



Annual Performance Report Fiscal Year 2008

MBDA's Investment in Minority
Business is Strengthening the
Nation's Economy and Enhancing
America's Competitiveness and
Innovation in the World marketplace





Agency's Message

It gives me great pleasure to present MBDA's Annual Performance Report for Fiscal Year 2008 and to mark the seventh consecutive year that MBDA and its network of Centers has increased revenues for its clients and created new jobs for Americans. MBDA's year end results exceeded its performance goals set under the Government Performance and Results Act, achieving over \$1 billion in contract awards and over \$1 billion in financial awards obtained for minority enterprises. MBDA's programs and services reached more than 25,000 minority businesses and helped create more than 5,300 new jobs.

Stimulating minority entrepreneurship and business ownership is in the strategic interest of the United States, particularly during economically challenging times. Evidence abounds that investments in minority business entrepreneurs can produce measurable results. Partnerships with minority business entrepreneurs offer infinite possibilities leading to growth. MBDA is committed to ensuring that the U.S. minority business enterprise community will be the source of our economic recovery efforts and a competitive advantage in the 21st century worldwide economy.

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Associate Director for Management



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Why This Report is Published

The President, Congress and the American people have the right to assess the performance of federally funded programs as provided by the requirements of the:

- Reports Consolidation Act of 2000 and other laws
- Government Management Reform Act of 1994
- Government Performance and Results Act of (GPRA) of 1993
- Chief Financial Officers (CFO) Act of 1990



- **Agency’s Message** - Includes a brief review of the various actions that were undertaken in FY 2008 to improve Performance; continued to design initiatives to help the Gulf Coast Disaster recovery; and remarks on how MBDA is effectively managed.

- **Management Highlights** – This section provides an overview of the management and performance information contained the Performance Section and Appendices. The Management Highlights section includes an

FY 2008 organizational assessment for MBDA, agency goals, an overview of management challenges and accomplishments, and best practices.

MBDA through its Annual Performance Report (APR) provides a comprehensive management and performance data for FY 2008. This APR compares performance results to the Agency’s strategic goals and performance goals. For those wishing to review MBDA’s Strategic Plan and previous APRs, you are directed to the MBDA Web-site at <http://www.mbda.gov>. As always, MBDA welcomes feedback on the form and content of its reports.

This APR highlights the Agency’s major components:

- **Performance Highlights** – This component provides detailed fiscal year performance information as required by GPRA. It is here that a detailed discussion and analysis is found of the National Enterprise Centers (NECs) and their funded projects.

- **Appendices** – This last component provides comprehensive feedback received from the MBDA network on “Best Practices.” It provides relevant historical performance data, as well as Census data dating back to 1997 and 2002.

VISION STATEMENT

MBDA WILL PERFORM AS AN ENTREPRENEURIAL ORGANIZATION SERVING ENTREPRENEURS.

MISSION STATEMENT

MBDA WILL ENHANCE THE NATIONAL GROWTH AND EXPANSION OF MINORITY BUSINESS ENTERPRISE.

MBDA Goals

The Office of Management and Budget (OMB) and the Department of Commerce (DOC) assign MBDA the following goal:

MBDA will increase access to the marketplace and financings for minority-owned businesses.

This goal supports DOC Goal #1:

To support the information and tools to maximize U.S. competitiveness and enable economic growth for American industries, workers and consumers.

With limited resources, MBDA far exceeded its expectations in FY 2008. This success is attributed to the effective and efficient manner that goals and activities were managed and executed by all involved in the delivery of services to the minority business community. MBDA focused on its Strategic Growth Initiative (SGI) because the Department of Commerce's Census Bureau reported that in 2002 minority firms were contributing over \$661 billion in total gross receipts to the U. S. Economy and that these firms employed nearly 4 million people. SGI firms with gross receipts of \$500,000 and above contributed to the economy. For the past four decades, minority business enterprises grew from 300,000 to nearly 4 million, as has the minority population increased from 6 percent to nearly 35 percent. (Reference Appendix on State of Minority Business for more specifics) The analysis was conducted by MBDA.

MBDA directed that assistance to larger and rapid growth potential firms be rendered, knowing the statistical business and population growth patterns. This strategy worked in FY 2007 and thus it was proven to be an effective means of reaching agency performance goals. MBDA believed that this would help to increase the size of contract and financial awards; thereby increasing minority firm gross receipts and creating new jobs in minority communities across the country. MBDA's objective relied heavily on new partnerships and the added resources that were identified. This was especially true of those services that could be provided to start-up and smaller firms that are dependent on MBDA referrals. These firms look to MBDA's Internet Portal because of the lack and/or limited resources within their geographic area.



AGENCY GOALS

Over the course of several fiscal years, MBDA executed four primary goals and it performed many activities in support of these goals.

GOAL 1: *Improve organizational efficiency, effectiveness and responsiveness*

Training remained an on-going requirement for staff and funded project consultants. MBDA managers many times did conduct hands on training. Other training was offered by off-site trainers. Projects were closely monitored to ensure that they attained a satisfactory rating, before they were renewed. The few that did not perform at a satisfactory or better level received renewed awards with special conditions. The Regional staff monitors were encouraged, during the course of the performance period, to develop intervention measures in support of poor performing projects. Senior management meetings were held each quarter. These meetings focused on leadership competencies for leading change, leading people, and for building coalitions. These quarterly meetings were performance driven, as project, regional and national data was tracked. To resolve issues and improve results, senior management provided new direction and business acumen, as performance discussions were held. The accuracy of information, the preparation of quality work products, and Customer Relations Management underlined each activity. Headquarters did work with the Agency's Internet Portal by encouraging not only the day-to-day users, but the public, to help it become a more dependent working tool.

GOAL 2: Improve opportunities (contracts/procurements) for minority-owned businesses to have access to the marketplace

The Agency did host B2B Forums on a National and Regional basis to promote partnerships between large MBEs with other MBEs to build capacity to pursue large contract opportunities. (Reference Appendix for a complete list of the B2B Forums held) Regional staff targeted SGI firms and assisted them in securing contract and financial transactions totaling over \$67 Million dollars. Some staff at Headquarters also identified and assisted SGI firms and helped to secure closed transactions totaling over \$21 Million. MBDA continued to support the Gulf Coast Recovery by supporting five Centers (two MBOCs and three MBECs) in New Orleans, Alabama and Mississippi.

