

To: NYBAC Board of Directors  
Commissioner, Robert Walsh  
First Deputy Commissioner, Andrew Schwartz  
Assistant Commissioner, Colleen Galvin  
Assistant Commissioner, Shaazad Ali  
General Counsel, Kathleen Ahn

From: Yajaira Clemente, Secretary

Re: Meeting of the Members and Board of the Corporation

Date: June 10, 2013

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Attached for your review are the following documents relating to the Members' and Board of Directors' meeting scheduled for June 13, 2013 at 12pm in the Boardroom of the Department of Small Business Services, 110 William Street, 7th floor, New York, New York:

1. Notice of Special Meeting of the Members
2. Agenda for the Special Meeting of the Members
3. Proposal to elect Directors and Officers of the Corporation
4. Minutes of the Board of Directors' meeting held on June 21, 2012
5. Meeting expenses \$5,000
6. Proposal to host the Neighborhood Development Awards at Gracie Mansion
7. Proposal for Sarah Krauss to attend Senior Executives in State and Local Government
8. Bookkeeping service for NYBAC
9. Jim Topping's contractual services
10. Build the Capacity for non-profit Community
11. Small Business Assistance Grant Program
12. Beach 116<sup>th</sup> Street
13. Business Recovery Coordinator
14. Hurricane Sandy Ad Campaign
15. Brooklyn Triangle Study
16. BID Challenge Grants

17. **Industrial Business Zone**

18. **Corporation's Audited Financial Statement and management letter for FY'12**

19. **Corporation's Financial Position as of March 31, 2013**

20. **New Business**

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**

**NOTICE OF SPECIAL MEETING OF MEMBERS**

To the Directors of New York City Business Assistance Corporation:

You are hereby notified, pursuant to and in accordance with the by-laws of the New York City Business Assistance Corporation (NYBAC), that a special meeting of the members of NYBAC will be held in the Boardroom of the Department of Small Business Services, 110 William Street, 7<sup>th</sup> floor, New York, New York, on the 13<sup>th</sup> day of June, 2013, at 12 PM for the purpose of electing members of the Board of Directors and to consider such other business as may come before the meeting.

Date: 6/10/13

  
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Yajaira Clemente, Secretary

# **AGENDA**

## **SPECIAL MEETING OF MEMBERS**

**June 13, 2013**

### **NEW YORK BUSINESS ASSISTANCE CORPORATION**

1. Approval of the minutes of the Members' meeting held on June 21, 2012
2. Election of members of the Board of Directors
3. New Business

## **NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**

### **Minutes of a meeting of the Members**

A meeting of the Members of the New York City Business Assistance Corporation was held in at 110 William Street, New York, NY, June 13, 2013 on due notice.

The Chairperson (Robert Walsh) was not present and Andrew Schwartz called the meeting to order at 12:12 pm and presided over the meeting. Yajaira Clemente served as Secretary of the meeting.

The following members were present and constituted a quorum:

Andrew Schwartz, Vice President  
Kathleen Ahn, General Counsel

The following individuals were present by invitation:

Shaazad Ali, Treasurer  
Colleen Galvin, Board Member  
Yajaira Clemente, Secretary

Mr. Schwartz stated that the first order of business was the approval of the minutes of the meeting of the Board of Members held on June 21, 2012 a copy of which was distributed to the Board members with notice of the meeting.

Ms. Ahn moved to approve the minutes and to place them in the record book of the Corporation.

Mr. Schwartz seconded the motion, and it was unanimously

RESOLVED, that the minutes of the meeting of the members held on June 21, 2012, are hereby approved, and be it further

RESOLVED, that the Secretary is instructed to file the minutes and to place them in the record book of the Corporation.

Mr. Schwartz then stated that the next order of business was the elections of Shaazad Ali and Colleen Galvin members of the Board of Directors of the Corporation.

Ms. Ahn moved to approve the election of Mr. Ali and Ms. Galvin as members of the Board of Directors.

Mr. Schwartz seconded the motion, and it was unanimously

RESOLVED, those in accordance with Section 5 of Article III of the By-laws of the Corporation, Shaazad Ali and Colleen Galvin are hereby elected to serve as members of the Board of Directors of the Corporation.

Mr. Schwartz then asked if there was any further business to come before the meeting. There being no response, Mr. Schwartz moved to adjourn the meeting.

The motion duly made, and the meeting was adjourned at 11:10 am.

DATED: 6/13/13  
New York, New York

Yajaira Clemente, Secretary

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**

**Minutes of a meeting of the Board of Directors**

A meeting of the Board of Directors of the New York City Business Assistance Corporation was held in at 110 William Street, New York, NY, June 13, 2013 on due notice.

The Chairperson (Robert Walsh) was not present and Andrew Schwartz called the meeting to order at 12:21 pm and presided over the meeting. Yajaira Clemente served as Secretary of the meeting.

The following members were present and constituted a quorum:

Andrew Schwartz, Vice President  
Kathleen Ahn, General Counsel  
Shaazad Ali, Treasurer  
Colleen Galvin, Board Member

The following individuals were present by invitation:

Yajaira Clemente, Secretary

Mr. Schwartz stated that the first order of business was the approval of the minutes of the meeting of the Board of Members held on June 21, 2012 a copy of which was distributed to the Board members with notice of the meeting.

