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March 20, 2024

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 (BEA) to enter into a Cooperative Project Agreement with the University of New Hampshire, Small Business Development Center (NH SBDC) (VC #177867 (B012)) in the amount of \$725,000 for the State Small Business Credit Initiative (SSBCI) Technical Assistance (TA) grant program which provides legal, accounting, and financial advisory services to very small businesses (VSB's) and business enterprises owned and controlled by socially and economically disadvantaged individuals (SEDI-owned businesses), effective upon Governor and Council approval through October 23, 2027. **100% Federal Funds**

Funds are available in account SSBCI TA Grant Program as follows:

03-22-22-220510-28290000-102-500731 - Contracts for Programs	<u>FY 2024</u> \$725,000
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**EXPLANATION**

The U.S. Department of Treasury awarded NH SBDC, a key resource for small business support and education in New Hampshire, a SSBCI TA grant in the amount of \$725,000. This SSBCI TA grant, which is a component of the American Rescue Plan Act of 2021, provides states with funds to provide legal, accounting, and financial advisory services to VSB's and SEDI-owned businesses. The grant designates BEA as the "implementing entity" for purposes of overseeing these funds and entering into any agreements relative to their administration. Additionally, although every state had access to an allocation from the SSBCI TA grant program, an application and subsequent award by U.S. Treasury was required. As a result, NH SBDC will directly facilitate the program with oversight by BEA for federal compliance purposes.

SSBCI funds provided to the NH SBDC will be used to fund TA services to eligible beneficiaries and will align with and support other state or federally funded initiatives or programs. Eligible beneficiaries are VSB's and SED owned businesses that are applying for, preparing for, or have previously applied for an SSBCI capital program or other federal or other jurisdiction program that supports small businesses.

New Hampshire is home to more than 130,000 small businesses, which together create a majority of new jobs and have a significant impact on the state's economy. Recent surveys conducted by NH SBDC

indicate that many of those small businesses have ongoing concerns and need for technical assistance pertaining to access to capital, legal counsel, accounting and recordkeeping, and financials.

NH SBDC's principal function is to design and carry out quality business advising, training, and educational services to help entrepreneurs and existing business owners reduce operating costs and respond to changing market conditions so that they can be more competitive and profitable. NH SBDC's current client base consists of roughly 90% VSB's and is therefore well suited to facilitate this TA program. NH SBDC and BEA have a preexisting relationship and familiarity in part due to a Cooperative Project Agreement in effect through this biennium (June 30, 2025), enabling NH SBDC and BEA's Division of Economic Development to work closely through referral exchanges and special projects designed to help meet the needs of the New Hampshire's small business community.

By participating in this SSBCI TA grant program, New Hampshire will be in an even better position to respond to the various, and often changing, needs and opportunities relating to the state's small business community. New Hampshire's economic development efforts are enhanced by this support to small companies which, in turn, promotes growth and creates jobs.

In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

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 **10/23/27**. 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: SSBCI Technical Assistance Program**

- 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: Cynthia Harrington  
 Address: NH Dept of Bus & Economic Affairs  
100 North Main St, Suite 100  
Concord, NH 03301  
 Phone: 603-271-2341

**Campus Project Administrator**

Name: Randy Brown  
 Address: University of New Hampshire  
Sponsored Programs Administration  
51 College Rd  
Dirham, NH 03824  
 Phone: 603-717-1800

- 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: Chase Hagaman  
 Address: NH Dept of Bus & 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: 603-862-2200

F. Total State funds in the amount of \$725,000 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. SSBCI-21031-0035 from US Dept of the Treasury under CFDA# 21.031. 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, have executed this Project Agreement.

**By An Authorized Official of:**

**University of New Hampshire**

Name: Karen M. Jensen

Title: Director, Pre-Award

Signature and Date: Karen Jensen

Digitally signed by Karen Jensen  
Date: 2024.03.13 09:17:06  
-0400

**By An Authorized Official of:**

**Department of Business and Economic Affairs**

Name: Chase A. Hagaman

Title: Director

Signature and Date: [Signature] 3/20/2024

**By An Authorized Official of: the New**

**Hampshire Office of the Attorney General**

Name: Louise D. Williams

Title: Attorney

Signature and Date: Louise D. Williams March 27, 2024

**By An Authorized Official of: the New**

**Hampshire Governor & Executive Council**

Name:

Title:

Signature and Date:

**EXHIBIT A**

**A. Project Title:** SSBCI Technical Assistance Program

**B. Project Period:** 10/24/2023-10/23/2027

**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) as the main Technical Assistance Partner of the State Small Business Credit Initiative (SSBCI) program. The NH SBDC is 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.

