

U.S. Small Business Administration
**FY 2017 Summary of Performance
and Financial Information**



U.S. SMALL
BUSINESS
ADMINISTRATION



MISSION

The U.S. Small Business Administration is governed by its mission, four strategic goals, and ten strategic objectives in its *FY 2018-2022 Strategic Plan* that appear in the chart at the bottom of the page.

HISTORY

Through the Small Business Act of 1953, Congress created the SBA to aid, counsel, assist, and protect the interests of small business concerns. SBA's headquarters is located in Washington, D.C., while its business products and services are delivered with the help of field personnel and a network of private sector and non-profit partners in each state and territory (see regional map on pages 4-5).

SIZE AND SCOPE

In FY 2017, the SBA managed a budget of \$887 million and employed 1,960 regular and 1,311 disaster assistance Full-Time Equivalents. The SBA provides support to small businesses through capital, contracting, and counseling and communities through disaster assistance programs.

MANAGEMENT

The Agency is led by an Administrator who is appointed by the President of the United States and confirmed by the United States Senate. Each major office in Washington, D.C. is managed by either an Associate or Assistant Administrator. The regional offices (10 regions) are led by Regional Administrators and are comprised of district offices (68 districts) managed by District Directors.

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As an entrepreneur, Administrator McMahon knows what it takes to start, manage, and grow a business. To that end, the Administrator has taken steps to help the SBA reimagine itself in a modern era to better meet the needs of America's entrepreneurs.



In FY 2018, the SBA will develop new messaging and resource materials to help ensure that the SBA is no longer the best kept secret in the country. In addition, the SBA will promote online lending and contracting certifications through certify.sba.gov to better support streamlined processes.

The SBA will be managed in an effective, efficient, and accountable manner to raise its profile and in turn, generate a spirit of entrepreneurship in America. As more entrepreneurs learn about the services the SBA provides, they will have the confidence, skills, and resources they need to start or grow their own businesses, to invest in their communities, to create jobs, and to grow the economy.

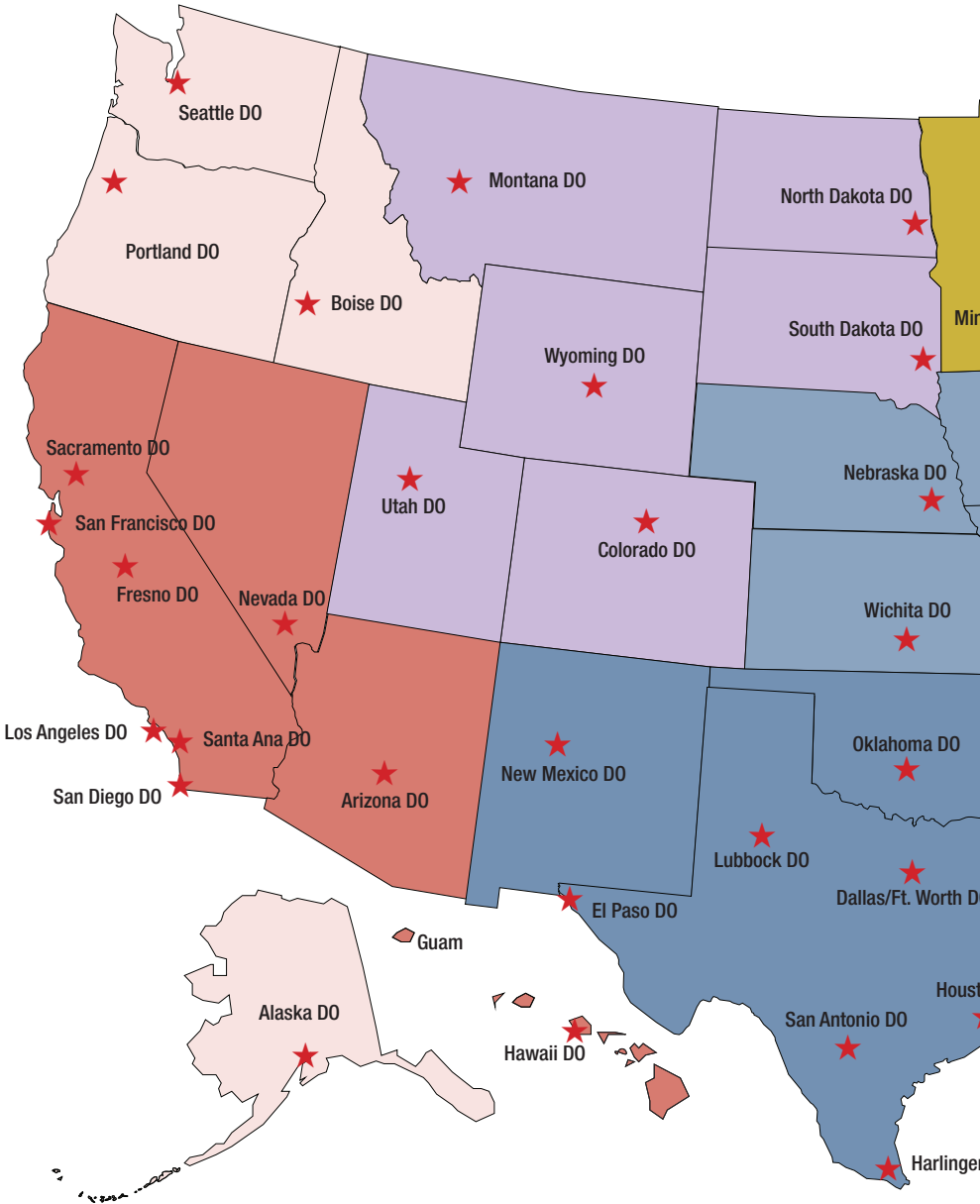
The following metrics highlight key SBA performance data.

