

SBA News and Views is a publication of the SBA Wisconsin District Office. Its purpose is to provide Wisconsin lenders and small business leaders with up-to-date information on SBA programs and small business issues. It is distributed at no cost, and the reprinting of articles is encouraged

Serving America's Small Businesses

U.S. Small Business Administration Wisconsin District Office

Eric Ness, District Director
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SBA Home Page
<http://www.sba.gov>

Wisconsin SBA Home Page
<http://www.sba.gov/wi>

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SBA Welcomes Acting Administrator Sandy K. Baruah



In response to President George W. Bush naming Sandy K. Baruah to be the U.S. Small Business Administration's Acting Administrator, the agency welcomed Baruah and prepared for his arrival.

Baruah, who is pending Senate confirmation as SBA Administrator, is Assistant Secretary for Economic Development at the Department of Commerce, and comes to SBA with deep experience in promoting local business growth, managing organizational change, and responding to federal disasters. He has worked for small businesses, helped small businesses grow, and was raised by a mother who ran her own small business.

Baruah helped lead significant accomplishments for the Economic Development Administration, including the agency's induction into the Balanced Scorecard Hall of Fame, passage of EDA's Congressional reauthorization, the agency's inclusion in President Bush's Executive Order that established the Preserve America Initiative, and achieved the second-highest effectiveness ranking from the

White House's Office Management and Budget.

Baruah was nominated June 26, 2008. "I'm honored to be named SBA's Acting Administrator by the President," Baruah said. "I look forward to working with Deputy Administrator Jovita Carranza, who has ably carried on the agency's work with SBA's great team of professional staff. I intend to help SBA carry on its mission as it navigates the height of hurricane season and deals with the current economic challenges and tightening credit opportunities for small business."

"I'm also committed to continuing former SBA Administrator Steve Preston's reform agenda and seeing its improvements through," Baruah added. "SBA's customers and employees deserve an agency that is efficient, effective and customer friendly in fulfilling its important mission."

"I look forward to working with members of Congress and welcome the opportunity to work in a collaborative and bipartisan manner to bring meaningful help to small business," Baruah concluded.

SBA Deputy Administrator Carranza welcomed Baruah. "We're very pleased to have a leader of Sandy's caliber joining our team and look forward to working with him. There's a great deal we still want to accomplish between now and January."

Baruah started at SBA on Monday morning, August 18, 2008.

Notice to Lenders of Maturity on Short Term Loans

Effective August 18, 2008, SBA will begin notifying each lender 30 days after the maturity of any 7(a) loan of 12 months or less that, if the lender wishes to extend the maturity date of that loan, it must contact the appropriate Commercial Loan Servicing Center (or the Office of International Trade for Export Working Capital Program (EWCP) loans) to request an extension of the maturity date. The lender must request this extension by completing [SBA Form 2237](#) and paying the additional guaranty fee required for loans with maturities greater than 12 months, but this must be done within 90 days of the maturity date of the loan.

If SBA does not receive a request for extension from the lender within 90 days following the original maturity date of the loan, SBA will notify the lender that the loan's status has been changed to Paid-In-Full status and SBA's guaranty has been cancelled. The lender may request reinstatement of the guaranty within 30 days, subject to funding availability and provided certain conditions are met.

Questions from lenders regarding this notice may be submitted to one of the two [SBA Servicing Centers](#) or the [United States Export Assistance Center](#) (for EWCP loans) that is listed in the loan authorization. For the SBA Little Rock Servicing Center, questions may be directed to lpsc.servicing@sba.gov. For the SBA Fresno Servicing Center, questions may be directed to fsc.servicing@sba.gov.



Our Offices in Madison and Milwaukee will be closed on Labor Day

SBA Launches Electronic Disaster Loan Application

New format simplifies filing, speeds delivery of aid

Disaster victims may now go online to file an application for recovery assistance from the U.S. Small Business Administration. The electronic loan application can be accessed via the SBA's secured Web site at <https://disasterloan.sba.gov/ela/>.

Homeowners and renters who suffered damages to their homes and personal property following a declared disaster (by the President or the SBA Administrator) may apply for disaster loan assistance online. Businesses and non-profit organizations can go online to apply for assistance to cover losses to real estate and property, as well as economic injury.

"This online application provides a convenient alternative for disaster victims as they take their first steps toward rebuilding after a disaster," said Deputy Administrator Jovita Carranza.

The electronic loan application contains a feature that automatically checks errors, and prompts applicants when additional information is needed, guaranteeing a quicker loan-processing/decision period.

On-screen help includes a glossary to explain terms that may be unfamiliar to the applicant.

Entering data to the electronic loan application is as secure as purchasing airline tickets online. When the user enters the Web site, a secure encrypted connection is established. Identity-proofing devices are also used in the application, which include the use of two pass codes by the applicant.

