

## Appendices

## Appendix 1 – Appropriations Language

### Salaries and Expenses

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 108-447, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed \$3,500 for official reception and representation expenses, [\$423,577,000]\$485,923,000: Provided, That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan program activities, including fees authorized by section 5(b) of the Small Business Act: Provided further, That, notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to remain available until expended, for carrying out these purposes without further appropriations: Provided further, That the Small Business Administration may accept gifts in an amount not to exceed \$4,000,000 and may co-sponsor activities, each in accordance with section 132(a) of division K of Public Law 108-447, during fiscal year [2013]2014: Provided further, That [\$101,093,000]\$104,680,000 shall be available to fund grants for performance in fiscal year [2013]2014 or fiscal year [2014]2015 as authorized by section 21 of the Small Business Act, to remain available until September 30, [2014]2015: Provided further, That [\$19,760,000]\$19,850,000 shall remain available until September 30, [2014]2015 for marketing, management, and technical assistance under section 7(m) of the Small Business Act (15 U.S.C. 636(m)(4)) by intermediaries that make microloans under the microloan program: Provided further, That [\$7,100,000]\$6,100,000 shall be available for the Loan Modernization and Accounting System, to be available until September 30, [2014]2015: Provided further, That \$58,050,000, shall be available to make grants to or cooperative agreements with organizations to provide technical assistance to small businesses. Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution as well as amounts from P.L. 113-2, the Disaster Relief Appropriations Act, 2013 (no language shown).

### Office of Inspector General

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, \$19,400,000.Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution as well as amounts from P.L. 113-2, the Disaster Relief Appropriations Act, 2013 (no language shown).

### Office of Advocacy

For necessary expenses of the Office of Advocacy in carrying out the provisions of title II of Public Law 94-305 (15 U.S.C. 634a et seq.) and the Regulatory Flexibility Act of 1980 (5 U.S.C. 601 et seq.), [\$8,900,000]\$8,455,000, to remain available until expended.Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

### Disaster Loans Program Account

(including transfers of funds)

For administrative expenses to carry out the direct loan program authorized by section 7(b) of the Small Business Act[and resulting from major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2))], [\$167,000,000]\$191,900,000, to [be]remain available until expended, of which \$1,000,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan programs and shall be paid to the appropriations for the Office of Inspector General; of which [\$157,000,000]\$181,900,000 is for direct administrative expenses of loan making and servicing to carry out the direct loan program, which shall be paid to the appropriations for Salaries and Expenses; and of which \$9,000,000 is for indirect administrative expenses for the direct loan program, which shall be paid to the appropriations for Salaries and Expenses: Provided, That [such amount] of the funds provided herein, \$158,650,000 shall be for major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)), of which \$800,000 is for the Office of the Inspector General of the Small Business Administration, \$150,650,000 is for direct administrative expenses of loan making and servicing to carry out the

direct loan program, and \$7,200,000 is for indirect administrative expenses for the direct loan program: Provided further, That the amount for major disasters under this heading is designated by Congress as being for disaster relief pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended. Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution as well as amounts from P.L. 113-2, the Disaster Relief Appropriations Act, 2013 (no language shown).

### **Business Loans Program Account**

(including transfer of funds)

For the cost of direct loans, [\$2,844,000]\$4,600,000, to remain available until expended, and for the cost of guaranteed loans as authorized by [section 7(a) of the Small Business Act (Public Law 85-536) and] section 503 of the Small Business Investment Act of 1958 (Public Law 85-699), [\$348,600,000]\$107,000,000, to remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That subject to section 502 of the Congressional Budget Act of 1974, during fiscal year [2013]2014 commitments to guarantee loans under section 503 of the Small Business Investment Act of 1958 shall not exceed [\$6,000,000,000]\$7,500,000,000: Provided further, That during fiscal year [2013]2014 commitments for general business loans authorized under section 7(a) of the Small Business Act shall not exceed [\$16,000,000,000]\$17,500,000,000 for a combination of amortizing term loans and the aggregated maximum line of credit provided by revolving loans: Provided further, That during fiscal year 2014 commitments for loans authorized under subparagraph (C) of section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) shall not exceed \$7,500,000,000: Provided further, That during fiscal year [2013]2014 commitments to guarantee loans for debentures under section 303(b) of the Small Business Investment Act of 1958 shall not exceed [\$3,000,000,000]\$4,000,000,000: Provided further, That during fiscal year [2013]2014, guarantees of trust certificates authorized by section 5(g) of the Small Business Act shall not exceed a principal amount of \$12,000,000,000. In addition, for administrative expenses to carry out the direct and guaranteed loan programs, [\$145,060,000]\$151,560,000, which shall be paid to the appropriations for Salaries and Expenses. Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