Mr. Schwartz moved to approve the minutes and to place them in the record book of the Corporation.

Mr. Ali seconded the motion, and it was unanimously

RESOLVED, that the minutes of the meeting of the Board of Directors held on June 21, 2012 are hereby approved, and be it further

RESOLVED, that the Secretary is instructed to file the minutes and to place them in the record book of the Corporation.

Mr. Schwartz stated that the next order of business was the review of a proposal to elect corporate officers.

Mr. Schwartz moved to approve the proposal to elect corporate officers.

All were in agreement, and it was unanimously

RESOLVED, that in accordance with Section 1 of Article V of the Bylaws of the New York City Business Assistance Corporation, the following individuals shall be elected to hold

office until the next annual meeting of the Board of Directors and until their successors shall have been elected and qualified.

**Individuals:**

Chairperson and President, Robert Walsh  
Vice President, Andrew Schwartz  
Treasurer, Shaazad Ali  
Board Member, Colleen Galvin  
Secretary, Yajaira Clemente  
General Counsel, Kathleen Ahn

Mr. Schwartz then stated that the next order of business was the allocation of \$5,000 for meeting expenses.

Mr. Ali is requesting that NYBAC allocate \$5,000 to cover periodic meeting expenses in the promotion of economic development services. This will enable NYBAC to provide light refreshments for in house staff members and individuals from outside while attending meetings with staff.

With no questions, Mr. Schwartz moved to approve the request to expend \$5,000 for periodic meeting expenses.

The motion duly made, was approved by Mr. Schwartz and it was unanimously

RESOLVED, that the Board of Directors hereby approves the request for NYBAC to expend \$5,000 for meeting expenses.

Mr. Schwartz then stated that the next order of business was the proposal to host the Neighborhood Development Awards at Gracie Mansion.

Neighborhood Development Division is requesting that NYBAC host the Neighborhood Development Achievement Awards, on July 13, 2013. Contributions from Citibank of \$20,000 and Con Edison of \$20,000 will offset the cost of hosting this event at Gracie Mansion and The Neighborhood Development Division is requesting that NYBAC be the recipient of funds from Citibank and Con Edison and pay all necessary expenses for this event.

With no questions, Mr. Schwartz moved to approve the proposal of Neighborhood Development Division for NYBAC to host the Neighborhood Development Achievement Awards.

The motion duly made, was seconded by Ms. Ahn and it was unanimously

RESOLVED, that the Board of Directors hereby approve the request for proposal to host the Neighborhood Development Awards at Gracie Mansion.

Mr. Schwartz then stated that the next order of business was the approval of a leadership development program and for Sarah Krauss to attend the Senior Executives in State and Local Government program at the Harvard Kennedy School.

Mr. Ali stated that this course will provide additional training to Sarah and will enhance her decision making skills and other proficiencies. The intent here is for the knowledge derived from the course should enhance the decision making skills and other proficiencies thereby benefiting the agency and furthering economic development of the City.

With no questions, Mr. Schwartz moved to approve the request by Mr. Ali to authorize NYBAC to fund attendance at this program at the Harvard Kennedy School.

The motion duly made, was seconded by Ms. Ahn and it was unanimously.

Resolved, that the Board of Directors hereby authorizes Sarah Krauss to attend the Senior Executives in State and Local government program at Harvard Kennedy School.

Mr. Schwartz then stated that the next order of business was the payment of bookkeeping services for NYBAC.

Mr. Ali stated that with the tremendous increase in the number of programs administered by NYBAC, there is a need for additions bookkeeping services.

With no questions, Mr. Schwartz moved to approve the proposal of Mr. Ali to expend \$5,000 for bookkeeping services.

This motion duly made, was seconded by Ms. Ahn and it was unanimously

RESOLVED, that the Board of Directors hereby approve the request for NYBAC to expend \$5,000 for the provision of bookkeeping services.

Mr. Schwartz then stated that the next order of business was the continuation of the consultant agreement for the Lower Manhattan Energy Program.

Mr. Ali stated that the Business Incentive Unit request that NYBAC continue to fund the consultant agreement with James Topping. He stated that Mr. Topping has extensive institutional knowledge with regards to the Lower Manhattan Energy Program.

With no questions, Mr. Schwartz moved to approve the request by Mr. Ali to continue the consultant agreement with Mr. Topping.

The motion duly made, was seconded by Ms. Ahn and it was unanimously

RESOLVED, that Board of Directors hereby approves the request by Don Giampietro to expend up to \$10,000 for a consultant agreement with Mr. Topping.

Mr. Schwartz then stated that the next order of business was to Build the capacity of non-profit community.

Mr. Ali indicated that Mayor's Fund to Advance the City has agreed to support efforts to build the capacity of non-profit community organization to help them serve and revitalize businesses and commercial corridors damaged by Hurricane Sandy. Mrs. Galvin wanted to know the funding breakdown of the funds since there were several Sandy related events happening at the same time. Mr. Ali indicated that he will indicate in the minutes the source of the funding for all Sandy related activities. For this initiative NYBAC will be the recipient of \$250,000 from MasterCard via Mayor's Fund to Advance the City, and \$10,000 from Capital One Services.

