

White House Initiative on Historically Black Colleges and Universities

U.S. Small Business Administration Plan - 2018

Agency Priorities

Data provided by the National Center for Education Statistics indicates that Historically Black Colleges and Universities (HBCU) account for 17 percent of the bachelor's degrees earned by African Americans and 24 percent of the degrees earned by African Americans in STEM professions and generate \$ 14.8 billion in economic activity and create 134,090 jobs. To support, these institutions contributions to the American economy, SBA has established the following priorities:

- Raise awareness and provide information to raise the capacity of HBCU's to participate in federally funded programs. To increase the capacity of HBCU's to access resources to fulfill their educational and service missions, SBA will engage and provide HBCU's with the information needed to access and compete for federal grants and contracts. An available SBA resource is the SBIR/STTR program, which encourages innovation among a variety of technology and educational institutions including HBCUs.
- Promote collaboration between HBCUs and the SBA Resource Partners and District Offices. HBCU are vibrant contributors to their local economies. SBA and its resources can support the mission of HBCU's by supporting the entrepreneurial efforts of students, alumni and assist the entrepreneurship focused outreach efforts those institutes of higher education.

Brief narrative providing counsel and guidance to inform the Initiative and HBCUs how best to engage, and align activities, with the top priorities of the federal agency

SBA's HBCU focused activities will be guided by its agency strategic plan and aligned with its four core strategic goals, which are:

1. Support small business revenue and job growth;
2. Build healthy entrepreneurial ecosystems and create business friendly environments;
3. Restore small businesses and communities after disasters; and
4. Strengthen SBA's ability to serve small businesses.

Federal agencies within the initiative and potential partners are encouraged to coordinate with SBA's point of contact and also its District Directors.

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Section A: Executive Summary

During FY 2017, SBA funded three Small Business Development Centers (SBDC, Howard University and University of the Virgin Islands) and engaged HBCU's through the Office of Investment and Innovation's SBIR/STTR "Road Tour," where emphasis was placed on raising the awareness of HBCU's to access the Program.

For FY 2018, SBA's goals related to its support of HBCU's mission are to:

Goal 1: Increase awareness and promote the participation through capacity building of HBCU's in federally funded programs.

Goal 2: Promote collaboration between HBCUs and the SBA Resource Partners and District Offices.

To realize these goals SBA will encourage the formation of Alliance Agreements between SBA District Office's and our nation's HBCUs where opportunities present. Using that medium to promote and support entrepreneurial ecosystems in underserved markets. Particular emphasis will be placed on engaging Morrill Acts Land Grant institutions that provide services and resources to our nation's rural areas.

Additionally, SBA will explore and consider partnerships with the National Association for Equal Opportunity in Higher Education (NAFEO), Thurgood Marshall College Fund and the United Negro College Fund to raise awareness, disseminate information and share resources among and with HBCUs. Particular emphasis will be given to highlighting opportunities for Federal contracting and how HBCUs as business entities can utilize the 8a and HUBZone designations. These engagements will be realized through webinars and, as deemed appropriate, conference presentations.

To support the service missions of HBCU's, SBA will actively engage and disseminate its Business Smart Toolkit for institutions to use to provide the communities they serve with the resources they need for economic success. For FY 2018, SBA has funded the Howard University SBDC and University of the Virgin Islands SBDC.

1. A list of grants, contracts, and programs your agency implements and plans to implement to increase federal opportunities for HBCUs during the FY

- Howard University SBDC - \$722,222 - Grant
- University of the Virgin Islands SBDC – \$722,222 - Grant

Additionally, 16 HBCU's (detailed below) are SBDC sub-centers. Sub-centers are locations that provide business counseling and training services to America's entrepreneurs. In contrast to lead centers that are directly responsible to SBA, sub-centers are supported by and accountable to lead centers.

- 1) Alabama State University
 - 2) Delaware State University
 - 3) Florida A&M University
 - 4) Southern University and A&M College
 - 5) Xavier University of Louisiana
 - 6) Jackson State University
 - 7) Lincoln University of Missouri
 - 8) Elizabeth City State University
 - 9) Fayetteville State University
 - 10) North Carolina A&T State University
 - 11) North Carolina Central University
 - 12) Winston-Salem State University
 - 13) South Carolina State University
 - 14) Tennessee State University
 - 15) Prairie View A&M University
 - 16) Bluefield State College
2. A list of public-private partnership grants, contracts, programs or Memoranda of Understanding your agency implements and plans to implement to increase federal opportunities for HBCUs during the FY.

There is currently a co-sponsorship agreement between the West Virginia District Office, Charleston SCORE and West Virginia State University Extension Service Economic Development Center.

HBCU: West Virginia State University Extension Service Economic Development Center

District Office: West Virginia DO-Charleston SCORE

Partners: Charleston Small Business Roundtable

Purpose: Monthly small business roundtables

3. Projected increase/decrease in funds invested in HBCUs during current FY compared to funds invested in these institutions during the previous FY (please explain), if applicable.