### **Administrative Provisions\_Small Business Administration**

(including transfer of funds)

Sec. 530. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration [in this Act] may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 608 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

Sec. 531. (a) Section 1122(b) of the Small Business Jobs Act of 2010 (15 U.S.C. 696 note) is repealed. (b) Subparagraph (C) of section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)), as in effect on September 25, 2012, shall be in effect during the period beginning on the date of enactment of this Act and ending on September 30, 2014.

[Sec. 531. The budget request for the Small Business Administration shall provide a detailed justification of any proposed changes from the enacted level by individual appropriation. The detailed justification shall include at a minimum a description of each credit and non-credit program including amount of funding and costs by appropriation account and fiscal year. For activities funded in multiple appropriations, the budget justification shall specify the amount included in each enacted appropriation, the amount proposed in the budget year and a justification for any proposed changes.]

## Appendix 2 – Data Validation and Certification

Managing for results and integrating performance with budget information require valid, reliable and high-quality performance measures and data. The SBA faces many challenges in acquiring high quality data on both outputs and outcomes. In addition to using output data internally from its own systems, the SBA relies on data from resource partners and other federal agencies and local governments to assess its accomplishments and effectiveness. Limitations such as the lack of relevant data for measures, the accuracy and timeliness of data, and the reporting capacity of quality data remain major issues for the Agency. Improving data quality continues to be a high priority for the SBA, as demonstrated by the creation of the Office of Performance Management within the Office of the Chief Financial Officer. The SBA vigorously pursues the following strategies to address the shortcomings of its data quality:

- *Ensuring the validity of performance measures and data.* The SBA does this through assessing the relevancy of performance measures and data on an annual basis.
- *Fostering organizational commitment and capacity for data quality.* Achieving data quality through (1) training its managers to make sure they understand the need for quality data, how to develop valid performance measures and how to ensure data quality; and (2) managers attesting to the quality of the data under their management.
- *Assessing the quality of existing data.* Audits and reviews ensure the quality of its financial data systems. However, the SBA must assess the quality of loan and program data provided by its resource partners and will include data verification in its lender and resource partner oversight.
- *Responding to data limitations.* It is not enough to identify data quality problems. Where there are data limitations, the SBA is working hard to improve quality. In the meantime, the SBA will recognize where there are data limitations and specify the steps being taken to improve the data.
- *Reconciling Finances and Performance Costs.* The SBA will continue to ensure the accuracy of this cost-related performance data by reconciling that information with its financial statements. Achieving this important reconciliation means that the Agency has strengthened the integration of its financial and performance information.
- *Rating every indicator as to the quality of the data.* Every indicator has been subject to critical review and has been rated at least “acceptable.” Any indicator that does not meet the standards of acceptability is rejected as an indicator for this report.

The SBA prepares data validation and certification forms for all indicators. In Fiscal Year 2012, the SBA completely redesigned and updated the old “Validation and Verification” forms. Their title has been changed to the “Validation and Certification” forms and these forms were subjected to intense scrutiny and review. There were two primary reasons for the update: (1) the forms had not had a serious review in about four years; and (2) the forms were redesigned to apply not only to the CBJ/APR/AFR reporting, but also to the [Performance.gov](http://www.sba.gov/performance) reporting. In other words, the relevance of the forms was expanded to include other performance reporting. These forms are published on [www.sba.gov/performance](http://www.sba.gov/performance).

