

U.S. Small Business Administration

Federal Program Inventory

FY 2013



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What programs are included in the Federal Program Inventory?

The Small Business Administration (SBA) was selected along with other trade, export and competitiveness agencies to pilot the Federal Program Inventory. During the pilot phase, SBA developed its approach by defining programs that contribute to the Agency’s mission and support its strategic goals and objectives. This report contains a full inventory of the SBA’s 32 inventoried programs. To identify programs that were listed in the Table of Contents, SBA used GAO’s program definition of “an organized set of activities directed toward a common purpose or goal that an agency undertakes or proposes to carry out its responsibilities” as a starting point. We then identified SBA’s organized sets of activities that impact our intended recipients (i.e., disaster and small business loans), activities that impact public outcomes (the creation of jobs) and activities that have an impact on the budget. However, we only included programs that are permanent in nature so we did not include pilot programs in this inventory. This program inventory has also been cross-referenced against the CFDA Catalog of Federal Domestic Assistance programs.

Please refer to www.Performance.gov for program contributions to our Agency Priority Goals and Cross-Agency Priority (CAP) Goals.

Small Business Administration total Budget Authority (in millions of Dollars)

<u>FY 2012 Actual</u>	<u>FY 2013 Enacted</u>	<u>FY 2014 Request</u>
\$919	\$1,042	\$810

7(a) Loan Guarantees

The 7(a) loan program is one of the Agency's primary business loan programs to assist small businesses in obtaining financing when they do not qualify for conventional credit. It is particularly valuable to those underserved businesses that have traditionally had trouble accessing the conventional credit market. Its flexibility enables small businesses to obtain financing of up to \$5 million for various business uses, with a loan maturity of up to 10 years for working capital and 25 years for real estate. The SBA guarantees a portion of 7(a) loans made and administered by commercial lending institutions. Loans can be guaranteed for a variety of general business purposes. The 7(a) family of loans includes regular 7(a) loans, SBA Express, Patriot Express, CAPLine, Community Advantage, Small Loan Advantage, Rural Loan Advantage, GO Loans, Dealer Floor Plan, and International Trade loans such as Export Express, Export Working Capital, EXIM loans.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 1 - Expand access to capital through SBA's extensive lending network
- Objective 6 - Strengthen outreach to underserved communities and underserved populations

Goal 2 - Building an SBA that meets needs of today's and tomorrow's small businesses

- Objective 1 - Strengthen SBA's core programs and operations to ensure that they are high performing, effective, and relevant to the needs of the small business community
- Objective 3 - Mitigate risk to taxpayers and improve oversight across SBA programs

504 Certified Development Loans

The 504 loan program is SBA's premier economic development program, providing "brick and mortar" and/or major equipment financing. Thanks to particular features of this program, such as a statutorily-mandated job creation component, a community development goal, or a public policy goal achievement component, the program helps the SBA facilitate job creation and meets the Agency's mission to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses. A typical 504 project includes a loan secured from a private sector lender with a senior lien, and an SBA-backed loan secured from a certified development company (CDC) in a second position.

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Microloan

The Microloan program helps the smallest of small businesses become established and achieve success. It provides loans to community-based intermediary lenders which, in turn, re-lend the funds in amounts of \$50,000 or less (“microloans”) to start-ups, newly established, and growing small businesses in need of small-scale financing. Intermediaries may also receive grants to help fund the cost of providing business-based training and technical assistance to microbusinesses. The fusion of capital and training helps shore up the capacity of the microborrower to turn a profit, improve operations, grow the business and create jobs.

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Surety Bond Guarantees

Under the Surety Bond Guarantee program, the SBA guarantees bid, payment, and performance bonds on contracts up to \$6.5 million for small and emerging contractors who cannot obtain surety bonds through regular commercial channels. SBA can guarantee a bond for a contract up to \$10 million if a Federal contracting officer certifies that SBA’s guarantee is necessary for the small business to obtain bonding. The SBA guaranty gives sureties an incentive to provide bonding for eligible contractors and thereby increases a contractor’s access to contracting opportunities. Under the surety guaranty, an agreement between a surety and the SBA, the Agency assumes between 70 percent and 90 percent of the loss in the event of contractor default.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 1 - Expand access to capital through SBA's extensive lending network
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Procurement Assistance Program