**D. Scope of Work:**

1. Data-driven assessment of the needs of eligible beneficiaries in the eligible recipient's jurisdiction. Eligible recipients must provide information and data that they have used to design their TA projects in a way that effectively addresses eligible beneficiaries' needs, particularly information and data on barriers to capital access. Information and data may include information from organizations and businesses associated with eligible beneficiaries; historical records and research reports on the need for small business legal, accounting, and financial advisory services in the jurisdiction; and statistical data on local economic conditions such as unemployment or job-creation numbers.

The primary data that the NH SBDC has used to determine the needs of small businesses has come internally, both in the form of hard data and anecdotal information. We track data relevant to clients' demographics, business information, advising sessions and hours, as well as areas of advising. We have complete data for the last 20 years, and partial data for an additional 18. Additional data points are derived from programmatic data as well as small business surveys:

Client Data: Comparison of client advising data from CY19/CY20 and CY21/CY22 shows a marked increase in demand for technical assistance in the areas of Accounting/Recordkeeping, Business Startup and Acquisition, Legal Forms of Business/Franchising, Business Liquidation, Financial Analysis, and Access to Capital, all of which fall under the three areas identified for SSBCI TA (Business Legal, Accounting, Financial Advisory).

	2019-2020 (24 months)	2021-2022 (21 months)
Bus. Startup and Acquisition	1054 Clients	1572 Clients
Accounting & Record Keeping	82 Clients	181 Clients
Business Liquidation	67 Clients	96 Clients
Financial Analysis	157 Clients	235 Clients
Access to Capital	323 Clients	322 Clients

Programmatic Data: In 2020 utilizing CARES Act funding, the NH SBDC created a new program to assist NH's small businesses through the COVID-19 pandemic – FAME (Financial Accelerator/ Marketing Expeditor). The NH SBDC contracted with local consulting small businesses (including attorneys, accountants, and financial consultants) to provide up to five hours of specialized consulting to small business clients in need of their services, with advisors also attending many sessions. This was a completely different model of service delivery for the NH SBDC. The program was extremely successful, and we saw a true need for a higher level of support in these areas for small businesses.

For example, SBDC advisors can assist clients with QuickBooks, but we do not necessarily have the bandwidth or expertise to set up their QuickBooks accounts – a consultant can. Early in 2022, based largely on client demand from small businesses, we added a legal component to the FAME program. NH SBDC staff cannot provide legal advice, only information and referrals, so having this programmatic option available for small businesses was truly amazing.

Survey Data: Also utilizing CARES Act funding, the NH SBDC (with the UNH Survey Center) conducted a three-Phase NH Small Business Resiliency Survey. The last phase, conducted in September 2021, provided clear data that small businesses in NH are concerned about many things going forward, especially issues around access to capital, legal aspects, accounting and recordkeeping, and financials.

55% indicated that their business revenue had decreased

54% would consider applying if more relief funds were made available in the future

81% said that they are currently very or somewhat concerned about maintaining sales or revenue

74% are very or somewhat concerned about maintaining customers

73% are very or somewhat concerned about supply chain disruptions

46% are very or somewhat concerned about access to capital for their business

Additionally, in CNBC's recent "America's Top States for Business 2022", NH ranked 48th in the nation for Access to Capital. NH small businesses need assistance in identifying sources of capital and preparing to apply for these sources.

