



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.

Today’s Date: May 7, 2025

CALL TO ORDER: The Acting Chairman called the ASBDC Board of Directors meeting to order at 3:02 PM EST and welcomed all in attendance.

ROLL CALL: Liz Gray called roll; quorum present.

PRESENT	BOARD MEMBER	COMMENTS
P	Danny Fitzgerald (San Diego & Imperial, CA)	
P	Liz Gray – Secretary (New Hampshire)	
A	Mark Gregory (Oregon)	Approved Absence
P	Ted Gutierrez (Missouri)	
P	Byron Hicks –Vice-Chair (North Carolina)	
P	Michele Hockersmith (Oklahoma)	
P	Steve Lawrence (Houston, TX)	
P	Marnie Schuschke (North Dakota)	
P	Sonya Smith (New York)	
P	Tee Rowe, America’s SBDC	

Link to May 7th Board Meeting Recording:

Recording: https://us06web.zoom.us/rec/share/2nTb7Z06VhpOXjOhfi3h-AwnONS4IhrelSTBKkoqQ_T9IJ0hFCnJZiQ2Ws0B4RRu.Af56PW3jVg7zOH2r

Board Meeting Agenda

Board of Directors' Call
May 7, 2025
3:00 PM EST

Zoom Link

<https://us06web.zoom.us/j/84595660771?pwd=0JfdutaHwMbr2gp6Kcge9XktxFYoU5.1>

Meeting ID: 845 9566 0771

Passcode: 522501

AGENDA

- Roll Call
- Legislative Update (Rowe)
 - President's Budget proposal
 - Congressional Reconciliation status
 - Next Steps – Appropriations letter, SSBEC/HSBC follow up
- Terms and Conditions
 - Definitions
 - Bruce Purdy email
 - Attrition under conference contract
- National Mfg. Hub
 - Committee
 - Website and timeline

ADJOURN

Secretary Report – Liz Gray

- Liz Gray called roll.

Acting Chairman's Report – Byron Hicks

- Byron welcome everyone, noted the meeting is being recorded, and turned it over to Tee.

President's Report –Tee Rowe

- **Legislative Update:**
 - The President's "skinny budget" was released on Friday, May 2nd.
 - Tee is meeting with Hill staff to discuss SBDC program structure and reauthorization. Unsure if there are plans to roll programs under SBDC
 - Expecting committee mark ups to happen in June.
 - The White House wants everything done by the 4th of July recess.

- The Senate has been vocal about the president’s defense budget.
- The Republicans want the tax cuts and Jobs Act that expires in December. They want to make it permanent.
- Tee, Omar, and Anthnoy have spoken to Congressional members and White House about the \$200MM funding proposal.
- There is an ASBDC Legislative Committee meeting on Wednesday, May 14th at 2:30
- **Terms and Conditions:**
 - The first time Tee and the Executive Committee of the Board saw the changes in the Terms and Conditions was Wednesday, April 30th. The committee met with Bruce on Thursday, May 1st and then Bruce emailed the full membership late afternoon on Friday, May 2nd.
 - Paying for out of state travel is the biggest concern
 - Bruce said networks can use matching funds and program income can be used for travel.
 - It was noted that this is contradictory to what we’ve been told by SBA in the past. SBA has been consistent in saying that program income and match funds are considered the same as core funds and need to be spent the same way.
 - The Board agree with Byron’s comment that we want something in writing from Paul.
 - Tee forwarded an email from Bruce. *“There are four funding categories in the budgets: Federal, Non-federal, In-kind and Program Income. For in-state travel for delivery of services (counseling, training, etc. and I would include professional development) there is no restriction. The SBA General Counsel has indicated that travel expenses out of state cannot be charged to federal. These expenses can be charged to Non-federal or Program Income (in-kind would be rare unless someone else was covering all the travel)”*
 - Tee doesn’t know where this change came from and why SBA is pushing it.
 - We have requirements to do training which requires professional development on exporting and cybersecurity.
 - We need to clarify if we can use core funds for conference registration.
 - We need to survey the membership ASAP to determine expected attendance. The survey will say something along the lines of, “Based on Bruce’s statement in response to the recent changes to the Terms and Conditions, how many team members do you expect to be able to bring if we are not able to use SBA core funds.”
 - Michele is concerned about timing of clarity and getting things settled before the end of her hosts fiscal year June 30th. It may cause issues with some hosts.
 - Ted mentioned that his host has a universal travel ban using matching dollar funds. If they are to travel out of state, they must use federal funds.
 - Byron wants Michael Singleton and the Operations Committee to dig into the Terms & Conditions ASAP. Bryan asked Steve to reach out to Michael and ask for their help.
 - Question was asked if we can rename of the event to professional development. We need to make it clear to SBA that the September event is PD not, networking and receptions.
 - We are holding off opening conference registration for a few weeks.
 - Tee and Byron will send out an email to membership Thursday morning, in advance of the SBA Office Hours, to let everyone know we will be postponing the opening of conference registration, that they are working very closely with Bruce to get clarity on terms and conditions changes, the Operations Committee will be review T&C, they will get back to membership as quickly as possible with updates, and a survey from ASBDC will be coming out regarding conference participation after the next Board meeting.