GOAL 3: Improve access to capital opportunities awarded to MBEs

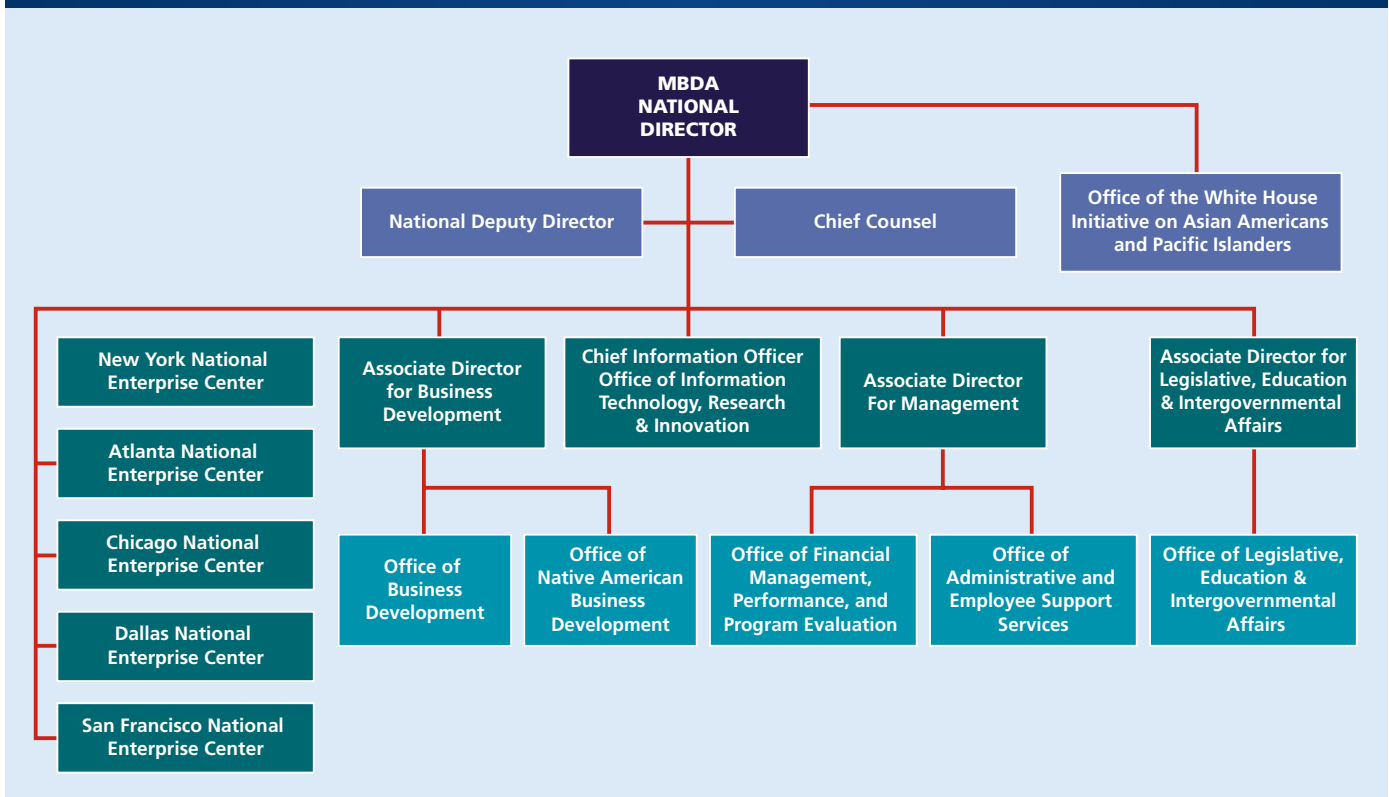
Access to capital remains a high priority for minority firms. The newly funded Minority Business Enterprise Center program incorporated specific financial goals. The funded Centers achieved 81% of the overall financing goals with the remaining 19% provided by MBDA staff. Strategic partners were utilized to facilitate financing

transactions. The partners included financial institutions, private equity firms and other capital providers to assist MBEs with their capital needs. In addition, MBDA utilized bonding brokers and surety firms to assist MBEs with bonding for public construction projects. Also, the Chicago NEC launched a Construction Development Program to assist experienced minority owned contractors with advanced training, share specific contract opportunities and increase bonding capacity.

Goal 4: Become a Knowledge Center for MBEs in the Public and Private Sector

The Office of Business Development supports the Knowledge Management unit within MBDA. This unit is the research arm of the Agency and manages the transfer of knowledge and information through various electronic and training solutions. The Knowledge Management Unit released a report entitled, Characteristics of Minority Businesses and Enterprise. Among its most important findings, the report revealed that minority-owned firms are twice as likely to export compared to non-minority-owned firms. The Office of the Secretary and the International Trade Administration welcomed the findings and the role minority-owned firms are playing in export trade. This unit conducted other research as is noted in the Knowledge Management section found on page 10.

Chart1: MBDA Organizational Chart in FY 2008



FY 2008 Highlights of Management Improvements and Optimal Service Delivery Accomplishments

During FY 2008, MBDA was engaged in a variety of activities to support overall efficiencies and optimal service delivery. MBDA closed the fiscal year with all Presidential Management Agenda items rated as green. In addition, all MBDA efforts to support Departmental priorities received positive status ratings. Brief summaries of the varied efforts are provided below.

GRANTS MANAGEMENT CONSOLIDATION

Grants Management Consolidation is an initiative designed to centralize MBDA grants management processes and realign human resources to effectively and efficiently manage the Agency's grant programs. During FY 2008, the Office of Business Development (OBD) initiated a proof of concept with the assistance of the Federal Consulting Group (FCG). A secondary analysis was conducted and completed on business process engineering and recommendation for improvement. In addition, OBD sought stakeholder input from the field staff and management in the development of an implementation plan. The plan includes a reduction in the number of staff (Washington, DC), new technology implementation and business processes improvements. The consolidation plan was initiated in FY 2008 and is being staged in a phased process. The transition will be completed in FY 2009.

REALIGNMENT OF NATIONAL ENTERPRISE CENTERS

In concert with the Grants Management Consolidation initiative, MBDA revisited the strategic role of its National Enterprise Centers and its Business Development specialist staff. In FY 2008, MBDA developed a strategic plan that redirects existing staff to better serve and foster the growth of minority business enterprise through direct and/or collaborative support services to its funded centers. MBDA developed new performance plans for its Business Development Staff. These plans will be fully implemented in FY 2009 as grants management consolidation is fully implemented. MBDA anticipates the realignment of resources will yield an increase in the Agency's performance and will result in a higher impact on the minority business communities that it serves.

