PROGRAM PURPOSE

The SBA provides funding for qualified nonprofit community-based lenders who, in turn, provide "microloans" of up to $35,000 to local entrepreneurs and small business owners, accompanied by training and technical assistance. To increase microloan dollars and the number of microloans, the Recovery Act provides additional funds to expand this program.

PUBLIC BENEFITS

Community-based lenders, also called "intermediaries," will now be able to provide additional loans and technical assistance to assist start-up businesses and to help successfully grow small businesses.

QUICK PROJECT FACTS	
Project Description	Expansion of SBA's Microloan Program
Appropriated Funds	The associated funding for this program are $6 million for loan subsidy and $24 million for technical assistance grants.
Program Level	$50 million in loans
Implementation Timeline	2/17/09 – 6/30/09
Program Sunset	9/30/10 or as funds allow
RESOURCES	
Exec. Sponsor	Eric Zarnikow
Team Lead	Sarita James & Audrey Farley (Acting Co-Leaders)
Offices Involved	OFA, OCIO, OGC, OCFO, ORM, OFO, M&A, OED OPGM[1]

PROGRAM DETAILS

- The SBA provides funding to intermediaries who in turn provide microloans to borrowers
- Small businesses can apply for loans up to $35,000; the average loan size was $ 11,600 in FY2008.
- The SBA provides technical assistance grants to intermediaries up to a maximum of 25% of their outstanding SBA debt to enable the intermediaries to provide marketing, management, and business counseling for potential and actual Microloan borrowers.

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[1] See Glossary of Office Names

PROJECT PLANS
Milestones for this project are listed below. Progress will be measured against the planned
delivery dates. The due dates listed below for notices and other major documents to be issued by
the Agency incorporate a two to three week period between the initial drafting of the document
and final clearance and publishing. During that period, the document must be cleared by all
major offices in the Agency and by OMB.

Milestones (Accountable office[s])	Due Date	Status	Comment
Planning Phase			
Define requirements for systems modifications (OCIO)	3/4/09	Completed	
Submit budget requirements (Workgroup)	3/6/09	Completed	
Complete risk assessment (ORM, Workgroup)	5/7/09	Completed	
Develop Risk Mitigation Plan (ORM, Workgroup)	5/15/09	Completed	Developed 7/15/09
Finalize recipient reporting requirements	7/1/09	Completed	Issued 7/31/09
Develop Program Guidance	7/15/09	Completed	Developed 7/17/09
Develop "Close Out" plan	8/30/09	Completed	Developed: 10/30/09
Execution Phase			
Initiate marketing outreach (Workgroup)	5/18/09	Completed	
Provide guidance on alternative grant application procedures (OCPL)	6/15/09	Completed	Published 7/31/09
Submit Program Guidance and forms for OMB Approval	8/15/09	Completed	Submitted 7/20/09
Issue Program Guidance (Workgroup)	8/30/09	Completed	Issued 7/31/09
Implement systems modifications (OCIO, OCA, OCFO)	10/31/09	In Progress	Revised: 9/30/10
Initiate Close Out plan	7/31/10		or earlier if funds are expended
Evaluation Phase			
Monitor spending of appropriated funds and program performance (OCFO/PMO/Steering Committee/Workgroup)	9/30/12	Ongoing	

Dates in the chart above are subject to change based on final policy decisions and external
factors. These factors may include the need to execute third-party contracts; recruit, hire and
train additional staff; obtain necessary external approvals; and create or modify required systems.
Project Plans will be re-baselined and updated as necessary.

TRANSPARENCY AND ACCOUNTABILITY

To report progress on the implementation of this project, SBA updates the Project Plan to report on the status of milestone attainment.   SBA also generates a monthly Program Performance Report that is used to measure progress against agency-wide performance targets.

In addition, SBA generates a Recovery Report which contains detailed financial and performance information pertaining to SBA Recovery Loan programs, with cross-year outcome and performance comparisons.

Information contained in the Program Performance Report and Recovery Report Card will be updated monthly and published on SBA's Recovery web site: http://www.sba.gov/recovery/agencyplans.

