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September 13, 2021

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire

REQUESTED ACTION

Authorize the Department of Business and Economic Affairs to enter into a **SOLE SOURCE** Cooperative Project Agreement with the University of New Hampshire, Small Business Development Center (SBDC) (VC #177867 (B012) in the amount of \$780,000 for continued support of a statewide Small Business Development Center program, effective upon Governor and Council approval, for the period July 1, 2021 to June 30, 2023. 100% General Funds

Funding is available as follows:

	<u>FY 2022</u>	<u>FY 2023</u>
03-22-220510-14560000		
Small Business Development Center	\$390,000	\$390,000
102-500731 Contracts for Program Services		

EXPLANATION

The Cooperative Project Agreement describes the work plan for continued support of the New Hampshire Small Business Development Center (SBDC) program to provide technical assistance through planning, education, advising and information sharing to New Hampshire's small business community. In existence since 1984, the SBDC is a cooperative venture between the US Small Business Administration (SBA), New Hampshire Department of Business Economic Affairs (BEA), the various components of the University System of New Hampshire (USNH), and the private sector. Through this partnership, the SBDC program coordinates and leverages new and existing resources and provides critically needed services to the small business community in the most cost effective and efficient manner.

New Hampshire has more than 133,000 businesses, 99% of which are classified as "small." Small businesses create a majority of new jobs and have a significant impact on the State's economy. There is evidence that owners and managers of many small businesses often lack some of the skills needed to start and run a successful business. Therefore, the principal function of the SBDC program is to design and carry out quality business advising, training, and educational services to help existing business owners reduce operating costs and respond to changing market conditions in order to be competitive and more profitable. Through its participation, the State is in a better position to respond to the various, and often changing, needs of New Hampshire's small business community.

The SBDC program provides confidential, one-on-one business management advice and education at no cost to New Hampshire's small businesses. Services are delivered through regional offices located in Manchester, Keene, Nashua, Laconia, Plymouth, the Seacoast, and in the North Country, as well as satellite offices located through the state. Staffed by certified business advisors, these regional offices

provide assessment, evaluation, advice, education, referral, and other services needed to promote success for each business client.

The SBDC client businesses generate revenue, create jobs, and contribute to New Hampshire's economy. In 2020, SBDC assisted 7,178 businesses through direct advising and training. The program assisted these businesses to increase their sales by \$9.5 million, create and save 1,357 jobs, while raising \$45.2 million in new capital. SBDC clients generated over \$906 million in sales, employed 9,020, and assisted clients in starting 35 new businesses during the COVID-19 pandemic. For over 37 years, the SBDC program has built strong businesses and is a revenue generator for New Hampshire. SBDC has a total annual economic impact of \$166 million on the New Hampshire economy.

New Hampshire's economic development efforts are enhanced by this support to small companies, which in turn, promotes growth, and creates jobs. The SBDC works closely with the BEA through referral exchanges and special projects designed to meet the needs of the New Hampshire's small business community by promoting entrepreneurship and education.

The Agreement is sole source because the program was specifically designed to work with the SBDC.

The Attorney General's office has approved this agreement as to form, substance and execution.

Respectfully submitted,



Taylor Caswell
Commissioner

COOPERATIVE PROJECT AGREEMENT

between the

STATE OF NEW HAMPSHIRE, Department of Business and Economic Affairs

and the

University of New Hampshire of the UNIVERSITY SYSTEM OF NEW HAMPSHIRE

- A. This Cooperative Project Agreement (hereinafter "Project Agreement") is entered into by the State of New Hampshire, **Department of Business and Economic Affairs**, (hereinafter "State"), and the University System of New Hampshire, acting through **University of New Hampshire**, (hereinafter "Campus"), for the purpose of undertaking a project of mutual interest. This Cooperative Project shall be carried out under the terms and conditions of the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002, except as may be modified herein.
- B. This Project Agreement and all obligations of the parties hereunder shall become effective on the date the Governor and Executive Council of the State of New Hampshire approve this Project Agreement ("Effective date") and shall end on **6/30/23**. If the provision of services by Campus precedes the Effective date, all services performed by Campus shall be performed at the sole risk of Campus and in the event that this Project Agreement does not become effective, State shall be under no obligation to pay Campus for costs incurred or services performed; however, if this Project Agreement becomes effective, all costs incurred prior to the Effective date that would otherwise be allowable shall be paid under the terms of this Project Agreement.
- C. The work to be performed under the terms of this Project Agreement is described in the proposal identified below and attached to this document as Exhibit A, the content of which is incorporated herein as a part of this Project Agreement.