GRANTS ON-LINE CONVERSION WITH NOAA

In FY 2008, MBDA participated in a Department initiative to improve efficiencies with respect to grants administration. MBDA is part of an initial plan that transitions grants administration services from the Department's Office of the Secretary to NOAA Office of Acquisitions and Grants. One of the key components to the initiative is the implementation of the NOAA Grants-Online system. The system is a web-based solution that is fully integrated with Grants.gov and compliant with DOC Grants manual, as well as P.L. 106-107

FY 2008 Management Highlights



working group standards. In FY 2009, MBDA will fully integrate grants-online into all its grants management processes. Future costs are projected to be lower than historical costs and NOAA's automated system will significantly improve MBDA's grants management processes.

PROGRAM ASSESSMENT RATING TOOL (PART) ASSESSMENT

Since its last PART Review in FY 2007, MBDA examined how best to respond to OMB's recommendations to focus on long-term impacts and measures. During FY 2008, MBDA initiated efforts with the Federal Consulting Group (FCG) to develop a logic model related to its programs and outcomes. The FCG also began reviewing and developing short-term and long-term performance measures for MBDA's programs. Results are expected in FY 2009 and will be further refined in consultation with DOC and OMB.

HOMELAND SECURITY PRESIDENTIAL DIRECTIVE 12 (HSPD-12)

MBDA continued its efforts with GSA to provide HSPD-12 compliant badges to all MBDA employees. MBDA fully participated in the Department's coordinated efforts to comply with the HSPD-12 requirements. A significant number of badges were issued to headquarters employees in FY 2008. The remainder of HQ staff and regional staff will have compliant badges issued in FY 2009.

PROPERTY MANAGEMENT

MBDA achieved a green rating on most property controls as identified by the Department's Office of Administrative Services in FY 2008. All MBDA property officials were trained, procedures were established, and a corrective action plan was developed to address internal control findings. MBDA named a new property management officer. The property management officer became actively involved with the Department to improve inventory processes and achieve green ratings for all controls.

CONTINUITY OF OPERATIONS PLANNING (COOP)

MBDA's COOP document received an overall green rating in FY 2008 from the Department's Office of Security. This plan was followed during a government-wide exercise conducted in FY 2008.

It served MBDA staff well and helped the agency to achieve positive results. MBDA began to further refine its COOP document and regional procedures in FY 2009.

HUMAN RESOURCE SERVICES

During FY 2008, MBDA transitioned its human resource servicing from the International Trade Administration to the newly created Department of Commerce Human Resources Operations Center (DOCHROC). Along with other serviced bureaus within the Department, MBDA was assured that it will continue to receive consistent, high quality human resource services.

AUTOMATED TRAVEL PROCESSING

In FY 2008, MBDA served as a pilot bureau for an electronic travel planning and processing system, FEDTRAVELER. Staff was trained and they were established as users of the new system that allows for electronic processing of travel orders and travel vouchers – previously done through antiquated paper processes. MBDA's success with FEDTRAVELER prompted the Department to proceed with broader implementation with other bureaus. MBDA is eager to participate in the next stage of full implementation that will include connectivity with the financial system of record, the Commerce Business System.

COMPETITIVE SOURCING

MBDA obtained a green rating for this President's Management Agenda (PMA) item in FY 2008 and continued its efforts to participate in a wide review of common functions across bureaus such as administrative support.

INTERNAL CONTROLS (A-123)

In FY 2008, the Department conducted an overall test of MBDA's internal controls and no findings were identified. The Department also conducted a review of MBDA's internal control documentation, with no findings identified. MBDA senior management considered internal controls a priority and will ensure that continuous improvements are made.

FINANCIAL MANAGEMENT

The National Institute of Standards and Technology (NIST) provided MBDA with financial services. NIST continued to support MBDA in meeting all Departmental budget and financial requirements. In FY 2008, MBDA obtained a green rating for this President's Management Agenda (PMA) item and supported the Department's efforts to obtain an unqualified audit opinion.

MBDA REORGANIZATION

In FY 2008, MBDA implemented a reorganization of the staff reporting to the Associate Director for Management. A new administrative officer was hired and placed in charge of a new operating unit responsible for all administrative functions, as well as human resource liaison duties. All other staff was consolidated to perform financial management functions, along with performance reporting and program evaluation. This revised organizational structure will help to ensure that MBDA continues to meet the management requirements of the Administration and other top priorities within the Department.

IMPROVED ANNUAL PERFORMANCE REPORT

During FY 2008, MBDA significantly improved its Annual Performance Report. Processes were streamlined to ensure timely publication and the document has been thoroughly reformatted for improved readability and ease of use.

COMBINED FEDERAL CAMPAIGN

MBDA's Office of Business Development assigned Mr. Carlos Guzman to participate in the Agency's Loaned Executive for the 2008 Combined Federal Campaign of the National Capital Area. MBDA assisted the Department of the Treasury in the development and implementation of a regional outreach campaign effort that generated \$2,441,000 in charitable contributions.

Business Development Programs

MBDA continued to refine and tune up its various programs during FY 2008 in an effort to better serve the needs of the minority business community. Greater emphasis was directed towards the

strategic growth initiative in anticipation of offering better and bigger opportunities for rapid growth, increased receipts and tax revenue and the creation of new jobs.

MBEC/NABEC

The **Minority Business Enterprise Centers (MBECs)** and the **Native American Business Enterprise Centers (NABECs)** continued to be the core programs that reached minority entrepreneurs across the country and Puerto Rico in 36 locations. Through these two programs business development services are provided. The centers provided one-on-one and group consulting services in such areas as management and technical assistance; marketing and growth strategies; and, assist in obtaining contracts and financial award opportunities. Designed to provide expanded consulting and "hand-on" services, the MBEC program primarily serves ethnic minority firms; while the NABEC program serves primarily Native American firms and tribal entities.

MBOC

Located in eight strategic cities across the nation, the **Minority Business Opportunity Centers (MBOCs)**, act as business facilitators and provide brokering services that foster contract and financial transactions between MBE clients and public/private sector resources. This program is designed to maximize referral services while minimizing consulting services, unlike the MBEC/NABEC program.