With no further questions Mrs. Galvin moved to approve the request by Mr. Ali to authorize NYBAC to be the recipient of these funds from Mayor's Fund.

The motion duly made, was seconded by Ms. Ahn and was unanimously

Resolved, that the Board of Directors hereby approve the proposal to except \$250,000 for commercial corridor revitalization.

Mr. Schwartz then stated that the next order of business was the combination of agenda items 11 through 14.

Mr. Schwartz opted to combine these agenda items into one resolution since they were all Sandy related initiatives.

Mr. Ali indicated that the Mayor's Fund to Advance NYC & other private entities are interested in supporting efforts to help small businesses & commercial corridors recover after the storm.

- Establishing the Small Business Assistant Grant program in the range of \$1,000-\$5,000. Grant funds will be used for both repairs and purchasing equipment needed for business re-opening & recovery.
- An amount of \$1,050,000 has been established for this initiation; with \$500,000 from Barclays VIA Mayor's Fund, \$250,000 from Citibank VIA Mayor's Fund, \$250,000 from UBS & \$50,000 from Toyota VIA Mayor's Fund.
- Relief efforts to support the Beach 116<sup>th</sup> Street Storefront Improvement Program to repair & improve damaged storefront façades. Mayor's Fund has agreed to support this effort with a grant of \$500,000. The grant will be comprised of \$250,000 from City Community Development, \$200,000 from Mayor's Fund & \$50,000 from Wells Fargo.
- Business Recovery Coordinator  
Mayor's Fund has agreed to provide NYBAC \$35,000 for a Business Recovery Coordinator responsible for coordinating & conducting outreach in impacted areas. NYBAC will enter into an employment agreement with the candidate selected.
- Hurricane Sandy Ad Campaign  
Funds will be used to support small businesses that have re-opened after Hurricane Sandy through an advertising campaign which highlights open businesses & their

remarkable recovery stories. Citibank has agreed to provide \$153,616.49 for this Ad Campaign.

With no question, Mr. Schwartz moved to approve all 4 Sandy related initiatives.

The motion duly made, was approved by Mr. Schwartz and it was unanimously.

RESOLVED, that the Board of Directors hereby approve the request for NYBAC to be the recipient of funds for these 4 Sandy related initiative and disbursed accordingly.

Mr. Schwartz then stated that the next order of business was the Brooklyn Triangle Study.

Mr. Ali indicated that he would like to combine agenda items 15-17 in this resolution. As mentioned in the last Board meeting Mr. Schwartz indicated that EDC was anticipated to enter into agreements with NYBAC to transfer PILOT funds for various projects. The arrangements have been finalized by City Hall & EDC has agreed to transfer funds to NYBAC.

Brooklyn Triangle Study - \$250,000

EDC has agreed to provide NYBAC with \$250,000 for a planning study & an implementation plan for growing the technology sector within Brooklyn. NYBAC has determined that Downtown Brooklyn Partnerships is uniquely qualified to develop this study. As a result, NYBAC entered into an agreement with DBP to perform this study.

BID Challenge Grants - \$300,000

EDC has agreed to provide NYBAC with \$300,000 to pay for 7 grants designed to encourage innovation & service delivery improvements. Through a competitive process, NYBAC entered into BID innovation grants with 7 Business Improvement Districts.

Industrial Business Zones- \$420,000

EDC has agreed to provide NYBAC with \$420,000 to cover administrative cost and expenses incurred by the Industrial Business Services Providers. NYBAC will enter into contracts with local development corporations to perform services in connection with the Industrial Policy Program.

With no questions, Mr. Schwartz moved to approve these 3 initiatives that are being funded by EDC with PILOT funds.

The motion duly made, was approved by Ms. Calvin and it was unanimously.

RESOLVED, that the Board of Directors hereby approve the request for NYBAC to be the recipient of these funds and enter into the appropriate agreements for these initiatives and disbursed accordingly.

Mr. Schwartz then stated that the next order of business was the approval of the corporation's management letter and audited financial statements for fiscal year 2012 updates.

Mr. Ali stated that the independent auditor, Padilla & Company noted no material weakness in its Independent Auditors' Management letter report for the year ended June 30, 2012. He noted that as of June 30, 2012 the Corporation had total assets of \$1,462,955. This amount is composed of \$242,094 in unrestricted funds that can be used for general activities and \$1,217,065 in temporary restricted funds. For the year, the Corporation had revenue of \$59,975 and expenses of \$387,581. The bulk of revenue was attributed to funds from the Neighborhood Awards.

There being no further questions, Mr. Schwartz moved to approve the Financial Statements as presented by Mr. Ali.

RESOLVED, that the Board of Directors hereby approve the corporation's audited financial statements for the year ending June 30, 2012 as presented by Mr. Ali.

Mr. Ali then provided an update of the Corporation's financial position as of March 31, 2013. The Corporation's total assets as of March 31, 2013 were \$ 3,097,686. He added that as of the above noted date, total income equaled \$ 2,196,289 and total expenses equaled \$565,784. The bulk of the revenues for this fiscal year requested receipt of funds for the Hurricane Sandy efforts.

There being no further questions, Mr. Schwartz moved to approve the financial position as presented by the Mr. Ali.