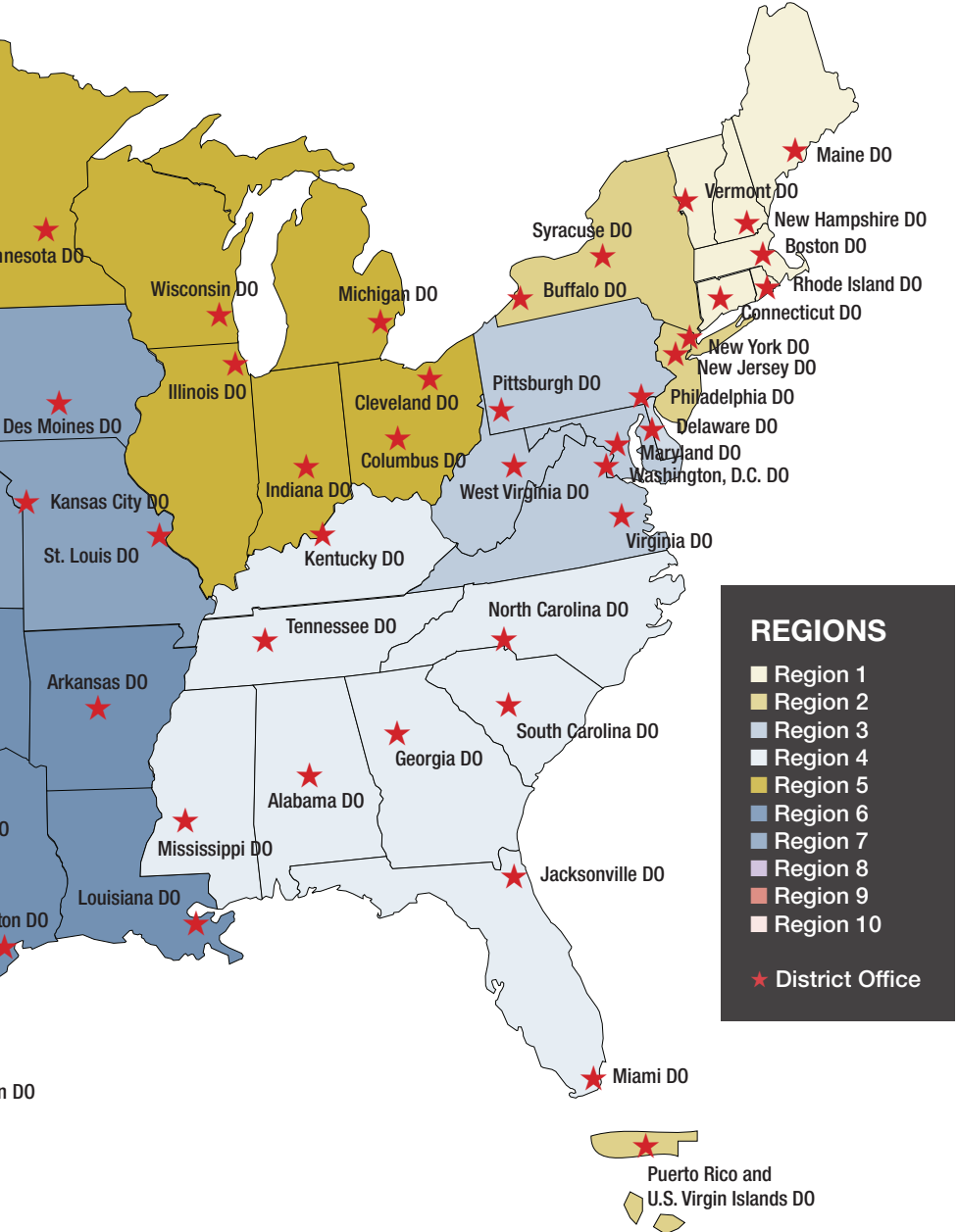
Performance Data for Fiscal Year Ending September 30:

