





Surety Bond Guarantee Program

**First Wednesday Virtual Learning
Series 2021**

Hosts

**Charles Mason, Procurement Center Representative
SBA Office of Government Contracting, Area IV,
Omaha, NE**

**Steven Szalo, Procurement Center Representative
SBA Office of Government Contracting, Area IV,
Rock Island, IL**

Welcome to “SBA Virtual Learning 2021”

1. Questions answered during the final 10 minutes.
2. Technical problems: Contact your IT admin who manages Teams settings for your organization.
3. Captioning available for this presentation.
4. We cover the “**SBA Quick Reference**” as time allows.
5. For more SBA training visit the SBA Learning Center website <https://www.sba.gov/tools/sba-learning-center/search/training>

Procurement Technical Assistance Centers (APTAC)

Procurement Technical Assistance Centers are a vital resource partner.

- Contracting officer resources: “How PTACs partner with federal agencies”: <http://www.aptac-us.org/federal-partners/>
- Find your nearest Procurement Technical Assistance Center at <http://www.aptac-us.org>

Small Business Administration YouTube Page

SBA YouTube page posts past “First Wednesday” programming at links below.

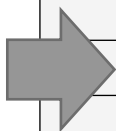
- November 4, 2020 – 8(a) Program: <https://youtu.be/QCXwMCFLB94>
- December 2, 2020 – SBIR/STTR: <https://youtu.be/uR-LkHLsnn8>

FIRST WEDNESDAY VIRTUAL LEARNING SERIES

FY 2021 SCHEDULE

1:00 to 2:00 PM Central Time

FY 2021	Date	Topic
1	October 7, 2020	8(a) Program
2	November 4, 2020	8(a) Program Updates
3	December 2, 2020	SBIR/STTR Program
4	January 6, 2021	Surety Bonds
5	February 3, 2021	Size and Affiliation
6	March 3, 2021	Consolidation/Bundling
7	April 7, 2021	Women Owned Small Business (WOSB) Program
8	May 5, 2021	Certificate Of Competency (COC)
9	June 2, 2021	Regulatory Updates
10	July 7, 2021	Subcontracting Program
11	August 4, 2021	TBD



The program schedule is for information only and is subject to change.

One Continuous Learning Point

- Self-service: Using the PowerPoint that was sent with your invitation for this training event, fill in your name on the certificate slide and save. Download the certificate and print for your records. You submit your request for training credit IAW your agency policy, i.e. FAITAS.
- If you listen in groups and you want all attendees to be included on the future mailing list, send email addresses of participants in an excel document to sbalearning@sba.gov.

“SBA 1st Wednesday Virtual Learning 2021”

This Certificate is awarded to

Insert Your Name Here

For completion of

Surety Bond Guarantee Program

This training seminar may be credited towards “Continuous Learning Points” as described in OFPP Policy Letter 05-01. Recommendation of One CLP.



Pamela J. Beavers
Director, Area IV
SBA Office of Government Contracting

1/06/2021

DATE

Today's Speaker(s)

Ms. Tamara Murray
Underwriting Marketing Specialist
Office of Surety Guarantees
U.S. Small Business Administration



Surety Bond Guarantee Program

[SBA.GOV/OSG](https://www.sba.gov/osg)

SBA First Wednesday

OGC Area IV

January 2021

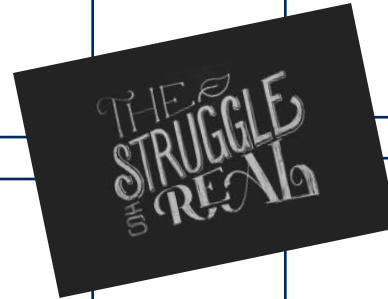
[“Opening Doors to Bonding for Small Businesses for 50 Years: 1970 – 2020”](#)

All SBA products and services are extended to the public on a nondiscriminatory basis.