2. The organizational capacity and ability of the TA providers. Eligible recipients must describe the proposed TA providers and, if applicable, the process for identifying future TA providers, such as eligible recipients' procurement processes. Eligible recipients must discuss their capability to directly implement the TA project or to manage subrecipient or contractor implementation. Eligible recipients must also discuss any subrecipient's or contractor's capability to implement the TA project or to manage the implementation of lower-tier subrecipients or contractors. Eligible recipients must discuss the process, sources, and tools used in identifying and determining the capability of the TA providers. Eligible recipients must address requirements set forth under "TA Provider Requirement: Connection to Economic Benefits" in Section V.b and "TA Provider Requirement: Prioritization of SEDI-Owned Businesses as Providers" in Section V.c of the TA Grant Program Guidelines.

The NH SBDC's mission is to work in partnership with the public and private sector to foster economic development by building and strengthening new and existing small businesses. We are committed to providing our clients with professional and highly individualized advising experiences, as well as accessible educational resources. Our team strives for continuous improvement in all we do, and values both the strategic partnerships we've created and the long-term client relationships we've maintained. NH SBDC is an outreach program of the UNH Peter T. Paul College of Business and Economics in conjunction with the U.S. Small Business Administration, State of NH, UNH, and the private sector. This unique collaborative allows the SBDC to leverage resources across all these organizations, as well as our SBA resource partners: SCORE and the Center for Women & Enterprise.

In 2020 utilizing CARES Act funding, the NH SBDC created a new program to assist NH's small businesses through the COVID-19 pandemic – FAME (Financial Accelerator/Marketing Expeditor). The NH SBDC contracted with local consulting small businesses (including attorneys, accountants, and financial consultants) to provide up to five hours of specialized consulting to small business clients in need of their services: In just under one year, the NH SBDC contracted with 17 individual consultants to assist over 325 small businesses with in-depth, specialized assistance in areas such as QuickBooks, tax reporting, tax law, accounting, financial forecasting and projections, business acquisition planning and much more.

Coming off of a successful FAME program, we plan to implement a similar program utilizing SSBCI Technical Assistance funds. The NH SBDC will identify or hire a full-time individual to serve as both a Business Advisor and a Program Coordinator, to oversee day-to-day programmatic items and track progress. Following the University of New Hampshire's (our host and fiscal agent) procurement processes, we will identify, interview, and contract with local consulting small businesses and experts to provide specialized, in-depth assistance to NH small businesses in the areas of legal, accounting, and financial advisory services. We hope to continue working with many of these consultants, as they have been excellent resources which clients have had very positive experiences working with. Additional consultants will be identified through existing referral channels, and/or through the posting of an RFP. Recipients will have applied for or be considering applying for, SSBCI or other federal/state or local funds.

3. The connection between the TA project and SSBCI or other program that supports small businesses. Eligible beneficiaries are VSBs and SEDI-owned businesses that are applying for, preparing to apply for, or previously applied for an SSBCI capital program or other federal or other jurisdiction small business program. Accordingly, eligible recipients must describe how the project is connected to the relevant small business programs. For example, where an eligible recipient's capital program is focused on capital access for small manufacturing enterprises(SMEs), the eligible recipient's TA Grant Program application should include information connecting TA projects to the needs of SMEs that are SEDI-owned businesses and VSBs applying for an SSBCI program or other federal or other jurisdiction small business program. This could include information on how the planned TA services are expected to help SME eligible beneficiaries to, for example, implement new technologies, build relationships with local distributors, or reduce energy costs.

The NH Business Finance Authority selected SBDC to be the Statewide technical assistance provider for New Hampshire because of its long history of successfully and impactfully providing technical assistance. For almost 40 years, the SBDC has provided NH's small businesses with no-cost, confidential, professional business management advising and educational webinars, eCourses and resources. More than 32,500 small businesses and entrepreneurs have received assistance, resulting in 2,209 new businesses created, 8,732 jobs created, 7,555 jobs saved, and over \$263.8 million in client capital infusion.

In addition to being a direct technical assistance provider, the NH SBDC and its advisors and staff also regularly refer and connect small businesses to other resources and programs across the state that support small businesses. These include other U.S. Small Business Administration (SBA) resource partners such as SCORE and the Center for Women & Enterprise (CWE), as well as NH's regional and economic development corporations and councils (GRDC, BEDC, WEDCO, REDC, etc.), local and regional Chambers of Commerce, and the state's industry associations, such as NH Tech Alliance, Manufacturing Extension Partnership (MEP), NH Lodging and Restaurant Association, etc. NH SBDC has longstanding, strong relationships and partnerships with many of these organizations, as well as with local and regional lenders, which has, and will continue to enhance and increase the flow of clients coming into SBDC programs, as well as the SSBCI TA program. Leveraging these relationships and marketing to small businesses statewide in varying industries, communities, and stages of growth will amplify outreach to VSB and SEDI small businesses.