## Appendix 3 – New and Discontinued Indicators

New Indicators													
SG*	Program	Performance Indicator	Type of Measure	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2012 Target	FY 2012 Variance	FY 2013 Target	FY 2014 Target
1.3	SBDC	Training Clients (#)	Output	402,568	363,771	375,669	379,794	352,290	332,421	N/G*	N/A*	350,000	350,000
1.3	SCORE	Training Clients (#)	Output	132,120	179,801	176,621	236,853	221,019	292,264	N/G*	N/G*	250,000	250,000
1.3	WBC	Training Clients (#)	Output	121,613	133,479	131,065	135,941	115,805	114,931	N/G*	N/G*	95,000	95,000
1.3	OED	Online Training Clients (#)	Output	8,000	543,000	612,000	480,000	234,000	220,596	N/A	N/A	500,000	500,000
1.3	SBDC, WBC, SCORE, Online	Training Clients (#)	Output	664,301	1,220,051	1,295,355	1,232,588	923,114	960,212	N/G*	N/G*	1,195,000	1,195,000
1.6	Microloans	Grant-Eligible Micro Lenders (#)	Output	121	113	118	128	131	134	N/G*	N/G*	135	135
2.1	SBA.gov	Number of Unique Visitors to SBA.gov (#)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	950,000	N/G*	N/G*	1,500,000	1,700,000
2.3	OCA/CRM	Number of Full Risk Based Review s of Lenders (#)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	30	30
2.3	OCA/CRM	Number of Targeted Risk Based Review s of Lenders (#)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	40	40
2.3	OCA/CRM	Number of Select Risk Based Review s of Lenders (#)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	110	110
2.3	OCA/CRM	Number of Supervision and Enforcement Actions (#)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	3	N/G*	N/G*	5	5

\* Strategic Goal and Objective

Discontinued Indicators													
SG*	Program	Performance Indicator	Type	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2011 Target	Variance	FY 2012 Estimated	FY 2013 Estimated	FY 2014 Estimated
1.2	Prime Cont	Fed Contract Dollars Awarded to SB (\$ Billion) <sup>(1)</sup>	Output	\$ 83.0	\$ 93.0	\$ 96.8	\$ 98.0	\$ 91.4	\$ 87.0	5%	\$ 87.0	\$ 88.0	\$ 87.0

<sup>(1)</sup> The final FY 2012 Prime Contracting numbers are not available until the third quarter of FY 2013. Therefore, FY 2011 numbers are presented with the FY 2011 Variance.

SG*	Program	Performance Indicator	Type	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2012 Target	Variance	FY 2013 Estimated	FY 2014 Estimated
1.3	SBDC, WBC, SCORE	Average Annual hours of client assistance (%)	Outcome	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	TBD*	TBD*
1.5	SBIR	Commercialization Rate (%)	Outcome	N/A*	N/A*	N/A*	N/A*	N/A*	Baseline	N/A*	N/A*	TBD*	TBD*
1.5	SBIR	Number of Patents (#)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	Baseline	N/A*	N/A*	TBD*	TBD*
1.5	SBIR	Additional Outside Investment Received (\$000)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	Baseline	N/A*	N/A*	TBD*	TBD*
1.5	SBIC	SB Assisted (#)	Output	2,057	1,905	1,481	1,331	1,339	1,094	1,500	-27%	1,400	1,550
1.5	SBIC	Cost per SB Assisted (\$)	Efficiency	\$ 7,656	\$ 8,975	\$ 12,941	\$ 18,228	\$ 19,645	\$ 21,282			\$ 22,994	\$ -
1.6	SBIR	USM - SB Assisted (#)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	Baseline	N/A*	N/A*	N/A*	N/A*
1.6	Microloans	Active Lending Partners (#)	Output	150	143	139	163	121	148	124	19%	120	130
2.1	OCFO	Unqualified Opinions for Audit Year	Outcome	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0%	Yes	Yes
2.1	OCPL	SBA.gov Customer Satisfaction Index Score (1)	Outcome	N/A*	N/A*	N/A*	N/A*	N/A*	73	71	3%	72	73
2.1	OCPL	Percentage of Unique Visitors to SBA.gov Who Use the SBA Direct Tool (%)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	7.0%	6.5%	8%	7.5%	9.0%
2.1	OCPL	Percentage of ACSI (Forsee Results) Survey Takers That Responded to the Question of Finding What They Were Looking for on SBA.gov (%)	Outcome	N/A*	N/A*	N/A*	N/A*	N/A*	86%	85%	1%	84%	86%
2.2	OHRS	Quality of New Hires based on Hiring Manager Surveys (%)	Outcome	N/A*	N/A*	N/A*	N/A*	68%	66%	70%	-6%	70%	75%
2.3	OCA/CRM	Number of Onsite Review s of Lenders (#)	Output	80	223	200	98	182	182	180	1%	150	150
2.3	OCA/CRM	Number of Offsite Review s of Lenders (#)	Output	N/A*	N/A*	N/A*	N/A*	N/A*	4	4	0%	30	50

