member of the board shall be ineligible to hold the office of Chair, Vice Chair, Secretary or Treasurer of the Board.

The motion was seconded by Roy Miller and passed unanimously by show of hands.

- @** ASBDC staff will ask legal counsel to draft a possible amendment to the ASBDC By-Laws, for discussion and review during the 2006 Spring Meeting and possible ratification during the 2006 Annual Meeting in Houston, such that: (1) The associate state/regional SBDC directors' group shall be formally recognized as a part of the Association; (2) the elected chair of the associate state/regional SBDC directors' group (elected from among the associate state/regional SBDC directors designated by their respective state/regional SBDC directors as the second-highest ranking official in their state/regional SBDCs) shall serve as a non-voting member of the Association's Board of Directors; and, (3) such non-voting member of the board shall be ineligible to hold the office of Chair, Vice Chair, Secretary or Treasurer of the Board.

Enhancing Regional Representation and Continuity: The Board discussed ways to increase regional representation and continuity in the Board's work. Board members concluded that there was sufficient regional representation on the Board, but that changes should be made to increase continuity in the Board's work from year to year.

Motion: Carol Lopucki moved that the Board recommend to the membership, for discussion and review during the 2006 Spring Meeting and possible ratification during

the 2006 Annual Meeting in Houston, that the By-Laws of the Association be amended so that one-third of the Board's members are elected each year to three-year terms. The motion was seconded by Al Salgado and passed unanimously by show of hands.

- @ ASBDC staff will ask legal counsel to draft a possible amendment to the ASBDC By-Laws, for discussion and review during the 2006 Spring Meeting and possible ratification during the 2006 Annual Meeting in Houston, such that one-third of the Board's members are elected each year to three-year terms.
- @ ASBDC staff will recommend a transition plan from the current Board terms to a 3/3 term system.

Preparation for ASBDC Presentation to SBA Senior Management: The Board discussed preparations for the ASBDC presentation to SBA senior managers during the Spring Meeting. Carol Lopucki agreed to coordinate preparations for the presentation.

- @ Board members agreed to work on the ASBDC presentation to senior SBA management as follows: (1) Quality and Quantity (Mike Young and Al Salgado); (2) Return on Investment (Jody Keenan, possibly Scott Daugherty, and Professor Jim Chrisman); Human Capital Plus Technology (Carol Lopucki and possibly the Edward Lowe Foundation); Technology as a Tool (Georgianna Parkin and possibly Conley Salyer).
- @ ASBDC staff will ask the SBA Office of SBDCs for the amount of match funding raised by SBDC grantees.
- @ After the presentation to SBA senior management, the Association will develop a script of the presentation for future use throughout the network.

Discussion with Professor Chrisman: The Board spoke with Professor Jim Chrisman on speaker-phone. Board members and Professor Chrisman spoke about the survey form, the demographic data form and the definition of "cost of counseling." Professor Chrisman agreed to participate in the ASBDC presentation to SBA senior management during the Spring Meeting. It was stated that 30-35 states conduct state Chrisman surveys every two years, and most of those states are moving towards annual surveys. Donna Ettenson asked Board members if they would like to suggest any new questions for the next Chrisman survey. The Board expressed its view that there be consistency in calculating counseling costs, especially on the part of new state directors.

- @ Chairman Massaua will share his calculation of "cost of counseling" with Professor Chrisman and the Board.

Budget Proposal: Treasurer Carmen Marti and Assistant Treasurer Jody Keenan presented a proposed budget for the Association for 2006. They noted that the budget proposal is very lean. Income from the dues surcharge that expired in 2005 will not be available in 2006, reducing the

Association's income by approximately \$133,000. They noted that approximately half of the Association's income is from the Annual Meeting. It was pointed out that the budget proposes to increase the conference fees in 2006. The Association has held the registration fee for conference stable for six consecutive years, despite rising costs. It was also noted that the budget does not include funding for the Association to hire communications staff.

The Board discussed adding funding to the budget for the Association to hire communications staff. Chairman Massaua suggested that the Board consider proposing a contribution of \$1,000 per state/regional network for the Association to hire communications staff. The Board asked that the Marketing Committee make recommendations about how to increase the Association's resources for marketing. Georgianna Parkin stated that the Committee is considering the possibility of working with marketing students to assist with the Association's marketing efforts.

Motion: Henry Turner moved that the Board accept the 2006 budget proposal as presented. The motion was seconded by Carol Lopucki and passed by unanimous voice vote.