The SBA advocates on behalf of small business in the federal contracting world and administers several programs and services that assist small businesses in meeting the requirements to compete for government contracts, either as prime contractors or subcontractors. The Agency

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works to create an environment in which small businesses – including businesses owned and controlled by socially and economically disadvantaged individuals, women, service-disabled veterans, and small businesses located in Historically Underutilized Business Zones (HUBZones) – can maximize participation in federal government prime contracting and subcontracting. Under this program, SBA provides Certificate of Competency, Prime Contracting Assistance, Subcontracting Assistance, and works with other Federal agencies on goaling.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 2 - Ensure federal contracting goals are met or exceeded by collaborating across the federal government to expand opportunities for small businesses and strengthen the integrity of the federal contracting certification process and data
- Objective 6 - Strengthen outreach to underserved communities and underserved populations

Goal 2 - Building an SBA that meets the needs of today's and tomorrow's small businesses

- Objective 3 - Mitigate risk to taxpayers and improve oversight across SBA programs

Goal 3 – Serving as the voice for small business

- Objective 1 - Collaborate with other agencies to strengthen the delivery of programs, resources and services

Small Business Procurement Set-Aside

Small business contracts represent the largest form of direct monetary support for small businesses in the federal government. Overall the federal government's goal is that 23 percent of all prime federal contracting dollars go to small businesses and this program is the driver for that goal.

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8(a) Business Development

The SBA's 8(a) Business Development program provides various forms of assistance (management and technical assistance, government contracting assistance and advocacy support) to foster the growth and development of businesses owned and controlled by socially and economically disadvantaged individuals. The SBA assists these businesses, during their up-to-nine-year tenure in the 8(a) Business Development program, to gain equal access to the resources necessary to develop their businesses and improve their ability to compete for both public and private contracts.

An applicant firm must: (1) be a small business; (2) be unconditionally owned and controlled by one or more socially and economically disadvantaged individuals who are of good character and citizens of the United States; and (3) demonstrate potential for success.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

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7(j) Technical Assistance

The SBA is authorized under section 7(j) of the Small Business Act, to enter into grants, cooperative agreements or contracts with public or private organizations that can deliver management and/or technical assistance to individuals and enterprises eligible for assistance under the Act. This assistance is delivered through the 7(j) program to 8(a) certified firms, small disadvantaged businesses, businesses operating in areas of high unemployment or low-income, or firms owned by low-income individuals.

Under the 7(j) program, grants, cooperative agreements or contracts are awarded to qualified service providers that have the capability to provide business development assistance to eligible clients. Program funding is not available to finance a business, purchase a business or use as expansion capital for an existing business.

Assistance under the 7(j) program may be given for projects that respond to needs outlined in a solicitation announcement or for an unsolicited proposal that could provide valuable business development assistance for 8(a) and other socially and economically disadvantaged small

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businesses. This assistance may include accounting and marketing services, feasibility studies, marketing/presentation analyses and advertising expertise, loan packaging, proposal/bid preparation, industry specific technical assistance, and other specialized management, training and technical services. Additionally, an executive education program is offered for owners and senior officers of 8(a) firms to take part in intensive week-long training sessions.

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HUBZone

The Historically Underutilized Business Zones program (HUBZone) is the only federal contracting program that provides a contracting vehicle for small businesses located in economically distressed areas. This unique program creates jobs where they are needed most by encouraging economic development, job creation and capital investment in the poorest areas of the country by providing sole-source and set-aside contracting opportunities as well as price evaluation preferences to firms that are HUBZone certified.

To qualify for the program, a small business (except tribally-owned concerns) must: be a small business by SBA standards; be directly and unconditionally owned and controlled at least 51 percent by U.S. citizens, a community development corporation, an agricultural cooperative, or an Indian tribe; have its principal office within a HUBZone; and have at least 35 percent of its employees residing in a HUBZone.

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Women-Owned Small Business Federal Contracting

The Women-Owned Small Business contracting program provides equal access to federal contracting opportunities for women-owned small businesses (WOSB) and economically disadvantaged women-owned small businesses (EDWOSBs) that have been underrepresented in over 300 industries. The program allows contracting officers to set aside specific federal contracts for WOSBs and EDWOSBs, helping meet the statutory goal of 5 percent of federal contracts going to woman-owned firms.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 2 - Ensure federal contracting goals are met or exceeded by collaborating across the federal government to expand opportunities for small businesses and strengthen the integrity of the federal contracting certification process and data
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Service-Disabled Veteran-Owned Small Business Procurement

The Service-Disabled Veteran-Owned Small Business program is a federal government contracting program that allows contracting officers to set aside a requirement for a service-disabled veteran-owned small business if it meets certain requirements. The SBA manages this program, which includes self-certification, a protest process and any enforcement actions, as needed.