- None.

4. Highlights of anticipated accomplishments/outcomes from these investments.

Through its activities to engage, share information and increase the capacity of HBCUs, SBA will measure its level of effort by monitoring the number of outreach events, the attendees and partnerships created. Importantly, the impact of its activities will be determined by HBCUs that pursue federal funding and those that find that information useful.

Measures	Target
Number of Outreach Events	Baseline
Number of Outreach Attendees	Baseline
Number of Partnerships Established	Baseline
% of Engaged HBCU that pursued Federal Funding	Baseline
% of HBCUs engaged that found the information useful	Baseline

Section B: Summary of projected support to and/or funds invested in HBCUs

1. Summary of existing grants by your agency, including multiyear grants, grantees, and programs.

For FY 2018, Howard University and the University of the Virgin Islands have received funding to operate SBDCs. The Office of Small Business Development Centers (OSBDC) manages the Small Business Development Center (SBDC) program. OSBDC provides grants to establish a delivery system for business advice, training, and technical assistance for existing and prospective small businesses. SBDCs develop a network of sub-centers in each area of operation. The SBDC Program is made up of 63 'Lead' SBDC centers with each establishing a network of 'Sub-centers' with more than 900 locations nationally (Seven of the 63 are located within state governments). Centers are located in all fifty states, the District of Columbia, Puerto Rico, America Samoa, the U.S. Virgin Islands and Guam.

The Lead Center hosts and manages the program and its area network, coordinating services offered to small businesses through Sub-centers and satellite locations. Cooperative agreements are the vehicle used to issue funds to universities, colleges

and state agencies enabling them to provide free counseling services as well as training to small businesses. The Associate Administrator for the Office of Small Business Development Centers is responsible for the management and oversight of the SBDC Program, a partnership exists between SBA and the 'Host' recipient organization for the delivery of assistance to the small business community.

The SBA provides the operating funds for each network, via a population based formula, and the Host or recipient is required to contribute or raise 1:1 matching funds, 50% of which must be in cash and the remainder may be in the form of in-kind and indirect costs. Other universities, state legislatures, community colleges, chambers of commerce, private sector foundations, and additional entities contribute the network's matching funds.

As part of their core mission, all SBDC grant recipients are charged with providing business assistance to minority populations within their area of service. This report encompasses the funding provided to the lead centers and to the sub-centers to institutions of higher education.

2. Summary of specific institutional funds invested for training and development specifically designed for HBCUs:
 - None.
3. Summary of programs or initiatives designed to foster public-private partnerships with HBCUs:
 - None.
4. Summary of internships, scholarships, and fellowships specifically designed for HBCUs;

SBA's Office of Human Resources Solutions is in the process of creating a National Recruitment Strategy which will include a full utilization of the Pathways Programs, a partnership and an outreach campaign to Hispanics Association of Colleges and Universities (HACU), Conference on Asian Pacific Americans Leadership (CPAL), Washington Internship for Native Students (WINS), Mayor Marion S. Barry Summer Youth Employment Program (MBSYEP), Historical Black Colleagues and Universities (HCBU), Peace Corps, AmeriCorps, Transitioning Military Personnel, Veterans and any other Affinity Groups identified by the SMEs during the creation of the new strategy.

5. Summary of investments including cooperative agreements specifically designed for HBCUs;
 - None.

6. Summary of programs underutilized by HBCUs:

HBCUs have historically underutilized SBA's resources. However, the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) program is an enriching SBA resource for HBCUs. The SBIR/STTR program was established by Congress to support scientific development and technological innovation by allowing small businesses access to research and development (R&D) dollars of eleven (11) participating federal agencies. Universities (including HBCUs), with applicable technological development programs are some of the key beneficiaries of the R&D set aside of the participating federal agencies.

Toward this end, SBA has participated in several recent outreach activities including the National Society of Black Engineers annual convention, and in two HBCU focused Innovation Engagement Forums at Johnson C. Smith University and Clark Atlanta University. SBA supported an SBIR/STTR Road Tour with stops at two HBCUs: Alabama A&M University and Jackson State University.

7. Summary of all technical assistance activities conducted by agency in support of HBCUs:

The SBIR/STTR Road Tour is a national outreach effort to raise awareness of available non-dilutive, technology research and development funding set asides provided by the eleven (11) participating federal agencies in the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) program. Representatives of each of the participating federal agencies tour universities and communities throughout the U.S. to promote the program.

8. Summary of loan programs available to HBCUs.

HBCU's or their aligned for-profit or nonprofit entities can potentially access SBA's loan programs, which are: SBA 7a Loans, SBA 504 Loans, SBA CAPLines, SBA Export Loans, or SBA Disaster Loans. Importantly, HBCU's with economic extension initiatives might qualify to be SBA Microloan Intermediaries.