Project Title: 2022-2023 Small Business Development Center

- D. The Following Individuals are designated as Project Administrators. These Project Administrators shall be responsible for the business aspects of this Project Agreement and all invoices, payments, project amendments and related correspondence shall be directed to the individuals so designated.

State Project Administrator

Name: Tina Kasim
 Address: NH Dept of Bus and Economic Affairs
 100 North Main St, Suite 100.
 Concord, NH 03301
 Phone: 603-271-2341

Campus Project Administrator

Name: Kim Becker
 Address: University of New Hampshire
 Sponsored Programs Administration
 51 College Rd.
 Durham, NH 03824
 Phone: 603-358-2443

- E. The Following Individuals are designated as Project Directors. These Project Directors shall be responsible for the technical leadership and conduct of the project. All progress reports, completion reports and related correspondence shall be directed to the individuals so designated.

State Project Director

Name: Tina Kasim
 Address: NH Dept of Bus and Economic Affairs
 100 North Main St., Suite 100
 Concord, NH 03301
 Phone: 603-271-2341

Campus Project Director

Name: Elizabeth Gray
 Address: University of New Hampshire
 10 Garrison Ave.
 Durham, NH 03824
 Phone: 603-862-4879

F. Total State funds in the amount of \$780,000 have been allotted and are available for payment of allowable costs incurred under this Project Agreement. State will not reimburse Campus for costs exceeding the amount specified in this paragraph.

Check if applicable

Campus will cost-share _____ % of total costs during the term of this Project Agreement.

Federal funds paid to Campus under this Project Agreement are from Grant/Contract/Cooperative Agreement No. _____ from _____ under CFDA# _____. Federal regulations required to be passed through to Campus as part of this Project Agreement, and in accordance with the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002, are attached to this document as Exhibit B, the content of which is incorporated herein as a part of this Project Agreement.

G. Check if applicable

Article(s) _____ of the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002 is/are hereby amended to read:

H. State has chosen **not to take** possession of equipment purchased under this Project Agreement.
 State has chosen **to take** possession of equipment purchased under this Project Agreement and will issue instructions for the disposition of such equipment within 90 days of the Project Agreement's end-date. Any expenses incurred by Campus in carrying out State's requested disposition will be fully reimbursed by State.

This Project Agreement and the Master Agreement constitute the entire agreement between State and Campus regarding this Cooperative Project, and supersede and replace any previously existing arrangements, oral or written; all changes herein must be made by written amendment and executed for the parties by their authorized officials.

IN WITNESS WHEREOF, the University System of New Hampshire, acting through the **University of New Hampshire** and the State of New Hampshire, **Department of Business and Economic Affairs** have executed this Project Agreement.

**By An Authorized Official of:
University of New Hampshire**

Name: Karen Jensen
Title: Director, Pre-Award
Signature and Date: *Karen Jensen* 9/8/21

**By An Authorized Official of:
Department of Business and Economic
Affairs**

Name: Taylor Caswell
Title: Commissioner
Signature and Date: *Tee* 9/14/2021

**By An Authorized Official of: the New
Hampshire Office of the Attorney General**

Name: Stacie M. Moeser
Title: Attorney
Signature and Date: *Stacie M. Moeser* 09/22/2021

**By An Authorized Official of: the New
Hampshire Governor & Executive Council**

Name: _____
Title: _____
Signature and Date: _____

EXHIBIT A

- A. Project Title:** 2022-2023 Small Business Development Center
- B. Project Period:** July 1, 2021 through June 30, 2023
- C. Objectives:** The purpose of this Cooperative Agreement between the NH Department of Business and Economic Affairs (BEA) and the University of New Hampshire (Campus) is to support small business development in New Hampshire through the continued operation and support of the NH Small Business Development Center (NH SBDC). The NH SBDC provides a statewide small business development program that provides support for the creation of new businesses and jobs, increased innovation and entrepreneurship, increased per capita income, and tax revenue generation. The State funds allocated by BEA will be utilized to meet the federal requirement for matching ongoing U.S. Small Business Administration (SBA) grant awards supporting the NH SBDC.
- D. Scope of Work:** The NH SBDC will provide quality business development and management assistance to the small business community in New Hampshire through one-on-one, long term business advising, educational training programs, and informational materials.
- 1. Business Advising:** The NH SBDC's one-on-one management advising component continues to meet a critical need of small businesses in the State by providing the tools and personal guidance needed for success. Recognizing that there is a need for quality business advising within the small business community, and in an effort to avoid duplication of effort, the NH SBDC utilizes numerous resources and partners throughout New Hampshire to deliver the quality business advising services the small business community demands.