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Size Standards

SBA sets size standards for small businesses which determine the size a business must be to be considered a small business. A small business is not dominant in its field of operation and qualifies as a small business concern under Title 13, Code of Federal Regulations, part 121 (13 CFR 121). SBA has established size standards for all for-profit economic activities as they are described under the North American Industry Classification System (NAICS) Identifying Industry Codes. Size standards are critical in the government-contracting process because they ensure a "level playing field" for competition among small businesses of varying sizes. They also apply to other SBA programs, such as its Loans & Grants and Technology Small Business Innovative Research (SBIR) and Small Business Technology Transfer (STTR) Programs. In fact, they apply to all Federal programs that provide a benefit to a small business concern.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 2 - Ensure federal contracting goals are met or exceeded by collaborating across the federal government to expand opportunities for small businesses and strengthen the integrity of the federal contracting certification process and data

Small Business Development Centers (SBDC)

As SBA's largest non-finance program, SBDCs provide services to facilitate the creation of viable businesses and to sustain and grow established businesses. SBDCs deliver management and technical assistance to small businesses through an extensive business education network comprised of 63 lead centers managing over 900 outreach locations throughout the U.S. and the insular territories. SBDCs deliver professional business counseling and training that is focused on strategic planning, business development, financial planning and cash flow management to approximately 590,000 business clients annually.

Special emphasis areas of business counseling and training include facilitating innovation and high-growth companies with small business innovative research (SBIR) grants, commercialization and technology transfer services, and export tools and guidance. Seven SBDCs have specialized international trade centers that will expand to 46 of the 63 networks. SBDCs also provide services related to disaster recovery, contracting, energy efficiency, veterans' assistance, and manufacturing.

SBA grant funding to small business development centers leverages a unique mix of federal, state and private sector financial resources. This funding model enables SBDCs across the country to foster the economic growth of small businesses, generating business revenue, job creation and job retention as well as enhancing local and regional economies.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

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- Objective 1 – Expand Access to capital through SBA’s extensive lending network
- Objective 3 - Strengthen SBA’s entrepreneurial education, counseling and training resources to help create new businesses and support the needs of existing businesses by successfully focusing on core program resources and ensuring these resources are aligned with the needs of both Main Street and high-growth small businesses
- Objective 6 - Strengthen outreach to underserved communities and underserved populations

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Women’s Business Centers (WBC)

The program’s mission is to provide quality counseling and training services primarily to women entrepreneurs, many of whom are socially and economically disadvantaged. The program does this by reaching out to established and aspiring entrepreneurs through more than 100 nonprofit organizations that host the WBCs. Located throughout most of the U.S. and its territories, WBC help start and grow small firms in the local areas in which they serve to stimulate economic growth. WBCs provide training, counseling, and mentoring on a vast array of topics, ranging from basic training on how to write a business plan to more specific areas such as training programs on federal contracting or programs designed specifically for veterans. Many WBCs provide multilingual services and offer flexible hours, allowing for mothers with children to attend training classes.

The WBC program provides initial five-year grants to nonprofits that can demonstrate the capability to operate a successful WBC and are able to provide matching funds for the federal funds received, 2:1 for the first two years and 1:1 thereafter. After the initial funding period, successful centers may apply for and receive renewal funds for a three-year period. Centers may apply for the renewal funding every three years thereafter, subject to successful participation in the program.

WBC grants are awarded depending on the availability of federal funds and on recipients’ ability to demonstrate real success, including: milestone achievement; sound grant management practices (both financial and programmatic); sound financial systems; ability to meet match requirements; successful market penetration in their target market; alignment with their host organization’s mission; and being in compliance with their cooperative agreement as outlined by the Office of Women’s Business Ownership.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 3 - Strengthen SBA’s entrepreneurial education, counseling and training resources to help create new businesses and support the needs of existing businesses by

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successfully focusing on core program resources and ensuring these resources are aligned with the needs of both Main Street and high-growth small businesses

- Objective 6 - Strengthen outreach to underserved communities and underserved populations

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SCORE

Distinct in the federal government as one of the largest volunteer business advisor and mentoring program, SCORE's volunteer cadre of over 12,000 business professionals donated, in FY 2011, more than 1.2 million hours of experience, mentoring, business knowledge and advice to America's entrepreneurs online and through 368 chapters nationwide.

