

MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Request for Approval of Reorganization of Regional Business Center, University of Northern Iowa

Date: July 7, 2000

Recommended Action:

Approve the University of Northern Iowa's request to reorganize the Regional Business Center.

Executive Summary:

The University of Northern Iowa Regional Business Center is seeking approval to rename and combine existing outreach programs in the Business and Community Service (BCS) Division of the College of Business Administration. The purpose of this reorganization is to enhance the level of business services available to growth oriented businesses by establishing a "one-stop" business/technology resource center. The Center will be established in cooperation with the City of Waterloo, Main Street Waterloo, the Economic Development Administration, and the Small Business Administration, and will be located in downtown Waterloo. It will include "incubator" space for up to ten growth-oriented businesses and a Small Business Administration (SBA), Business Information Center (BIC), the first of its kind in Iowa.

There are start-up costs of \$60,000 and ongoing costs of approximately \$25,000 per year for the new Center. The source of these funds will be primarily the Business and Community Service program income and the College of Business Administration.

Below are the University's responses to the Board's criteria for new centers and institutions:

1. What is the title of the proposed center?

UNI Regional Business Center

2. What is the administrative relationship of the proposed unit to other entities on campus, such as departments or colleges?

The UNI Regional Business Center is simply the relabeling and combining of existing outreach programs in the Business and Community Services (BCS) division of the College of Business Administration. The Director of the Regional Business Center will be the current director of the Small Business Development Center and will report to the Executive Director of BCS. The Executive Director of BCS reports to the Dean of the College of Business Administration and ultimately to the Provost.

3. To whom will the administrative director of the unit report?

The director of the UNI Regional Business Center will report to the Executive Director of BCS in the College of Business Administration. The BCS Division is a combination of eight outreach programs within the College.

4. Succinctly describe the basic purpose and objectives of the unit.

See the attached 2-page project summary.

5. How will the activities of the unit relate to the general mission and teaching programs

As with other outreach programs at UNI, the Regional Business Center will provide services (technical assistance and consulting advice) to small businesses and other constituents in Northeast Iowa. The units that will be housed in the Regional Business Center already provide these consulting services. In addition, the operation will be closely tied to the academic programs in the College of Business Administration. Opportunities will be provided for faculty research and consulting through the various outreach units housed in the UNI Regional Business Center. Student internships and experiential learning opportunities will also be expanded by the co-location of the the stated outreach programs.

6. Do similar units exist at other public or private colleges or universities in Iowa?

While other universities or colleges may have a Small Business Development Center, a Pappajohn Entrepreneurial Center or an incubator, the RBC combines existing units into a one-stop service center for small business. This will not compete with or duplicate other university-based service providers. Another uniqueness of the RBC is the addition of Iowa's first Business Information Center described in the attached project summary.

7. What are the proposed sources and annual amounts of funding for the unit?

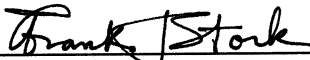
<u>Budget Item</u>	<u>Source of Funds</u>	<u>Annual Amount</u>
Start-up equipment for the Regional Business Center and the computer training lab	Appropriated funds and revenue accounts	\$60,000 (one time amount)
Equipment – yearly replacement fund	Appropriated funds and revenue accounts	\$20,000
Maintenance and software	Appropriated funds and revenue accounts	\$ 5,000

8. Which of the costs in item 7 represent new financial obligations to the general fund of the University?

The initial \$60,000 was from College of Business Administration appropriated funds and from BCS program income. The yearly \$25,000 will also come from the same sources. Other funds for the Regional Business Center will come from the units housed in the center and will not require additional monies from the University.



Robert J. Barak

Approved: 

Frank J. Stork

Regional Business Center

The University of Northern Iowa, the City Of Waterloo, Main Street Waterloo, the Economic Development Administration and Small Business Administration propose to establish a Regional Business Center (RBC) in downtown Waterloo, Iowa in October of 2000. The purpose of establishing this new center is to expand and enhance the level of business services available to growth oriented businesses in eastern Iowa. Central to the RBC concept is the creation of a 'one stop' business/technology resource center, a business incubator which will serve up to 10 early stage companies, and the development of a computer training lab and business library.

A 'One Stop' Shop

The RBC will provide eastern Iowa entrepreneurs with a 'one stop' location to receive business technical assistance and gain access to technology. The primary mission of the center will be to provide small business counselling, training and access to e-business technology under the umbrella of a brick and mortar/virtual center. The RBC will offer a referral clearinghouse, utilizing web, brick and mortar and print resources to provide entrepreneurs access to and information concerning regional service providers. We envision an advanced level of training facilities at the Waterloo location- a computer lab, business library and most importantly an ICN link to implement distance learning programs. The offices of the UNI Small Business Development Center and the Small Business Administration will be on site.

Business Incubator

The Regional Business Center incubator will provide on site space, access to technology, mentoring and shared services to up to ten growth oriented businesses. Business incubators have been operating in the United States for more than 20 years. Today, there are 600 incubators in operation, hosting more than 8,500 small firms across the country. Over 80% of all firms that graduated from U.S. incubators through 1996 are still in operation today and 85% of all incubator graduates stay in the same communities upon graduation. According to the National Business Incubator Association, businesses that participate in incubation programs show large gains in capital investment, gross sales revenue and total annual payroll. RBC incubator tenants will receive shared services, space, technical assistance and technology training designed to help them incorporate e-business concepts into their operations.

Computer Lab and Business Library

The Small Business Administration (SBA) is proposing to open the first Business Information Center (BIC) center in the state of Iowa at the RBC. The SBA BIC combines the latest computer technology, hardware and software, an extensive small business reference library of hard copy books and publications, and current management video tapes. The Regional Business Center BIC will also include a full time SBA staff person on site. BIC's have been established in 64 communities nationwide and in 42 states. Iowa is one of the few states without a BIC.

Currently, small-and medium-sized firms in the region do not have access to a computer lab or business library for business purposes in the Cedar Valley region. The UNI College of Business Administration plans to augment the BIC with additional hardware, resulting in a dozen computer stations with Internet access. As a result, the technology will be available to offer classroom computer training programs in downtown Waterloo for the first time.

Critical to the long-term plan of the center is the installation of an ICN link at the facility. There are a number of outstanding statewide entrepreneurship training programs currently offered through UNI which integrate video conferencing into the curriculum. In addition, the ability to reach entrepreneurs outside the local area with programs, speakers and even counseling services through the ICN line will allow needed training, information and services to reach far flung areas of the state where the need is the greatest.

Combined, the diverse resources brought together under the RBC roof, will offer eastern Iowa entrepreneurs a needed boost into the 21st century. The RBC is a focused, timely response to critical business needs of the Iowa business community. In order for us to grow existing businesses, facilitate the development of new profitable ventures and thus create economic development in Iowa, we must provide entrepreneurs access to critical technology and needed technical assistance. We must insure that both new and existing businesses have the tools and the training they need to apply technology in every facet of their operations. The RBC will offer one of the most comprehensive resource facilities anywhere in the mid-west and serve as a dynamic asset to the Cedar Valley.