CAPITAL ASSET DEVELOPMENT PROJECT

MBDA initiated a pilot project focused building size, scale and capacity of minority business enterprises in a singular industry and economic cluster. Specifically, Capital Asset Development project is designed to implement and assess a service delivery model intended to: (a) develop and implement strategies to grow through existing resources (i.e. private equity capital, mergers/acquisitions and teaming); (b) develop a support infrastructure for MBEs in construction and related fields; (c) adopt best practices that mitigate risk associated with growth; (d) identify and analyze business opportunities; and, (e) create a capital infrastructure needed to realize growth potential. The project is scheduled to operate for 12 months, after which a full assessment will be conducted to evaluate the efficiency and effectiveness of the pilot. Results of the pilot are anticipated to be released in FY 2009.

MOORE STREET MARKET PROJECT

In FY 2008, MBDA awarded Project for Public Spaces in Williamsburg, Brooklyn, New York, to operate the Moore Street Market project. This award originated as a congressional earmark under U. S. Department of Commerce appropriation. The purpose of the project is to create a comprehensive report assessing the economic viability of the Moore Street Market, a public market located in New York City and recommend short/long term strategies for its preservation and revitalization. The project will also support MBDA's mission of fostering the growth and development of minority-owned businesses in designated geographic service area.

KNOWLEDGE MANAGEMENT

The Knowledge Management unit is the research arm of MBDA and manages the institutional knowledge of the Agency. The unit oversees and produces research studies, reports and fact sheets to increase the body of knowledge with respect to minority business enterprises. It also educates, promotes and develops solutions for sharing knowledge access agency functions to increase efficiencies and improve the overall performance of the organization.

The Office of Knowledge Management held numerous briefings with Agency's stakeholders, congressional staff, before academics, and other federal agencies to inform them on the findings of the report, Characteristics of Minority Businesses and Enterprises. The report was also distributed widely through MBDA's five regional offices, the portal, and to over 1,000 participants at the 2008 National Minority Enterprise Development Week Conference.

The Office of Knowledge Management also produced a paper entitled, Increasing MBE Competitiveness through Strategic Alliances, in collaboration with the Tuck School of Business at Dartmouth. The paper was presented and distributed at the 2008 National Minority Enterprise Development Week Conference, and posted on the Agency's portal.

Moreover, the Office of Knowledge Management produced and released fact sheets on The State of Minority Business for all 50 states and the District of Columbia, as well as 22 fact sheets for selected cities in the nation. All fact sheets were distributed widely and posted on the Agency's internet portal.

ACCESS TO CAPITAL

Access to Capital remained an impediment to MBEs' growth and operation. Despite the adverse conditions in FY 2008, MBDA's financing results doubled from \$575 Million (FY 2007) to \$1 Billion (FY 2008). The increase was mainly attributed to MBDA's funded centers which focused on developing and securing larger-size transactions for MBE clients; one sizeable transaction in the amount of \$450 million was generated by the Washington Metro Minority Business Enterprise Center (MBEC). MBDA has 48 funded Centers, comprised of Minority Business Enterprise Centers, Native American Business Enterprise Centers and Minority Business Opportunity Centers. All of the Centers had financing goals to achieve. The Centers and MBDA's staff provided consulting and referral services directly to MBEs to obtain business loans, bonding and equity investments. For FY 2008, there were 528 transactions with over 57% made to "SGI" firms, defined as having revenues of \$500,000 or more. The Centers and staff worked closely with strategic partners, including banks (community, national and regional), community development corporations and other financing sources to connect MBEs with financing sources.

The Centers also assisted clients in the construction industry to obtain bonding for public projects. For the past three years, MBDA maintained a Memorandum of Understanding with the Surety Fidelity & Insurance to train MBEs to obtain bonding. The Chicago and New York Regions developed additional training programs to educate MBEs to increase their bonding capacity and to connect MBEs brokers and surety companies.

During 2008 MED Week, MBDA conducted a National Capital Access Forum during which 60 high growth firms were introduced to capital providers. There were 20 capital providers comprised of financial institutions and private equity firms represented by the National Association of Investment Companies and the Marathon Club. The banks or funding sources included: Bank of America, Wells Fargo Bank, SBA, Action One, JP Morgan Chase, M & T Bank, Citizens Trust Bank and Business Consortium.

In addition, MBDA participated in the Inner City Capital Connection (ICCC) in which over 42 private equity firms participated. A total of 17 firms were referred to the ICCC and several Centers participated including the Washington Metro MBEC. MBDA met its goals with the assistance of its partners and networks comprised of capital providers.

BUSINESS-TO-BUSINESS (B-2-B) FORUMS

MBDA continued to promote partnerships between large and mid-sized MBEs. The purpose of these Forums was to continue to build capacity to pursue current and forecasted large contract opportunities. These Forums, as reported in past annual reports, are part of MBDA's long term strategy to aid the Agency and its funded Centers to meet its overall contracting goal. To ensure that the right clients met with the right opportunity, all clients were prescreened, qualified and referred by funded service providers or agency staff. Reference the Appendix for a list of the Forums that were held in FY 2008.

OFFICE OF NATIVE AMERICAN BUSINESS DEVELOPMENT

The Office on Native American Business Development (ONABD) identified 6 key areas for economic development that Native Americans were well positioned to capture: banking and finance; manufacturing; state and federal procurement; international trade; tourism; and energy development in Indian Country.

In collaboration with the White House Intergovernmental Affairs Office, the Office of Native American Business Development continued to work with the Executive Indian Affairs Working Group (IAWG). The IAWG successfully designed and activated the first government wide project to train all federal employees on the role and responsibility of the federal government in fulfilling the vital trust responsibility to tribes. The IAWG conducted a comprehensive review of federal consultation policies and reported out to federal agencies.

The Office of Native American Business Development facilitated meetings between the Department of the Interior and other federal agencies. ONABD also conducted outreach to Native American communities. In particular, the Office of Native American Development assisted EDA and FEMA with specific and targeted outreach to Native American tribes and Alaska Native Corporations.

The Office of Native American Business Development nurtured the National Black Chamber of Commerce and the Minority Business Roundtable to meet with the Alaska 8(a) Association. As a result these groups developed a working relationship to capture business opportunities together.

Lastly, through the efforts of the Office of Native American Business Development, the first outreach office was established in the Oklahoma City federal building. This office will work closer with tribes in Oklahoma and the Southwest. An MOU with the Small Business Administration recognized the collaboration between MBDA and SBA. It established meeting the trust responsibility to the 37 federally recognized tribes in Oklahoma and the southwest. MBDA's Office of Native American Business Development played a key leadership role in Indian tourism, Indian energy development, and Indian procurement by working across federal agencies as a partner.