The SBA awards a federal grant to SCORE and provides annual oversight of these funds. The annual appropriation funds volunteer recruitment, training and support, equipment and leases, technology, management systems, marketing materials and course development necessary for a successful volunteer provider network. SCORE volunteers provide counseling and training, offering their experience and expertise free of charge. They demonstrate a unique commitment to small business and their local communities.

SCORE serves entrepreneurs with in-person mentoring and nearly 9,000 local training workshops. SCORE has adapted its structure and services to meet the needs of the small business community in ever-changing economic conditions. SCORE offers 220,000 online subscribers timely resources through monthly tips, trends and expert interviews in SCORE eNews and SCORE Expert Answers.

SCORE offers free advice in Spanish and other languages. It provides business research, information and articles to online communities for veterans, manufacturers, women, young entrepreneurs and minorities.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 3 - Strengthen SBA's entrepreneurial education, counseling and training resources to help create new businesses and support the needs of existing businesses by successfully focusing on core program resources and ensuring these resources are aligned with the needs of both Main Street and high-growth small businesses
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Veteran's Business Development

Thousands of veterans are returning home with the skills, experience, and leadership to pursue entrepreneurship and create jobs. America's 3.7 million veteran-owned small businesses already employ 8.2 million people; yet veteran unemployment rates remain high. This requires stronger action to encourage transitioning veterans to explore entrepreneurship and then to equip them with tools to start a business, creating jobs for themselves and other veterans. The SBA Office of Veterans Business Development (OVBD) programs include: the Entrepreneurship Boot Camp for Veterans with Disabilities Consortium of Universities; the V-WISE program for women veterans; and, the Endure and Grow program for Reserve Component members and their families. It also manages the Veterans Business Outreach Center program specifically for veterans and members of the military community and their spouses.

Through its veterans business development program the SBA promotes veterans' small business ownership by conducting comprehensive outreach, through program and policy development and implementation, ombudsman support, coordinated Agency initiatives, and direct assistance to veterans, service-disabled veterans, Reserve and National Guard members, and discharging active duty service members and their families. This is accomplished through: funded SBA district office outreach; OVBD-developed and distributed materials; websites; partnering with Department of Defense, Department of Labor and universities; agreements with regional veterans business outreach centers; direct guidance, training and assistance to Agency veteran customers; and, through enhancements to intra-agency programs used by the military and veteran communities.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 3 - Strengthen SBA's entrepreneurial education, counseling and training resources to help create new businesses and support the needs of existing businesses by successfully focusing on core program resources and ensuring these resources are aligned with the needs of both Main Street and high-growth small businesses
- Objective 6 - Strengthen outreach to underserved communities and underserved populations

Goal 2 - Building an SBA that meets the needs of today's and tomorrow's small businesses

- Objective 3 - Mitigate risk to taxpayers and improve oversight across SBA programs

Goal 3 - Serving as the voice for small business

- Objective 1 - Collaborate with other agencies to strengthen the delivery of programs, resources and services

Disaster Assistance

Returning small business operations to normal in the wake of a disaster is critical to ensuring that local economies regain traction as quickly as possible and once again are able to contribute to the economy and create jobs. The SBA — in coordination with FEMA, other federal agencies, the

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American Red Cross, and others — helps small businesses prepare for disaster and provides direct low interest loans to small businesses owners, homeowners and renters.

In addition to providing money for physical damage, the SBA provides working capital in the form of Economic Injury Disaster Loans (EIDL) to small businesses and private nonprofit organizations. Acting as the federal government's disaster bank for disaster victims as required in section 7(b) of the Small Business Act, the SBA is responsible for providing affordable, timely and accessible low-cost, low-interest loans to disaster victims. On average, the Agency makes disaster loans totaling nearly \$1 billion each year and has an active portfolio of over \$7 billion.

By providing disaster assistance in the form of loans, which are repaid to the Treasury, the SBA disaster loan program helps reduce federal disaster costs compared to other forms of assistance, such as grants. The disaster loans are a critical source of economic stimulation in disaster-ravaged communities and help generate employment and stabilize tax bases by protecting jobs.

