STATE BOARD OF COMMUNITY COLLEGES  
Allocation for Small Business Center Counseling  
June 1, 2020 – December 30, 2020  

Request: The State Board of Community Colleges is asked to approve the allocation of $2,999,992 to support additional counseling hours for each of the NC Community Colleges’ Small Business Centers (SBC). These funds will be distributed evenly with an allotment of $51,724 to each community college.

Strategic Plan Reference:  
Theme: Economic and Workforce Development  
Goal 3.2: Offer relevant, high-quality instructional programs that meet the needs of business and industry for existing and future jobs.

Background: The Small Business Center Network (SBCN), part of the North Carolina Community College System, with a Small Business Center located at each of the System’s 58 local colleges, is perfectly positioned to serve businesses as they face the economic challenges brought on by the COVID-19 pandemic. For more than 36 years, the SBCN has been helping to start businesses and create and retain jobs, supporting the most critical aspects of economic development and wealth creation for the state.

Rationale: Small Businesses are the economic backbone of North Carolina – 97% of all businesses in the state employ less than 500 people. In Rural North Carolina, where 75% of small businesses have fewer than 10 employees, these communities are disproportionately challenged by lower wealth, less population, and fewer jobs overall. Consequently, they are also harder hit when crisis strikes. This is because the small businesses that make up the economy are the most vulnerable when any economic downturn occurs. With a crisis of epic scale such as the current COVID-19 pandemic, the resulting losses can be devastating.

In this time of unparalleled need, the need for strategic planning and pivoting of business operations is crucial to the survival of these businesses. It is also a time of opportunity, where changing needs for services and supplies create new entrepreneurial spaces for creative and innovative individuals and teams. The SBCN can provide the following services and support to help businesses get back on their feet and to help new businesses take advantage of emerging opportunities.

Counselors will assist businesses by providing:

- General business guidance
- Assessing the economic impact of the pandemic on the business
- Strategies for scaling business operations
- Break-even and cash flow analysis
- Marketing assistance
- Review of financial obligations and planning communications with creditors
- Loan package preparation and information on funding sources
• Business resilience strategies
• Referrals to relevant sources of assistance

**Time Period:** June 1, 2020 through December 30, 2020.

**Fund Source and Availability:** Funding is available through the 2020 COVID-19 Recovery Act (Session Law 2020-4) and is contingent upon certification of these funds by the Office of State Budget and Management.

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