



SBA Program Overview

U. S. Small Business Administration

SBA in Eastern Missouri

St. Louis District Office



What is the SBA?

- **United States Of America Agency created by Congress and President Eisenhower in 1953**
- **SBA Administrator is a member of the President's cabinet**
- **Working for 28 million small businesses which represent nearly 50% of business activity in the US and create 2/3 thirds of the new jobs**



SBA

To promote the development of small business concerns in:

- Contracting
- Counseling
- Capital





SBA Programs

- **Capital**
 - Provide loan guarantees for small businesses that can not get a loan without SBA assistance
- **Consulting**
 - Provide free counseling services via resource partners
- **Contracting**
 - Assist small businesses in accessing government contracts

Federal Contracting:

- The world's largest buyer of goods and services is the Federal Government, with purchases totaling more than \$500 billion per year.
- Contracts exist for every item imaginable, from paper clips to armored tanks
- Federal agencies are required to establish contracting goals, with at least 23 percent of all government buying targeted to small firms.



Prime Contracting Government-wide Procurement Goals

- **Small Business (SB) - 23%**
- **Small Disadvantaged Business (SDB) - 5%**
- **Women-Owned Small Business - (WOSB)- 5%**
- **HUBZone Small Business – 3%**
- **Service-Disabled Veteran-Owned SB (SDVOSB) - 3%**



First Thing To Do – Get Registered

In order to win federal contracts, your business must be registered in the federal government's database.

- SAMs - System for Award Management:

<https://www.sam.gov/index.html>

- DUNS - Data Universal Numbering System:

<http://fedgov.dnb.com/webform/displayHomePage.do;jsessionid=81407B1F03F2BDB123DD47D19158B75F/>

- Dynamic Small Business Search (DSBS):

http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm



Identify Your Product or Service

Government coding systems: Knowing the codes that apply to your business will help you identify the government buying offices that have a need for your product or service and register and search for bid opportunities. This is the first step to determining if you have a product for the Corps.

North American Industry Classification System Code (NAICS):

Used to classify business establishments <http://www.census.gov/eos/www/naics/>

Federal Supply Classification Code (FSC):

The (FSC) is a four-digit code used by government buying offices to classify and identify the products, and supplies that the government uses and buys.

<http://www.dlis.dla.mil/H2/default.asp>

Product Service Codes (PSC):

The (PSC) Group by the lettering system provides the product and service codes that will be used in the Federal Procurement Data

System. http://blog.citizen.apps.gov/GSA_PSC_Manual/home/product-fgs/





SBA STL Resource Partners

- SCORE
- SBTDC
- Veterans Business Resource Center
- Grace Hill Women's Business Center

Know the Federal Contract Certifications

Self-Certification and Representation Categories of Size and Socio-Economic Status)

- Small Business
- SDB
- WOSB
- EDWOSB
- SDVOSB – Self Certified except for VA Contracts *
- VOSB – Self Certified except for VA Contracts*

SBA's Formal Certification Programs:

- 8(a) Business Development
- HUBZone Empowerment Contracting

www.vetbiz.gov



51% Owner Must:

- Position of President or Chief Executive Officer
- Managing Partner or LLC Managing Member
 - Control budget and financial disbursement
 - Highest compensated individual
 - Ability to commit to contracts
 - Ability to Hire and Fire
 - Set Policies





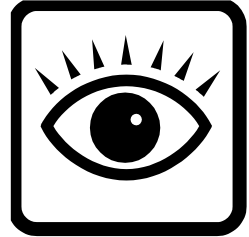
SBA

Available Assistance:

- Resource partners in all areas of business
- Information on SBA Loans and other programs
- Identifying Government Procurement Agencies and Forecasts
 - Subcontracts with federal government
 - 7(j) Management & Technical Assistance
- Contracting opportunities with county, airports & large government primes



How to Identify Contract Opportunities



Federal Agency Procurement Forecasts: Home Pages/Small Business Information/ Business Opportunities/Procurement Forecast

http://acquisition.gov/comp/procurement_forecasts/index.html

Federal Business Opportunities (FedBizOpps) (FBO): is an official source to identify federal contracts over \$25,000.

www.fbo.gov

U. S. Government Spends: information on government spending through contracts awarded by the can be found at.

www.sba.gov/conten/usa-spends/



Market Your Company



To effectively market your company's product or service:

- Identify your customers
 - Research their requirements
 - Learn federal procurement regulations
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- Present your capabilities directly to the federal activities and large prime contractors that buy your products and services
 - Attend procurement conferences, business expos and business matchmaking events
 - Add details to your SAM/Dynamic Small Business Search (DSBS) profile (e.g., GSA schedule number, commercial customers, federal customers, special capabilities).
 - Show contracting officers that your company is a good match for their needs and requirements.



Market Your Company

Target Your Customer: Who buys your product or service? How do they buy? When do they buy?



Know the Rules: Federal Acquisition Regulations, contract requirements and specifications

Perform as Promised: On-time delivery, Good Quality, at a Fair Price

Standard of Excellence

Pleasantly Persistent



Get to Know SBA's Website

Online free federal procurement training classes to improve your company's ability to win federal prime and subcontracts.

<http://www.sba.gov/category/navigation-structure/counseling-training/online-small-business-training/contracting>.

<http://www.sba.gov/sba-learning-center/search/training>

On line training includes:

- Starting a Business
- Encore Entrepreneurship for Women
- Managing a Business
- Financing a Business
- Government Contracting





2014 SBA LENDING OVERVIEW

National:

- 57,929 Loans
- \$23.4 Billion

St. Louis District:

- 550 Loans
- \$225 Million

Ineligible small businesses

- Ineligible businesses include businesses involved in making loans, speculating, passive investment, pyramid sales, loan packaging, gambling or any illegal activity.
- SBA can not make loans to non-profits or businesses that promote a religion, municipalities, private clubs, owned by individuals incarcerated or on parole or probation or have failed to repay a federal loan.

SBA Loan Guarantees

- As much as 85% on loans < \$150,000
- 75% on loans > \$150,000
- 90% on international trade loan program
- 50% on SBA Express Loan Program
- Up to **\$4,500,000** of SBA exposure (multiple loans)
- Maximum Loan Size of **\$5,000,000**



Eligible Use of Proceeds – SBA loans

- Purchase land or buildings to be occupied by business borrower
- Construction, expansion or renovation of facilities
- Make Leasehold Improvements
- Purchase machinery, equipment, furniture and fixtures
- Augment Working Capital
- Acquire or start businesses
- Refinance existing debt under certain conditions





SBA Guaranty Fees

Fee Example:

- Bank Loan Amount = \$250,000
- SBA Guaranty Amount (75%) = \$187,500
- (3.0%) SBA Guaranty Fee = \$5,625



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