Performance Metric		2009	9-Year Performance Trend	2017*
Capital	Jobs supported through SBA capital programs (Thousands)	514.0		675.2
	Dollars of debentures leverage committed to SBICs (Billions)	0.8		2.0
	Dollars of small business loans approved (Billions)	13.1		30.5
	Dollars of export loans approved (Billions)	0.6		1.9
Contracting	Federal contract dollars awarded to small businesses* (Percent)	21.9		24.3
	Federal contract dollars awarded to small businesses* (Billions)	96.8		99.9
Counseling	Small businesses and entrepreneurs assisted through training and counseling (Millions)	1.4		1.5
Disaster Assistance	Customer Satisfaction rate for disaster loan approvals (Percent)	72.0		85.0
	Dollars of disaster loans to small businesses, homeowners, and renters (Billions)	1.1		1.7

* FY 2017 contracting data is not available until June 2018; therefore, FY 2016 data is reported.

WHERE WE ARE





OPPORTUNITIES

Small businesses and entrepreneurs drive American competitiveness and help grow the economy. The SBA and its resource partners have the tools and experience to help and will focus on the following priorities in FY 2018:

- Create a customer-centric culture and redefine the forward-facing brand
- Increase capital provided to promote small business growth and expand the network of lenders
- Meet federal contracting goals while educating businesses on contracting opportunities
- Provide in-person and virtual resources to plan, launch, and grow businesses
- Influence rulemaking to minimize regulatory burdens and leverage the Office of the National Ombudsman to liaise with other agencies
- Enhance the ability of small business exporters to succeed in global markets through loans, training, and export promotion
- Ensure maximum disaster planning and preparedness, and timely delivery of disaster assistance
- Simplify processes, strengthen controls and oversight, improve enterprise risk management, leverage information technology as a key enabler, and focus on career development of employees

More information on opportunities, challenges, finance, and performance can be found in SBA's FY 2017 Agency Financial Report (published November 15, 2017) or the FY 2019 Annual Performance Plan and Report (published February 12, 2018) at www.sba.gov/performance.



CHALLENGES

The SBA faces challenges that can pose potential risks and may require additional oversight. These challenges have been identified by SBA's Inspector General for FY 2018 and will require Agency attention:

- Resolve weakness in small business contracting programs and inaccurate procurement data
- Address SBA's Information Technology capabilities to address operational risk and challenges
- Develop a well-trained workforce with the skills needed to ensure a high-performing organization
- Incorporate risk management and oversight improvement practices to ensure SBA loan programs operate effectively and will continue to benefit small businesses
- Ensure only eligible firms are admitted into the 8(a) program and standards for determining economic disadvantage are justifiable
- Enhance quality of deliverables and reduce the improper payments for disaster assistance loans
- Acquire SBA goods and services at a fair price and in an effective and efficient manner

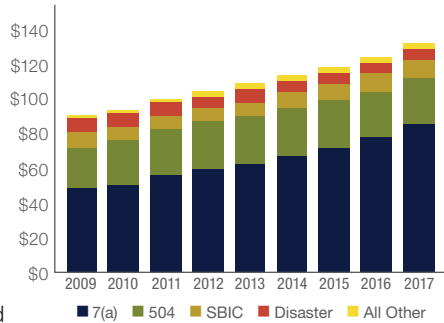
The SBA won its 11th Association of Government Accountants CEAR award for excellence in accountability reporting and is the proud recipient of four CEAR Best in Class awards.



FINANCES

The SBA is the taxpayers' custodian of a \$132 billion portfolio of small business guaranteed loans and direct loans. During FY 2017, the loan portfolio grew by 6.1 percent. The Agency's 7(a) loans expanded by \$7.4 billion, which constitutes 65 percent of the portfolio (see Figure 1). The Federal Credit Reform Act of 1990 governs SBA's accounting for direct loans and guaranteed loans made in 1992 and thereafter. The SBA had total assets of \$13.2 billion at the end of FY 2017, up 4.4 percent from FY 2016. An increase in the Fund Balance with Treasury and in Credit Program Receivables and Related Foreclosed Property led to the increase in total assets. The SBA had total liabilities of \$11.7 billion at the end of FY 2017, down 1.5 percent from FY 2016 (see Figure 2).