\* Strategic Goal and Objective

N/A\* - Not Available

### Variance Explanation

<b>SBIC - SB Assisted (#) (27% under target)</b> - The jobs supported metric missed the target because SBICs have been making larger dollar value financings meaning fewer businesses assisted, but for higher amounts.
<b>Microloans - Active Lending Partners (19% over target)</b> - During FY 2012, the Microloan program invested a significant amount of time recruiting new lenders serving underserved markets. The program sought lending entities with the capacity to expand the number of counties being served, the number of specialty populations that could/would

## **Appendix 4 – SBA Programs and Offices**

### **Center for Faith-based and Neighborhood Partnerships**

Faith-based and community organizations can play an important role in helping the SBA reach, train, and finance the entrepreneurs whose businesses bring jobs and hope to communities all across the nation. The Center for Faith-based and Neighborhood Partnerships promotes SBA partnerships with faith-based and community organizations to help build awareness of SBA's programs that can transform neighborhoods and change lives. Additionally, the office informs faith-based and neighborhood organizations of SBA's loan programs that require non-profit intermediary participation and actively encourages qualified organizations to apply for certification as microloan intermediaries.

### **Office of Capital Access**

The Office of Capital Access assists small businesses in obtaining the loans necessary for growth by being a gap lender, providing assistance to small businesses that otherwise would not qualify for unguaranteed financing, obtaining equity, or taking advantage of contracting opportunities.

The 7(a) loan program requires SBA lending partners to certify that the applicant was unable to qualify for loans elsewhere on reasonable terms. The 504 program, which has a statutorily mandated job creation component, fills another lending gap by providing long-term, fixed rate financing for major assets such as real estate and heavy equipment. Surety Bond Guarantee is a program that serves as a gap surety bond credit provider, expanding the bond credit and capacity of small contractors that would not otherwise be able to compete for public and private work. The Office of Credit Risk Management provides risk management based on monitoring, reviewing, and oversight of the 7(a) and 504 lenders and microloan intermediaries; and monitoring and analysis of the 7(a), 504, microloan and disaster portfolios.

### **Office of the Chief Information Officer**

The Office of the Chief Information Officer provides information technology leadership, products, services and operational support for the SBA. The chief information officer is the principal advisor to the Administrator on information technology matters and has overall responsibility for developing, managing and monitoring SBA-wide IT systems, projects, personnel and expenditures. The office provides information technology governance support to the Agency, ensuring that the SBA manages its current and prospective IT investment portfolio in accordance with the laws, regulations and policies applicable across government.

The OCIO manages SBA's functional IT units encompassing systems development, operations, voice and data communications, and user support. Directly or through contractors, the OCIO has responsibility for over 80 current, mission oriented IT systems that support SBA program delivery and enable the Agency to equip and outfit its employees with current hardware, software and computing tools such as email, wireless capabilities, and remote access for telecommuters. This office manages and maintains SBA's web presence on [www.sba.gov](http://www.sba.gov). It is also the Agency's lead office for information security, data privacy, electronic identity protection and incident reporting, including information technology aspects of COOP, continuity of operations planning.

### **Office of Communications and Public Liaison**

The Office of Communications and Public Liaison has the principal responsibility for developing and implementing effective communications strategies to ensure that SBA's mission, programs, services and initiatives are articulated clearly and consistently to the American public in general and the small business community in specific. It supports field and program offices with planning and implementation of effective communications strategies. OCPL plays the chief role in articulating, explaining and promoting Agency policy and goals to the national news media.

Through Community Relations and the Office of Strategic Alliances within OCPL, the SBA forms alliances with for-profit corporations, small businesses, non-profit organizations, trade and professional associations, academic institutions, and public-sector agencies. The alliances offer opportunities to network on areas of common interest.

This office manages the web content on [www.sba.gov](http://www.sba.gov) and is the federal managing partner for *Business Gateway*, [www.business.gov](http://www.business.gov), a program integrating web resources to provide small businesses and aspiring entrepreneurs with information services that save time and money, engage citizens to participate, and enable collaboration across all levels of government.