The Small Business Struggle

Contract bonds are project specific

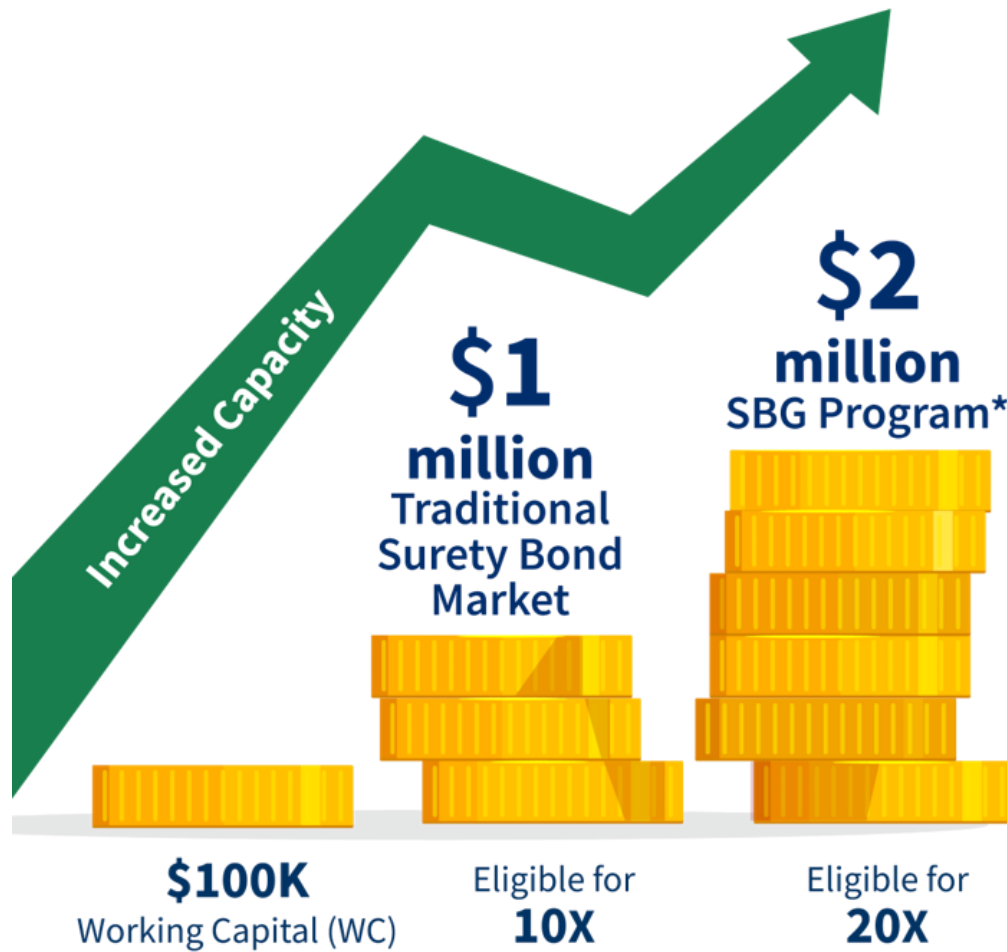
Contract bonds are a form of credit



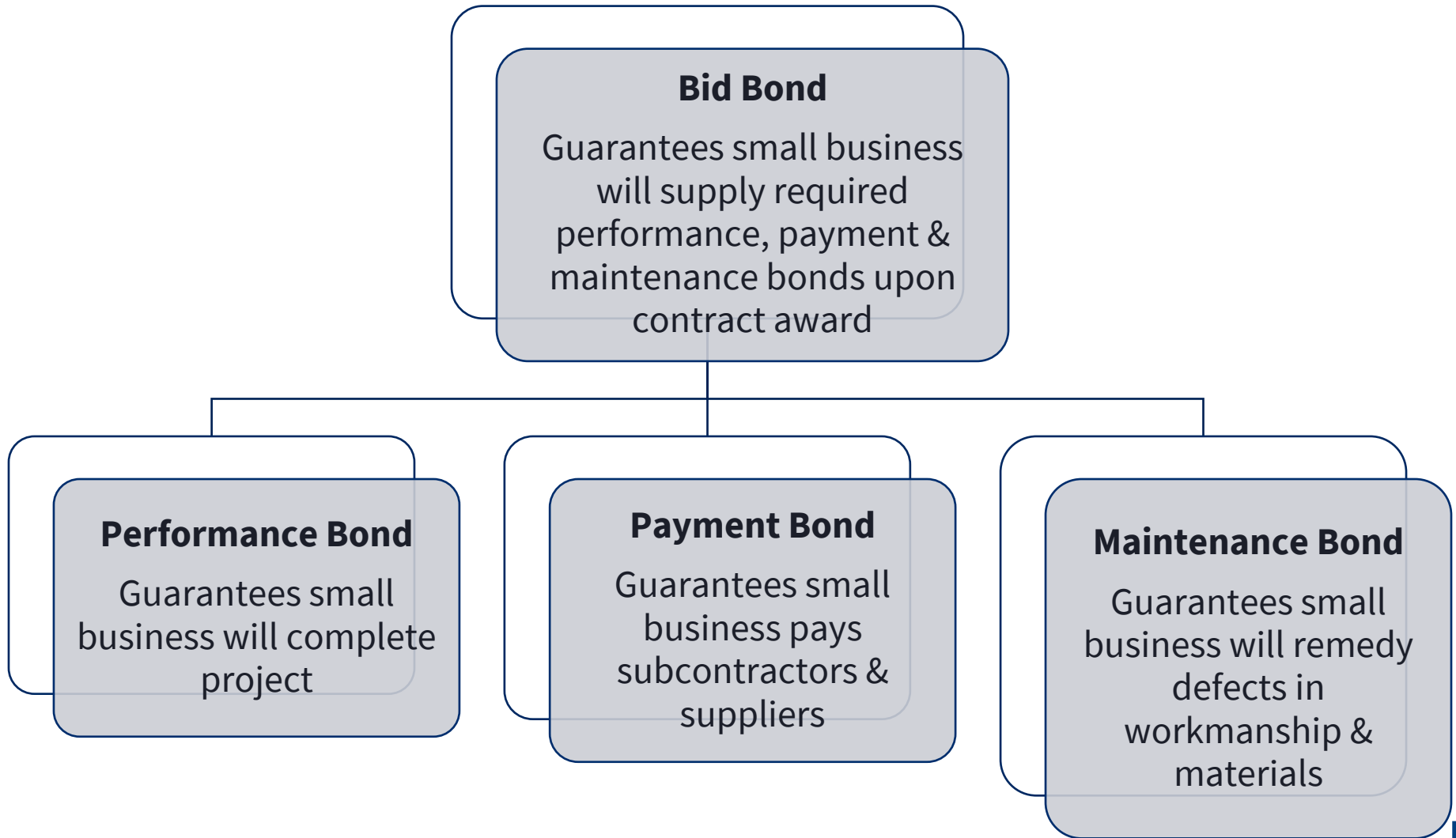
Sureties underwrite each bond for capital, character & capacity

Small businesses may struggle to qualify

The SBA Advantage



Contract Bonds & What They Do



Surety's Underwriting Focus

Capacity

- Experience
- Management & project controls
- Financial statements

Capital

- Working capital
- Net worth
- Profitability

Character

- Personal credit
- Bank credit
- Business reputation

SBA Surety Bond Guarantee Program



U.S. Small Business
Administration

SBA's guarantee provides contracting opportunities & is typically invisible to project owner.



SBA assists construction, service, supply & manufacturing firms

- Start-ups & firms in business < 3 years
 - Limited financial resources
 - Internal financial statements
 - Desire to increase bond limits
- Subcontractors with desire to establish own bonding

SBA Guarantees Make the Difference!

