



# BOARD OF DIRECTORS

## MEETING MINUTES

March 19, 2018

*Supporting the Success of its Members – America’s SBDCs*

### 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.*

The meeting was hosted on WEBEX.

**CALL TO ORDER** The Chairman called the ASBDC Board of Directors meeting to order at 3:00 p.m. EST

**ROLL CALL** The Secretary completed the Board of Director roll call; quorum present.

PRESENT	BOARD MEMBER	NOT PRESENT
✓	Michele Abraham (South Carolina)	
✓	Allan Adams (Georgia)	
	Vacant	
✓	Bill Cummins (Alabama)	
✓	Jennifer Deamud (Michigan)	
✓	Mark Langford (Texas)	
✓	Michael Myhre (Florida)	
✓	Greg Panichello (Kansas)	
✓	Linda Rossi (Vermont)	
✓	Lisa Shimkat (Iowa)	
✓	Tee Rowe, America’s SBDC	

**APPROVAL OF THE MINUTES** – Meeting minutes of the February 11<sup>th</sup> BoD meeting were sent out by e-mail. Linda asked for a motion to approve them as presented. Motion to approve from Greg, with a second from Allan. The Board voted unanimously to approve.

**PRESIDENT’S REPORT** - Tee reviewed his report that was e-mailed previously.

Association business:

Boots to Business: The contract will end on June 30, 2018. Donna and Tee will assess the impact on ASBDC finances. SBA will continue the program but no longer reimburse SBDCs for participation. Each state will need to decide how to participate and support the SBA in B2B going forward, as this program is not the only transition assistance offered.

National impact survey: The kickoff call was held with NBRI. Mike asked Beth Melnik to be our point of contact and project manager. We’ll hear from her in the next couple of days. Beth and Tee are working on instructions and to clarify client information and an introductory paragraph. Thursday is the next call that Beth and Tee have with NBRI. The survey is expected to be completed in late May.

Members asked about final NBRI contract and cost – which is at \$95,000 now, but may go a little lower, depending on actual number of emails/addresses.

Conference: The Conference Committee met and concluded the judging of submissions. Wednesday’s kickoff speaker will be a Cybersecurity specialist; they are inviting the Administrator and Vice President Pence to keynote Thursday’s general session. The host summit has been rescheduled for Thursday.

Legislative Activities:

The continuing resolution ends March 23<sup>rd</sup>. The appropriations committees are working to finalize an Omnibus before that date. Legislative efforts after our February meeting were very successful. A bipartisan House letter supporting our 2019 goal of \$135 million received lots of co-sponsors and numerous individual actions. Tee provided a one-pager to Senate Democrats regarding the SBA’s ill-considered legislative proposal regarding SBDC funding. Members asked Tee about the language related to SBA’s 10% set aside. Action: Tee to share with the BoD.

The House and Senate marked up three bills which have direct impact on SBDC. One, H.R.4668 the Small Business Advanced Cybersecurity Enhancements Act, places SBDC squarely in the role of Cyber security assistance, and will strengthen our appeal for core funding appropriations as well as diversified funding from DHS. H.R. 3170, the Cyber Training Act, also recognizes SBDC’s role in assisting small business but it has a mandatory certification element similar to the International Trade portion of the Jobs Act. S.791, the Small Business Innovation Protection Act will authorize the Patent and Trade Office to work with SBDCs to establish intellectual property training courses and webinars; there wouldn’t be any requirements on SBDC.

SBA:

Pennsylvania SBDC has been suddenly dropped by Wharton. SBA will be holding a bidders’ conference on the 27<sup>th</sup>. At this point, SBA has insisted that UPENN appoint an interim SD to manage the transition. SBA says they have six potential interested bidders. Some things UPenn said are really troubling as well

as the apparent role of the local SBA district office. Tee does not know what happened, however it was not helped by SBA's district office and he hopes that Allen Gutierrez will take more responsibility in the process.

Tee is following up with Vicky in regard to the allocations from SBA, specifically for minimally funded states that received only \$126,000 and we are well into the 2<sup>nd</sup> quarter. With regard to goals, the SBA has still not responded to our letter. Omar and Tee will be sending an information letter to SBA strongly discouraging any consideration of dropping capital infusion as this is a prime leading indicator.

Mike asked about the NDAA—small business center Cyber Strategy Report (drafted and submitted to Congress). Tee explained that it is still in clearance, next on to the White House, and should issue final in April/May. Tee said we will want to follow the recommendations of this report.

### **CHAIRMAN'S REPORT**

Mike reviewed the open board action items and all are either in process or have been completed. Mike suggested that he, Allan, Brian and Tee should talk about authorizing language, since it has been recycled for the past several years. On the topic of all SBDCs being on CY versus FY cycles, Lisa has sent an email to collect input from the FY programs. We expect Vicky Mundt (SBA) to respond with whether this is even an option to consider.

ACTION on NDC: Board members should send their questions, concerns, requests for clarification on the NDC proposal to Mike so he can get back to them.

Mike provided an update on Christian Conroy's departure from PA SBDC, and the resulting BoD vacancy. UPENN decided to no longer be the lead host, has notified the SBA and plans to discontinue operations on June 30, 2018. Tee, Michele and Mike requested an emergency call with SBA to get more information and expressed concern over the SBA allowing the University to get out of their agreement prior to the end of the year (being a calendar year SBDC). They offered to support the Agency at the bidders' conference, but that offer was not accepted. Members stated concern over SBA personnel, who are unfamiliar with SBDC program, being involved in the review and decision making, as well as the control demonstrated by Field Operations. The final decision about the host selection is made by OSBDC in conjunction with OED input.