Paper disaster loan applications will still be mailed to disaster victims, and the package will include directions to the electronic loan application Web site. Questions about the electronic loan applications can be directed to SBA's Disaster Customer Service Center at

1-800-659-2955, or by sending an e-mail to disastercustomerservice@sba.gov.

For the latest news and information about SBA's Disaster Assistance program, visit the Web site at www.sba.gov/services/disasterassistance/index.html.

SBA Broadens Office of Business and Community Initiatives

Focus on Financial Literacy and Entrepreneurial Education

The U.S. Small Business Administration is re-launching one of its primary entrepreneurial training divisions to broaden its focus into a one-stop shop for information on how to start, maintain or grow a small business, including an emphasis on financial literacy.

The newly renamed Office of Entrepreneurship Education (OEE) will be a division of the Office of Entrepreneurial Development, which provides small business training, counseling and access to resources.

"SBA is excited to re-launch the Office of Entrepreneurship Education because it will help build small business ownership and strengthen SBA's focus on improving the economies of underserved markets through small business ownership," said SBA Deputy Administrator Jovita Carranza. "It will also help us move forward President Bush's agenda to increase financial literacy, which is critical to advancing America's economy."

"Financial education is a critical first step to owning your own business," said Council Chairman Charles Schwab. "With the SBA's leadership, would-be entrepreneurs are going to have access to the kind of financial education necessary to be successful."

"Entrepreneurship is such a natural option for so many individuals in underserved communities across America," said John Hope Bryan,

vice-chairman of the President's Council of Financial Literacy and founder, Chairman and CEO of Operation HOPE. "In fact, it is the language of money and free enterprise and capitalism, that will best move a community from under-served to adequately served. That is the need that the new SBA Office of Entrepreneurship Education will help to fill. The President's Council is honored to support the SBA in this important initiative."

OEE combines SBA's online education programs, business, and community initiatives, and youth outreach under a single umbrella and will serve as a federal clearinghouse for information related to small business development.

The office will place special emphasis on the agency's youth entrepreneurship activities to help develop the next generation of entrepreneurs. Entrepreneurship education has become one of the strongest vehicles to deliver financial literacy at the high school and college levels.

Recently, SBA worked with the Aspen Institute's Youth Entrepreneurship Strategy Group to address such topics as aligning youth entrepreneurship within the educational system and with government resources and clarifying the role of the private and public sectors.

The new office compliments SBA's efforts to accelerate delivery of its products and services to underserved markets, such as inner cities and rural communities, including initiatives designed to generate jobs and business growth to strengthen local economies in these areas. SBA's Emerging 200 program, launched earlier this year, supports promising businesses in 10 inner cities across the country through rigorous education and training programs. Rural Lender Advantage, a loan program that simplifies SBA lending for smaller and rural lenders, was rolled out in 10 states last year by SBA's Office of Capital Access and will be available nationwide in the fall.

SBA Revises Small Business Size Standards

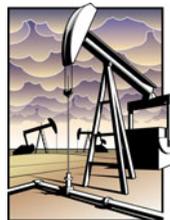
Accounts for Fluctuating Oil Prices and Inflation

The U.S. Small Business Administration has revised its small business size standards for small businesses in the Heating Oil and Liquefied Petroleum Gas Dealers industries and restore small business eligibility to those firms that may have exceeded their existing size standards due to higher receipts generated by higher oil prices.

In addition to the rule changes for the Heating Oil and Liquefied Petroleum Gas Dealers industries, the SBA has finalized the December 2005 Interim final rule that amended monetary-based small business size standards for inflation.

The SBA announced the revision of the size standard in a Final Rule published on July 22, 2008. The new rule will convert the existing receipts-based size standards from \$11.5 million in average annual receipts in the Heating Oil Dealer industry and \$6.5 million in the Liquefied Petroleum Gas Dealers industry to a 50-employee size standard to provide a more stable size definition for small businesses and provide an accurate measure of their operations.

Before the rule change, many small businesses in the Heating Oil and Liquefied Petroleum Gas Dealers industries were exceeding their existing size standards due to large and



unpredictable increases in oil costs but continued to deliver the same quantity of fuel products. The dealers in these industries supplemented the higher costs by increasing prices for their customers.

"We recognize that these are challenging economic times for small businesses, so we made these changes to the size standards to help small businesses reduce the impact of volatility in heating oil prices and ensure their continued eligibility to receive help from SBA's financial and contracting assistance programs," said SBA Deputy Administrator Jovita Carranza.

