

**State University System
Education and General
2017-2018 Legislative Budget Request
Form I**

University(s):	University of West Florida (Lead) Current Program Participants: Florida A&M University Florida Gulf Coast University Florida International University University of Central Florida University of North Florida University of South Florida
Issue Title:	Expand Capacity in the Florida SBDC Network for the Creation, Retention and Expansion of Florida's Small Businesses
Priority Number	
Recurring Funds Requested:	\$4,000,000
Non-Recurring Funds Requested:	
Total Funds Requested:	\$4,000,000
Please check the issue type below:	
Shared Services/System-Wide Issue for Fiscal Year 2017-2018	<input checked="" type="checkbox"/>
New Issue for Fiscal Year 2017-2018	<input type="checkbox"/>

I. Background Information

As the only statewide provider of entrepreneurial and business development services targeted to create and expand small and medium-sized businesses, the Florida Small Business Development Center (SBDC) Network is designated as “the principal business assistance organization for small businesses in the state.” [Fla. Stat. § 288.001] Due to its multi-institutional focus, the State University System Board of Governors designated the [Florida SBDC Network](#) as a State of Florida Center in August 2009. [BOG Regulation 10.015] Governed by [Section 21 of the Small Business Act, 15 USC § 648](#), and federal regulations, [13 CFR Part 130](#), the Florida SBDC Network is sponsored and supported by federal, state and local (match) funding. In 2015, sources of program revenues included \$7.4 million in federal funding, \$4 million in state funding, and \$6.3 million in local match funding. The University of West Florida (UWF), is requesting \$4 million in recurring state appropriation to expand and enhance network program services to meet the critical needs of the state’s principal job creators – small and medium sized businesses - and fulfill the State University System and network’s shared vision to advance the State’s economy. Additional funds will be used to expand program services and access to additional federal and local funding.

Network of Partners



Since 1976, the University of West Florida (UWF) has served as the designated recipient (Lead Center) for the Florida SBDC Network and its various funded programs. As the designated recipient, the UWF is responsible for 1) administering the network’s programs and providing leadership, management, coordination and administrative direction, and 2) establishing a network of qualified partner organizations to administer program services.

Today, UWF partners with six of its sister state universities, and various state colleges, chambers of commerce, and economic development organizations to operate a statewide network of 45 centers, consisting of nearly 250 employees throughout Florida.

Mission, Vision & Values

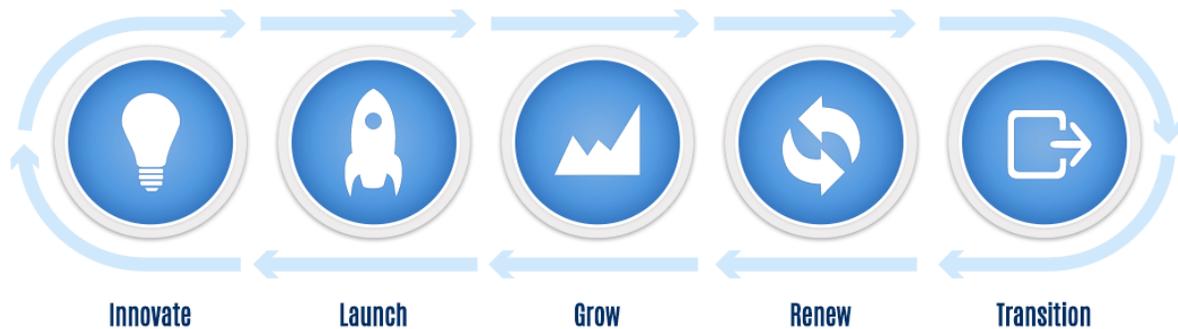
The Florida SBDC has committed itself to a culture based on the principles and practices of excellence, continuous improvement and innovation. The network utilizes the principles of Baldrige Performance Excellence Program, the basis of the ASBDC Accreditation Process, which the Florida SBDC is an accredited member, as its business model for improving organizational performance. Driven by

VISION
Creating a better Florida for all by helping businesses grow
MISSION
Providing businesses the expertise and resources to succeed
OPERATING VALUES & BELIEFS
What the Florida SBDC Network stands for:
S takeholder Return and Value
B usiness Needs and Solutions
D evelopment and Economic Growth
C ommitment to Excellence
OUR COMMITMENTS
To Our Employees
To foster a rewarding culture that allows employees to be successful and reach their full potential
To Our Customers
To utilize our knowledge, experience and resources to deliver quality services and products that meet their needs and contribute to their business growth and success
To Our Partners
To advance our shared vision and mission by developing collaborative alliances that leverage organizational strengths and produce lasting benefits
To Our Funders
To be responsible and accountable stewards and achieve performance expectations and results that contribute to economic prosperity and meaningful return-on-investment

its strategic plan, the Florida SBDC ensures that network policies and programs align with the statewide goals of the State University System and the statewide strategic economic development plan as provided under Fla. Stat. § 20.60.