Outcomes	Metrics
Reinvigorated Small Local Entrepreneurship	• Dollar value of Microloans approved by Microlenders • Number of small businesses assisted with Microloans • Total number of clients counseled
Facilitate job growth and creation	• Number of jobs created or retained

Metrics	Loans Approved by Microlenders		Number of small businesses assisted with Microloans		Number of jobs created or retained		Total number of clients counseled	
Measure Type	Output		Output		Outcome		Output	
Measure Frequency	Monthly		Annual		Monthly		Quarterly	
Unit of Measure	Dollars		Number		Number		Number	
Year	FY2009	FY2010	FY2009	FY2010	FY2009	FY2010	FY2009	FY2010
Original Program Target	$0	$0	0	0	0	0	0	0
Revised Full Program Target	$5.5 million	$26.8 million	470	2,300	1,600	8,200	470	2,300
Target (incremental change in performance)	$5.5 million	$26.8 million	470	2,300	1,600	8,200	470	2,300

SBA will generate Program Performance Reports that will contain metrics showing outcomes, usage, borrower and lender characteristics, and risk parameters.

In addition, SBA will generate a Program Performance Overview Report, which will contain detailed financial and performance information pertaining to all SBA Recovery Act programs, with cross-year outcome and performance comparisons. This report will be used to measure progress against agency-wide performance targets. Information contained in the Program

Performance Overview Report and each Program Performance Report will be updated periodically and published on SBA's Recovery web site.

MONITORING AND EVALUATION

The SBA developed an agency-wide framework to ensure timely and effective implementation of Recovery Act projects to support America's small businesses. In the implementation and execution phases, the SBA Recovery Act Steering Committee, comprised of senior SBA leadership, met every week to review, evaluate and assess the status and results of each SBA-related Recovery Act project.

The Microloan project is managed by a team. Project teams and supporting offices are held accountable for on-time completion of project milestones and deliverables. Project teams met regularly with the Performance Management Office to track metrics and milestones, which were reported weekly to the Steering Committee.

The Steering Committee reviewed reports to identify:
- Progress made toward each project milestone
- Factors that have the potential to slow implementation or decrease effectiveness
- Effectiveness of each project measured against expected outcomes
- Success of any implemented adjustments made to strategies, services and project
- Effectiveness of risk mitigation strategies

In the evaluation phase, the Performance Management Office creates a weekly Performance Management Dashboard that summarizes progress and performance towards each program's goals. SBA's Operations Committee reviews this report and uses it to identify performance issues and opportunities for improvement. The Performance Management Office also produces a Monthly Report Card that provides a deeper dive into performance data.

Quarterly review meetings are chaired by the Chief Performance Officer and attended by the executives and staff of the program offices. The meetings are goal-oriented, future focused discussions that drive performance towards achieving the agency's strategic goals.

These reporting tools enable the Agency to identify issues and improve programs and policies to ensure that SBA's programs will help small business succeed.

BARRIERS TO EFFECTIVE IMPLEMENTATION
- Grants.gov may be overwhelmed so we have developed three alternate delivery mechanisms in the event grants.gov is not available.
- Additional oversight required, as the Recovery Act provides an additional year's supply of Technical Assistance funds and 2 years of loan volume, which must be disbursed and managed over an 18 month period.

GLOSSARY OF OFFICE NAMES

CLA	=	Office of Congressional & Legislative Affairs
DFC	=	Denver Finance Center
M&A	=	Office of Management & Administration
OCA	=	Office of Capital Access
OCFO	=	Office of the Chief Financial Officer
OCIO	=	Office of the Chief Information Officer
OCPL	=	Office of Communications & Public Liaison
OCRM	=	Office of Credit Risk Management
OED	=	Office of Entrepreneurial Development
OFA	=	Office of Financial Assistance
OHCM	=	Office of Human Capital Management
OFO	=	Office of Field Operations
OGC	=	Office of General Counsel
OPGM	=	Office of Procurement & Grant Management
OPP	=	Office of Policy & Strategic Planning
ORM	=	Office of Risk Management
PMO	=	Performance Management Office