



**BOARD OF DIRECTORS  
MEETING MINUTES**  
May 21, 2019

*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.*

**CALL TO ORDER  
ROLL CALL**

The Chairman called the ASBDC Board of Directors meeting to order at 3:30 p.m. The Secretary completed the Board of Director roll call; quorum present.

PRESENT	BOARD MEMBER	NOT PRESENT
✓	Michele Abraham (South Carolina)	
✓	Allan Adams (Georgia)	
	Mike Bowman (Delaware)	✓
	Bill Cummins (Alabama)	✓
	Jennifer Deamud (Michigan)	✓
	Kristin Johnson (Nor-CA)	✓
✓	Steve Lawrence (Houston, Texas)	
✓	Greg Panichello (Kansas)	
✓	Linda Rossi (Vermont)	
✓	Lisa Shimkat (Iowa)	
✓	Tee Rowe, America’s SBDC	

**SECRETARY’S REPORT/APPROVAL OF THE MINUTES** – Minutes of the April 15, 2019 BoD meeting were sent out by e-mail. With no additional edits suggested, Allan asked for a motion to approve them as presented. Motion to approve from Greg, with a 2<sup>nd</sup> from Michele. The Board voted unanimously to approve.

**PRESIDENT’S REPORT**

Tee started with a few updates on Association business. Conference registration has opened. He described the housing service being used, since the conference is in Long Beach and at a convention center with multiple hotels in the contract. Michele asked a question about the additional fee. Tee is out in Long Beach now and

doing a final check on things, and will find out. SBA has made the new AA position (held by George Koklanaris) a political position which is different from the past. Tee knows George from Field Ops under the Bush administration and he has met with him. George is open and willing to work with us, and Tee feels positive about this.

Tee mentioned the recent Entrepreneurial Development hearing in the Senate, which included a discussion of the IG audit of the SCORE program and a recommendation that SBA replace the EDMIS system. Allen Gutierrez asked Tee to suggest a few names of SBDC directors from the network who could work together to recommend a new and improved program. Tee thinks that having the IG focus on this should help and has recommended: Mark Delisle, Greg Panichello, Lisa Shimkat, and Ray Bowman.

Tee said he thinks Allen wants to push all SBDCs to a fiscal year basis, believing it is more convenient. However Tee knows it would be problematic for some hosts, and thinks that Allen is underestimating the enormous task to make such a change. Tee is having a call with Allen and George later this week. Also, they are interested in having another host summit in Long Beach, and he wants everyone to be aware of this.

Tee mentioned the hearing in the House Small Business committee on historically black colleges and universities (HBCUs), and their activity in the entrepreneurship space. Tee said that 16 HBCUs run SBDCs, including two SBDC lead centers, so he thinks we are pretty well represented. He forwarded an email to George about the recent Moorehouse commencement speaker who eliminated the debt of the 2019 class. Tee said the timing is great for HBCUs to be involved in our outreach, as a collaborative partner.

In the Senate hearing (with SCORE, SBDC, WBC, VBOC), the main focus was on the IG audit. Tee sees it as a warning. SCORE is run differently, as everything comes through their HQ and then out to the chapters. The report criticized the lack of oversight in chapters and sub-organizations. Tee sees it as another effort where, if applied to SBDCs, they'd be looking at our relationships with sub-centers, costs allocated, how money is spent, etc. There were other problems identified at SCORE and Tee suggests people read it. The IG office is likely to get in and look at every 1099, and contract with sub-centers. Tee expressed concern to the Committee, that there is a fundamental unfairness in the investigatory process, that doesn't allow them to comment.

With the simplified acquisition threshold for everything over \$10,000, Tee strongly suggests that SBDCs go through our contracts and make sure everything has a documented process. Some contracts use the GSA schedule for comparison. With regard to our work with CenterIC, Neoserra, it would be prohibitively expensive to seek a new contractor for client management systems.

Lastly, Tee had meetings with the House and Senate on re-authorization. Things are going along well there, as they are very focused on getting this done, and supportive of our proposals. The House has initiated budget caps for 2020, and a 5% increase in our sub-committee of Financial Services. The Senate has not marked up yet. He thinks it is likely for us to end with a CR going into 2020. In talking with Allen, Tee hopes that we will not have to submit proposals at the President's budget.

Allan A asked when we should know about CR or Sequestration. Tee thinks by around the June board mtg.

He will send around a draft agenda for that meeting and plans to have committee staff come in on Fri morning to talk with us about re-authorization. Allan asked about negotiation with SBA, and Tee said he has been very clear about that being our first priority.