Due to time limitations, it was decided to hold off talking about the National Manufacturing Hub until the next Board

meeting.

Tee's recent email communications to the Membership:

From: Tee Rowe <tee.rowe@americassbdc.org>

Sent: Monday, May 5, 2025 4:55 PM

Subject: IMPORTANT -Message to the Membership - New Terms and Conditions language re Travel

State and Regional Directors, and Associate Directors,

Many of you have received or are receiving your updated Notices of Award for FY2025 in GrantSolutions. In addition to providing the full funding, the awards include an amended Terms and Conditions along with an amended Notice of Funding Opportunity. The board will be working with the Operations Committee to review all the changes in those documents.

One item of particular concern is the new restriction on the use of "Federal grant funds" for travel for conferences. We know this will have implications related to your network's travel to the ASBDC Conference in Orlando this year. At this time don't make any definitive changes to your plans related to this change. The board and I are working with Bruce to understand the nuances of this statement and get some clarity on their use of the phrase "Federal funds". There are a number of ways to pay for travel, and there are also different ways to interpret this statement. That is the clarity we are working towards.

The board is meeting later this week to discuss this further, along with some other items. The board, the ASBDC staff, your board liaisons, and I will keep you posted on our discussions with SBA. Also, remember that SBA - OSBDC will be holding office hours this Thursday to discuss this.

Thanks,

Tee

From: Tee Rowe <tee.rowe@americassbdc.org>

Sent: Wednesday, May 7, 2025 3:12 PM

Subject: IMPORTANT - A rough timeline on the budget

State and Regional Directors and Associate Directors,

I wanted to follow up on my early message with a few further thoughts on the budget and the funding process.

First, anyone you meet should be assured that this proposal was never one we sought. We always seek increases and the association does its best to represent the value of SBDCs but we never do that by disparaging the efforts of others. I have never found that to be an appropriate, agreeable or effective tactic.

As to the funding process, it will take several months. Even in less turbulent times, the appropriations process is slow. I expect that the House FSGG appropriations subcommittee will have its markup in June. However, this is contingent on the reconciliation package. The reconciliation package will set the allocations (topline numbers) for each appropriations

subcommittee, and they will work from there.

The goal of the GOP leadership is to have the "big beautiful bill" passed by the 4th of July recess. Assuming that timeline and assuming the allocations will be slightly higher than the President's request then we can expect a funding package by September. The makeup of that package is impossible to determine. House Republicans have shown a tendency to respect the Administration's requests. Given that, Senate and House Democrats will have certain priorities but, with a budget request like this, they will have to focus on their short list, and I'm not sure where SBA is on that list. Of course, a united Senate Democrat Caucus can slow things down but reconciliation does shortcut the process.

As for the authorizing committees, the timeline is completely in their control. If they choose to put forward a reorganization bill it could come at any time. I believe if they do, it will be by the end of May/early June. Again, these are all rough estimates.

We are in the first few moves of a long chess match, and I'll keep you all posted.

Thanks,

Tee

From: Tee Rowe <tee.rowe@americassbdc.org>

Sent: Monday, May 5, 2025 6:31 AM

Subject: The President's FY2026 budget

State and Regional Directors, and Associate Directors,

By now you have had a weekend to consider the President's FY2026 budget request. (I attached an excerpt below) It is a clear validation of the value of the SBDC program, and I am pleased by the trust it places in SBDCs. It is recognition that you all have long deserved for your efforts in support of America's small businesses. It is also the first Presidential budget I can recall that proposed an increase for SBDCs.

However, it is also the opening salvo in a long fight over a host of issues, with small business assistance being just a part.

Currently, our best course of action is to be discreet, calm and non-committal. No doubt many of our colleagues in the resource partner sphere will be reaching out to us. At this point we have no answers nor assurances to give them. It will be several weeks before any of the appropriations committees meet to begin their deliberations. A myriad of possible results could play out and we don't have a solid idea of what congressional priorities will emerge.

The funding levels will be decided by the appropriations committees and the authorizing committees may very well step in to put their imprint on things.

I promise to keep you all informed as things progress. I have already been in touch with staff on the Hill and it is going to be a very busy summer. I do ask that you direct all questions and concerns to me and refrain from statements to the press and others. This is a delicate time, and we need to speak with one voice.

Thanks,

Tee

Motion to adjourn:



BOARD OF DIRECTORS
SPECIAL BOARD MEETING MINUTES
MAY 7, 2025

- A motion to adjourn was made by Ted Gutierrez with a second from Michele Hockersmith. Motion carried.
- The meeting concluded at 4:10 PM.