The motion duly made, was seconded by Ms. Ahn and it was unanimously.

RESOLVED, that the Board of Directors hereby approve the financial position for the year ending March 31, 2013 as presented by the Mr. Ali.

The motion duly made, was seconded by Ms. Ahn and it was unanimously

Mr. Schwartz then stated that the next order of business was New Business

Mr. Ali indicated that he is requesting that the Board approve the transfer of the unspent funds from the Made in New York initiative into the general fund. As stated by Mr. Ali there has not been any activity on this initiative for the past 10 years and no outstanding obligations.

With no further questions, Mr. Schwartz moved to transfer the funds from Made in NY initiative to general funds.

The motion duly made, was seconded by Ms. Ahn and it was unanimously.

RESOLVED, that the Board of Directors hereby authorize the transfer of the unspent funds from Made in NY Initiative to general funds.

Mr. Schwartz then asked if there was any new business

There being no response, Mr. Schwartz asked for a motion to adjourn the meeting.

Mr. Ali made a motion, which was seconded by Ms. Galvin and the meeting was adjourned at 12:10 pm.

DATED: 6/13/13  
New York, New York

Yajaira Clemente, Secretary

## **ATTACHMENT A**

### **NEW YORK CITY BUSINESS ASSISTANCE CORPORATION POLICY ON SALARY, COMPENSATION, REIMBURSEMENTS, TIME AND ATTENDANCE**

The salary paid to any member of the senior management of the New York City Business Assistance Corporation (“NYBAC”) shall be derived from the amount of salary received by New York City officials in similar positions and titles under the Mayor’s Personnel Orders regarding Managerial Pay Plans. The policies regarding other compensation (including pension), reimbursement, time and attendance shall be the same as for all NYBAC employees and are substantially similar to the policies of the New York City Department of Small Business Services.

## **ATTACHMENT B**

### **NEW YORK BUSINESS ASSISTANCE CORPORATION POLICY ON TRAVEL ALLOWANCE**

The purpose of this policy is to establish guidelines for the reimbursement of business related out-of-town travel expenses. There is no reimbursement for out-of-town travel expenses that are not business related.

The New York Business Assistance Corporation (the "NYBAC") is a tax-exempt organization and, as such, an employee should whenever possible bring along a sales-tax exempt certificate for car rental, lodging and making any purchase in New York State.

#### **Approvals**

All out of town travel plans require prior approval of Andrew Schwartz, NYBAC's Vice President, or in the case of the Andrew Schwartz, by the Board of Directors, and shall be consistent with New York City's policy on travel allowance.

## **ATTACHMENT C**

### **NEW YORK BUSINESS ASSISTANCE CORPORATION POLICY ON PROTECTION FOR WHISTLEBLOWERS**

No employee, officer, or director of the New York Business Assistance Corporation (the “NYBAC”) may retaliate against any employee of NYBAC who makes a good faith report of wrongdoing, misconduct, malfeasance or other inappropriate behavior, such as fraud, criminal activity or conflict of interest, by an officer, employee, or director of NYBAC by taking an adverse personnel action against the “whistleblower”. Therefore, the “whistleblower” cannot be fired, demoted or disciplined as a result of his/her having reported behavior of a type described above to any employee, officer, or director of NYBAC or any governmental body or official.

## ATTACHMENT D

### NEW YORK BUSINESS ASSISTANCE CORPORATION POLICY ON ACQUISITION AND DISPOSITION OF PERSONAL PROPERTY

#### **I. Personal Property Valued at \$5,000 or Less**

Whenever the New York Business Assistance Corporation (the "NYBAC") intends to transfer title to or a beneficial interest in an item of personal property or an interest therein with an estimated value of \$5,000 or less, it shall obtain offers from one or more persons or entities as NYBAC's contracting officer ("Contracting Officer") or his/her designee deems appropriate. NYBAC shall maintain a record of the persons or entities approached and their responses. NYBAC may conduct discussions with some or all of the persons and entities. The property may be sold to whichever person or entity that the Contracting Officer or his/her designee selects based on the proposed price and any other factors that the Contracting Officer or his/her designee deems appropriate.

All personal property that the Contracting Officer or his/her designee considers to be of both no sale value and no use to NYBAC may be destroyed or otherwise disposed of in such manner as is determined by the Contracting Officer or his/her designee.

No approval of a disposition of a type described above is required from the Board of Directors or any committee thereof. All disposal documents must be approved and executed by an officer who is an authorized signatory of all agreements of NYBAC.

#### **Personal Property Valued in Excess of \$5,000**

Whenever the NYBAC intends to transfer title to or a beneficial interest in an item of personal property or an interest therein with an estimated value in excess of \$5,000, it shall first obtain an appraisal of the property if, because of its unique nature, the property is not subject to fair market pricing. However, an appraisal of the property is not required if the property or a similar property has been appraised within the past 2 years.

The person or entity to which the property shall be disposed of shall be determined through a procurement conducted in accordance with Title 5-A of Article 9 of the Public Authorities Law. NYBAC shall publicly advertise for proposals for the disposal of the property in accordance with Title 5-A, provided that it may dispose of the property without public advertising, obtaining such competition as is feasible under the circumstances, when permitted to do so under Title 5-A. All requirements of Title 5-A and other applicable laws, if any, related to the disposition shall be complied with.