Federal legislation requires that state Small Business Development Centers be hosted by educational institutions. In New Hampshire, since its inception in 1984, the NH SBDC has been hosted by the University System of New Hampshire's Durham Campus and its Peter T. Paul College of Business and Economics. The regional NH SBDC offices are strategically located to take advantage of resources across the state. These offices will continue to be staffed by professional business advisers as resources permit.

Business Advising services and activities during the agreement period will include the following:

- The NH SBDC will assist existing, emerging, and growing small businesses, who want to learn management skills, secure financing, control growth and develop feasibility, marketing and/or business plans.
- The NH SBDC will promote and participate in state initiatives, such as the Economic Recovery and Expansion Strategy (ERES), including the creation of Collaborative Economic Development Regions (CEDRs). The NH SBDC will track their activity in these areas for inclusion in year-end reporting.
- The NH SBDC will participate in a two-way referral network with relevant NH Economic Development agencies and partners, such as the NH Business and Industry Association, New Hampshire Tech Alliance, community colleges, NH Community Loan Fund, Manufacturing

Extension Partnership, and other BEA partners providing small business services by providing clients with appropriate agency contact and service information.

- NH SBDC staff will participate in BEA-hosted meetings as appropriate.
- NH SBDC and BEA staff will continue to explore other ways to collaborate to advance small businesses in NH.

2. Education and Training

The NH SBDC meets the needs of small business owners and managers by offering consistent, high quality training programs through a comprehensive e-learning program, focused regional workshops and statewide events. Educational programs address appropriate business topics, such as management, marketing, financing, cybersecurity, resiliency planning, etc.

In addition to the existing training program, other activities will include:

- The NH SBDC will assist with, and co-sponsor statewide events such as Small Business Day at the State House and the Small Business Matchmaker.
- NH SBDC and BEA will participate in a joint opportunities for learning and sharing to ensure staffs are integrated and work collaboratively.

3. Communication

The NH SBDC State Director will meet twice per year with the NH SBDC Funding Partners to discuss program ideas and provide progress reports. Members include the Dean of the Peter T. Paul College of Business & Economics; District Director, U. S. Small Business Administration; Director of the BEA Division of Economic Development; and the Chair of the NH SBDC Advisory Board. Additional meetings between BEA and NH SBDC staff will be scheduled, as appropriate.

- The NH SBDC State Director will also meet with the NH SBDC Advisory Board, made up of small business and private sector partners, at least three times a year. BEA Director of the Division of Economic Development will be a member and will participate in Advisory Board meetings.
- In publicizing events and through broad-based Public Relations efforts the NH SBDC and BEA will mutually promote each other's services, including in-person attendance and display items/promotional literature, as appropriate and where feasible. The NH SBDC will promote NH BEA as their partner in all such related materials. To this end, NH SBDC and NH BEA will inform each other – within 30 days where possible – of upcoming events, in order to maximize participation and PR opportunities for both organizations. To enhance areas of staff expertise when possible, the NH SBDC will collaborate with the BEA in offering staff of both organizations an agreed upon number of pro bono slots at regional and statewide training events. Also, where possible and appropriate, SBDC and BEA will explore joint messaging.
- NH SBDC and BEA leadership staff will meet bi-monthly to ensure communication and support.
- The NH SBDC will collaborate with BEA and other State agencies wherever possible in the development and implementation of state economic development policies and initiatives, up to and

including representation on mutually beneficial boards and committees, all based upon NH SBDC staff resources and availability.

4. Client Referrals

The NH SBDC and BEA will exchange client referrals and provide feedback to the referring agency on the action taken. The NH SBDC will offer a referral to BEA for services to counseling clients, as deemed appropriate. Upon receiving permission from the client(s) to disclose their identity, the NH SBDC will pass along the name(s) and telephone number(s) to the appropriate BEA contact.

5. Campus

Campus will continue to provide, at its own expense, physical space, facilities, utilities, and other similar support to the NH SBDC. Campus serves as fiscal agent for NH SBDC programs.

- To the extent space is available, BEA will provide access to office space to an NH SBDC staff member for the purposes of advising on an agreed upon schedule. NH SBDC will be responsible for any costs incurred beyond the workspace.
- To the extent space is available, BEA will provide conference space for the NH SBDC Advisory Board or staff monthly meetings. As appropriate, BEA staff will be invited to the meetings.

6. Evaluation

During the agreement period, the NH SBDC will substantiate and quantify, to the greatest extent possible, the economic impact and cost/benefit of its services. At the end of the designated work period, the NH SBDC will provide BEA with an analysis of program performance in a mutually agreed upon format. The NH SBDC will measure where possible, the impact of this program on the small business community in New Hampshire and the overall economic impact to the State. The criteria to evaluate the cost effectiveness of the NH SBDC's public service will include such factors as total numbers and types of clients served and jobs created, and capital investments obtained by NH SBDC clients. Such evaluation will take place on a regular basis, and will be coordinated with federally-mandated, U.S. SBA, and/or other federal or State evaluation activities planned for the project period. Evaluations will be performed so as to maintain client confidentiality in accordance with U.S. SBA requirements.