@ The Marketing Committee will make a recommendation to the Board before the Spring Meeting on what is required for a communications budget.

SBA Change Regarding Portability Grant Requests: The Board was informed that the SBA had rejected a second grant proposal from the Mississippi SBDC for Portability Grant funding to assist with hurricane recovery. The SBA originally informed the Mississippi SBDC that it could apply for multiple Portability grants (with a cap of \$100,000 for each grant). However, when the Mississippi SBDC applied for a second Portability grant, the SBA grants office told the Mississippi SBDC that it could not apply for multiple grants, and that it should have applied for one grant for the full amount of funding needed in Portability Grant funding.

@ ASBDC staff will work with the Mississippi SBDC to address the issue of the SBA's change in policy regarding a state's eligibility to apply for multiple Portability Grants.

Using New Software to Organize and Present an Organization's Work: Carol Lopucki informed the Board about new software that she has worked with, designed to organize and present an organization's work. She volunteered to prepare a presentation of the Association's work, for use at the Spring Meeting. Al Salgado volunteered to work with Carol Lopucki on this project. The presentation will be included in the Spring Meeting book.

@ Carol Lopucki and Al Salgado will prepare a presentation of the Association's work, for use at the Spring Meeting, with new software designed to organize and present an organization's work.

Review of Strategic Direction Milestones: The Board reviewed the milestones established for the Association's strategic directions, as follows:

- I. Strategic Direction for Broader Political Engagement -- The Association's strategic direction is to have an organizational system that broadens political engagement to assure SBDC network sustainability.

Milestones:

- A. By the time of the ASBDC Spring Meeting next year, 70% of all members of the U.S. House and Senate appropriations subcommittees that fund the SBDC network have visited an SBDC.
- B. By the ASBDC Spring Meeting next year, the Legislative Committee has held an instructional "live" teleconference meeting with state and regional SBDC Legislative Liaisons.
- C. By the ASBDC Spring Meeting next year, state and regional Legislative Liaisons have appointed ASBDC legislative activists in 80% of the states and Congressional districts that have senators and representatives on the U.S. House and Senate appropriations subcommittees that fund the SBDC network.

- II. Strategic Direction for Leadership Development -- The Association's strategic direction is to have learning opportunities in SBDC program leadership for the entire SBDC network.

Milestones:

- A. By April 15, 2006, the Counselor Certification Taskforce has recommended an institution of higher education to partner in the development and implementation of a counselor certification program.
- B. By January 1, 2006, the Professional Development and Education Committee has a business plan for the collaborative workings of its three subcommittees (Conference Education; Leadership Development; and Conference Professional Development and Other Education).

- III. Strategic Direction for Broader Membership Engagement -- The Association's strategic direction is to have a broadly engaged SBDC network to best leverage network knowledge, resources and experience for the benefit of a strong SBDC network.

Milestones:

- A. By December 15, 2005, all committees and taskforces have full memberships (reflecting the geographic, gender and racial diversity of the network) and work plans.

- B. By the time of the ASBDC Spring Meeting next year, the Board and the Network Engagement Committee have developed an Individual Membership Benefits Package to present to state and regional SBDC directors.
 - C. By the Spring Meeting next year, the ASBDC has identified a partner to implement the database management and billing functions of an expanded Association membership.
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- ⓐ ASBDC staff will compile books for the Spring Meeting that contain: (1) the work plan of every committee, taskforce and interest section; (2) letters from all Board liaisons to accompany the work plans; (3) the Association strategic directions and milestones; (4) the document on responsibilities of committee, taskforce and interest section chairs and board liaisons; and (5) the document on the Association's work that is prepared by Carol Lopucki with her new software.
 - ⓐ Board members, in their capacities as Board liaisons, will write letters for the Spring Meeting book to accompany their respective committee, taskforce and interest sections' work plans, which will be executive summaries of the work and status of committees, taskforce on interest sections.
 - ⓐ Board members, in their capacities as Board liaisons, will ask their respective committee, taskforce and interest section chairs to submit updated work plans for the Spring Meeting book.

Committee Format: The Board tabled strategic discussions on committee format and policies until the Spring Meeting in Alexandria, Virginia.

Action Item Review:

New Action Items From the Current Board Meeting

- ⓐ The Board asked that Don Wilson speak to USASBE leaders, foundations and Bob McKinley about the possibility of publishing a paper on the qualifications and role of a state/regional SBDC director.
- ⓐ The Board will discuss mentoring for new state/regional directors during its next meeting.
- ⓐ Board members should urge state/regional directors to prepare leave-behind materials for Congressional visits that are specific to individual states and Congressional Districts. They should also invite Members of Congress to visit their local SBDCs early in the year.

