

Minutes
Spring Meeting of the Membership
Association of Small Business Development Centers (ASBDC)
Alexandria, Virginia
March 1, 2005

Call to Order: The meeting of the membership was called to order by Chairman Scott Daugherty at 8:30 a.m. on Tuesday, March 1, 2005, in Alexandria, Virginia.

Proxies: Proxies were received from Bob Bernier; Jerry Cartwright; Steve Jacoby; Don Kelpinski; John Lenti; Roy Miller and Greg Panichello.

Approval of Minutes of September 27, 2004: Debbie Bishop Trocha moved that the minutes of the membership meeting of September 27, 2004, be approved. Mark Petrilli seconded the motion and the motion passed by voice vote.

Financial Report: Treasurer Henry Turner reviewed the financial statements and reported that the Association's financial position is sound. He noted that the Association received an unqualified audit opinion (the highest possible audit opinion) in its financial audit for 2004. He thanked former Association treasurers Mike Young and Mike York for their work in strengthening the Association's financial position.

Chairman's Remarks: Chairman Daugherty reviewed the work of the Board of Directors. He stated that the Board had focused on five areas, including enhancing the identity of the SBDC network and the ASBDC; improving communications both internally and externally; growing the funding available to the network; leadership development and network engagement; and stakeholder relations. He reported on initiatives taken by the Board to accomplish goals in the above five focus areas, as follows:

1. The Board approved a budget for 2005 that provides enhanced resources for marketing and for upgrading the ASBDC website.
2. The Board was working with the ASBDC Marketing Committee (chaired by Christian Conroy of the Pennsylvania SBDC) to develop a new marketing plan to promote the SBDC network and the ASBDC. In this regard, Chairman Daugherty noted that the success of the marketing plan would depend on members of the network sharing success stories, best practices and other information.
3. The Board approved funding in the new budget to cover travel expenses for major committee and board meetings, to enable members from states with limited budgets to participate in the work of the Association.
4. The ASBDC *Member Connection* newsletter, which was initiated by the Board the previous year, continued to be well received by the network. Chairman Daugherty encouraged members to use the newsletter to disseminate information to the network, and to distribute the newsletter throughout the network.

5. The Board created a new Member Engagement Task Force (chaired by Jacqueline Taylor of the University of Houston SBDC), tasked with broadening participation in the work of the ASBDC.
6. The Board is planning a leadership development session, which will take place during the ASBDC Annual Conference in September, for new state and regional directors. The Board is also planning a follow-on leadership development session to be held during the Conference in September for state and regional directors who participated in the 2004 leadership development session.
7. The Board continued working to maintain and strengthen the Association's relations with network stakeholders.
8. The Board continued its efforts to maintain and strengthen the network's partnership with the SBA. In that regard, Chairman Daugherty noted that the agency's goaling process continued to present certain challenges to the network, particularly since the goaling standards continued to focus on headcounts as opposed to economic impact. Chairman Daugherty also discussed the Express Loan program and concerns that contracts requested by providers in the program might put host institutions at risk.

President's Report: Don Wilson reported to the membership on the following --

1. The temporary dues surcharge, which had been an important element in stabilizing the financial condition of the Association, was set to expire in 2005.
2. Preparations were underway for the ASBDC Annual Conference in Baltimore in September, which would mark the 25th anniversary of the SBDC network and the ASBDC. Don Wilson thanked the members of the ASBDC Conference Committee, chaired by Robert Dixon of the Georgia SBDC.
3. The Association would soon be negotiating the new Program Announcement with SBA, which was expected to present various issues of concern to the SBDC network, including the need to include economic impact in the SBA's goaling process.
4. The ASBDC Counselor Certification Task Force (chaired by Board Member Clinton Tymes) continued to make progress on the development of a counselor certification program.
5. The SBA still had not released the results of the first year of its multi-year Economic Impact Survey of Entrepreneurial Development programs. Members of the Board were concerned that the network might be asked to participate in the second year of the survey without the benefit of knowing the results of the first year of the survey.
6. The Association's legislative strategy for 2005 was well underway, including work on the FY 2006 appropriation and efforts to secure passage of the Regulatory Assistance bill, the Vocational Education bill and the Native American Small Business Development bill. In addition, the Association was making its concerns known to Congress about the SBA's proposal to recompute SBDC grants.

Salary Survey: Chairman Daugherty distributed the results of the salary survey, which was compiled by the SBDC National Information Clearinghouse with the leadership of Bob McKinley. Chairman Daugherty thanked Bob McKinley for his work on the salary survey and noted that Bob McKinley had been promoted and had relinquished his position as Director of the South-West Texas Border Region SBDC.

