

**Minutes**  
**Board of Directors Meeting**  
Association of Small Business Development Centers (ASBDC)  
February 27, 2005  
Alexandria, Virginia

**Board Members Present:** Scott Daugherty (Chairman); Don Wilson (President); Georgianna Parkin (Vice Chair); Henry Turner (Treasurer); Carol Lopucki; Carmen Marti; John Massaua; Mark Petrilli; Clinton Tymes.

**Others Present:** Jim Ackley; Bob Bernier; Debbie Bishop Trocha; Christian Conroy; Bob Hamlin; Paul Heath (Iowa SBDC); Mike Myhre; Janice Rhodd; Jon Ryan; Greg Sedrick; Mike Vanderlip (Mississippi SBDC); Mike Young; Donna Ettenson; Dan O'Grady.

**Call to Order:** The meeting was called to order by Chairman Daugherty at 9:30 a.m. (Eastern Time) on Sunday, February 27, 2005.

**Approval of Minutes:** Henry Turner moved that the minutes of the Board meeting of February 8, 2005, be approved. Carol Lopucki seconded the motion, and the motion was passed by voice vote.

**Financial Report and Auditor's Report:** Treasurer Henry Turner reviewed the Association's financial statement for January, 2005, and reported that the Association's financial position is sound.

The auditor hired by the Board of Directors (Mr. Steven Collins, account executive and partner in the Virginia CPA firm of Murray & Cavanaugh, PC) presented audited financials for the Association for Calendar Year 2004. The Calendar Year 2004 audit is the fourth annual audit of ASBDC financials performed by Mr. Collins and his firm. Mr. Collins reported that the Association's financial position is much improved compared to 2001, which was the first year in which Mr. Collins' firm audited the Association's financial statements. The auditor gave the Association an unqualified audit opinion, which is the highest audit opinion possible.

**Motion:** Clinton Tymes moved that the Board accept the Auditor's Report. The motion was seconded by Mark Petrilli, and the motion passed by voice vote.

**President's Report:** Don Wilson reported on the following:

- 1) Finances -- Don Wilson noted that the Association's sound financial position has allowed the Board to adopt a policy of placing half of the Association's net profit in a reserve fund, which can only be spent with a two-thirds vote of the Board.
- 2) Federal SBDC Funding -- Don Wilson reported that John Massaua had testified before the Senate Small Business Committee, and Senate Small Business Committee Chair Olympia Snowe of Maine had recommended to the Senate Small Business Committee

that the nationwide SBDC network be funded at \$109 million in the FY 2006 Federal budget. Don Wilson noted that FY 2006 could be a difficult year for Federal program funding, given the Federal budget deficit.

- 3) SBA Faith-Based Initiative -- Don Wilson reported that the SBA announced the implementation of its Faith-Based Initiative without consulting with the Agency's Office of SBDCs. The Association has asked to see the legal opinion issued by SBA's Office of Legal Counsel concerning SBDCs serving non-profits. Don Wilson noted that the implementation of the Initiative will be considered during the negotiation with SBA on the 2006 Program Announcement. It was suggested that the Association develop model language for Cooperative Agreements to address difficult issues that might arise in the 2006 Program Announcement negotiations.
- 4) Annual Conference -- Don Wilson reported that the ASBDC Conference Committee met in Baltimore for three days. The Committee received 160 responses to its Call for Papers for this year's ASBDC Annual Conference, which will be the Association's 25<sup>th</sup> Anniversary conference.
- 5) SBA Request for ASBDC Committee Rosters -- Don Wilson stated that Antonio Doss had asked for the rosters of ASBDC committees.

**Motion:** Clinton Tymes moved that the Board reaffirm the Association's policy not to release in the normal course of business the names of ASBDC committee, task force and interest group members. The motion was seconded by John Massaua and passed by voice vote.

- 6) SBA Adjusted Goals -- The Board discussed reports that some SBA district directors informed SBDCs that the SBA's goaling targets for 2005 have been adjusted. The adjustments came after the signing of cooperative agreements for 2005 that had already established goaling targets for the year.

**SBA Update:** The Board welcomed Antonio Doss (SBA Associate Administrator, Office of SBDCs); and Jean Smith (Deputy Associate Deputy Administrator for Entrepreneurial Development). The Board discussed the following issues with its guests from SBA:

- 1) Program Announcement: Mr. Doss shared with the Board the SBA's draft SBDC Program Announcement for 2006. Mr. Doss informed the Board that target dates for SBDC proposals are June 17 (for Fiscal Year SBDCs) and August 12 (for Calendar Year SBDCs).
- 2) EDMIS: Mr. Doss informed the Board that the Electronic Data Management Information System (EDMIS) has to be ready at the start of FY 2006, including the new forms that will be used in conjunction with EDMIS.
- 3) Faith-Based and Community Initiatives Center: Mr. Doss informed the Board that, in general, the SBA's Faith-Based Initiative will require that SBDCs treat faith-based organizations the same way that SBDCs treat other organizations (such as chambers of commerce) that serve small businesses. Board members asked for more specific

information about the SBA's expectations of SBDCs under the Faith-Based Initiative. Mr. Doss suggested that the Association meet with the staff of the Faith-Based and Community Initiatives Center at SBA to discuss in greater detail the SBA's expectations of SBDCs under the Faith-Based Initiative. Mr. Doss asked that SBDCs share with him examples of any activities that SBDCs currently participate in with faith-based organizations.