- ① Chairman Massaua asked that every Board member send Don Wilson and him an e-mail listing the top four issues that the Board should be speaking to the membership about during the Spring Meeting.
- ① Association staff will prepare a presentation for the Annual Meeting in Houston about the national SBDC network's role in assisting small businesses devastated by the hurricanes in 2005.
- ① Carol Lopucki will send a link to Board members for information about decision-tree software.
- ① Carol Lopucki and Don Wilson will let the new California regional SBDC directors know that the Association is available to assist them.
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- ① Carmen Marti will compile suggestions regarding the Accreditation Committee's new code of ethics from Board members, for the purpose of recommending possible changes.
- ① The Board will invite Darryl Mleynek, Chair of the Accreditation Committee, to the Board's meeting in February, to discuss accreditation issues.
- ① Mark Petrilli and Carmen Marti, at the request of Chairman Massaua, will co-chair a committee to consider whether a technology accreditation should be required of SBDCs that hold themselves out as having technology expertise similar to that of a "T" accredited state. Members of the committee will also include Henry Turner, Carol Lopucki and Barbara Necarsulmer. The committee will report back to the Board in March.
- ① Al Salgado will include a discussion of the Technology designation in the professional development presentation at the Association's Annual Meeting in Houston.
- ① ASBDC staff will work with the Kauffman Foundation and universities such as Babson University to develop a proposal for a certification program for all SBDC counselors, in cooperation with the Counselor Certification Committee chaired by Janet Roderick and Kate Hoelscher, and present a proposal at the ASBDC Annual Meeting in Houston.

- ① ASBDC staff will meet with officials of the University of Maryland School of Business to solicit a proposal for a technology counselor certification program, and make a recommendation in conjunction with the Technology Task Force to the Board by March.
- ① ASBDC staff, in cooperation with the International Trade Interest Section, will seek a Memorandum of Understanding with NASBITE that acknowledges the SBDC role in international trade counseling for small business and recognizes the NASBITE certification as the certification standard for SBDC international trade counselors.
- ① ASBDC staff will work with the Network Engagement Committee to determine a strategy to move forward on associate membership for counselors and staff.
- ① The Marketing Committee will make a recommendation to the Board before the Spring Meeting on what is required for a communications budget.
- ① Roy Miller will send to the ASBDC office the report which finds that the best PTACs are those associated with SBDCs.
- ① ASBDC legislative staff will determine what efforts are being made to provide funds for entrepreneurship training for farmers and ranchers in the next Agriculture Reauthorization bill.
- ① Al Salgado will research the availability of funds for the representative of the ASBDC to travel to the meeting of the Mexican SBDCs in Mexico.
- ① The Association will encourage ASBDC members to attend the meeting of the Mexican SBDCs in Monterrey, Mexico, from March 29-31.
- ① The Association will invite members of the Mexican SBDC association to attend the ASBDC annual meeting in Houston, and consider a special event for the occasion.
- ① Chairman Massaua, Don Wilson, Roy Miller, Bill Carter (Chair of the ASBDC Legislative Committee) and SBDC legislative staff will hold a conference call to discuss earmarks.
- ① The Association will ask the SBA for a list of SBDCs that receive Defense Transition Assistance earmarks.
- ① ASBDC staff will work with the Network Engagement Committee to determine a strategy to move forward on associate membership for counselors and staff.