#### **Office of Congressional and Legislative Affairs**

The Office of Congressional and Legislative Affairs assists in the development of SBA legislative programs and serves as the communications focal point on legislation and congressional activity. CLA monitors legislation and policies introduced by Congress and government agencies to determine their effects on the SBA and small business. It furthers the goals of the SBA and enables Members of Congress to best serve their small business constituencies by promptly providing accurate, current, and continuous information to Congress, congressional committees, and others interested in SBA programs. It also devises and implements legislative strategy and has primary responsibility for all matters relating to the congressional and legislative functions of the SBA. CLA provides liaison with legislative personnel at the White House, the Office of Management and Budget, and various federal departments and agencies. It coordinates with SBA program and field offices to ensure continuity and consistency in SBA's communications with Congress; and, it coordinates all Government Accounting Office activities with the SBA.

#### **Office of Disaster Assistance**

The Office of Disaster Assistance plays a vital role in the aftermath of disasters. Through ODA, the SBA is responsible for providing affordable, timely, and accessible financial assistance to homeowners, renters, and businesses of all sizes affected by disaster. Financial assistance is available in the form of low-interest, long-term loans. SBA disaster loans are the primary form of federal assistance for the repair and rebuilding of non-farm, private sector disaster losses. For this reason, the disaster loan program is the only form of SBA assistance not limited to small businesses. ODA makes physical disaster loans and economic injury disaster loans. Physical disaster loans are for permanent rebuilding and replacement of uninsured or underinsured disaster-damaged privately-owned real and/or personal property. They are available to homeowners, renters, businesses of all sizes and nonprofit organizations. Economic injury disaster loans provide necessary working capital until normal operations resume after a disaster. They are restricted to small businesses and non-profit organizations.

#### **Office of Disaster Planning**

The Office of Disaster Planning reports directly to the SBA Administrator and is responsible for integrating disaster planning, preparedness activities and disaster response programs for all SBA offices. This office also acts as the Agency Continuity of Operations Coordinator.

The Office of Disaster Planning provides Agency coordination in utilizing SBA resources to assist citizens, communities and businesses in responding to disaster occurrences and long-term recovery needs. It also represents the SBA on various inter-governmental bodies related to disaster response and recovery and works to ensure that the Agency and its resource partners coordinate effectively to help serve disaster victims.

#### **Office of Entrepreneurial Development**

The Office of Entrepreneurial Development (OED) is the front door to America's small businesses. Through online training, strategic partnerships, and a vast resource partner network, OED supports over a million clients annually as they start, sustain and grow their small businesses. From underserved urban and rural communities to mainstream and high growth small businesses in all regions and industries, OED provides the path to growth. OED's network of business counselors, mentors and trainers reaches into communities across America through

Small Business Development Centers, Women's Business Centers and SCORE chapters. This network of resource partner business experts provides face-to-face and online counseling, training and mentoring to help small businesses develop strategic plans, conduct market studies, implement new technologies, access needed capital, and much more.

#### **Office of Equal Employment Opportunity and Civil Rights Compliance**

To advance Agency-wide diversity at all levels and equal access to programs and activities receiving SBA financial assistance, this office works to prohibit discrimination against all SBA employees and applicants based on race, color, sex, age, religion, disability, national origin, and retaliation for opposition to discriminatory practices or participation in the EEO process. The office of EEO and CRC also works to achieve equal employment opportunity for all qualified employees consistent with the nation's workforce diversity. The office works to ensure that no person in the U.S. is denied the benefits of, excluded from participation in, or subjected to discrimination under any program or activity receiving SBA financial assistance based on race, color, sex, age, disability, national origin, and marital status (extension of credit). In addition, the office ensures that individuals with disabilities have equal access to SBA-conducted or co-sponsored programs and activities.

#### **Office of the Executive Secretariat**

The Office of the Executive Secretariat works with senior management officials to formulate the Administrator's and Deputy Administrator's written correspondence. Under the leadership of the Deputy Associate Administrator for Management and Administration, ExecSec reviews, edits, and manages correspondence. ExecSec ensures that correspondence and written products are delivered in the timeliest and most efficient manner while providing useful reliable information and advice to Congress, other federal agencies, and small business owners nationwide.

#### **Office of Field Operations**

The Office of Field Operations represents SBA field offices at headquarters. OFO is responsible for the direct execution of SBA products and services. The office establishes and monitors performance goals for 10 regional and 68 district offices. It provides policy guidance and oversight to regional administrators and district directors in implementing Agency goals and objectives and in solving problems in specific operational areas. It establishes and monitors performance goals for district offices; provides associate administrators, program heads, and the general counsel with a vehicle for overseeing field office program and policy implementation; provides feedback to headquarters management regarding the performance of their programs; ensures that field offices have adequate input to all policy formation and participate in policy deliberations at headquarters; organizes reviews of field offices; informs the SBA Administrator of field activity; and, when necessary, the Office of field Operations provides coordination with the Office of Disaster Assistance.