90% Guarantee

VOSB & SDVOSB

Minority Owned

8(a) and HubZone

All projects \leq \$100,000

80% Guarantee

All other small businesses

Participant Qualifications

Small by SBA standards

**Need contract bond & unable to obtain elsewhere
with *reasonable terms*.**

US based for-profit company

Legal US citizen/resident owners

Eligible to do business with the federal government

Not involved in current bankruptcy proceeding

- **SBA eligible after discharge**

Current on taxes & repayment agreements



Contract Qualifications



QuickApp Jobs Up to \$400,000

- 2-page application
- No financials for SBA
- Decisions in hours



Up to \$6.5 Million Any Project

Federal, State, Local,
Private & GC



Up to \$10 Million Federal Contracts

with Contracting Officer
certification to SBA



Counting the Cost

Total bond cost = allowable job cost



SBA Contractor's Fee

.6% of contract amount



Surety's Bond Premium

1.5% - 3% of contract amount

The Application Process



Refer Small Businesses to SBA Authorized Bond Agents



Refer small businesses to SBA authorized agents at

www.sba.gov/osg

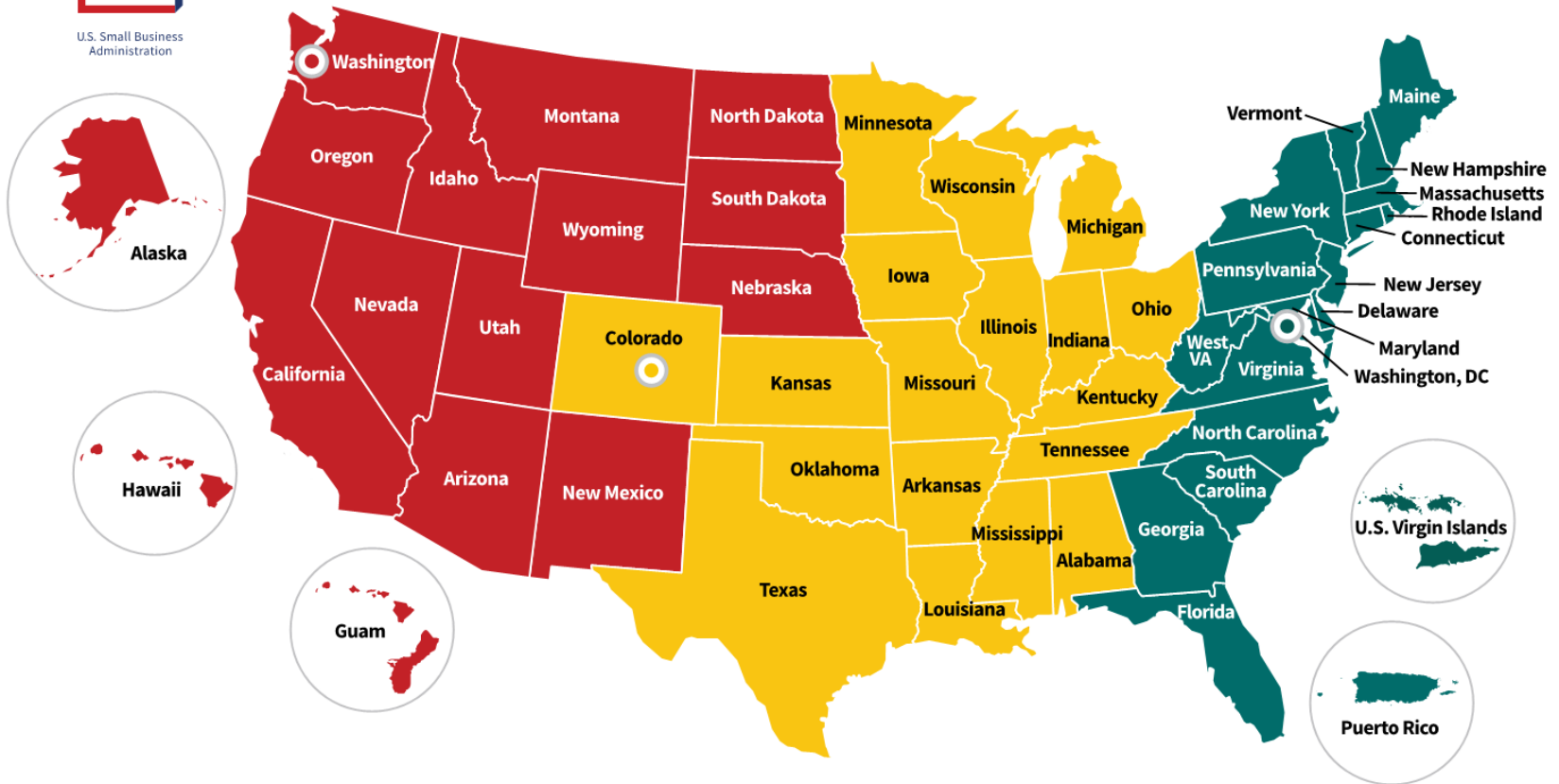
or to any

SBG Program Marketing Specialist



U.S. Small Business Administration

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9/2020



Making an Impact



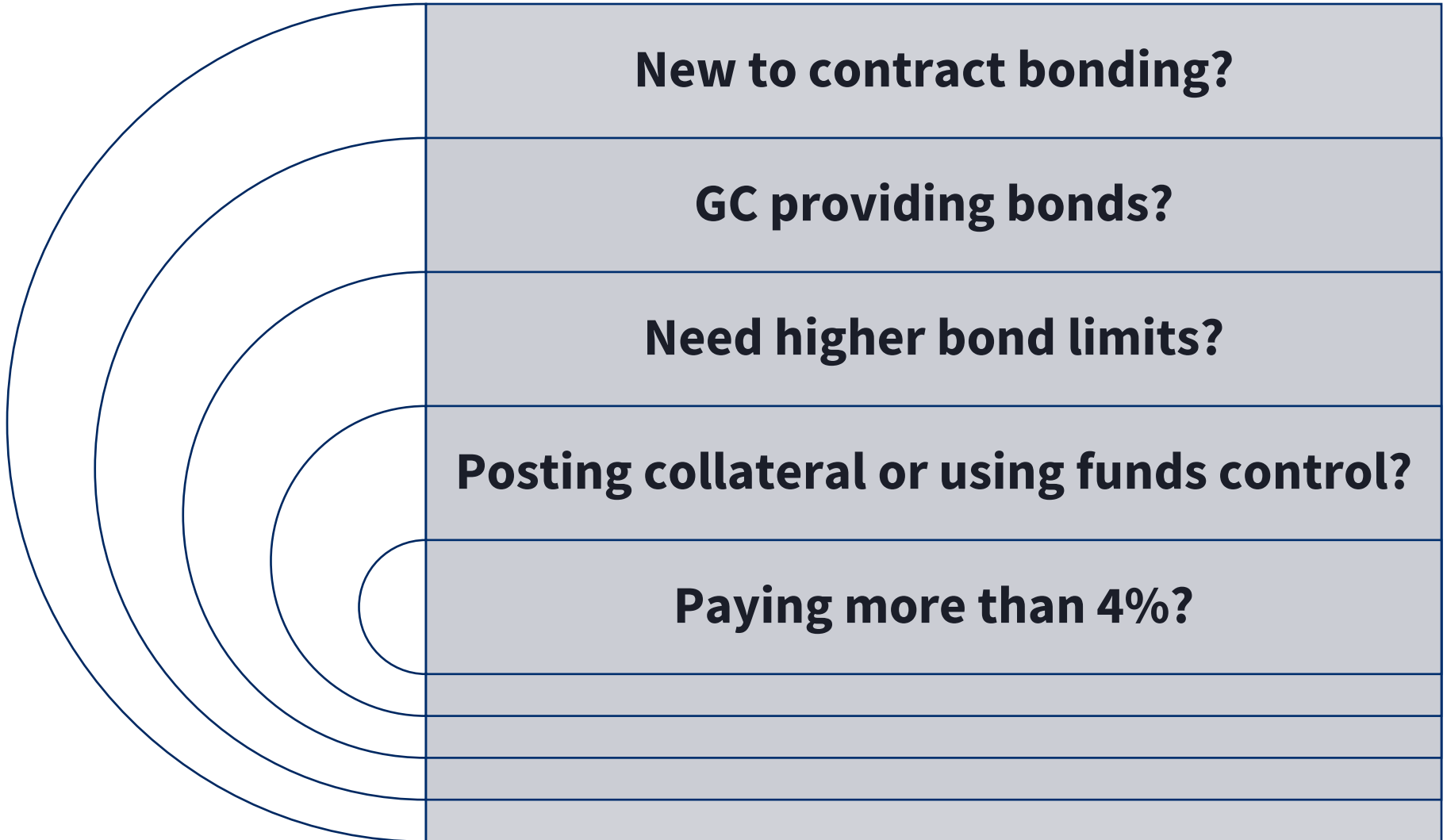
10,577 Guarantees

\$7.19 Billion Contract Value

1,823 Businesses Assisted

< 4% Contract Defaults

“We Open Doors to Bonding”



Thank you!
Any questions?

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