

**University of Alaska Small Business Development Programs**

**FY2001 Request: \$450,000**  
**Reference No: 30419**

**AP/AL:** Appropriation

**Project Type:** Transitional

**Category:** University

**Location:** Statewide

**Contact:** Pat Pitney

**House District:** Statewide (HD 1-40)

**Contact Phone:** (907)474-7958

**Estimated Project Dates:** 07/01/2000 - 06/30/2004

**Brief Summary and Statement of Need:**

UA requests continuation matching funds to maintain the current level of operations for the UA small business development programs. These programs are highly leveraged and attract approximately \$5 in direct external funding for every \$1 invested.

<b>Funding:</b>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>Total</u>
Gen Fund	\$450,000	\$500,000	\$500,000	\$500,000	\$500,000		\$2,450,000
<b>Total:</b>	\$450,000	\$500,000	\$500,000	\$500,000	\$500,000	\$0	\$2,450,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

SLA 1999, CH2, Pg 318 450,000 GF, Alaska Small Business Development Center; SLA 1998, CH 139, Pg 87 450,000 GF, Small Business Development; SLA 1997, CH 100, Pg 70, 450,000 AHFC Reserves, Small Business Development Programs; SLA 1996, CH 123, Pg 69, 400,000 GF Small Business Development Center

**Project Description/Justification:**

**UAA Small Business Development Center:**

**\$450.0**

This request represents continuation of matching funds to maintain the current level of operations for the UA small business development programs. These programs, which have historically been funded through the capital budget, are highly leveraged and attract approximately \$5 in direct external funding for every \$1 invested by the state. In addition, they attract and/or help generate literally tens of millions of dollars of investment in Alaska jobs and small businesses. The Alaska Small Business Development Center (SBDC) operates almost \$2 million worth of technical and business assistance programs for the residents of the state of Alaska. The primary emphasis of the SBDC is on in-depth, quality business counseling and training. Small businesses or start-ups are assisted in the areas of management, marketing, sales, finance, accounting and other disciplines required for small business growth, expansion and innovation. The SBDC has six regional centers located in Anchorage, Fairbanks, Juneau, Wasilla, Kenai, and Ketchikan, in addition to a rural outreach program. The SBDC provided assistance to over 3,200 small business owners or prospective small business owners last year. As a result of the service, 196 actual new jobs were created and 49 existing jobs were retained. A total of 81 new businesses were created in the state, and the SBDC was responsible for businesses receiving a total of \$2,780,375 in capital through loans. Federal and state funding were leveraged significantly by both local government and private sector investments in the program.

The Procurement Technical Assistance Center (PTAC), a department of SBDC, provides one-on-one counseling and training to small business owners in an effort to increase the level of Alaska business participation in state, federal and

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local government procurement activities, both in the number of business contracts executed and in the dollar volume. The Center was responsible for Alaska companies receiving 466 prime contract awards and 127 subcontract awards last year at a total dollar volume of \$183,407,614.

PTAC recently signed an agreement with a private sector contractor to serve as a virtual enterprise manufacturing assistance center. Under the terms of this agreement, VEMAK will assist Alaska companies in competing in the production of parts and supplies under Department of Defense contracts. A five-year pilot project proposal is currently being considered in Congress in order to continue this service to Alaska businesses.

The Alaska Technology Transfer Center, another growing department of SBDC, assists small businesses in accessing and applying technologies. The Center conducts database searches for technology products information, facilitates linkages with technical experts and national laboratories, and assists Alaska businesses competing for federal research and development dollars through proposal preparation assistance. In 1998, the program was awarded the prestigious national Tibbetts Award for outstanding contributions to the SBIR program. The program also operates AceNet, an electronic listing service for entrepreneurs and angel investors.

The BUY ALASKA program, coordinated through SBDC, encourages in-state purchases of goods and services through a multi-media public awareness campaign and by assisting Alaska businesses, government entities and consumers in finding competitive, local sources for goods and services previously purchased outside Alaska. The 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. Just recently, BUY ALASKA went on line, creating the virtual Alaska marketplace. As a result of this program, over \$15.24 million in purchases from Alaska businesses was retained in state last year.