#### **Office of General Counsel**

The Office of General Counsel provides legal advice in support of all SBA programs and initiatives. The office helps minimize the Agency's legal risks and costs, reduce litigation exposure, and monitors compliance with applicable statutes, regulations, Executive Orders and other legal requirements. OGC provides the legal support necessary to defend SBA's interest in judicial and administrative actions and proactively represents the Agency in all legal matters that arise in the context of its financial assistance, procurement and contracting programs, as well as labor and employment disputes.

#### **Office of Government Contracting and Business Development**

The Office of Government Contracting and Business Development promotes increased small business participation in the federal contracting market for goods and services. It fulfills SBA's statutory mission to ensure that a fair share of federal contracting goes to small businesses.



Working with federal agencies, the SBA negotiates procurement goals, monitors performance, encourages the use of small business sources, provides procurement training and technical assistance to small firms, and provides policy direction and guidance to federal agencies. Several of the government-wide goals are statutory, including small businesses, small disadvantaged businesses, women-owned small businesses, HUBZone small businesses, and service-disabled veteran-owned small businesses.

### **Office of Grants Management**

The Office of Grants Management awards and administers all grants under SBA's authorization and appropriations, with the exception of the small business development center and women's business center grants which are awarded and administered by the respective program offices. In the case of congressional earmark grants, the OGM serves as the technical representatives for the grants as well. The director of OGM serves as SBA's senior grant officer and represents the Agency on all interagency grant-related policy making groups.

### **Office of Hearings and Appeals**

The Office of Hearings and Appeals was established in 1983 to provide an independent, quasi-judicial appeal of certain SBA program decisions. OHA formally adjudicates disputes rising in numerous jurisdictional areas. These include appeals regarding SBA formal size determinations; appeals from contracting officer designations of the North American Industry Classification System codes for procurements government-wide; appeals regarding certain SBA determinations relating to development companies; and appeals from Agency and private certifier small disadvantaged business determinations, all of which, by regulation, may be decided either by an administrative judge or an administrative law judge. OHA's jurisdiction also includes 8(a) Business Development program eligibility, suspension, and termination appeals, and salary offset appeals, all of which, by statute, must be decided by an administrative law judge.

### **Office of Human Resources Solutions**

The Office of Human Resources Solutions develops and provides innovative human capital strategies. The OHRS advises SBA management with respect to selecting, developing and managing a high-quality, productive workforce. This office sets SBA's workforce development strategy; assesses current workforce characteristics and future needs based on SBA's Strategic Plan; aligns human resources policies with organization mission, strategic goals, and performance outcomes; develops and advocates a culture of continuous learning to attract and retain employees with superior abilities; identifies best practices and benchmarks studies; and creates systems for measuring intellectual capital and identifying links of that capital to organizational performance and growth. This office also implements laws, rules and regulations governing the civil service.

### **Office of the Inspector General**

The Office of Inspector General is an independent office created by law within the SBA to conduct and supervise audits, investigations, and other reviews relating to SBA programs and supporting operations; detect and prevent waste, fraud, and abuse; and promote economy, efficiency, and effectiveness in the administration and management of SBA programs. The Inspector General keeps the SBA Administrator and the Congress fully informed of any problems, recommends corrective actions, and monitors progress in the implementation of such actions. The two operating components of the OIG are the Auditing Division and the Investigations Division. The Auditing and Investigations Divisions each administer their respective activities through staff located in various locations around the country. The Management and Policy and Counsel Divisions support both the Inspector General and the operating divisions by providing policy, planning, administrative, and legal services, respectively.

### **Office of International Trade**

The Office of International Trade enhances the ability of small businesses to compete in the global marketplace by facilitating access to capital and technical assistance to support international trade, ensuring the interests of small

business are considered and reflected in trade negotiations, and supporting and contributing to the U.S. government's international commercial and economic agenda.