With regard to the vacancy on the BoD as a result of Christian's departure, the by-laws state that the seat may be filled by the majority vote of remaining directors on the Board. Mike posed the question of whether we should fill this vacancy between now and the end of September which would have been the end of Christian's term. Mike recommends we fill this seat in the Fall during elections. Board members agreed. Christian's duties on the board will be reassigned to others.

Mike recommends we participate in the Rural Entrepreneurship Summit given the major players involved; he made a motion that ASBDC invest \$5,000 to be a gold sponsor at this summit, on May 15-16, 2018 in WV. As part of that sponsorship, Tee, Mike, Michele will attend on behalf of America's SBDC as we get three complimentary registrations. The motion was seconded by Bill and passed unanimously.

## TREASURER'S REPORT

Lisa had a brief look at the financials and reviewed the accounts receivables from dues invoiced recently and Boots to Business. Brett has asked for reimbursement requests to be submitted as soon as possible. With regard to the audit, Tee said they have all the materials set aside for the auditors; they will begin after April 15<sup>th</sup>.

## BOARD LIAISON ENGAGEMENT UPDATES

Mike will serve as Board liaison for Christian's states and will notify those states about his role through September. Jennifer is looking to connect with Terry in order to gain access and mobilize the online platform for use with Associates. She has been in communication with new ASDs to welcome them and is working with a spreadsheet in the interim. Mark shared his states' interest in getting more information on the survey and thanked Tee for jumping on a call to explain. Lisa said her states talked about goals and the negotiation process and would like continued conversation on this topic about strategies and recommendations; also they are looking for a better system for sharing resources including additional professional development opportunities, etc. Linda said that perhaps these are topics for SD round tables, and suggestions for the Leadership Committee to facilitate. The New England group is preparing for their annual six-state professional development event the week of May 7<sup>th</sup>.

Mike referenced the upcoming #SBDCDay. Jennifer referenced the reminders they are providing to Congressional members using the toolkit on the ASBDC website.

## BOARD COMMITTEE REPORTS

None shared.

## OLD BUSINESS

Election committee: Mike referenced the deadlines for elections and looked to the committee of Allan, Lisa and Linda to meet and follow the timeline. Allan gave an update on the meeting this committee had in D.C. and that they will move forward with the tasks at hand. Michele asked the question on how to handle the 1-year term that replaces Mike. Mike said this is part of the by-law recommendations which will cover that topic.

Goal recommendations: Mike reviewed some graphs that relate to the SBA's Congressional Budget Justification Report; what the SBA reports and the messaging disconnect between what they negotiate with us and what they report to the CBJ. We have successfully positioned the SBDCs and our LTC and BS goals are going up (overall) regardless of the funding level. They are also increasing at a faster rate than our funding has increased. We made solid, good recommendations to SBA and are still waiting for a response. It appears that Long Term Clients and new Business Starts will continue to be part of the performance metric mix. It is possible they could add training attendees, which we believe is counterproductive.

ACTION: Mike will post the slides on the website and send them out to the State Directors. Michele asked Mike to please add quick talking points (in the notes section) on the slides where we have actual data to help clarify.

A non-board member mentioned that her District Director stated that the Agency is piloting Salesforce and this may help them have access to see who all of the resource partners are serving. BoD members mentioned the Small Business Act and its clarity on not sharing our client data. Tee has responded to this specifically with

Congress; he offered that these are two separate issues - Appropriations and the Small Business Act. What they want to do with confidentiality would require a change to the Small Business Act. Mike shared that the 10% set aside for performance is in the President's budget and the SBA was also trying to propose changes to the regulations about SBA having the ability to access our client detail.

PTAC partnership update: With 25 SBDC programs being affiliated with PTAC, Mike wanted to give an update. He went to APTAC conference last week and sat down with leadership. The new President is from the Washington PTAC. Tee's response letter was not well received. ACTION: Mike will call together the Interest Section to have a full debrief on experiences.

## **NEW BUSINESS**

Global Classroom: Tee is going to reach out to Burr Warne and address the fact that one of Skill Softs training modules offered by Global Classroom says "America's SBDC" at the top, which is not appropriate. It is a course which offers a certificate of completion. Tee knows that about 16-17 programs use the program, yet ASBDC had nothing to do with setting up the course. ACTION: Tee to have them remove our logo.

June meeting on the 14<sup>th</sup>/15<sup>th</sup> meeting in Ft. Lauderdale: Hotel reservations are being made for us. Coming in on the 13<sup>th</sup> and leaving on the 15<sup>th</sup>. We can extend up to 3 days before, and 3 days after at the same rate.

**NON-BOARD MEMBER TOPICS** – None were raised.

**4:25 PM EST – MEETING ADJOURNED** – Allan made a motion to adjourn, with a second by Lisa.

## **UPCOMING BOARD MEETINGS:**

- \* April 23<sup>rd</sup> (Monday) via WebEx
- \* May 21<sup>st</sup> (Monday) via WebEx
- \* June 14-15<sup>th</sup> (Thurs-Fri) Ft. Lauderdale, FL