The disposal must be approved by the Board of Directors if the disposal is on a sole source basis for an amount in excess of \$20,000 or is for an amount in excess of \$100,000 and has been competitively procured. For disposals for less than those amounts, no approval is required of the Board of Directors or a committee thereof. In all cases, the disposals must be approved by the Contracting Officer or his or her designee and disposal documents must be approved and executed by an officer who is an authorized signatory of all agreements of NYBAC.

The Contracting Officer shall cause a record to be maintained of all personal property disposed of for an amount in excess of \$5,000 and shall cause to be prepared and transmitted all reports relating to the disposition of personal property required by Title 5-A.

## **ATTACHMENT E**

### **NEW YORK BUSINESS ASSISTANCE CORPORATION POLICY ON PROCUREMENT OF GOODS AND SERVICES**

If the New York Business Assistance Corporation (the "NYBAC") proposes to enter into a contract or agreement for goods or services and will receive funds for this contract or agreement under or through a contract between NYBAC and the City of New York (the "City"), such contract or agreement shall be procured in accordance with the procurement provisions required by the City in the applicable contract between NYBAC and the City.

If NYBAC procures goods or services using funds that are not provided under or through a contract between NYBAC and the City, it shall use such procurement method as is required by the source of funds. If the source of funds does not specify a procurement method to be followed, NYBAC shall use a procurement method similar to a method required under its contracts with the City.

## **ATTACHMENT F**

### **NEW YORK BUSINESS ASSISTANCE CORPORATION POLICY ON INDEMNIFICATION AND DEFENSE OF DIRECTORS**

The defense and indemnification of the Board of Directors of the New York Business Assistance Corporation (the "NYBAC") shall be provided by NYBAC in the manner and to the extent set forth in NYBAC's Amended and Restate By-Laws.

The By-Laws of NYBAC provide generally that NYBAC shall indemnify each Director of the Board to the maximum extent permitted by law for judgments, settlements and legal defense fees arising out of their acts or omissions as Directors of the Board of NYBAC.

TO: NYBAC Board of Directors

FROM: Ismail Mohamed

RE: Bookkeeping Services

DATE: May 9, 2013

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This request is for the continuation of accounting services to maintain the appropriate books for NYBAC.

I hereby request that NYBAC continue to expend \$5000 on an annual basis to compensate staff for the provision of the necessary accounting services

TO: NYBAC Board of Directors  
FROM: Andrea Mak  
RE: Neighborhood Development Awards  
DATE: May 9, 2013

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The New York City Neighborhood Development Achievement Awards are presented on behalf of the City to organizations that have been demonstrated excellence in commercial revitalization and neighborhood development. Mayor Bloomberg will host the 2013 award ceremony on the evening of July 10, 2013 at Gracie Mansion. Awards will be presented to several organizations in various categories of Community Development, Economic Development and Community Leadership.

Con Edison and Citibank are providing contributions to support this year's award ceremony.

I hereby request that NYBAC be the recipient of contributions from Con Edison and Citibank and disburse funds for ordinary and necessary expense related to the event.

TO: NYBAC Board of Directors

FROM: Ismail Mohamed

RE: Meeting Expenses

DATE: May 9, 2013

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I hereby request that the NYBAC allocate \$5,000 to cover periodic meeting expenses in the promotion of economic development services.

On occasions light refreshments are provided to in-house staff members and individuals from outside while attending meetings with executive staff. The intent is to set aside funds to pay for these expenses. The meetings are generally in the promotion of agency and economic development.

TO: NYBAC Board of Directors  
FROM: Donald Giampietro  
RE: Consultant Agreement for Jim Topping  
DATE: May 9, 2013

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Jim Topping is a retired employee of the Department of Small Business Services and possesses a wealth of knowledge on Lower Manhattan Energy Program. It will be difficult to retrain someone with the knowledge and expertise that Mr. Topping commands. His services are essential for the continued administration of the Lower Manhattan Energy Program.

I hereby request that NYBAC expend approximately \$10,000 to enter into a consultant agreement with Jim Topping for the provision of consultant services on Lower Manhattan Energy Program.

MEMORANDUM

TO: NYBAC Board of Directors  
Robert Walsh  
Andrew Schwartz  
Colleen Galvin  
Kathleen Ahn

FROM: Yajaira Clemente

DATE: April 5, 2013

RE: Approval for Sarah Krauss to attend Senior Executives in State and Local  
Government Program at the Harvard Kennedy School

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Attached for your review is a memorandum submitted by Shaazad Ali, requesting that the New York City Business Assistance Corporation ("NYBAC") allocate funds for the cost of the program at the Harvard University Kennedy School of Government. As the memorandum indicates, this course will provide substantial training in core skills of directing government programs and administering government services. The knowledge derived from the course should enhance the decision making skills and other proficiencies, thereby benefiting the Department of Small Business Services and furthering economic development benefits of the City.

MEMORANDUM

TO: NYBAC Board of Directors

FROM: Shaazad Ali

RE: Brooklyn Triangle Study

DATE: May 9, 2013

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EDC and NYBAC entered into funding agreement, whereby EDC agreed to provide \$250,000 for expenses associated with a comprehensive planning study and implementation plan for growing the technology sector within Brooklyn.