Small businesses in particular are helped by a stronger customer base and revitalized communities. Communities that have been devastated by disasters lack the customer base necessary for small businesses to become functional again. By providing integrated assistance, the SBA increases the effectiveness of this federal assistance.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 4 - Ensure that SBA's disaster assistance resources for businesses, non-profit organizations, homeowners, and renters can be deployed quickly, effectively and efficiently in order to preserve jobs and help return small businesses to operation

Goal 2 - Building an SBA that meets the needs of today's and tomorrow's small businesses

- Objective 3 - Mitigate risk to taxpayers and improve oversight across SBA programs

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Small Business Investment Companies (SBIC)

A multi-billion dollar program founded in 1958, the SBIC Program is one of many financial assistance programs available through the U.S. Small Business Administration. The structure of the program is unique in that SBICs are privately owned and managed investment funds, licensed and regulated by SBA, that use their own capital plus funds borrowed with an SBA guarantee to make equity and debt investments in qualifying small businesses. The U.S. Small Business Administration does not invest directly into small business through the SBIC Program, but provides funding to qualified investment management firms with expertise in certain sectors or industries. The SBIC program provides long-term loans and equity capital to small businesses, especially those with potential for substantial job growth and economic impact.

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In an effort to expand the reach of the program and make capital more accessible for more small businesses, the Agency has introduced two initiatives, the Impact Investment Initiative and the Early Stage Innovation Initiative. To connect with startups in clean energy and other sectors, the SBA launched the Entrepreneurial Mentor Corps program in partnership with the Department of Energy and Department of Labor.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 5 - Strengthen SBA's relevance to high-growth entrepreneurs and small businesses to more effectively drive innovation and job creation through both the Agency's existing programs as well as new initiatives.
- Objective 6 - Strengthen outreach to underserved communities and underserved populations

Goal 2 - Building an SBA that meets the needs of today's and tomorrow's small businesses

- Objective 3 - Mitigate risk to taxpayers and improve oversight across SBA programs

Small Business Innovation Research (SBIR)

In January 2012, the SBA received long-term reauthorization of the highly successful Small Business Innovation Research (SBIR) program. The money from this program goes directly to some of America's most promising small research and development companies to help them drive innovation, strengthen U.S. competitiveness, and create jobs. The SBIR program helps small businesses develop innovations to meet the research and development needs of the federal government and then commercialize those innovations in the marketplace. The program can advance American innovation and competitiveness in the broader economy.

SBIR targets the entrepreneurial sector because that is where most innovation and innovators thrive. However, the risk and expense of conducting serious research and development efforts are often beyond the means of many small businesses. By reserving a specific percentage of federal R&D funds for small business, SBIR protects the small business and enables it to compete on the same level as larger businesses. SBIR funds the critical startup and development stages and it encourages the commercialization of the technology, product, or service, which, in turn, stimulates the U.S. economy.

Since its enactment in 1982, as part of the Small Business Innovation Development Act, SBIR has helped thousands of small businesses to compete for federal research and development awards. Their contributions have enhanced the nation's defense, protected our environment, advanced health care, and improved our ability to manage information and manipulate data.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 5 - Strengthen SBA's relevance to high-growth entrepreneurs and small businesses to more effectively drive innovation and job creation through both the Agency's existing programs as well as new initiatives.

Federal Program Inventory

- Objective 6 - Strengthen outreach to underserved communities and underserved populations

Goal 2 - Building an SBA that meets the needs of today's and tomorrow's small businesses

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Small Business Technology Transfer Program (STTR)

In January 2012, the SBA received long-term reauthorization of the highly successful Small Business Technology Transfer (STTR) program. The money from this program goes directly to some of America's most promising small research and development companies to help them drive innovation, strengthen U.S. competitiveness, and create jobs.

STTR is a highly competitive program that reserves a specific percentage of federal research and development funding for award to small business and nonprofit research institution partners. Small business has long been where innovation and innovators thrive. But the risk and expense of conducting serious R&D efforts can be beyond the means of many small businesses.

Conversely, nonprofit research laboratories are instrumental in developing high-tech innovations. But frequently, innovation is confined to the theoretical, not the practical. STTR combines the strengths of both entities by introducing entrepreneurial skills to high-tech research efforts. The technologies and products are transferred from the laboratory to the marketplace. The small business profits from the commercialization, which, in turn, stimulates the U.S. economy.