- 4) SBA Impact Survey: Mr. Doss informed the Board that the SBA survey of the economic impact of SBA Entrepreneurial Development programs showed that there is no overlap among programs, since each program serves a distinct market and different sized businesses (both in terms of business revenues and numbers of employees). Chairman Daugherty urged that the SBA release the results of the 2004 survey before the 2005 survey is sent out.
- 5) Goaling: Mr. Doss stated that he expects the SBA's new goaling plan to place more emphasis on hours of counseling, instead of head count. Jean Smith asked that Association members send her suggestions on goaling, since she serves on the SBA goaling committee. She stated that she was not aware that there had been a recent adjustment of the current goaling targets in some SBA districts.
- 6) Proposed Senior Management Briefings: Mr. Doss proposed that the SBDCs conduct briefings for SBA Senior Managers on the activities of the SBDC network, on accreditation, manufacturing and other matters.
- 7) Drug-Free Workplace Grants: Mr. Doss stated that the SBA's FY 2006 Budget Proposal includes \$1 million in funding for Drug-Free Workplace grants. SBDCs would be eligible for the grant funding, but grants to SBDCs would be capped at \$500,000 or 10% of available funding. Don Wilson noted that the SBA's FY 2006 Budget Proposal incorrectly states that SBDCs received Drug Free Workplace grant funding for FY 2005.
- 8) Partnership: Mr. Doss stated his desire to strengthen the partnership relationship between the SBA and the ASBDC, noting that the partnership relationship between the Association and SBA's Office of SBDC's is very strong.

**Report of the Strategic Planning Committee on the ASBDC Future:** Henry Turner discussed the report prepared by the ASBDC Strategic Planning Committee (chaired by Erica Kauten) on the Future of the ASBDC and nationwide SBDC network. The Report presents the results of the Strategic Planning Committee's On-Line survey of members of the SBDC network and other stakeholders, on issues facing the Association and the SBDC network. Chairman Daugherty stated that he would prepare lists of the Association's goals, the Strategic Planning Committee's key findings and the Association's current initiatives, for consideration during the Board's next meeting.

**Creation of Task Force on Membership Engagement:** Chairman Daugherty proposed the creation of a Task Force to consider initiatives to broaden membership engagement in the Association. The members of the Task Force would consist of members of the SBDC network who do not serve as state directors. The Task Force would present its recommendations to the Board during the Board's meeting in June. Chairman Daugherty recommended Jacquelin Taylor

of the University of Houston SBDC to chair the Task Force. The Board approved the creation of the Task Force and the Chairman's recommendation of Jacqueline Taylor to chair the Task Force. It was suggested that the Task Force membership include members of the SBDC network who serve their SBDCs in a variety of capacities. It was also suggested that the Task Force consider the issue of expanding membership in the Association to sub-host institutions.

**Marketing Committee:** Christian Conroy, Chairman of the ASBDC Marketing Committee, updated the Board on the work of the Committee. Other members of the Committee are Georgianna Parkin, Liz Klimback and Donna Ettenson. Christian Conroy noted that the work of the Committee is focused on ways to promote the work of the SBDC network among key stakeholders, and not on branding issues that would require branding changes among Association members. The Marketing Committee recommended to the Board that key stakeholders should be included in an ASBDC mailing list and receive a twice-monthly message from the Association. It was suggested that state and regional SBDC directors should designate individuals in their networks to send success stories to the Association. Chairman Daugherty offered to write an article for the *Member Connection* newsletter requesting that state and regional SBDC directors designate individuals in their networks to send success stories to the Association. Don Wilson stated that he would share the text and logo to enable SBDCs to include the statement in their materials that they are accredited members of the ASBDC.

**Counselor Certification Committee:** Clinton Tymes, Chairman of the ASBDC Counselor Certification Committee, updated the Board on the work of the Committee.

**ASBDC 25<sup>th</sup> Anniversary Annual Conference:** The Board discussed preparations for the ASBDC 25<sup>th</sup> Anniversary Annual Conference in Baltimore. A draft schedule of the conference was distributed to Board members.

**Leadership Development Discussion:** The Board discussed a session planned for the ASBDC Membership meeting on March 1, concerning the leadership role of state and regional directors.

**Adjournment:** Carol Lopucki moved that the meeting be adjourned. The motion was seconded by Mark Petrilli, and the motion passed by voice vote. The meeting was adjourned at 4:15 p.m. on Sunday, February 27, 2005.

**Next Meeting of the Board:** The next meeting of the Board will be held by conference call on Tuesday, March 22, at 1:00 p.m. (Eastern Time). Regular meetings of the Board are held by conference call on the 4<sup>th</sup> Tuesday of every month at 1:00 p.m. (Eastern Time), except when the Board meets in person in February, June and September.

Submitted by Roy Miller, Board Secretary, ASBDC