NYBAC has determined that Downtown Brooklyn Partnership (DBP) is uniquely qualified to develop this study. As a result NYBAC entered into an agreement with DBP to perform this study. DBP will be responsible for developing a "Downtown-wide Wireless Internet Network" as part of a larger comprehensive planning study and implementation plan for growing the technology sector within Brooklyn. DBP expertise will enhance the City's ability to maintain and develop further interest in the Downtown Brooklyn area, which is essential to the economic well-being of the City.

I hereby request that NYBAC be the recipient of funds from EDC and enter into an agreement with DBP for developing and producing a Brooklyn Tech Triangle Strategic Plan.

MEMORANDUM

TO: NYBAC Board of Directors  
FROM: Shaazad Ali  
RE: BID Challenge Grants  
DATE: May 9, 2013

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EDC has agreed to provide funding to NYBAC in the amount of \$300,000 to be used to pay for 7 grants, competitively awarded to Business Improvement Districts "BID", designed to encourage innovation and service delivery improvements. Only BID's with budget under \$1 million are eligible to compete in this initiative.

Through a competitive process the BID innovation grants were awarded to the following organizations:

- Atlantic Avenue
- Washington Heights
- 82<sup>nd</sup> Street
- Southern Boulevard
- Fordham Road
- DUMBO
- HUB- 3<sup>rd</sup> Avenue

I hereby request that NYBAC be the recipient of the funds from EDC and disburse to the BID's indicated in accordance with the agreements as stipulated by the BID Challenge Grant

MEMORANDUM

TO: NYBAC Board of Directors

FROM: Shaazad Ali

RE: Industrial Business Zones

DATE: May 9, 2013

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EDC has agreed to provide NYBAC with \$420,000 to cover administrative cost and expenses incurred by the Industrial Business Services Providers in connection with the daily operations of the City Industrial Policy Program.

NYBAC will enter into contracts with local development corporations to perform services in connection with the Industrial Policy Program

NYBAC will enter into agreement with the following organizations

- East Williamsburg Valley Industrial Development Corporation
- Southwest Brooklyn Industrial Development Corporation
- Business Outreach Center Network
- Greater Jamaica Development Corporation
- South Bronx Overall Economic Development Corporation
- Staten Island Economic Development Corporation

I hereby request that NYBAC be the recipient of the funds from EDC and disburse to the indicated local development corporations in connection with Industrial Policy Program.

## MEMORANDUM

TO: NYBAC Board of Directors

FROM: Shaazad Ali

DATE: May 9, 2013

RE: SENIOR EXECUTIVIES IN STATE AND LOCAL GOVERNMENT PROGRAM

Sarah Krauss, Chief of Staff of Small Business Services, has been accepted to participate in the Senior Executive in State and Local Government Program at the Harvard Kennedy School. The program will be held from June 4-22, 2013. Participation is based on professional achievement and a proven commitment to public service.

The 3 week program is a high level program designed for state and local government officials from around the nation. The course operates as an interactive classroom, where faculty and participants work together on real-life case studies and learn from each other. The course will address many issues faced, including how to create and engage in public discourse about difficult subjects.

This program is intended to provide a balance of traditional and hands-on learning experience to help public officials meet the changing needs of their constituents and communities. In particular, the program enables participants to become more effective public managers. Through interactive exercises, participants will gain a deeper understanding of their own biases and attitudes as well as personal insights that can sharpen decision making. The program curriculum will analyze and discuss cases selected to provide insights into a wide array of strategic management and leadership issues.

To summarize, this program will assist Sarah Krauss, to become a more effective manager by:

- Challenging assumptions about how to exercise leadership in public sector.
- Developing new conceptual framework for addressing public issues.
- Examining innovative partnerships and new models of collaborative governance.
- Exploring the relationship between citizens and their government.
- Understanding the behavioral dimensions of decision making.
- Exchanging ideas with experienced faculty and a diverse group of colleagues.

Following the program, Ms. Krauss will provide a session to senior SBS staff summarizing the program and sharing the ideas, processes and best practices gained from attending. Given the challenging economic conditions in the City and the continuing need to address workforce and neighborhood development issues, reduce unemployment and foster economic growth, the goals of NYBAC to support economic development will be furthered through this program.



**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**

**FINANCIAL STATEMENTS**

**JUNE 30, 2012 AND 2011**



**PADILLA & COMPANY, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
New York City Business Assistance Corporation

We have audited the accompanying statements of financial position of the New York City Business Assistance Corporation as of June 30, 2012 and 2011, and the related statements of activities and changes in net assets and of cash flows for the years then ended. These financial statements are the responsibility of the New York City Business Assistance Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New York City Business Assistance Corporation as of June 30, 2012 and 2011, and the results of its operations and changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Padilla and Company, LLP***