Program Announcement: Jody Keenan, Chair of the ASBDC Operations Committee, received the draft Program Announcement from the SBA on Friday, February 25. The Operations Committee asked that members share their views and recommendations on the draft Program Announcement with Jody Keenan and Don Wilson by March 18, so that the Operations Committee could compile all comments and present them to the Board. The Committee's goal was to begin negotiations with the SBA by early April and complete the negotiations by early May, so that fiscal year SBDC programs would have time to review the program announcement before submitting their proposals to SBA.

EDMIS 2: Mike Myhre, chair of the ASBDC EDMIS Committee, reported to the membership on the status of EDMIS 2. He stated that the implementation of EDMIS 2 had been postponed by SBA until October 1, 2005. He stated that the membership would soon be receiving information about EDMIS 2 from the Committee, as well as a request for input from the membership about the implementation of the new system.

SBA Update: Chairman Daugherty welcomed Cheryl Mills (SBA Associate Deputy Administrator for Entrepreneurial Development), Antonio Doss (SBA Associate Administrator, OSBDC) and members of the SBA Office of SBDCs. Mr. Doss made the following comments.

1. Program Announcement -- Mr. Doss stated that his office shared a draft of the Program Announcement with the ASBDC. He stated that the draft Program Announcement includes new provisions such as a national needs assessment, on-line counseling and faith-based initiatives.

Chairman Daugherty stated that it is essential for SBDC networks to be informed of the goals that SBA has set for them before the SBDCs are required to negotiate their cooperative agreements for the following year with their local SBA District Offices. Ms. Mills stated that the SBA's Entrepreneurial Development division understands this and is trying to address this issue within the SBA.

2. EDMIS 2 -- Mr. Doss stated that the SBA is committed to implementing EDMIS 2 by October 1, 2005.
3. Faith-Based and Community Initiatives Center -- Mr. Doss stated that the Faith-Based and Community Initiatives Center had opened at the SBA, as part of the President's effort to support the work of faith-based and community organizations. Mr. Doss stated that the SBA's expectation is not that SBDCs will train faith-based and community organizations to deliver small business assistance. Rather, he stated that the SBA's expectation is that the SBDC network will work with faith-based organizations in the same way that the SBDC network currently works with small business organizations such as local chambers of commerce.

4. Goaling -- Mr. Doss stated that the Office of SBDCs is working to focus the SBA goaling process on impact instead of headcounts.
5. SBA Senior Management -- Mr. Doss stated that the Office of SBDCs is working to inform SBA senior management about the SBDC program. As a part of this effort, the Office of SBDCs has arranged for a group of senior managers at SBA to attend a briefing by members of the SBDC network on SBDC assistance to manufacturers and the accreditation process.
6. Drug Free Workplace Grants -- Mr. Doss stated that funding had been appropriated for the Drug Free Workplace Program for FY 2005, and that SBDCs were eligible to receive up to 10% or \$500,000 of this funding, whichever is the greater. He stated that an RFP would be issued in the following few months.
7. Portability Grants -- Mr. Doss stated that the Federal SBDC funding for FY 2005 included an earmark of one million dollars for SBDC portability grants (grants to SBDCs in communities affected by economic dislocations). Grants of up to \$100,000 will be made to eligible SBDCs. Mr. Doss stated that the Office of SBDCs would have more information about the implementation of the portability grant program in the near future.
8. Risk-Based Assessments -- Mr. Doss stated that the SBA is considering a risk-based assessment of SBDCs. Under such a system, SBDCs would be evaluated based on a holistic view of past program, financial and accreditation reviews, and the evaluation would determine the scope of future program and financial reviews.

ASBDC Future Report: Erica Kauten, Chair of the ASBDC Strategic Planning Committee, reviewed the ASBDC Future Report with the membership. She noted that the ASBDC Future Report was based on more than 1,000 responses to an on-line survey of members of the SBDC network, conducted in November and December of 2004, as part of the strategic planning process of the ASBDC.

Leadership Discussion: The membership broke into small groups for a discussion of leadership priorities. The results of the discussions would be reported in the ASBDC *Member Connection* newsletter and considered by the Board of Directors and the ASBDC Leadership Committee.

Adjournment: Jim Hogge moved that the meeting be adjourned. The motion was seconded by Sandy Cutler and passed by voice vote. The meeting was adjourned at 4:00 p.m. (Eastern Time) on Tuesday, March 1, 2005.

Submitted by Roy Miller, Secretary, ASBDC