Supports Strategic Goals:

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- Objective 5 - Strengthen SBA's relevance to high-growth entrepreneurs and small businesses to more effectively drive innovation and job creation through both the Agency's existing programs as well as new initiatives.

Goal 2 - Building an SBA that meets the needs of today's and tomorrow's small businesses

- Objective 3 - Mitigate risk to taxpayers and improve oversight across SBA programs

International Trade

The SBA, through its staff, lending and resource partners, leads federal efforts to support small U.S. exporters through its international trade loans and counseling programs. The SBA has three loan programs that address the financing needs of small business exporters: Export Express, Export Working Capital, and International Trade. The SBA provides export trade finance counseling and training to small business through the U.S. Export Assistance Centers (USEAC). The Agency coordinates export outreach teams from SBA district offices that consist of resource partners, other federal agencies, and state and local small business resources. They provide small business with access to the most appropriate resources for achieving export success.

Federal Program Inventory

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 1 – Expand access to capital through lending network
- Objective 3 - Strengthen SBA’s entrepreneurial education, counseling and training resources to help create new businesses and support the needs of existing businesses by successfully focusing on core program resources and ensuring these resources are aligned with the needs of both Main Street and high-growth small businesses
- Objective 5 - Strengthen SBA’s relevance to high-growth entrepreneurs and small businesses to more effectively drive innovation and job creation through both the Agency’s existing programs as well as new initiatives.
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Goal 3 – Serving as the voice for small business

- Objective 1 - Collaborate with other agencies to strengthen the delivery of programs, resources and services

Federal and State Technology Partnership (FAST) Program

The purpose of the FAST program is to strengthen the technological competitiveness of small business concerns in every state. Congress has found that there is much variance within state technology programs that foster economic development among small high-technology firms. Therefore, this program intends to improve the participation of small technology firms in the innovation and commercialization of new technology; thereby ensuring that the United States remains on the cutting edge of research and development in the highly competitive arena of science and technology.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 5 - Strengthen SBA’s relevance to high-growth entrepreneurs and small businesses to more effectively drive innovation and job creation through both the Agency’s existing programs as well as new initiatives.

PRIME Program

The SBA’s Program for Investment in Micro-Entrepreneurs (PRIME) provides assistance to various organizations. These organizations help low-income entrepreneurs who lack sufficient training and education to gain access to capital to establish and expand their small businesses. PRIME grants are intended to help small businesses with five or fewer employees that are economically disadvantaged, and to businesses owned by low-income individuals, including those residing on Indian reservations and tribal lands. Such help is offered through a network of qualified nonprofit organizations that provide business training and technical assistance. Grants ranged up to \$250,000 this year, with a 50 percent match required of each

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recipient organization. The PRIME grant is open to micro entrepreneur training and technical assistance providers in all 50 states and the territories, and has a one-year performance period, with four 12-month options.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 1 – Expand access to capital through lending network

Regional Innovation Clusters

Creating jobs by growing regional economies is a critical priority for the Administration. Across the government, agencies are leveraging programs to better support local efforts that maximize the impact of innovation, competitiveness, and other strengths found in industries in regions throughout the U.S. Regional Innovation Clusters are on-the-ground collaborations between business, research, education, financing and government institutions that work to develop and grow a particular industry or related set of industries in a particular geographic region. Clusters facilitate interaction and strategic partnerships among these groups, which is particularly important for small business owners looking to find new partnerships, programs, and market opportunities to catalyze growth. Within a cluster, businesses are better able to commercialize innovative technology and create products and services that are beyond the resources, capabilities, and capacity of a single small business. The supportive community created by the cluster stimulates and grows specialized entrepreneurial talent that results in increased prosperity, job creation and economic growth.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 5 - Strengthen SBA's relevance to high-growth entrepreneurs and small businesses to more effectively drive innovation and job creation through both the Agency's existing programs as well as new initiatives.
- Objective 6 - Strengthen outreach to underserved communities and underserved populations

Goal 3 – Serving as the voice for small business

- Objective 1 - Collaborate with other agencies to strengthen the delivery of programs, resources and services

Native American Outreach

The mission of the Office of Native American Affairs (ONAA) is to ensure that American Indians, Alaska Natives, and Native Hawaiians seeking to create, develop and expand small businesses have full access to the necessary business development and expansion tools available through the Agency's entrepreneurial development, lending and contracting programs. ONAA works in coordination with other offices within the Agency to assist in formulating policies specific to Native populations. The program engages in outreach, technical assistance and

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education, formulates and administers training programs, and coordinates entrepreneurial development opportunities through co-sponsorship agreements with entities and other federal agencies.