#### **Office of Investments and Innovation**

The Office of Investments and Innovation assists small businesses through the administration of the Small Business Investment Company (SBIC) and the Small Business Innovation Research (SBIR) programs. SBICs are privately owned and managed investment funds that are licensed and regulated by the SBA. They use their own private capital plus funds borrowed with an SBA guaranty to make investments in qualifying small businesses, especially those with potential for substantial job growth and economic impact. 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. In addition to helping meet federal research and development needs, the SBIR can advance American innovation and competitiveness in the broader economy.

#### **Office of Management and Administration**

The Office of Management and Administration is responsible for all aspects of personnel, employee relations, grants management, space management, mailroom operations, and controlled correspondence. The office oversees the Office of Human Resources Solutions, the Office of Grants Management, the Office of Administrative Services, and the Office of the Executive Secretariat.

#### **Office of the National Ombudsman**

The Office of the National Ombudsman fosters a more small business-friendly federal regulatory enforcement environment by assisting small businesses when they experience excessive federal regulatory enforcement actions such as repetitive audits or investigations, excessive fines, penalties, threats, retaliation, or other unfair enforcement action by a federal agency. It does this by evaluating how federal agencies treat small businesses during enforcement or compliance actions.

#### **Office of Native American Affairs**

The SBA, through its Office of Native American Affairs, coordinates Native American initiatives and develops policies and procedures to ensure that SBA assistance is made available to American Indians, Alaska Natives and Native Hawaiians. The initiative consists of three major components — marketing, outreach, and training — to enhance business opportunities.

#### **Office of Performance Management and the Chief Financial Officer**

The Office the Chief Financial Officer conducts and promotes effective financial management activities for the SBA including budget, credit subsidy, financial operations, financial systems, internal controls, and acquisitions. It develops and maintains integrated accounting and financial management systems; directs, manages, and provides policy guidance and oversight of all Agency financial management personnel, activities, and operations; approves and manages financial management systems design and enhancement projects; establishes and implements Agency-wide policies for management integrity and audit follow-up, including internal controls; develops budgets for financial management operations and improvements; implements Agency asset management systems; monitors the financial execution of the Agency budget in relation to actual expenditures; and develops policies and procedures for the acquisition of supplies, equipment, and non-personnel services.

The Office of Performance Management provides tools and guidance to assist the Agency in driving performance improvement efforts across the organization. It also helps the Agency develop better performance measures in order to facilitate SBA's continued movement from measuring activity outputs to measuring programmatic and Agency outcomes. It builds Agency capacity for results-based management through data-driven reviews and analysis, training and outreach to program offices. The office supports the Agency's strategic planning and prepares annual accountability and/or performance reports.

**Office of Veterans Business Development**

The Office of Veterans Business Development conducts comprehensive outreach on behalf of the Agency and is responsible for the formulation, execution, and promotion of policies and programs of the Administration which advance and support veteran entrepreneurship. To accomplish this OVBD operates a national outreach initiative and provides direct service delivery through funding agreements with resource partners, coordination of outreach and service delivery with other federal agency partners, and development of Agency program initiatives.

## Appendix 5 - Glossary

**504** — 504 Certified Development Loan program, provides small businesses with long-term, fixed-rate financing for the purchase of land, buildings and long-life capital equipment.

**7(a)** — 7(a) Loan Guaranty program, SBA's primary loan program. It provides general loan financing for a wide variety of purposes.

**8(a)** — 8(a) Business Development program, assists firms owned and controlled by socially and economically disadvantaged individuals to enter and succeed in the economic mainstream.

**AARP** — Association for the Advancement of Retired Persons

**BDMIS** — The Business Development Management Information System automates the certification and annual review process for the 8(a) program.

**BusinessUSA** — provides an easy-to-use, consolidated website and 800 telephone number for small business resources in 10 federal agencies.

**CA** — refers to Community Advantage pilot loan program

**CAPLine** — an SBA program to help small businesses meet their short-term and cyclical working capital needs.

**CBJ** — Congressional Budget Justification, a federal agency's annual budget request to Congress.

**CDC** — Certified Development Company, refers to the Section 504 Certified Development Company debenture program.

**CEAR** — Certificate of Excellence in Accountability Reporting, an award given by the Associate of Government Accountants.

**COOP** — Continuity of Operations Plan, a predetermined set of instructions or procedures that

describes how an organization's essential functions will be sustained for up to 30 days following a disaster and then return to normal operations.

**FEMA** — Federal Emergency Management Agency, the federal government agency that is tasked with responding to, planning for, recovering from and mitigating against disasters.