*Jamaica, New York  
September 12, 2012*

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2012 and 2011**

	<b>2012</b>	<b>2011</b>
<b><u>ASSETS</u></b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 3)	\$ 1,462,955	\$ 1,789,764
Contribution receivable	-	702,485
Grant receivable (Note 5)	-	1,375,951
Total Assets	\$ 1,462,955	\$ 3,868,200
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 3,796	\$ 2,088,435
Total Liabilities	3,796	2,088,435
 <b>Net Assets</b>		
Unrestricted	242,094	360,787
Temporarily restricted (Note 6)	1,217,065	1,418,978
Total Net Assets	1,459,159	1,779,765
Total Liabilities and Net Assets	\$ 1,462,955	\$ 3,868,200

**The accompanying notes are an integral part of the financial statements.**

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED JUNE 30, 2012 and 2011**

	Unrestricted	Temporarily Restricted	Total 2012	Total 2011
<b>Revenues and other support</b>				
Contributions	\$ -	\$ 57,000	\$ 57,000	\$ 705,757
Interest and dividend income	2,915	-	2,915	5,437
Miscellaneous Income	60	-	60	-
	<u>2,975</u>	<u>57,000</u>	<u>59,975</u>	<u>711,194</u>
<b>Net assets released from restrictions</b>				
Program restrictions satisfied	<u>256,699</u>	<u>(256,699)</u>	<u>-</u>	<u>-</u>
<b>Total revenues and other support</b>	259,674	(199,699)	59,975	711,194
<b>Expenses</b>				
Program expenses				
MWBE	158,399	-	158,399	16,998
DEFO/CAP	44,572	-	44,572	4,185
Industrial Park Improvement	29,204	-	29,204	633,757
Neighborhood Awards	22,524	-	22,524	19,946
Business Emergency Grant	2,000	-	2,000	3,000
Total program expenses	<u>256,699</u>	<u>-</u>	<u>256,699</u>	<u>677,886</u>
Management and general expenses	<u>130,882</u>	<u>-</u>	<u>130,882</u>	<u>109,392</u>
<b>Total expenses</b>	<u>387,581</u>	<u>-</u>	<u>387,581</u>	<u>787,278</u>
<b>Change in net assets</b>	(127,907)	(199,699)	(327,606)	(76,084)
<b>Net assets, beginning of year</b>	360,787	1,418,978	1,779,765	1,855,849
<b>Adjustments to net assets</b>	<u>9,214</u>	<u>(2,214)</u>	<u>7,000</u>	<u>-</u>
<b>Net assets, end of year</b>	<u>\$ 242,094</u>	<u>\$ 1,217,065</u>	<u>\$ 1,459,159</u>	<u>\$ 1,779,765</u>

**The accompanying notes are an integral part of the financial statements.**

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2012 and 2011**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2012</b>	<b>2011</b>
Change in net assets	\$ (327,606)	\$ (76,084)
Adjustments to net assets	7,000	-
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Decrease (increase) in contributions receivable	702,485	(633,758)
Decrease in grants receivable	1,375,951	-
Increase (decrease) in accounts payable and accrued expenses	<u>(2,084,639)</u>	<u>633,756</u>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(326,809)</b>	<b>(76,086)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(326,809)</b>	<b>(76,086)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>1,789,764</u>	<u>1,865,850</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ 1,462,955</u></u>	<u><u>\$ 1,789,764</u></u>

**The accompanying notes are an integral part of the financial statements.**

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION  
STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2012 and 2011**

Expenses	BEG	Neighborhood Awards	MWBE	DEFO/CAP	IPIP	Program Services Total	Management and General	June 30, 2012		June 30, 2011	
								Total	Total	Total	Total
Salaries	\$ -	\$ -	\$ 45,493	\$ 1,800	\$ 26,204	\$ 73,497	\$ 87,029	\$ 160,526	\$ 80,457	\$ -	\$ 80,457
Professional services	-	-	43,346	33,676	-	77,022	3,796	80,818	8,000	-	8,000
Consulting services	-	-	53,385	8,565	-	61,950	1,115	63,065	9,920	-	9,920
Fringe benefits	-	-	8,694	293	3,000	11,987	23,333	35,320	9,492	-	9,492
Development award	-	22,470	-	-	-	22,470	-	22,470	18,863	-	18,863
Training	-	-	-	-	-	-	11,450	11,450	-	-	-
Meetings and conferences	-	-	7,235	238	-	7,473	2,545	10,018	22,592	-	22,592
Grants	2,000	-	-	-	-	2,000	-	2,000	3,000	-	3,000
Office supplies	-	54	-	-	-	54	-	54	-	-	-
Contractual services SBS	-	-	-	-	-	-	-	-	633,757	-	633,757
Miscellaneous	-	-	246	-	-	246	1,614	1,860	1,197	-	1,197
<b>Total Expenses</b>	<b>\$ 2,000</b>	<b>\$ 22,524</b>	<b>\$ 158,399</b>	<b>\$ 44,572</b>	<b>\$ 29,204</b>	<b>\$ 256,699</b>	<b>\$ 130,882</b>	<b>\$ 387,581</b>	<b>\$ 787,278</b>	<b>\$ -</b>	<b>\$ 787,278</b>

The accompanying notes are an integral part of the financial statements.