- ① Chairman Massaua and Don Wilson will write to the SBA to state that EDMIS 2 will not work correctly as currently designed, and that the SBDC network will not manipulate data in any inappropriate way to make EDMIS 2 work as it relates to prep time.
- ① Chairman Massaua and Don Wilson will re-confirm for the membership the importance of preserving the integrity of program data despite any problems that may arise as a result of trying to implement EDMIS 2.
- ① ASBDC staff will ask legal counsel to draft a possible amendment to the ASBDC By-Laws, for discussion and review during the 2006 Spring Meeting and possible ratification during the 2006 Annual Meeting in Houston, such that: (1) The associate state/regional SBDC directors' group shall be formally recognized as a part of the Association; (2) the elected chair of the associate state/regional SBDC directors' group (elected from among the associate state/regional SBDC directors designated by their respective state/regional SBDC directors as the second-highest ranking official in their state/regional SBDCs) shall serve as a non-voting member of the Association's Board of Directors; and, (3) such non-voting member of the board shall be ineligible to hold the office of Chair, Vice Chair, Secretary or Treasurer of the Board.
- ① ASBDC staff will ask legal counsel to draft a possible amendment to the ASBDC By-Laws, for discussion and review during the 2006 Spring Meeting and possible ratification during the 2006 Annual Meeting in Houston, such that one-third of the Board's members are elected each year to three-year terms.
- ① ASBDC staff will recommend a transition plan from the current Board terms to a 3/3 term system.
- ① Board members agreed to work on the ASBDC presentation to senior SBA management as follows: (1) Quality and Quantity (Mike Young and Al Salgado); (2) Return on Investment (Jody Keenan, possibly Scott Daugherty, and Professor Jim Chrisman); Human Capital Plus Technology (Carol Lopucki and possibly the Edward Lowe Foundation); Technology as a Tool (Georgianna Parkin and possibly Conley Salyer).
- ① ASBDC staff will ask the SBA Office of SBDCs for the amount of match funding raised by SBDC grantees.
- ① After the presentation to SBA senior management, the Association will develop a script of the presentation for future use throughout the network.
- ① Chairman Massaua will share his calculation of "cost of counseling" with Professor Chrisman and the Board.

- ① Carol Lopucki and Al Salgado will prepare a presentation of the Association's work, for use at the Spring Meeting, with new software designed to organize and present an organization's work.
- ① ASBDC staff will work with the Mississippi SBDC to address the issue of the SBA's change in policy regarding a state's eligibility to apply for multiple Portability Grants.
- ① ASBDC staff will compile books for the Spring Meeting that contain: (1) the work plan of every committee, taskforce and interest section; (2) letters from all Board liaisons to accompany the work plans; (3) the Association strategic directions and milestones; (4) the document on responsibilities of committee, taskforce and interest section chairs and board liaisons; and (5) the document on the Association's work that is prepared by Carol Lopucki with her new software.
- ① Board members, in their capacities as Board liaisons, will write letters for the Spring Meeting book to accompany their respective committee, taskforce and interest sections' work plans, which will be executive summaries of the work and status of committees, taskforce on interest sections.
- ① Board members, in their capacities as Board liaisons, will ask their respective committee, taskforce and interest section chairs to submit updated work plans for the Spring Meeting book.
- ① The Marketing Committee will make recommendations to the Board concerning the creation of a national brand for SBDCs.

Completed Action Items From the Board's Previous Meeting

- ✓ The Board will discuss the Association's position with regard to earmarking SBDC funds during the Board meeting in January.
- ✓ The Board will discuss the status of the implementation of EDMIS 2 during its meeting in January.
- ✓ The Board will discuss the possibility of creating a national brand for SBDCs, during its meeting in January.
- ✓ Board members will follow up with their assigned state/regional directors to obtain, by January 6, the following information for consideration during the Board meeting in January: (1) work plans and membership lists from committees, taskforces and interest groups that have not yet submitted their work plans or membership lists; (2) updated work plans and membership lists from committees, taskforces and interest groups that have already submitted their work plans or

membership lists; and (3) budget items for possible inclusion in the ASBDC budget for 2006.

- ✓ Board members will contact their assigned state/regional SBDC directors to encourage them to take the Microsoft small business accounting software tutorial.
- ✓ Barbara Necarsulmer will send an e-mail to members of the Associate and Assistant State/Regional SBDC Directors group to encourage them to take the Microsoft small business accounting software tutorial.
- ✓ The Board will hold an in-depth discussion during its meeting in January, led by Mark Petrilli, of the development of technology accreditation standards.
- ✓ The ASBDC will include in the *Member Connection* a notice to network members that the Association's committees, taskforces and interest groups are seeking members. (The notice in the *Member Connection* should include a statement of the Board's policy that committee, task force and interest group members must be members of the SBDC network.)
- ✓ ASBDC staff will give the Board a compilation of dues paid by network members.
- ✓ ASBDC staff will prepare an agenda for the Spring Meeting that takes into account all of the needs identified by the Board (see above).
- ✓ Mark Petrilli will recommend a member of the network to serve as the non-Board member on the Board's Personnel Committee.

