

**State of Alaska
FY2017 Governor's Operating Budget**

**University of Alaska
Small Business Development Center
Component Budget Summary**

Component: Small Business Development Center

Contribution to Department's Mission

Small Business Development Center (SBDC) programs have provided a direct link between UAA and businesses, entrepreneurs, and leaders throughout Alaska since 1986. This direct link and the successful results of the SBDC are tangible evidence of UAA's impact within the Public Square. The Alaska SBDC contributes directly to UAA's 2017 strategic plan in its collaborative efforts with both public and private sector partners to form productive partnerships with public entities and private industries and to enhance Alaska's communities and economic growth.

The SBDC network serves the needs of Alaska's business community and nascent entrepreneurs by providing free and confidential business advising, workshops, computer labs, and business resource libraries. In addition, the SBDC network is comprised of three partner programs: Buy Alaska, the Procurement Technical Assistance Center (PTAC), and the Technology Research and Development Center (TREND). These programs assist the Alaska SBDC network in its mission to meet Alaska's businesses at any level of development and assist them in finding pathways to sustainable growth.

Core Services

- Coordinate all available resources from both the public and private sectors to strengthen the small business community;
- Encourage in-state purchases of goods and services through a multi-media public awareness campaign (BUY ALASKA) and by assisting Alaskan businesses, government entities and consumers in finding competitive, local sources for goods and services previously purchased outside Alaska. The BUY-ALASKA program provides direct assistance through the BUYER-SELLER network which matches Alaska's buyers with sellers statewide, and provides free in-state sourcing for buyers and sales referrals to suppliers.
- Provide one-on-one counseling, informational seminars, resource referral, and affiliate programs.

Major Component Accomplishments in 2015

Thanks in large part to its ongoing participation in the Malcolm Baldrige performance excellence program, the Alaska Small Business Development Center (SBDC) saw all-time highs in all six of its key performance criteria in 2015. Most notably the organization provided 5,467 hours of technical assistance to 832 businesses that created 305 new jobs and accessed \$12.9 million in capital infusion. The SBDC also helped 102 Alaskans launch a new business.

	FY'13	FY'14	FY'15
Counseling Hours	2,975	3,278	5,467
New Businesses	83	62	102
New Jobs	256	238	305
Capital Infusion (in millions)	\$12.5	\$10.8	\$12.9
Success Stories	17	29	49
Long Term Clients	147	200	262

PROCUREMENT TECHNICAL ASSISTANCE CENTER (PTAC)

The Alaska PTAC guides Alaska businesses in selling products and services to federal, state, and local governments. With the main office in Anchorage, and a satellite office in Fairbanks, the program provides services statewide that include classes and seminars, an annual procurement conference, individual advising, access to bid opportunities, database registration assistance, a free Bid Match program, and other processes necessary to successfully compete for government contracts. Highlights of this program include:

Component — Small Business Development Center

	FY'13	FY'14	FY'15
Client base	641	628	345
Advising sessions	684	635	363
Number of Prime contract awards ¹	297	263	281
Dollar Value Prime Contracts	\$104,263,175	\$74,499,332	\$170,691,717

BUY ALASKA

Buy Alaska encourages in-state purchases of goods and services through a free one-page web page, which assists Alaskan businesses, government entities and individual consumers in locating competitive, Alaskan sources for goods and services.

Key Component Challenges

Due in large part to ongoing support from the State of Alaska, the SBDC and PTAC had very solid performance in FY2015. The organizations continue their focus on high impact clients and finding key sectors in Alaska where growth is likely to occur.

While the organizations are mandated to provide statewide access to all Alaskans, this becomes increasingly challenging as budgets shrink. As a result, the SBDC has been forced to focus solely on “high impact” clients to achieve the performance metrics required by their federal funders.

At the same time, the future success of Alaska will rely in part on its university system actively boosting innovation and retaining and expanding businesses across all industry sectors. As a university-based program, SBDC alignment with the UA system includes: faculty engagement with industry, increased student access to internships and applied learning opportunities within industry, business professionals gaining a competitive advantage due to high level trainings, seminars, and certification courses.