In FY 2008, the Office of Native American Business Development institutionalized, in partnership with the White House's Intergovernmental Affairs Office, the first direct outreach with tribes in Oklahoma. Out of this effort came the "Tribal Briefings & Roundtable gathering." A total of 24 tribes and 16 federal officers were in attendance. This activity is expected to be replicated in other states with multiple tribes as a best practice.

END USER SYSTEMS AND SUPPORT

Customer Relationship Management (CRM) Initiative was continued in FY 2008. The CRM activities conducted provided a complete view of the customer relationship at every touch-point with the customer. The goal of implementing a CRM solution was to support the real-time and asynchronous collaboration needs for each inter-enterprise project, and build it from a standardized platform of infrastructure and tools. The new business processes and tools allowed and will continue to allow MBDA users to effectively respond to clients within 24 hours after initial contact.

Promoting the Effective Use of IT resources: The Office of Information, Technology, Research and Innovation (ITRI) developed new policies and procedures for the following:

- Acquisition of new computer hardware, software, and hand-held devices
- Network/systems administrator policy
- Wireless device rules of behavior

Customer Outreach: IT staff continued to look for ways to reach its customer base. Some of the outreach initiatives included:

- Brown bag lunches with staff to have informal discussions about IT issues and expectations.
- Quarterly meetings with staff or work groups to discuss selected IT initiatives, such as HSPD-12, COOP, and Video Conferencing solutions, to name a few.
- New Information Technology Newsletter: Will be sent out quarterly, to include MBDA IT and departmental initiatives, and end-user support information. The newsletter also included tips and tricks, best practices, and relevant policies and procedures. The target audience will be MBDA headquarters, regional and district site employees.

Gulf Coast Initiative: This new initiative is a web-based application solution for IT clients and customers to enable access to the many financial opportunities in the Gulf Coast region. The Portal was designed for use by the public. They register and search for Gulf Coast opportunities in Alabama, Georgia, and Louisiana.

Best Practices

Over the last few years, MBDA has actively promoted the idea of exchanging “best practices” between funded centers and Agency staff. Accepting the challenge of sharing these practices has been gaining momentum. In FY 2008, an all out effort was made by the NECs to invite the submission of “Best Practices.” The challenge was well received. Many funded projects and NECs staff responded. The responses received generally fell into the following categories:

STRATEGIC PARTNERSHIPS

- Building relationships with strategic partners has been vital for the general operation of MBDA’s funded centers in terms of outreach and obtaining information related to projects and services that can benefit MBEs.
- One MBEC developed a cadre of Strategic Partners who refer qualified prospects to the center and helped in achieving the MBEC’s annual performance goals. The center’s success was

based utilizing a Mentor-Protégé concept in which larger MBEs are encouraged to utilize small MBE firms for sub-contracting.

MANAGEMENT AND TECHNICAL ASSISTANCE (M&TA)

- Assist clients to obtain Federal certification, especially 8(a) certification assistance.
- A center provided its clients with certification assistance. The center provided technical assistance and certification packaging assistance to client firms wanting Small Business Administration 8(a), MBE, DBE, DVBE, and WBE certification. Several of the clients assisted successfully secured tangible outcomes and afforded the center an opportunity to report an increase in its procurement and job creating goal.

TRAINING

- A boot camp style training session on “The Road to Mega Success” for its Business Development Staff, Funded Centers and Strategic Growth Initiative (SGI) firms was designed to hone business development insight and skills. This comprehensive training session provided attendees with a high level overview of how to sustain a healthy and profitable business. The training topics included case studies, common entrepreneurial pitfalls, profit planning and monitoring, business development, managing the bottom line, performance oversight and management, cash flow management, financing alternatives, streamlining the game plan and growth strategies.
- A training session for funded Centers on “Financial Requirements for Loans exceeding \$500K” was held. The primary purpose for this training session was to provide access to information on traditional and non-traditional sources of funding available and criteria required for firms that fit the MBDA Strategic Growth Initiative ideal size standard of \$500K or more in annual revenues. This workshop was timely as the U.S. is faced with a financial crisis. As a result of the training funded project staff was able to expand their portfolio of qualified lenders that can provide financing for MBEs that may or may not be impacted by the current financial crisis in America.

- A Center made a very deliberate effort not to duplicate work done by other organizations and offered value by hosting programs that were productive and not being presented elsewhere. Some of the included workshops on Starting and Financing a Franchise; Green Business conference; Workshop on Innovation and Technology; Business-to-Business forums. These were successful in presenting a very credible light while attracting new clients that resulted in achieving goals.
- Training can provide classes on various topics that provide methods to increase competencies of minority business owners, while at the same time providing an opportunity to recruit new clients. Often the class format can be leveraged to reach more firms in a more efficient manner, as most of the Centers' staff is small in number.
- MBDA provided support and assistance to its funded centers ranging from grants management to improving client services. In FY 2008, MBDA emphasized peer-to-peer learning and collaboration, particularly during its 2008 National Conference and assorted MED Weeks. The result of this activity and relentless effort to ensure MBE outcomes generated record breaking performance.

WORDS OF WISDOM

A seasoned MBEC operator and staff utilized the following best practices:

- Create significant partnerships and joint ventures between minority firms
- Position MBEs/SGI clients to obtain financing (bonding) and secure contracts
- Ensure Customer Satisfaction
- Go out into the field, service area, meet with viable MBEs and work to create the dialogue for businesses to grow
- Attitude – if the goal is five (5) strategic partners, work toward achieving and maintaining 20 partnerships.



FY 2008 Performance Highlights

National Highlights

Performance is never an easy feat and it cannot be achieved alone or overnight. MBDA closely monitored its projects, reinforced intra-network collaboration, intervened when there were problems with performance, trained and built capacity, opened doors of opportunity and enhanced tools that funded projects, staff and MBEs could utilize via the Internet, Portal, or through hands-on forums. The strategy was conceived years prior to FY 2008 and slowly the momentum began to change and positive outcomes took hold.

Limited funding did hold MBDA back from moving quantum leaps. Determined to make the most with limited resources, MBDA has continued to move in a very positive direction which has helped to deliver even greater achievements.