Sen. Rubio asked Mike Myhre to testify to the Senate Small Business Committee and Tee submitted general testimony on general reauthorization priorities. George (the new AA) talked with Tee and Mike and agreed that they really need to fix the RISE act in order to give SBDCs funding during disasters. He recognizes that when we are doing this specialized advising work, we need resources to do so.

There was a question from the membership to Tee on what is on the reauthorization list.

ACTION: Tee will send around the list of items, which basically goes along with the SBDCs improvements act.

### **TREASURER'S REPORT**

Greg stated that the financials are right on track, including operating expenses. A/R is looking really good. For the June board meeting, he will have a new 5-year model of projections for us to look at strategic and financial angles. He will also convene a meeting of those who volunteered to review and discuss this 5-year information in preparation for the June meeting.

### **CHAIRMAN'S REPORT**

Allan is interested in how the EDMIS uploads went. He encouraged everyone to check back with SBA, in case anything is not accurately reflected and suggested that we keep our documentation trail going. He mentioned that George Koklanaris will visit GA in July for a couple of days. The board will have a chance to meet him next month in person in Washington, D.C.

### **BOARD NETWORK LIAISON REPORTS**

Greg said the big square states are happy with the things Christian is doing, including helping in South Dakota and others.

Michele also expressed positive feedback from those states that Christian has worked with, citing them as extremely appreciative.

Linda said the New England states hosted their annual professional development conference in mid-May, and they were pleased to have Tee attend for a couple of days.

### **BOARD COMMITTEE REPORTS AND INTEREST SECTION REPORTS**

Accreditation: Jody sent Tee an email, that there was nothing new to report.

Leadership: Linda mentioned the three State Director round tables that are planned for Long Beach, and some of the recommended topics. The committee is also looking for additional members, and will send out an email to the membership.

Operations: Greg said they would like to work on the Funding Opportunity. Mary brought up a rule change for training (about not having to split head counts with other agencies). For example, if we are putting on workshops with WBCs, we no longer have to split headcounts.

Research & Data: Lisa said the committee would have a call soon and is working in conjunction with Christian, and will compare the degree to which we are off.

Greg mentioned receiving an invoice for the NASBITE training, and offered some caution to others. He said that the online training initiative was hard for him to support since there was no written definition of what they were trying to do with it, no articulation of what sponsoring programs get as recognition from NASBITE for our investment and continued support fees, and overall he was uncomfortable paying an invoice with no contract terms or accountability.

## **IMPACT SURVEY UPDATE**

Tee sent around the sheet showing the numbers to date, and that overall the response rate is better than at this point last year. Will have one final round on May 30<sup>th</sup>. Tee thinks we will have a good response rate for Dr. Chrisman to use, and said Dr. Vardaman has been very helpful.

## **OLD BUSINESS**

IBIS world: Tee said there hasn't been any further action and he recognized states who have told Troy they wouldn't be doing anything with IBIS until there is a national number.

Market Line: Donna and Tee just had a good meeting with Bloomberg and will be working with them on a larger proposal. Tee thinks that IBIS is trying to hang on to the monopoly they have. He suggests we see what we can come up with from others, as data analytics have evolved.

## **NEW BUSINESS/NON-BOARD MEMBER TOPICS**

Tee sent us a draft agreement from a consulting firm in D.C. – their President is well connected on cyber security and has been very positive about working with SBDCs, and getting us access to a cyber-security assessment tool. Tee just wanted to share this with the Board for information. He described the plan, which is pretty normal in situations like this, that there would be an agreement to provide a % (or finder's fee) to a person who finds these funds. There would be no upfront costs to the association; we would only provide him with some remuneration if he is successful in getting money.

There was a question about where the cash would flow through. Tee thinks through the Association, unless the funder prefers that it go through the Association Foundation. Greg said we need to be cautious if we get money from private sector sources. No one expressed concern over giving him a finder's fee, since he would get 3%, and we would get 97%.

Non-board members with any comments/questions? None.

Allan will send around another date and time for the executive session discussion.

**MOTION TO ADJOURN:** A motion to adjourn by Greg, Steve at 4:30 p.m.

## **NEXT BOARD MEETINGS:**

Thurs/Fri June 20-21, 2019	8:30 - 5 PM EST in Washington, D.C. at the Marriott Marquis
Monday July 15, 2019	3:30 - 5 PM EST
Monday August 19, 2019	3:30 - 5 PM EST
Monday September 2, 2019	8:30 - 4 PM EST
Monday October 21, 2019	3:30 - 5 PM EST