While the SBDC has been able to obtain significant administrative efficiencies in budgets due in part to its affiliation under the Business Enterprise Institute, the reality is that further reductions will be harmful to the SBDC, to the UA system’s ability to offer faculty and students broader engagement with industry and quite frankly to the State of Alaska’s efforts to improve revenues via business expansion and development. Now is the time to be investing in the Alaska SBDC system.

Significant Changes in Results to be Delivered in FY2017

Since the SBDC and PTAC match their general fund budget dollar-for-dollar with federal grants through the U.S. Small Business Administration and the Defense Logistics Agency, respectively, a 4.5% reduction in general fund to the SBDC in FY2017 will result in an equivalent loss of federal funding to the organizations, for an equivalent budget loss of 9%. This reduction in budget would result in the elimination of two FTEs. Since SBDC and PTAC business advisors have clear annual performance goals, we can predict that the loss of two FTEs would result in \$1.5 million less in loans and equity investments, \$40 million less in prime contracts to firms, 750 fewer hours of one-on-one technical assistance to business owners, and 17 fewer start-ups.

Statutory and Regulatory Authority

No statutes and regulations.

¹ These are contracts awarded to PTAC clients by local, state and federal agencies

Contact Information

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Component Detail All Funds
University of Alaska

Component: Small Business Development Center (2911)
RDU: University of Alaska Anchorage (235)

Non-Formula Component

	FY2015 Actuals	FY2016 Conference Committee	FY2016 Authorized	FY2016 Management Plan	FY2017 Governor	FY2016 Management Plan vs FY2017 Governor	
71000 Personal Services	1,675.2	2,549.6	2,549.6	2,653.6	2,653.6	0.0	0.0%
72000 Travel	88.1	216.5	216.5	66.7	66.7	0.0	0.0%
73000 Services	534.6	307.1	295.6	318.8	318.8	0.0	0.0%
74000 Commodities	114.0	119.5	119.5	139.0	139.0	0.0	0.0%
75000 Capital Outlay	7.6	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	2,419.5	3,192.7	3,181.2	3,178.1	3,178.1	0.0	0.0%
Fund Sources:							
1002Fed Rcpts (Fed)	769.1	1,200.0	1,200.0	1,200.0	1,200.0	0.0	0.0%
1004Gen Fund (UGF)	1,055.8	1,083.7	1,072.2	1,031.5	1,031.5	0.0	0.0%
1007I/A Rcpts (Other)	0.0	250.0	250.0	250.0	250.0	0.0	0.0%
1048Univ Rcpt (DGF)	594.6	634.0	634.0	671.6	671.6	0.0	0.0%
1174UA I/A (Other)	0.0	25.0	25.0	25.0	25.0	0.0	0.0%
Unrestricted General (UGF)	1,055.8	1,083.7	1,072.2	1,031.5	1,031.5	0.0	0.0%
Designated General (DGF)	594.6	634.0	634.0	671.6	671.6	0.0	0.0%
Other Funds	0.0	275.0	275.0	275.0	275.0	0.0	0.0%
Federal Funds	769.1	1,200.0	1,200.0	1,200.0	1,200.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
University of Alaska

Component: Small Business Development Center (2911)
RDU: University of Alaska Anchorage (235)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2016 Conference Committee To FY2016 Authorized *****												
FY2016 Conference Committee												
ConfCom		3,192.7	2,549.6	216.5	307.1	119.5	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		1,200.0										
1004 Gen Fund		1,083.7										
1007 I/A Rcpts		250.0										
1048 Univ Rcpt		634.0										
1174 UA I/A		25.0										
Align Authority for Agency-wide Reduction												
Unalloc		-11.5	0.0	0.0	-11.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-11.5										

Align authority for agency-wide unallocated reduction. The University of Alaska's share of the unallocated reduction is \$5 million:

- (1,434.4) Anchorage Campus
- (18.1) Bristol Bay Campus
- (12.4) Chukchi Campus
- (69.4) College of Rural and Community Development
- (39.7) Cooperative Extension Service
- (1,559.2) Fairbanks Campus
- (238.6) Fairbanks Organized Research
- (22.0) Interior-Aleutians Campus
- (289.5) Juneau Campus
- (89.1) Kenai Peninsula College
- (31.2) Ketchikan Campus
- (32.5) Kodiak College
- (39.4) Kuskokwim Campus
- (63.2) Matanuska-Susitna College
- (19.2) Northwest Campus
- (320.6) Office of Information Technology
- (37.6) Prince William Sound College
- (41.5) Sitka Campus
- (11.5) Small Business Development Center
- (518.9) Statewide Services
- (37.2) Systemwide Education and Outreach
- (74.8) UAF Community and Technical College

Subtotal	3,181.2	2,549.6	216.5	295.6	119.5	0.0	0.0	0.0	0	0	0
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***** Changes From FY2016 Authorized To FY2016 Management Plan *****

Transfer General Funds to Align Budgets With Anticipated Revenue

Change Record Detail - Multiple Scenarios with Descriptions
University of Alaska

Component: Small Business Development Center (2911)

RDU: University of Alaska Anchorage (235)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
1004 Gen Fund	Trout	-40.7	0.0	0.0	-40.7	0.0	0.0	0.0	0.0	0	0	0

Transfers between allocations deemed necessary for FY2016.

1004 General Fund

- 97.4 Anchorage Campus
- (75.6) Bristol Bay Campus
- (104.5) Budget Reductions/Additions - Systemwide
- (44.3) Chukchi Campus
- (821.8) College of Rural and Community Development
- (3,133.9) Cooperative Extension Service
- 6,574.2 Fairbanks Campus
- (2,144.3) Fairbanks Organized Research
- (187.0) Interior-Aleutians Campus
- (488.5) Juneau Campus
- (94.4) Kenai Peninsula College
- (26.5) Ketchikan Campus
- (22.9) Kodiak College
- (291.6) Kuskokwim Campus
- (22.8) Matanuska-Susitna College
- (204.7) Northwest Campus
- 763.8 Office of Information Technology
- (16.7) Prince William Sound College
- (95.9) Sitka Campus
- (40.7) Small Business Development Center
- 533.2 Statewide Services
- 127.3 Systemwide Education and Outreach
- (279.8) UAF Community and Technical College

Transfer University Receipts to Align Budgets With Anticipated Revenue

1048 Univ Rcpt	Trin	37.6	0.0	0.0	37.6	0.0	0.0	0.0	0.0	0	0	0
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Transfers between allocations deemed necessary for FY2016.

1048 University Receipts

- 2,896.6 Anchorage Campus
- 65.7 Bristol Bay Campus
- (10,073.0) Budget Reductions/Additions - Systemwide

Change Record Detail - Multiple Scenarios with Descriptions
University of Alaska

Component: Small Business Development Center (2911)
RDU: University of Alaska Anchorage (235)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
34.6	Chukchi Campus											
95.6	College of Rural and Community Development											
(2,236.5)	Cooperative Extension Service											
5,719.4	Fairbanks Campus											
1,354.6	Fairbanks Organized Research											
72.6	Interior-Aleutians Campus											
462.1	Juneau Campus											
246.8	Kenai Peninsula College											
66.1	Ketchikan Campus											
142.9	Kodiak College											
91.0	Kuskokwim Campus											
156.8	Matanuska-Susitna College											
53.5	Northwest Campus											
843.3	Office of Information Technology											
(154.4)	Prince William Sound College											
128.3	Sitka Campus											
37.6	Small Business Development Center											
(31.9)	Statewide Services											
(233.7)	Systemwide Education and Outreach											
262.0	UAF Community and Technical College											
Align Authority with Anticipated Expenditures												
	LIT	0.0	104.0	-149.8	26.3	19.5	0.0	0.0	0.0	0	0	0
Transfers within the allocation that University management and the Board of Regents have deemed necessary to accurately reflect revenue and expenditure levels for FY2016.												
Subtotal		3,178.1	2,653.6	66.7	318.8	139.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2016 Management Plan To FY2017 Governor *****												
Totals		3,178.1	2,653.6	66.7	318.8	139.0	0.0	0.0	0.0	0	0	0

Personal Services Expenditure Detail
University of Alaska

Scenario: FY2017 Governor (12995)
Component: Small Business Development Center (2911)
RDU: University of Alaska Anchorage (235)

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.
[No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.