The Office of Management and Budget (OMB) and the Department of Commerce (DOC) assigned MBDA the national goal of increasing access to the marketplace and to financial arena for minority-owned businesses. To this end MBDA was able to achieve the following:

- In fiscal year 2008 the Return on Agency Investment (ROAI) was \$74. This benchmark exceeded expectation. In fact the improvement was slightly higher than 20% when compared to FY 2007 (ROAI was at \$59, respectively). This is by far a record achievement for the Agency. The ROAI is one of several indicators that the Agency uses to track overall performance. This measure takes all agency appropriations (\$28.6 Million) and divides it by the total dollars of obtained closed transactions for financials and contracts. Accomplishments were reported by a total of 44 funded projects that were funded across the country. These projects along with Agency staff, reported that they were successful in securing over \$1 Billion dollars in contracts and over \$1 Billion dollars in closed financial transactions.
- MBDA funded two flagship programs, the (Minority and Native American) Business Enterprise Centers (BECs) and the Minority Business Opportunity Centers (MBOCs). The BEC program services minority business entrepreneurs through the Minority Business Enterprise Centers (MBEC) and through the Native American Business Enterprise Centers (NABECs). Technically, the BECs are the primary drivers of the Agency. It is through this program that the majority of MBDA's success is accomplished. The 36 BEC projects which were funded in FY 2008 secured close to \$700 Million in contracts and over \$1 Billion in closed financial transactions for their minority clients. By comparison, these the BEC program reported accomplishments of \$619.5 Million in contracts and \$398.3 Million in secured financial transactions in FY 2007.
- The eight MBOC funded projects secured over \$276 Million in contracts and \$61 Million in closed financial transactions. This performance was below what had been accomplished in FY 2007. Note the MBOC program in FY 2007 secured 89 contract awards totaling \$468.5 Million and \$21 financial transactions valued at \$67.7 Million. MBDA believes that a significant factor for this low performance may be attributed to new program awards that started late and experienced delays in operations.



Table 1: MBDA National Performance Measure Summary for FY 2008

Activity	National Target	MBEC/NABEC Actual	MBOC Actual	Program Totals	Headquarters Actual	NEC Staff Actual	Total Staff Actual	Grand Total
Dollar Value of Contracts	\$1.112B	\$696.3M	\$276.3M	\$973M	\$19.2M	\$42.2M	\$61.4M	\$1.034B
Dollar Value of Financials	\$0.581B	\$1.001B	\$61.9M	\$1.063B	\$1.8M	\$25.0M	\$26.8M	\$1.090B
Total Dollar Value of Transactions	\$1.693B	\$1.697B	\$338.2M	\$2.036B	\$21.0M	\$67.2M	\$88.2M	\$2.124B
Number Contracts Awarded	N/A	1,027	145	1,172	27	19	46	1,218
Number Financial Transactions	N/A	505	24	529	1	11	12	541
Total Transactions	N/A	1,532	169	1,701	28	30	58	1,759
Number Jobs Created	2,918	5,316	N/A	5,316	N/A	N/A	N/A	5,316
Number New Clients	5,413	3,956	N/A	3,956	2	16	18	3,974

The data above discloses that MBDA through its funded projects and through staff was able to secure over \$2.1 Billion in awarded transactions. This is by far a record achievement for the Agency. In total Financial Transactions made up 51%; while contracts secured made up 49%. The MBEC and MBOC programs continued to demonstrate that MBEs are in need of services, such as those offered by these two programs.

- In FY 2008, MBDA staff reported assisting MBEs to secure over \$19 Million in contracts and \$25 Million in financial transactions.
- The efforts of all involved generated 1,218 contracts and 541 financial transactions in FY 2008. This is far greater than what was reported in FY 2007 (739 contracts valued at \$1.2 Billion and 349 financial transactions valued at \$575 Million).
- The BEC projects assisted Strategic Growth Initiative (SGI) clients (defined as MBEs with gross receipts of over \$500K or those with rapid growth potential) to secure 987 contracts valued at \$862.2 Million and 302 financial transactions valued at \$888.2 Million; while Non-SGI clients or MBEs with less than \$500K in gross receipts, were assisted in securing 185 contracts valued at \$110.3 Million and 227 financial transactions valued at 173.8 Million. This demonstrates that the MBDA initiative to target SGI clients has been a great success.
- The Agency’s reporting performance system breaks down by ethnic groups the make up of MBE clients assisted. There are eleven categories which are identified, an expansion over the number reported in past years. Of these categories, more African American clients (2,297) were assisted in FY 2008, followed by Hispanic Americans at 1,159 (not including Puerto Ricans). African American clients not only were the largest ethnic group serviced but received the largest number of hours of Management and Technical Assistance (M&TA hours

(34,844). This group secured the most contracts (405); it received the largest dollar value of contracts (\$512.5 Million); it received the most financial transactions (250) and it was able to secure the largest total dollar value of transactions (\$658.2 Million). This ethnic group also maintained the ranking that it established in FY 2007. The accomplishments were far exceeded nonetheless. In FY 2007, African American clients totaled 1,573 and they received 18,250 hours of Management and Technical Assistance. This same year African American clients were awarded 255 contracts totaling \$480.2 Million and 121 secured financial transactions. The total dollar value of transactions awarded to African Americans was \$580.4 Million.

- There were slight variances between FY 2007 and FY 2008 for MBE firms receiving services by industry classification, as reported by MBECs, NABECs and MBOCs. Industry category **Services, Construction** and **Manufacturing** remained the industry categories where more MBE clients could be found. In FY 2007, industry category **Services** reported that 36% of the total clients assisted were in this category; while FY 2008, reports that 37% of the clients fell into this category. **Construction** industry in FY 2007 was reported at 21% of the clients assisted. In FY 2008 this category dropped by 2%, to 19% of clients assisted. Manufacturing, on the other hand, moved up by one percent from 10% to 11%. All other categories fell below the eight percent rank.

Two of these three industry categories, namely **Construction** and **Services**, awarded the largest dollar value of contracts in FY 2008. **Construction**, according to Chart 2 found on page 20, received 37% of the total dollar value of contracts and **Services** category received 29.2%. This same finding is noted when reviewing MBE firms receiving services by industry classification as reported by MBECs, NABECs and MBOCs. The percentages do vary some what, i.e. **Services** were reported at 37%, **Construction** at 19% and **Manufacturing** at 11%.

