



NEWS RELEASE

PRESS OFFICE

Release Date: April 22, 2003

Contact: David J. Hall (202) 205-6697

Release Number: 03-24

Internet Address:

www.sba.gov/news/indexheadline.html

SBA Moves to Improve Loan Monitoring And Risk Management Systems Contract Awarded to Dun and Bradstreet In Association with Fair Isaac

WASHINGTON – The U.S. Small Business Administration is taking steps to implement a new computer-based system that will allow the agency to better measure and manage the risk in its small business loan portfolio, the largest in the nation.

The contract for the Loan Monitoring System was awarded to Dun and Bradstreet, a leading firm in the area of collection and reporting of financial data, in association with Fair Isaac Corporation. D&B and Fair Isaac have developed complementary proprietary, analytic products that are currently being used by banks and other creditors to monitor the credit profile of their customers.

“This Administration takes very seriously its responsibility to effectively manage our resources and our programs,” said SBA Administrator Hector V. Barreto. “We believe this contract will take our loan monitoring system and risk-management where both the Administration and Congress want it to go: to improved financial performance of this agency's loan programs.”

The SBA will use this existing, stand-alone system to obtain better information and understanding of the changes in the risks involved with its major lending programs and among its lending partners. Once implemented, the loan monitoring system will be capable of identifying and analyzing SBA's risk exposure by lender and across its entire loan portfolio.

The contract calls for a workable model to be developed within two months, and a finished product completed by the end of FY 2003.

For more information about all of the SBA's programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA or TDD 704-344-6640, or visit the SBA's extensive Web site at <http://www.sba.gov>.

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