In recent years the SBDC's visibility has increased with small businesses, lenders, and partners alike, due to the large expansion of programs and outreach due to CARES Act funding. Additionally, the NH SBDC is the sole statewide spoke (there are 4 regional) in NH's Community Navigator Pilot Program, focusing on reaching BIPOC and New American clients, largely in the Southern half of the state. We have created marketing material in various languages and developed relationships with community partners and liaisons.

NH SBDC's almost 40 years of first-hand experience, as well as established connections, relationships, and partnerships with other organizations and programs that assist VSB and SEDI individuals ideally positions the SBDC to take on the lead role of SSBCI TA provider for New Hampshire.

4. The strategy and efforts to reach SEDI-owned businesses and VSBs that are eligible beneficiaries. Eligible recipients should describe their strategy and efforts to reach eligible beneficiaries, such as regular internal organization meetings to assess TA project implementation and planned outreach efforts (e.g., publicity, email campaigns, neighborhood canvassing).

In order to reach SEDI-owned and VSB's that are potentially eligible beneficiaries based on SSBCI or other federal/state capital received/applying for/considering, the NH SBDC plans to take a three-pronged approach.

Internal – One strategy that the NH SBDC will implement to identify eligible beneficiaries is to look internally at our existing small business clients and training attendees. YTD CY22 we have assisted 1,221 small business with direct technical assistance, and in CY21 that same metric was 1,760. Of these, nearly 90% would already qualify as VSB alone, with many more qualifying as SEDI-owned businesses. Our MIS system allows us to track which clients have applied for and obtained capital (and what type of capital it is), as well as the areas of advising that clients have been assisted with. Over this same period over 1,100 individuals took an SBDC eCourse, webinar or seminar, and we have nearly 13,000 emails on our eNews distribution list. With this information we can reach eligible individuals broadly via our newsletter, but also in a more targeted way utilizing impact and advising data of established clients.

External – Externally, the NH SBDC will leverage existing relationships with organizations and partners around the state to drive referrals of eligible beneficiaries. Over the past few years we have worked very hard to develop, strengthen and cultivate relationships with potential referral partners, including: local and regional Chambers of Commerce, regional and economic development organizations, NH Business Finance Authority, U.S. Small Business Administration (SBDC's federal funder), NH Dept. Of Business and Economic Affairs, NH Employment Security, SCORE, Center for Women and Enterprise (CWE), Veterans Business Outreach Center (VBOC), and numerous bankers and lenders across the state.

Marketing: In addition to reaching internally to existing clients and attendees, and externally to through partners, we plan to use some funds to market to a broader audience. This will be accomplished through social media marketing, and the development of marketing collateral for distribution by SBDC staff, and to provide existing and potential referral partners across the state.

**E. Deliverables Schedule:**

Eligible recipients must describe their performance goals and benchmarks performance for their TA Grant Program award. The performance measures must be tied to addressing the needs of eligible beneficiaries and explain the approach to addressing those needs. Eligible recipients must explain the output measures they will use to measure performance and the benchmarks for all identified short-, medium-, or long-term goals. Examples of output measures may include the number of newly established business organizations or the number of successful small business program applications submitted by eligible beneficiaries.

Clients

Capital Obtained attributed to SBDC support

Jobs Supported (measured by total employee counts)

New business starts

**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 detailed 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.

## 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. .

Budget Category	TOTAL AMOUNT
Personnel	\$ 340,409.00
Fringe Benefits	\$ 121,526.00
Travel	\$ 1,000.00
Equipment	\$ =
Supplies	\$ 1,000.00
Contractual	\$ 243,065.00
Other	\$ 18,000.00
Total Direct Costs	\$ 725,000.00
Total Indirect Costs	\$ =
TOTALS	\$ 725,000.00