**FTE** — Full Time Equivalent, indicates the workload of an employed person; an FTE of 1.0 means that the person is equivalent to a full-time worker, while an FTE of 0.5 signals that the worker is only half-time.

**FY** — Fiscal Year. The federal government fiscal year begins October 1 and ends the following September 30.

**GDP** — Gross Domestic Product

**GPRA-Mod** — GPRA (Government Performance and Results Act) Modernization Act of 2010.

**GSA** — General Services Administration

**High-growth Small Business** — rapidly expanding small business that drives net new job growth. The SBA supports high-growth small businesses through its SBIR, SBIC and export programs, among others.

**HUBZone** — Historically Underutilized Business Zone, program that encourages economic development by the establishment of federal contract award preferences for small businesses located in historically underutilized business zones.

**Indian Country** — Refers to any of the many self-governing Native American communities throughout the United States.

**IT** — Information Technology, refers to matters concerned with the design, development, installation and implementation of information systems and applications.

**Jobs Act** – Small Business Jobs Act of 2010, most often referred to as the Jobs Act in SBA documents, may also be referred to as SBJA.

**LMAS** – Loan Management and Accounting System, financial management system that supports loan accounting.

**L/LMS** – The Loan and Lender Monitoring System, tracks performance and credit scores of 7(a) and 504 loans, and Lender Risk Ratings for active lenders. .

**NAGGL** – National Association of Government Guaranteed Lenders

**NADCO** – National Association of Development Companies

**NEI** – National Export Initiative

**OCFO** – Office of the Chief Financial Officer

**OCIO** – Office of the Chief Information Officer

**ODA** – Office of Disaster Assistance. SBA office that promotes economic recovery in disaster ravaged areas. SBA disaster loans are the primary form of federal assistance for non-farm, private sector disaster losses for individuals and businesses.

**OIG** – Office of Inspector General, conducts and supervises audits, inspections and investigations relating to SBA programs and operations.

**OMB** – U .S. Office of Management and Budget, White House office that oversees preparation of the federal budget and supervises its administration in Executive Branch agencies.

**ONAA** – The Office of Native American Affairs is the SBA office that coordinates Native American initiatives and develops policies and procedures to ensure that SBA assistance is made available to American Indians, Native Alaskans, and Native Hawaiians.

**OPM** – U.S. Office of Personnel Management, the federal government's human resources agency.

**OSDBU** – Office of Small and Disadvantaged Business Utilization

**PII** – Personally Identifiable Information is any information that can identify an individual.

**PCR** – Procurement center representative

**RBR** – Risk-based Review

**R&D** – Research and Development

**Recovery Act** – American Recovery and Reinvestment Act of 2009, most often referred to as the Recovery Act in SBA documents, may also be referred to as ARRA.

**SBA** – U.S. Small Business Administration, a federal agency of the Executive Branch whose mission is to aid, counsel and protect the interests of small businesses and help families and businesses recover from disasters.

**SBA Express** – Provides selected lenders with a 50 percent guaranty on their loans in exchange for the ability to primarily use their own application and documentation forms, making it easier and faster for lenders to provide small business loans of \$250,000 or less.

**SBA ONE** – a lending platform that utilizes ONE set of forms for all 7(a) loans; creates a ONE-stop shop for eligibility, credit scoring, authorization, closing and purchase; provides ONE data management system and dashboard to measure and evaluate portfolio trends and performance.

**SBDC** – Small Business Development Center program, delivers management and technical assistance, economic development and management training to existing and prospective small businesses through cooperative agreements with universities and colleges and government organizations.

**SBDCNet** – National information clearinghouse that provides small business research services to small business development center counselors in all fifty states, Guam and Puerto Rico.

**SBIC** — Small Business Investment Company, provides long-term loans, debt-equity investments and management assistance to small businesses, particularly during their growth stages.

**SBIR** — Small Business Innovation Research, SBA office that supports scientific excellence and technological innovation through the investment of federal research funds.

**SBWG** — Small Business Working Group

**SCORE** — A volunteer organization sponsored by the SBA that offers counseling and training for small business owners who are starting, building or growing their businesses.

**SLA** — Small Loan Advantage, an initiative aimed at expanding access to SBA's 7(a) product for loans under \$350,000.

**SOP** — Standard Operating Procedure. SOPs are the primary source of the Agency's internal control.