- E. Deliverables Schedule:** Reporting and monitoring procedures are mandated by Federal law and imposed upon the NH SBDC through federal grants and cooperative agreements awarded to Campus, which administers the NH SBDC. BEA will have the same rights and access to reported program information as are conveyed in the U.S. SBA awards that support the NH SBDC. The SBA, BEA, and Campus will seek to negotiate any difference(s) that may arise due to this partnership agreement, in order to assure that all parties of this agreement are mutually satisfied and that their separate interests are fully protected and their individual intentions are fulfilled.

The NH SBDC will submit the following reports to BEA, such as (and potentially other materials as agreed to by BEA and NH SBDC):

- Annual Report for SBA, by March 30 of each year (Note: The SBA can change their annual report deadline at any time, and at their discretion. In the event of such a change, the NH SBDC will notify BEA).

- Accreditation reports, every five years

The following statement will appear in reports and other printed materials, as appropriate, prepared by the NH SBDC:

“Funded in part through a Cooperative Agreement with the U.S. Small Business Administration (SBA) and through assistance provided by the State of New Hampshire. The NH SBDC is an outreach program of the UNH Peter T. Paul College of Business and Economics in conjunction with SBA, the State of NH (BEA), the University of NH, and the private sector.”

In addition, the following statement will appear in NH SBDC promotional material (printed, digital, or otherwise): “Funded in part by the State of New Hampshire” with an approved BEA logo. BEA retains the right to require proof of compliance of this section and to seek appropriate remedy in cases of non-compliance. Each organization will be responsible for providing any logo changes or amendments to the partner organizations as soon as such changes are approved for use in future materials.

- F. Budget and Invoicing Instructions:** Campus will submit invoices to State on regular Campus invoice forms no more frequently than monthly and no less frequently than quarterly. Invoices will be based on actual project expenses incurred during the invoicing period, and shall show current and cumulative expenses by major cost categories as shown below. State will pay Campus within 30 days of receipt of each invoice. Campus will submit its final invoice not later than 60 days after the Project Period end date.

NOTE: State funds are solely to be used for direct expenses.

NH Small Business Development Center Budget
 July 1, 2021 - June 30, 2023 (FY 2022 and FY 2023)

Salaries and Wages:	FY 2022	FY 2023	Total 2 Years
State Director	20,800	20,800	41,600
Associate State Director/Operations Management	28,800	28,800	57,600
Educational Program Coordinator	25,800	25,800	51,600
Business Analyst I	10,400	10,400	20,800
Business Analyst II	16,600	16,600	33,200
Business Analyst II	37,200	37,200	74,400
Business Analyst I	32,000	32,000	64,000
Business Analyst I	33,000	33,000	66,000
Business Analyst I	30,600	30,600	61,200
Program Assistant	8,000	8,000	16,000
Business Advisor, North Country	16,500	16,500	33,000
Business Analyst I	22,300	22,300	44,600
Business Analyst I	16,000	16,000	32,000
SUBTOTAL SALARY AND WAGES	298,000	298,000	596,000
Employee Benefits @ 37.6% (FY22)	86,668	86,668	173,336
Hourly Benefits @ 7.9 % (FY22)	5,332	5,332	10,664
TOTAL PERSONNEL	390,000	390,000	780,000
Facilities and Administrative Costs @ 37%=\$288,600	Waived	Waived	Waived by UNH
TOTAL PROJECT COST FOR STATE	390,000	390,000	780,000

EXHIBIT B

This Project Agreement is funded under a Grant/Contract/Cooperative Agreement to State from the Federal sponsor specified in Project Agreement article F. All applicable requirements, regulations, provisions, terms and conditions of this Federal Grant/Contract/Cooperative Agreement are hereby adopted in full force and effect to the relationship between State and Campus, except that wherever such requirements, regulations, provisions and terms and conditions differ for INSTITUTIONS OF HIGHER EDUCATION, the appropriate requirements should be substituted (e.g., OMB Circulars A-21 and A-110, rather than OMB Circulars A-87 and A-102). References to Contractor or Recipient in the Federal language will be taken to mean Campus; references to the Government or Federal Awarding Agency will be taken to mean Government/Federal Awarding Agency or State or both, as appropriate.

Special Federal provisions are listed here: None or **Uniform Guidance issued by the Office of Management and Budget (OMB) in lieu of Circulars listed in paragraph above..**