

Florida Small Business Development Center Network
State of Florida Center Application
Executive Summary
July 2009

The network, one of eight original pilot programs funded by the U.S. Small Business Administration in 1976, was officially established in 1978 under Public Law 92-302 and has been hosted since its inception by the University of West Florida. The Network successfully links universities and colleges to a wide variety of outreach and improved business research capabilities that assist in the development of the state's small business community. The network serves Florida through its 34 centers, including six at SUS institutions (UWF, UNF, FAMU, USF, UCF, and FGCU). In 1980, the Network was approved by the Board of Regents as a Type I center. In 2007, the Board of Governors abandoned that designation but invited reapplications for recognition as a State of Florida center. The Network seeks this designation.

The program is authorized by U.S. Congress under Public Law 96-302, with annual appropriations currently at \$110 million. The Florida program has been continuously funded from the U.S. Small Business Administration since 1980 that requires a \$1:1 cost-share. Since the Network's start-up in 1980, funding for the entire cost-sharing has been borne by each of the participating universities, through assignment of faculty, support staff, and allocations to the local SBDC. No direct state legislative funding has ever been requested through the SUS. The Network must comply with federal regulations and financial examinations, a four-year accreditation review, and must provide for full programmatic and financial accountability of each participating member.

Most recently, the Network has prevailed in the state legislature due directly to recognition of its role in providing statewide entrepreneurial and small business technical assistance. In 2004, a grant of \$500,000 was awarded to secure equipment and provide for statewide disaster preparedness assistance. In 2008, a \$250,000 Community Budget Issue Request was funded to enhance disaster preparedness and risk management assessment statewide. In 2009, the legislature provided \$250,000 to implement the legislatively assigned State Small Business Advocate and State Regulatory Advisory Council. Each of these legislated funds has been non-recurring yet has been used to reduce the overall cost-share burden of the entire Network, and funding from these legislated amounts has been disbursed throughout the Network.

Additionally, the Network's economic impact has been recognized at the U.S. Congressional level through the awarding of three federal earmarks since 2005 totaling approximately \$1.1 million for statewide disaster preparedness assistance for small businesses and facilitating the establishment of a risk management program. These funds enhance the Network's ability to reach rural Florida and other communities to provide services that are otherwise inaccessible to the small business owner.

The Network's total federal and matching budget is approximately \$12 million, roughly comparable to the state's economic development organization. These funds are appropriated to the Network with the majority distributed to the participating centers to fund local operations and programs. Total employment statewide approximates 150.

The President of each participating SUS institution approved the current application for State of Florida Center status on February 2, 2009. This designation is important in that it will demonstrate that the Network is recognized by the SUS Board of Governors as truly supporting a statewide mission. This designation will also permit the FSBDCN to have considered a legislative budget request on behalf of the entire Network, including the participating SUS institutions, for recurring or non-recurring state funding. The participating presidents supported the possibility of such a request providing that such funding does not jeopardize any individual SUS institution's base funding. At present, there is no Network proposal for legislative funding pending before the BOG. The possibility of such request will be explored annually depending on need and the state's funding climate. Regardless of the possibility of funding, BOG designation of the Network as a State of Florida center is crucial to provide recognition of its statewide mission within the SUS.