Key Services

SBDCs, under Section 21 of the Small Business Act [15 USC § 648], are required to provide business development consulting and access to educational programs to support businesses through all stages of the business development life cycle. To achieve its required purpose, the Florida SBDC Network offers access to business intelligence by providing no-cost professional business consulting to small and medium sized enterprises delivered by certified professional business consultants. SBDCs also provide access to low or no-cost business development education that builds the acumen of emerging and established business owners and managers, and access to information and research to foster business literacy and knowledge. SBDC key services (consulting, education and research) maximize value and satisfaction, and drive organizational success and sustainability, while enhancing the economic development goals and objectives of network funding partners.



II. Description - 1. Describe the service or program to be provided and how this issue aligns with the goals and objectives of the strategic priorities and the 2016 Work Plan established by your institution (include whether this is a new or expanded service/program). If expanded, what has been accomplished with the current service/program? **2.** Describe any projected impact on academic programs, student enrollments, and student services.

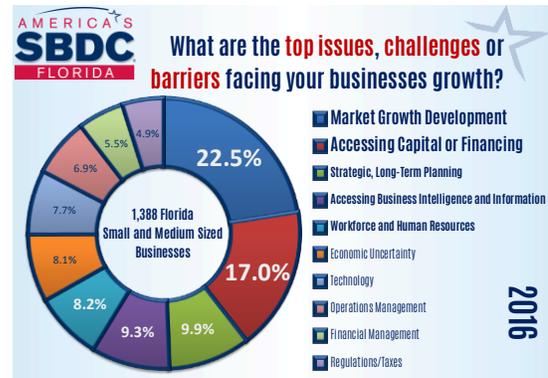
Pursuant to the State University System’s tripartite mission of fostering community and business engagement, the request for additional funds for the Florida SBDC Network will assist in the fulfilment of the Board of Governors’ goals to strengthen the quality and recognition of commitment to community and business engagement and increase the level of community and business engagement.

Florida is home to 2.3 million small and medium sized businesses who create three out of every four new jobs. By 2030, six million more residents will call Florida home and two million more jobs will be needed to sustain current rates of employment. To prepare for this continued growth, and ensure Florida remains economically competitive, Florida’s job creators - new and existing businesses - will need access to professional guidance to address growth challenges and opportunities. As Florida’s principal business assistance organization [Fla. Stat. § 288.001], the

Florida SBDC Network, and its network of State University System partners will be expected to be on the forefront of ensuring and securing Florida’s future.

The Florida SBDC Network proposes and seeks approval for additional recurring state appropriation for the following purposes:

- Enhance Participation in the Florida SBDC Network. The University of West Florida would use additional appropriations to expand service capacity in areas of strategic importance and assessed business need at existing regional host partners. As one example, access to capital continues to be one of the primary challenges that Florida small and medium businesses face. Banks and other institutions have shifted to a more conservative lending model since the recession, which has negatively impacted the ability for small businesses to obtain the capital necessary to expand and grow. Additional appropriations will be invested to enable existing network partners to expand capacity by hiring additional personnel (consultants) who specialize in capital access. These Capital Access Specialists will focus on helping Florida’s small businesses and entrepreneurs navigate the challenging lending environment and obtain the capital necessary to grow.
- Establish a Florida Business Information Center. The University of West Florida would use additional appropriations to establish a statewide call center, Florida Business Information Center, as part of the Florida SBDC Network Lead Center. The Florida Business Information Center would be a centralized source for general business information, inquiries and referral to business resources. Professional personnel will be available by phone and online access (chat and email) to assist in answering general business questions and directing inquiries to sources of assistance, including government, institutions of higher education, and private sector resources.
- Investigate Opportunities to Fill Market Gaps in the Florida SBDC Network. Currently, six state universities and three state colleges partner with the University of West Florida as regional host partners for the Florida SBDC Network. If needed, the University of West Florida would utilize some of the additional appropriations to investigate opportunities to expand partner participation in the network where service market gaps exist. The Florida SBDC Network State Director would seek the counsel of the network’s existing host partner institutions before enactment.



III. Return on Investment - Describe the outcome(s) anticipated, dashboard indicator(s) to be improved, or return on investment. Be specific. For example, if this issue focuses on improving retention rates, indicate the current retention rate and the expected increase in the retention rate. Similarly, if it focuses on expanding access to academic programs or student services, indicate the current and expected outcomes.

Return-On-Investment (ROI) is a key measure of the Florida SBDC Network. Measuring ROI helps our funding partners understand how the network’s programs and services benefit the state and institutional objectives. Further, it enables policy makers to make informed decisions

and conclusions concerning public sector investment and program effectiveness. Measuring and trending ROI assists the network to evaluate performance relative to strategy, evaluate effectiveness in comparison to competitors and peers, and learn from and improve results.