- Performance data for FY 2008 reported that a total of 231 awards in industry category **Service Firms** were valued at \$284 Million. In FY 2007 this same industry reported that MBDA funded projects secured 222 contracts valued at \$468 Million. The dollar value of the contracts dropped significantly from one year to the next. This tells us that more contracts were awarded, but they were relatively smaller in dollar value. **Construction** firms in FY 2008 were awarded 420 contracts, valued at \$360 Million; compared to firms in FY 2007 who received 323 contracts valued at \$303 Million. Again, more contracts were awarded in FY 2008, but they were smaller in comparison to the dollar value of those contracts awarded in FY 2007. **Manufacturing** industry firms were awarded 298 contracts valued at \$52 Million in FY 2008; while in FY 2007, they were awarded only 59 contracts valued at \$69 Million. The number of contracts (59) in FY 2007 was smaller, but the dollar value was larger than in FY 2008. What caused the variations between FY 2007 and FY 2008 cannot be determined, but should be reviewed by the program managers for further discussion and analysis.
- Contract awards obtained from award sources, as reported by the two programs (BEC and MBOC), reveals that the Private Sector awarded 88% more contracts in FY 2008 than in FY 2007. The dollar value of these contracts, however, did not increase by any high percentage. As a matter of fact, the dollar value of contracts increased by 11%. The average dollar value of contracts was \$900K. This was a significant drop in value (-81%) between FY 2007 and FY 2008. Category **Other Entities** reported a 61% increase in the number of contracts secured between FY 2007 and FY 2008, but the dollar value of contracts dropped by 3% in FY 2008.
- Public Sector categories (Federal, State and Local Government) also had drastic variations. For example, Federal Government had a 6% increase in the number of contracts award between FY 2007 and FY 2008 and it had a 10% increase in the dollar value of contracts awarded between these same fiscal years. Yet,

the average dollar value of these positive increased showed no variation. State government on the other hand dropped in all aspects. It had a 4% decreased in the number of contracts awarded; a 22% decrease in the dollar value of contracts awarded; and a 17% decrease in the average dollar value between the same time period of FY 2008 and FY 2007. Local government was up by 61% in the number of contracts between these same fiscal years, but a 66% decrease in the dollar value and an 81% drop in the average dollar value of contracts awarded. While there were more contracts that were awarded to MBEs through the assistance of the MBDA funded projects, these contracts were generally smaller in dollar value and significantly smaller in the average dollar value of each contract.

- A total of 5,064 clients with annual gross receipts were assisted and this resulted in the creation of 5,316 jobs. Jobs were up by 52% from those reported in FY 2007 (2,751).

In summary, the MBDA funded MBECs/NABECs and MBOCs in FY 2008 continued to demonstrate that MBEs have a great need for continued assistance and that they seek to conduct business in every industry sector whether local, state, national or global. MBEs in the United States continued to gradually expand. Their ability to grow gives the minority business community a broader and diverse market place in an ever expanding and diverse world of business. MBDA is limited only by its limited access to obligated Federal resources which could enhance what is already funded and could also expand the programs into market areas that it has not been able to reach for some decades.

Trends and Observations

MBDA exceeded far beyond expectations with respect to transaction dollar goals for a 5th consecutive year. Both the dollar value of financial transactions and the dollar value of contracts secured crossed the threshold of one billion dollars each in FY 2008. A grand total of \$2.1 Billion dollar has been submitted by funded projects from throughout the country. In FY 2007, the Agency reported that its projects successfully secured and reported over \$1.2 Billion in contracts and \$575 Million in financial transactions. This success exceeded accomplishments of FY 2007 (\$1.2 Billion in contracts and \$407 Million in financial transactions). The trend appears to be a gradual one. It is one that slowly is taking the Agency beyond expectations. For 2008, contracts awarded to minority business clients who were assisted by MBDA funded projects reached a grand total of \$1.0 Billion. Slightly down from the previous year, but the total did remain at one

billion dollars. Financial transactions on the other hand jumped significantly higher than in prior years, **from \$575 Million to \$1.1 Billion**. This represents a 91% increase in financial transactions.

The percentage of SGI clients jumped from 32% in FY 2007 to **54% in FY 2008**. MBDA observed a significant increase in the number of SGI clients served by its funded centers. Data shows that this trend has been gradual. In FY 2005, the Percentage of SGI clients was 21%. It climbed to 23% in FY 2006 and then to 32% in FY 2007.

In FY 2005, the total M&TA service hours were reported at 42,665 hours. They then went up to 43,885 in FY 2006, but took a slight dip in FY 2007 when it was reported a 5% decrease had occurred, down

to 41,698 M&TA hours. Keeping a sharp eye on target goals was an activity that the Agency focused on in FY 2008. NECs, monitors, funded projects and most importantly, management keep an eagle eye on this activity. This focus paid off. In FY 2008 MBDA is proud to report that **72,437** hours were reported into the Performance Database. This is another significant accomplishment that was made possible by all involved. This was an increase of 74%.

Percent of Client Portfolio Made Up by SGI Clients						
FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
7%	7%	18%	21%	23%	32%	54%

Table 2: Summary of MBDA Funded Projects and Agency Staff Business Development Services in FY 2008 With Return on Investment (ROI)

MBDA Organizations	MBECs	NABECs	MBOCs	Total Projects Funded in FY 2008	Total NEC Project and Staff Expenditures in FY 2008	Dollars in Transactions Obtained (rounded)	Return on Investment by Each NEC and Agency
Atlanta NEC*	6	0	2	8	\$2,431,582	\$213.2M	\$89
Chicago NEC*	4	0	3	7	\$2,467,519	\$170.3M	\$68
Dallas NEC *	6	3	1	10	\$3,638,965	\$462.0M	\$128
New York NEC*	7	0	1	8	\$3,694,963	\$838.8M	\$227
San Francisco NEC*	7	3	1	11	\$4,148,615	\$417.4M	\$102
Sub-Totals	30	6	8	44	\$16,381,644	\$2.102B	\$128
Headquarters Staff	N/A	N/A	N/A	N/A	\$12,241,356	\$21.0M	\$172
Totals	30	6	8	44	\$28,623,000	\$2.123B	\$74

Rounding of numbers moved numbers slightly.

* Includes NEC Staff Activity.

- Total Dollars in Transactions and the ROI include those obtained by headquarters staff.
- The Agency ROI is based on the Agency Budget appropriation of \$28.6M for FY 2008. Total MBDA employees were under one hundred on-board in 2008. NEC staff totals include employees located in Regional Enterprise Centers (RECs). A total of 44 projects were funded during the year. The NEC ROIs are based on total project funding and regional staff salaries and expenses. The Atlanta NEC was successful in assisting firms in the Gulf Coast region, especially in Alabama and Mississippi; as was the Dallas NEC, who assisted Louisiana.