According to the U.S. Energy Information Administration, heating oil and propane average weekly prices have increased by 95.9% and 74.5% and have fluctuated by more than 35% between 2002 and 2007. Besides determining eligibility for SBA assistance, a firm's small business status determines the cost of the registration fees that small businesses in these industries have to pay to the U.S. Department of Transportation for transporting hazardous materials. Before this rule change, small businesses that exceeded their current size standard and encountered higher heating oil and propane prices would also have been subjected to higher registration fees.

The inflation adjustments were applied to SBA's dollar-based small business size standards, which are based on receipts, net worth and financial assets, to reflect inflation that has occurred since December 2005, when SBA last adjusted them for the same reason. Since the 2002 inflation adjustment in 2005, prices have generally increased 8.7%. With this new rule change, SBA increases the familiar "anchor" size standard from \$6.5 million to \$7 million. Size standards that are higher than \$7 million also reflect similar percentage increases.

The Final Rule for the Heating Oil Dealers and Liquefied Petroleum Gas Dealers Industries will become effective on August 21, 2008 and the final rule for the inflation adjustment for size standards and the EIDL loan program will become effective on August 18, 2008. For more information about SBA's revisions to its small business size standards, visit www.sba.gov/size/indexwhatsnew.html and click on "What's New about Small Business Size Standards."

Contracting with Government and Prime Contractors

On August 7th, at a Contracting with Government and Prime Contractors seminar, BDS Linda Krysiak of SBA's Wisconsin District Office and PIO Carl Sherrill of SBA's Office of Disaster educated small businesses on how FEMA and the SBA assist in disaster recoveries.

Also discussed was how businesses should approach business opportunities that occur in the cleanup after a disaster.

The Wisconsin Procurement Institute, 7 Rivers, and the Juneau County Economic Development Corporation hosted the seminar at Volk Field in Camp Douglas, WI. Close to 200 participants took part in the seminar.

SBA's resource partners, SBDC LaCrosse, Western Dairyland Women's Business Center and the LaCrosse and Wisconsin Rapids SCORE chapters participated in counseling sessions.

The cooperation of resource partners, hosts, federal and state entities resulted in a very successful day of networking and relationship building. The day was filled with workshops on federal, state, and local opportunities and one-on-one matchmaking sessions.

A big point of interest for the participants was a tour of Volk Field with the accompanying lesson of its history.



IRS e-News for Small Businesses

A Time Saver For Small Businesses and the Self-Employed

Keeping up with federal tax requirements is not always easy in today's fast-changing business environment. Even if small businesses and the self-employed use a tax professional's services, they still need to know and understand their tax responsibilities.

That is why the IRS is working to provide businesspeople with timely information to help them understand and meet their tax obligations.

IRS e-News for Small Businesses offers small businesses and the self-employed a real timesaver. E-News is a bi-weekly newsletter that alerts them to what is new, hot, and important for small business owners to know. It is quick to read, easy to subscribe to – and it is free.

e-News for Small Businesses is the IRS's e-newsletter for businesses with specialized content consisting of:

- Important upcoming tax dates for small businesses
- What's new for small businesses on IRS.gov
- Reminders and tips to assist small businesses with tax compliance
- IRS news releases and special IRS announcements
- Direct links to a variety of Web sites and resources
- Availability of IRS products, services and training opportunities

Businesspeople may also want to look at other IRS e-newsletters:

- *IRS Tax Tips* – tax information via e-mail from the IRS daily during the tax-filing season and periodically the rest of the year
- *Retirement News for Employers* Information about current developments and upcoming events within the retirement plan arena; issued periodically during the year.

Subscribe to e-News for Small Businesses on IRS.gov at www.irs.gov/businesses/small/article/0,,id=154825,00.html , or other IRS e-newsletters at www.irs.gov/newsroom/content/0,,id=103381,00.html, click on the newsletter title, click on "Subscribe Now," and enter your e-mail address.

SBA Personnel In Action

Lead BDS Jim Simelton visited lenders in Ashland, Bayfield, Douglas, and Lincoln counties.

Jim also joined BDS Joe Rosner at a TAP meeting in Ft. McCoy where they spoke about SBA programs to returning veterans.

BD Supervisor John Mirenda visited lenders in Waupaca, Neenah and Oshkosh.

Stay tuned for further reports of your SBA at work in the communities of Wisconsin.

[Link to SBA July 2008 Loans](#)

[SBA July 2008 Micro-Loan Totals](#)

WI Women's Business Development Corp. - 1 Loan for \$25,000

[Government Contracting Training via Internet Free and Exceptionally Informative.](#)
[Learn how to GET those Government Contracts](#)

SBA 2009 SMALL BUSINESS AWARD NOMINATION

Help us recognize outstanding leaders in the small business community

[SBA's size standards](#) apply in defining a business as small- individuals who own and operate or bear principal responsibility for operating a small business are eligible.