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 and 2011**

**1. ORGANIZATION AND OPERATIONS**

The New York City Business Assistance Corporation (NYCBAC) is a not-for-profit organization incorporated pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York on December 4, 1988 for the purpose of relieving and reducing unemployment, promoting and providing for additional and maximum employment in New York City; encouraging the development and/or retention of businesses in New York City; instructing or training individuals to improve or develop their capabilities for jobs in business; carrying on scientific research for the purpose of aiding New York City by attracting new business or by encouraging economic development; and lessening the burdens of government, acting on the public interest, including, but not limited to promoting the general welfare of the people of New York City.

NYCBAC is a not-for-profit organization operating under the Internal Revenue Code Section 501 (c) (3) and is, therefore, not subject to Federal, State or City income taxes.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The financial statement presentation is in conformity with accounting principles generally accepted in the United States of America ("US GAAP") for not-for-profit organizations, which require NYCBAC to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Revenue Recognition

Revenue and expenses are recognized in the financial statements on the accrual basis of accounting.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. Unconditional promises to give are recognized as revenues in the period in which the promised amount is received. Conditional promises to give are recognized as revenues upon meeting such conditions.

NYCBAC receives at no costs, legal and administrative services from the NYC Department of Small Business Services. The values for these donated services are not reflected in the financial statements.

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 and 2011**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**3. CASH AND CASH EQUIVALENTS**

As of June 30, 2012 and 2011, cash and cash equivalents consisted of:

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
J.P. Morgan Chase Bank		
MMA account no. XXXX5865	\$ 1,417,835	\$ 1,714,919
Interest checking account no. XXXX4466	45,120	74,843
Total	<u>\$ 1,462,955</u>	<u>\$ 1,789,762</u>

**4. LEASE COMMITMENTS**

NYCBAC occupies office space located at 110 William Street, New York, NY 10038. The space is donated by The City of New York and no in-kind values have been recognized in the financial statements.

**NEW YORK CITY BUSINESS ASSISTANCE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2012 and 2011**

**5. GRANTS RECEIVABLE**

NYCBAC and New York City Economic Development Corporation (NYCEDC) have executed an agreement whereby NYCEDC agreed to fund contracts that NYCBAC enters into with Local Development Corporations to perform services in connection with the Industrial Policy Program's newly created industrial Business Zones.

**6. TEMPORARILY RESTRICTED NET ASSETS**

At June 30, 2012 and 2011, temporarily restricted net assets consisted of and available for the following purposes:

<u>Program Fund</u>	2011 Balance	Cash Received	Revenue Recognized	Closed Out	2012 Balance
Printer Relocation	\$ 645,300	\$ -	\$ -	\$ -	\$ 645,300
Minority and Women-Owned Business Enterprise	428,157	-	(158,399)	-	269,758
125th Street Development	178,672	-	-	-	178,672
Neighborhood Awards	55,183	30,000	(22,524)	-	62,659
Business Emergency Grant	40,605	-	(2,000)	-	38,605
Made in New York	16,828	-	-	-	16,828
DEFO/CAP	22,815	27,000	(44,572)	-	5,243
Industrial Park Improvement	29,204	-	(29,204)	-	-
Business Solution - Satellite	254	-	-	(254)	-
Special Events	1,960	-	-	(1,960)	-
Total	<u>\$ 1,418,978</u>	<u>\$ 57,000</u>	<u>\$ (256,699)</u>	<u>\$ (2,214)</u>	<u>\$ 1,217,065</u>

**7. CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject NYCBAC to concentrations of credit risk consist primarily of cash and cash equivalents which from time to time, exceed the Federal depository insurance coverage limit of \$250,000. However NYCBAC has not experienced any losses.

**8. SUBSEQUENT EVENTS**

No subsequent events of material nature came to our attention warranting adjustment or disclosure.

NYC Business Assistance Corp  
Assests, Liabilities and Fund Balance  
As of 3/31/13

**Assests**

Cash	\$1,128,178.52	
Axccounts receivable		
Investments	\$1,969,507.62	
<b>Total Assets</b>		<b><u>\$3,097,686.14</u></b>

**Liabilities**

Accounts Payable		
Deferred Contribution	\$2,880,326.02	
<b>Total Liabilities</b>		<b>\$2,880,326.02</b>
Fund Balance		\$217,360.12
<b>Total Liabilities and Fund Balance</b>		<b><u>\$3,097,686.14</u></b>

NYC Business Assistance Corp  
Statement Of Support, Revenues and Expenses  
As of 3/31/13

**Revenues**  
Contributions  
Interest

**Total Revenues**

\$2,194,616.49  
\$1,673.44

\$2,196,289.93

**Program Services**  
MWBE Grant  
Micro Grant for Bus.  
BID Challenge  
Neighborhood Awards  
General & Admin.

**Total Expenses**

\$89,506.92  
\$151,964.34  
\$266,896.42  
\$22,989.52  
\$34,427.19

\$565,784.39

**Excess Revenues Over Expense (Deficit)**

\$1,630,505.54

Deffered Contributions as of 3/31/13

Bid Challenge	283,103.58
IPIP	420,000.00
made in NY	16,828.00
Emergency Grant	38,605.50
Neighborhood Awards	69,668.71
MWBE	180,252.20
125 Street Trust	178,672.99
Micro Grant for Bus	1,036,652.15
DEFO	11,243.78
Printers fund	645,299.11
<b><u>Total Deferred Contr.</u></b>	<b><u>2,880,326.02</u></b>