Incomplete Action Items from the Board's Previous Meeting

- Ⓐ Don Wilson will send to Board members the list of state/regional directors who have not yet submitted their center locations for the new ASBDC website.
- Ⓐ Board members will follow up with their assigned state/regional directors to ask them to submit their center locations for the new ASBDC website if they have not already done so.
- Ⓐ Board members will continue, as necessary, to contact their assigned state/regional SBDC directors to encourage them to take the Microsoft small business accounting software tutorial.
- Ⓐ Al Salgado will work with the Professional Development and Education Committee to incorporate into the Committee's work plan all the action items

identified by the Board for the Committee, and to secure chairs for the Committee's three subcommittees.

- ① The Marketing Committee will consider what resources are needed at the ASBDC to institutionalize the Marketing Committee's recommendations.
- ① The International Trade Interest Group will draft a Memorandum of Understanding between the U.S. and Mexican SBDC networks, for consideration by the ASBDC Board.
- ① The Board agreed that the Association should present awards to volunteer SBDC counselors and corporate partners who assist in the hurricane-damaged states.
- ① ASBDC will draft a document on the role of the SBDCs in the long-term recovery of the Gulf-Coast states damaged by the hurricanes. The Association will ask Scott Daugherty, the Association's liaison to the hurricane-damaged states, to draft the document, with assistance from SBDC state directors in Gulf-Coast states and others in the nationwide SBDC network who have experience in disaster recovery.
- ① The Association will recognize the work of past Association Chairmen Scott Daugherty and Clinton Tymes.
- ① The Marketing Committee will recommend a schedule for Board members to profile their assigned state and regional SBDC networks in the *Member Connection* newsletter.
- ① Association staff will develop recommendations concerning the development of a corporate associate membership program, for consideration by the Board.

Board Communications to Network Members: Board members will communicate with their assigned state/regional SBDC directors, and committee/taskforce/interest section chairs, and on the following matters.

- 1) Preparing for the Spring Meeting: State/regional directors should be urged to prepare leave-behind materials for Congressional visits that are specific to individual states and Congressional Districts. They should also invite Members of Congress to visit their local SBDCs early in the year.
- 2) Designating Legislative Liaisons: Every state/regional director should be urged to designate the Legislative Liaison for his/her network, if he/she has not done so already.
- 3) Integrity of Data During EDMIS 2 Implementation: Board members should re-confirm for the membership the importance of preserving the integrity of program data despite any problems that may arise as a result of trying to implement EDMIS 2.

- 4) Amending the By-Laws Regarding Associate State/Regional Directors: Board members should inform state/regional directors that the Board voted to recommend a possible amendment to the ASBDC By-Laws, for discussion and review during the 2006 Spring Meeting and possible ratification during the 2006 Annual Meeting in Houston, such that: (1) The associate state/regional SBDC directors' group shall be formally recognized as a part of the Association; (2) the elected chair of the associate state/regional SBDC directors' group (elected from among the associate state/regional SBDC directors designated by their respective state/regional SBDC directors as the second-highest ranking official in their state/regional SBDCs) shall serve as a non-voting member of the Association's Board of Directors; and, (3) such non-voting member of the board shall be ineligible to hold the office of Chair, Vice Chair, Secretary or Treasurer of the Board.
- 5) Amending the By-Laws Regarding Elections to the Board: Board members should inform state/regional directors that the Board voted to recommend a possible amendment to the ASBDC By-Laws, for discussion and review during the 2006 Spring Meeting and possible ratification during the 2006 Annual Meeting in Houston, such that one-third of the Board's members are elected each year to three-year terms.
- 6) Requesting Updated Work Plans: Board members, in their capacities as Board liaisons, should ask their respective committee, taskforce and interest section chairs to submit updated work plans for the Spring Meeting book. [The Spring Meeting book will include: (1) the work plan of every committee, taskforce and interest section; (2) letters from all Board liaisons to accompany the work plans; (3) the Association strategic directions and milestones; (4) the document on responsibilities of committee, taskforce and interest section chairs; and (5) the document prepared by Carol Lopucki, organizing and visually presenting the Association's work.]

Adjournment: After John Massaua and the members of the board shared their closing thoughts on the meeting, Henry Turner moved that the meeting be adjourned. The motion was seconded by Jody Keenan and passed by voice vote. The meeting was adjourned at 6:00 p.m. (Mountain Time), on January 13.

Next Meetings of the Board:

Potential meeting dates and times for the Board's next meeting, by conference call, will be circulated to Board members.

Regular meetings of the Board are held by conference call on the 4th Tuesday of every month at 1:00 p.m. (Eastern Time).

Submitted by Roy Miller, Board Secretary, ASBDC

@ = Action Item