AWARD CATEGORIES

Please check one or more potential categories:

- Small Business Person of the Year:** For developing an outstanding, growing business; innovative product(s), increasing jobs, increasing sales, overcoming adversity, and community contributions.
- Small Business Exporter of the Year:** Significantly increased export sales and profits, encouraging other firms to export, increased jobs through exports, and innovative methods of creating markets.
- SBA Young Entrepreneur of the Year:** Owner will not reach 30th birthday by June 1, 2009, three-year evidence of success in sales and profits, increased jobs, innovative products, demonstrated potential.
- Entrepreneurial Success:** Business that started 'small' by SBA standards, then developed into a large business. Business must have received SBA assistance.
- Jeffrey Butland Family Owned Small Business** – A family owned business that has passed from one generation to another and owner has responsibility for operating the business with at least a 15 year track record
- Emerging Small Business Person** For developing an outstanding business with at least a three year track record, under 25 employees, under \$2.5 million in sales and less than 10 years in business (Wisconsin award)

Small Business Champions of the Year: Those who promote small business, including volunteering time and services to small business interests and groups, advocating the cause of small business in the legislative process. Champions may or may not be small business owners. (WI Award)

- | | |
|---|--|
| <input type="checkbox"/> Minority Small Business Champion | <input type="checkbox"/> Women in Business Champion |
| <input type="checkbox"/> Veteran Small Business Champion | <input type="checkbox"/> Small Business Journalist |
| <input type="checkbox"/> Small Business Legal Assistance (WI Award) | |
| <input type="checkbox"/> Financial Services Champion (Accountant advocate merged with this category) | <input type="checkbox"/> Home Based Business Champion |

NOMINEE INFORMATION

I nominate _____ Title _____

Company/Organization _____ Address _____

Phone _____ Fax _____ E-mail _____

Nominees Qualifications for this Award—**attach short description on why this business/advocate should be considered:**

When nominating a business owner please complete the following: Is the company operating profitably _____
 # of years in business _____ # of employees _____ annual sales \$ _____
 SIC/NAICS code _____

NOMINATOR'S INFORMATION:

Nominator Name _____ Title _____

Organization _____

Address _____

Phone _____ Fax _____ E-mail _____

Reply by October 3, 2008 mail (or fax 414-297-1377) this form to:

Small Business Awards Committee, U.S. Small Business Administration
310 West Wisconsin Avenue, Suite 400
Milwaukee, WI 53203

For more information, please contact: (414) 297-1093. Self-nominations accepted. This form may be duplicated. **For further consideration, a nomination binder with detailed materials will be requested.** SBA will contact the nominator with details. Thanks for your support!



Start your information security planning here!

September 8, 2008
9:00 am – 1:00 pm

(Check-in 8:30 am to 9 am)

Alverno College

Kellogg A
 4th Floor
 3400 S. 43rd Street
 Milwaukee, WI 53234

Space is Limited!

Pre-Registration Required
Registration Fee: FREE

DEADLINE IS APPROACHING

Register online @:

www.sba.gov/idc/groups/public/documents/wi_milwaukee/sba_wi_online_reg.html

or

Contact for Registration:

Robin Dittberner

Email: robin.dittberner@sba.gov

Phone: (608) 441-5521

Fax: (202) 481-5307

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U.S. Small Business Administration

www.sba.gov

Assisting Small Businesses
 Nationwide



Federal Bureau of Investigation

Protecting the U. S. against Cyber-Based Attacks
 and High-Technology Crimes

What do your invoices have in common with your email?

If you do both on your computer, you may want to think more about computer security. Payroll, proprietary information, client or employee data – information is essential to a business’s success. A computer failure or other system breach could cost a business anything from its reputation to its competitive advantage.

- ◆ A bookkeeper, described as “a family man and a good Christian”, stole \$73,000 from his employer. The theft, legal fees, and recovery fees paid to new accountants almost destroyed the 40-person firm.
- ◆ A Trojan horse, unknowingly activated by the company’s owner, devastated a small consulting firm.
- ◆ A grandmother embezzled \$500,000 from her employer, a small electrical equipment supplier.

The small business owner who **recognizes the threat** of computer crime *AND* who takes steps to deter inappropriate activities is **less likely to become a victim.**

The NIST Computer Security Division has developed a workshop to **help the small business owner** increase information system security.

- ◆ Learn how to define information security (IS) for your organization.
- ◆ Hear examples of common types of threats and understand how to determine the extent to which your organization should proactively address threats.
- ◆ Learn common Best Practices and procedures to operate more securely.
- ◆ Hear a basic explanation of current technologies used in reducing IS vulnerabilities and learn of resources freely available to your organization.

For additional information visit:

<http://csrc.nist.gov/groups/SMA/sbc/index.html>



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