ONAA's goals are: (1) to increase financial literacy across a broad section of the community and to educate internally on the roles of tribal governments; (2) to implement SBA-specific tribal consultation and to engage with tribally run economic and business development branches; (3) to conduct a Native American veterans outreach initiative which would increase the use of Patriot Express and counseling services, and; (4) to conduct an in-depth market research analysis in order to fine-tune marketing efforts resulting in a comprehensive communications plan to reach the target market with the end goal being a measurable increase in the use of all SBA tools, with particular emphasis on loans and contracting.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 3 - Strengthen SBA's entrepreneurial education, counseling and training resources to help create new businesses and support the needs of existing businesses by successfully focusing on core program resources and ensuring these resources are aligned with the needs of both Main Street and high-growth small businesses
- Objective 6 - Strengthen outreach to underserved communities and underserved populations

Goal 3 – Serving as the voice for small business

- Objective 1 - Collaborate with other agencies to strengthen the delivery of programs, resources and services

BusinessUSA

BusinessUSA was launched in fiscal year 2012 to help small businesses and exporters of all sizes find information about available federal programs without having to waste time and resources navigating the federal bureaucracy. It is a “No Wrong Door” approach for small businesses and exporters, creating a common platform to match businesses with the services relevant to them, regardless of where the information is located or which agency's website, call center, or office they go to for help.

Whatever services a business owner is looking for, he or she can find it on BusinessUSA – whether it be support to grow a small business, export financing, counseling and training to help sell goods and services overseas, or various loan programs like SBA small business loans, USDA farm loans, and NOAA fishery loans.

Supports Strategic Goals:

Goal 2 - Building an SBA that meets the needs of today's and tomorrow's small businesses

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- Objective 1 - Strengthen SBA's core programs and operations to ensure that they are high performing, effective, and relevant to the needs of the small business community

Goal 3 – Serving as the voice for small business

- Objective 1 - Collaborate with other agencies to strengthen the delivery of programs, resources and services

Ombudsman Program

The Office of the National Ombudsman (ONO) helps address issues associated with unfair enforcement of regulations. As required under the Small Business Regulatory Enforcement Fairness Act, ONO works with each federal agency with regulatory authority over small businesses to ensure that small businesses that receive or are subject to an audit, on-site inspection, compliance assistance effort, or other enforcement related communication or contact by Agency personnel are provided with a means to comment on the enforcement activity conducted by such personnel.

The National Ombudsman receives comments from small business concerns and acts as a liaison between them and federal agencies. Comments received from small businesses are forwarded to federal agencies for a high level review and federal agencies are requested to consider the fairness of their enforcement action.

A copy of the agency's response is sent to the small business owner by the Office of the National Ombudsman. In some cases, fines have been lowered or eliminated and decisions changed in favor of the small business owner.

The national ombudsman, as well as the members of the 10 Regional Regulatory Fairness Boards across the country, participates in public events throughout the country to listen to and record comments from small business owners and representatives of small businesses. Additionally, the national ombudsman receives advice from the RegFair boards about matters of concern to small businesses relating to the enforcement activities of agencies. The national ombudsman prepares and submits an annual report to Congress evaluating the enforcement activities of federal agency personnel regarding small business.

Supports Strategic Goals:

Goal 3 – Serving as the voice for small business

- Objective 2 - Foster a small business-friendly environment by encouraging federal agency awareness about the impact of unfair regulatory enforcement and compliance efforts, reducing burdens on small business

Secondary Market Guarantee

When Congress enacted the Small Business Secondary Market Improvements Act of 1984, it authorized SBA to guarantee the timely payment of principal and interest on trust certificates

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representing an ownership interest in a pool of guaranteed portions of loans made under SBA's section 7(a) guaranteed loan program ("SBA 7(a) loans"). Congress anticipated that the timely payment guarantee could be structured so that SBA would have no additional budgetary exposure and no need for any direct taxpayer subsidy of this cost.