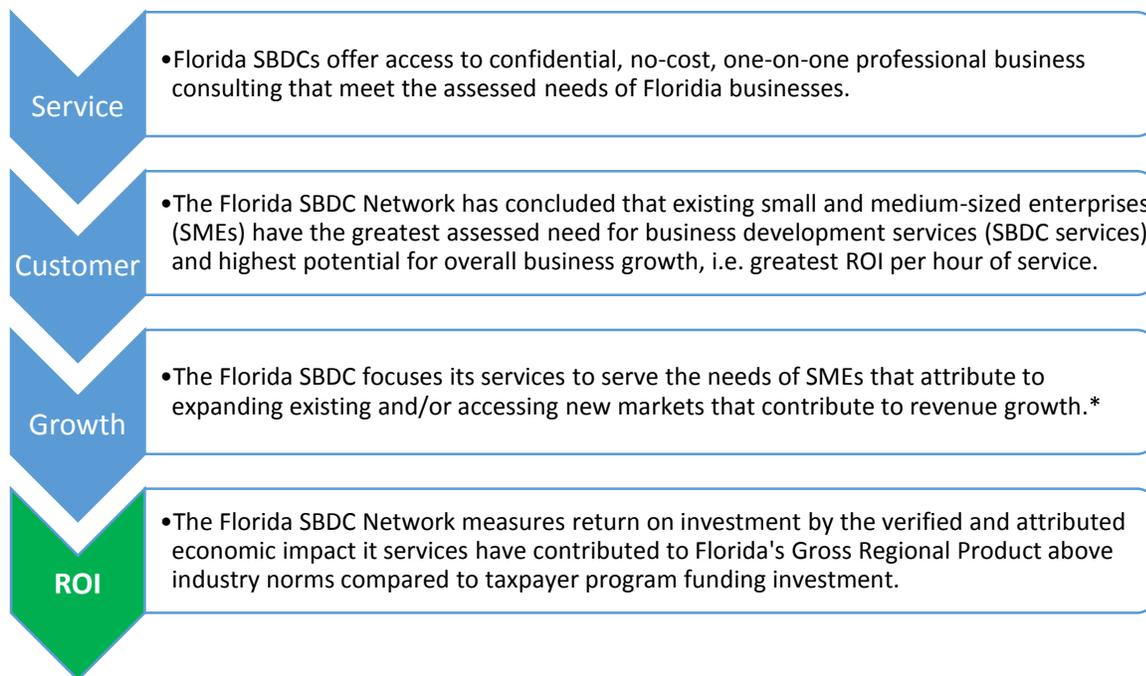
The Florida SBDC defines ROI as the net impact its services contribute to the growth of Florida's economy, i.e. the net effect of client businesses' impact on Florida's Gross Regional Product (GRP) divided by tax payer investment above client industry norms. The source of contribution is defined as the level program services impact client business revenue growth as verified and attributed by client businesses. The Florida SBDC Network conducts an annual survey to collect this data.

In 2014, Florida SBDCs delivered 98,000 consulting hours to nearly 12,000 emerging and established businesses, resulting in \$3.4 Billion in value added to Florida's economy, including the following outcomes (Florida SBDC KPIs):

- 42,664 jobs created, retained and saved
- \$5.8 billion in sales growth
- \$140.2 million in capital accessed
- \$210.2 million in government contract awards, and
- 952 new businesses started.

Click [here](#) for a copy of the 2015 Florida SBDC Network Annual Report.

Following is an outline of how the Florida SBDC Network views the alignment between service delivery to generate ROI:



* The Florida SBDC has assessed that by assisting client businesses to expand revenue growth that client businesses must hire additional employees (create jobs) to produce additional products or services for sale.

Conservatively, an additional \$4 million to expand service capacity will result in an increase of impact by a project 30 percent or estimated \$1.0 Billion in additional value added to Florida's economy.

III. Facilities *(If this issue requires an expansion or construction of a facility, please complete the following table.):*

	Facility Project Title	Fiscal Year	Amount Requested	Priority Number
1.				
2.				

2017-2018 Legislative Budget Request
Education and General
Position and Fiscal Summary
Operating Budget Form II
 (to be completed for each issue)

University: University of West Florida
Issue Title: Expand Florida SBDC Capacity

	<u>RECURRING</u>	<u>NON- RECURRING</u>	<u>TOTAL</u>
<u>Positions</u>			
Faculty	0.00	0.00	0.00
Other (A&P/USPS)	20.00	0.00	20.00
	-----	-----	-----
Total	20.00	0.00	20.00
	=====	=====	=====
<u>Salary Rate (for all positions noted above)</u>			
Faculty	\$0	\$0	\$0
Other (A&P/USPS)	\$1,700,000	\$0	\$1,700,000
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Total	\$1,700,000	\$0	\$1,700,000
	=====	=====	=====
Salaries and Benefits	\$2,380,000	\$0	\$2,380,000
Other Personal Services	\$705,000	\$0	\$705,000
Expenses	\$315,000	\$0	\$315,000
Operating Capital Outlay	\$0	\$0	\$0
Electronic Data Processing	\$0	\$0	\$0
Special Category (Specific)	\$0	\$0	\$0
Florida Business Info Center	\$600,000	\$0	\$600,000
	\$0	\$0	\$0
	\$0	\$0	\$0
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Total All Categories	\$4,000,000	\$0	\$4,000,000
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