Figure 1. SBA's Outstanding Loan Portfolio (Billions)



BUDGET

The SBA received an annual appropriation of \$887 million in FY 2017, which represents an increase of \$15.7 million from FY 2016 (see Figure 3). Borrowing authority decreased \$62 million in FY 2017. Compensation and benefits accounted for \$266 million, or 30 percent of the FY 2017 budget (see Figure 4), which funded regular staffing (Full-Time Equivalent/FTE) of 1,960 in FY 2017, a decrease of 11 percent since FY 2011 (see Figure 5).

Figure 2. Finance Data for Fiscal Year Ending September 30 (Millions)

Total Finances	FY 2016	FY 2017	% Change
Assets	12.657	13.216	4%
Liabilities	11.883	11.704	-2%
Net Position	0.774	1.512	49%
Net Cost of Operations	0.339	0.004	-8582%
Budgetary Resources	10.878	12.243	11%

Figure 3. Annual Appropriations by Fiscal Year (Millions)

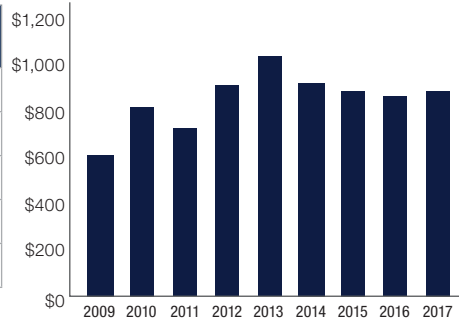


Figure 4. FY 2017 Budget by Appropriation Account (Millions)

- Business Loans..... \$157
- Disaster Loans \$186
- IG and Advocacy \$29
- Sales & Expenses \$270
- Entrepreneurial Development \$245

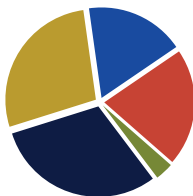
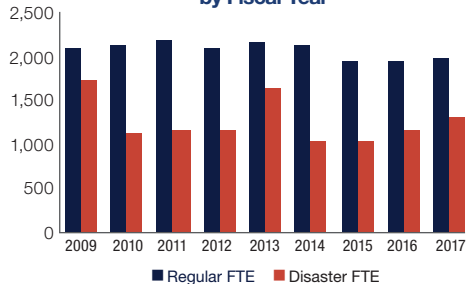


Figure 5. Regular and Disaster FTE by Fiscal Year



WHO TO CONTACT

Information on SBA programs may be accessed at www.sba.gov.

SBA and BUSINESS INFORMATION	
About SBA	www.sba.gov/about-sba
SBA Performance, Budget & Planning	www.sba.gov/performance
Local Assistance	www.sba.gov/local-assistance
Qualifying as a Small Business	www.sba.gov/content/am-i-small-business-concern
CAPITAL	
Small Business Loans	www.sba.gov/financialassistance
Lender Resources	www.sba.gov/lender_resources
Surety Bonds	www.sba.gov/content/surety-bonds-explained
Export Products	www.sba.gov/exporting
SBIC	www.sba.gov/funding-programs/investment-capital
CONTRACTING	
Government Contracting	www.sba.gov/contracting
Register as a Contractor	www.sam.gov
Contracting Certifications	www.certify.sba.gov
COUNSELING	
SBA Learning Center	www.sba.gov/training
Small Business Development Centers	www.sba.gov/sbdc
Women's Business Centers	www.sba.gov/tools/local-assistance/wbc
SCORE	www.sba.gov/score
Veteran's Business Outreach Centers	www.sba.gov/tools/local-assistance/vboc
DISASTER ASSISTANCE	
Disaster Assistance	www.sba.gov/disaster
Disaster Area Office Locations	www.sba.gov/tools/local-assistance/disasteroffices
SBA INFORMATION	
SBA National Answer Desk	(800) 827 5722 (Toll Free)
Disaster Customer Service Center	(800) 659 2955 (Toll Free)

SBA SMALL BUSINESS PERSONS OF THE YEAR



Garrett and Melanie Marrero started Maui Brewing Company in 2005 as a small seven barrel brewpub restaurant in Kahana on Maui with the help of SBA financing. Today, it is the largest craft beer producer in the state of Hawaii. By 2007, increasing demand led Garrett and Melanie to open a second location in Lahaina with a 25 barrel capacity, giving them the ability to provide brewery tours, making it a tourist destination as well. Soon, they were producing more than 19,000 barrels, boosting revenue more than \$10 million per year by 2013. By the end of 2018, Maui Brewing Company will employ a workforce of 700.