SBA established the Master Reserve Fund ("MRF"), which has served as a self-funding mechanism to cover the cost of the timely payment guaranty. Borrower payments on the guaranteed portion of pooled SBA 7(a) loans, as well as any SBA guaranty payments on defaulted SBA 7(a) loans, are deposited into the MRF and all payments to investors ("Registered Holders") are made from the MRF. Interest earned while the payments are in the MRF is used, as needed, to make the timely payments to the Registered Holders. In its 18 year existence, there have always been sufficient funds in the MRF to meet SBA's timely payment obligations.

Supports Strategic Goals:

Goal 1 – Growing businesses and creating jobs

- Objective 1 - Expand access to capital through lending network

Emerging Leaders

The Emerging Leaders initiative accelerates SBA's delivery of products and services in underserved markets to urban and Native American small businesses with high growth potential. Each senior executive receives more than 100 hours of specialized training that focuses on advanced business planning and peer mentoring and includes a 3-year strategic growth action plan. Plans include benchmarks and performance targets to help business participants emerge as stronger businesses that create more jobs and build communities.

Supports Strategic Goals:

Goal 1 - Growing businesses and creating jobs

- Objective 3 - Strengthen SBA's entrepreneurial education, counseling and training resources to help create new businesses and support the needs of existing businesses by successfully focusing on core program resources and ensuring these resources are aligned with the needs of both Main Street and high-growth small businesses
- Objective 6 - Strengthen outreach to underserved communities and underserved populations

Inspector General

Pursuant to the Inspector General Act of 1978, as amended, the Office of Inspector General provides audit, investigative, and related services to promote economy and efficiency in SBA operations and to prevent and detect waste, fraud, and abuse.

Advocacy

The Office of Advocacy is an independent office within the U.S. Small Business Administration. Advocacy has its own statutory charter, Title II of Public Law 94-305 as amended (15 U.S.C. §634a et seq.), originally enacted in 1976. The office is headed by a Chief Counsel for Advocacy, appointed by the President and confirmed by the Senate. Public Law 111-240 further amended the Office of Advocacy's statutory authority to establish a separate appropriations account which became effective in Fiscal Year 2012.

The mission of the Office of Advocacy is to encourage policies that support the development and growth of American small businesses. Advocacy works to reduce the burdens that federal regulations and other policies impose on small entities and provides vital small business research for the use of policymakers and other stakeholders. Advocacy represents the interests of small businesses within the federal government. The office advances the views and concerns of small businesses before Congress, the White House, federal agencies, the federal courts, and state and local policymakers as appropriate. Economic research, policy analyses, and small business outreach help identify issues of concerns. Documenting the contributions of and challenges for small businesses in the U.S. economy provides policymakers with the information that they need to make better decisions.

In addition to those responsibilities included in Advocacy's basic charter, further duties and powers were conferred upon the Chief Counsel for Advocacy by the Regulatory Flexibility Act (RFA) of 1980 as amended (5 U.S.C. §601 et seq.), and Executive Order 13272. These duties include the monitoring of federal agency compliance with the RFA, providing RFA compliance training to regulatory officials, and assisting regulatory agencies during all stages of the rule development process to mitigate the potential impact of rules on small entities while still achieving their regulatory objectives.

Supports Advocacy Specific Strategic Goals:

Goal 1 - To assist federal agencies in the development of regulations and policies that minimize burdens on small entities while still achieving regulatory objectives.

Goal 2 - To develop and disseminate research on small businesses and the role that they play in the economy.

Program Management & Administration

Program Management & Administration ensures an adequate administrative support infrastructure is in place to support all of the agency's programs.

This support infrastructure includes salary and administration for:

* Executive Direction (e.g., Administrator's office, the Office of Performance Management and the Chief Financial Officer, Office of the General Counsel, Office of Communications and Public Liaison).

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* Agency-wide costs, such as rent and telecommunications that are managed centrally by the Agency.

* Office of the Chief Information Officer, which provides information technology leadership, products, services and operational support for the SBA and its programs.

* Management & Administration, which plans, implements and oversees administrative support across the Agency, such as human resources, correspondence, facilities and real estate, asset management, property inventory, fleet management and operations, office equipment and administrative services, physical and building security, records management, and mail and print management.

* Office of Field Operations and SBA's district and regional offices, which are responsible for the direct execution of all of SBA's products and services.

Supports Strategic Goals:

Goal 2 - Building an SBA that meets the needs of today's and tomorrow's small businesses

- Objective 1 - Strengthen SBA's core programs and operations to ensure that they are high performing, effective, and relevant to the needs of the small business community