Table 3: Awarded Transactions by Client Annual Gross Receipts as Reported by MBECs, NABECs and MBOCs in FY 2008

Total SGI and Non-SGI Clients Assisted	Number of Contract Transactions	Value of Contract Transactions	Number of Financial Transactions	Value of Financial Transactions	Total Number of Transactions	Total Dollar Value of Transactions
SGI Clients (\$500K and Over)	987 (84%)	\$862.2M (88.7%)	302 (57%)	\$888.2M (83.6%)	1,289 (76%)	\$1.751B (86.0%)
Non-SGI Clients (Under \$500K)	185 (16%)	\$110.3M (11.3%)	227 (43%)	\$173.8M (16.4%)	412 (24%)	\$284.1M (14.0%)
Client Receipts Not Reported	0 (0%)	\$0.0M (0.0%)	0 (0%)	\$0.0M (0.0%)	0 (0%)	\$0.0M (0.0%)
Total Identified	1,172	\$972.5M (100.0%)	529	\$1.062B (100.0%)	1,701	\$2.035B (100.0%)

MBDA's initiative to target and service more SGI firms was successfully executed. A total of 987 contract transactions were contract transactions awarded to SGI firms. They also received 88.7% or \$862.2 Million of the total value of contract transactions. The same holds true for the total number of financial transactions. SGI firms

secured 57% of the total number of financial transactions secured as opposed to 43% of the total which were awarded to non-SGI firms. SGI firms were awarded 83.6% of the total value (\$888.2 Million) of financial awards.

Table 4: Number and Percentages of Minority Firms Assisted by Ethnic Category with Annual Receipts Range Reported by MBEC and NABEC Projects in FY 2008

Ethnic Group	\$0	\$1 to \$299,999	\$300,000 to \$499,999	\$500,000 to \$999,999	\$1,000,000 and Greater	Total SGI Clients (Columns 4+5)	Total Clients with Reported Annual Receipts (Columns 1-5)
	(Non-SGI)			(SGI)			
	1	2	3	4	5	6	7
African American	261	735	153	402	746	1,148	2,297
Asian American	43	66	11	45	98	143	263
Asian Indian	13	30	10	25	128	153	206
Asian Pacific Islander	28	53	17	37	104	141	239
Hasidic Jew	24	17	3	19	58	77	121
Hispanic American	142	238	81	173	525	698	1,159
Puerto Rican	39	17	18	57	70	127	201
Aleuts	1	1	1	0	0	0	3
Eskimo	1	3	0	1	1	2	6
Native American	111	129	22	51	158	209	471
Other Minority	10	34	10	20	24	44	98
Totals by Gross Receipt Range	673	1,323	326	830	1,912	2,742	5,064

A greater number (1,912) of SGI clients with gross receipts of over \$1 Million dollars were assisted in FY 2008. Clients with gross receipts between \$500,000 and above totaled 2,742 or 54% of the total clients assisted. Less than 13% reported no gross receipts, while 1,323 or 26% assisted reported having gross receipts of \$1 to \$299,999. More African American clients (45%) and Hispanic American clients, including Puerto Rican clients, (27%) were the largest ethnic groups of MBEs assisted.

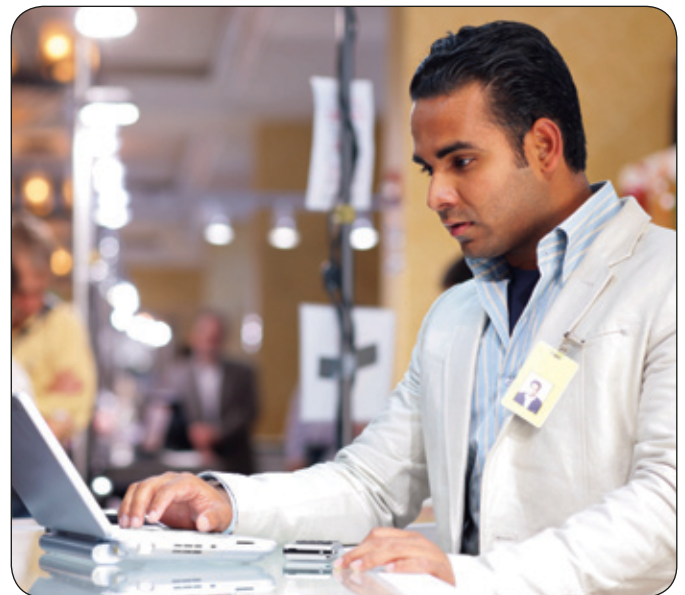


Table 5: Client Assistance by Minority Category in FY 2008 for MBEC and NABEC Program

Client Category	No. of Clients & Percentage	Hours of M&TA	No. of Contracts Secured	Dollar Value of Contracts	No. of Financial Transactions	Dollar Value of Financials	Total Value of Transactions
African American	2,297 (45%)	34,844 (48%)	405	\$512.5M (52.7%)	250	\$145.7M (13.7%)	\$658.2M
Asian American	263 (5%)	3,504 (5%)	61	\$35.1M (3.6%)	20	\$9.2M (0.9%)	\$44.3M
Asian Indian American	206 (4%)	2,776 (4%)	22	\$17.5M (1.8%)	17	\$29.6M (2.8%)	\$47.1M
Asian Pacific American	239 (5%)	3,070 (4%)	32	\$34.2M (3.5%)	14	\$17.2M (1.6%)	\$51.4M
Hispanic American	1,159 (23%)	13,132 (18%)	196	\$204.7M (21.1%)	149	\$293.3M (27.6%)	\$498.0M
Puerto Rican	201 (4%)	1,704 (2%)	252	\$61.5M (6.3%)	21	\$19.2M (1.8%)	\$80.7M
Aleuts	3 (0%)	7 (0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Eskimo	6 (0%)	134 (0%)	0	\$0.0M (0.0%)	3	\$5.3M (0.5%)	\$5.3M
Native American	471 (9%)	7,945 (11%)	128	\$93.2M (9.6%)	23	\$54.9M (5.2%)	\$148.1M
Other Minority	98 (2%)	1,464 (2%)	57	\$6.3M (0.6%)	20	\$480.2M (45.2%)	\$486.5M
Hasidic Jew	121 (2%)	3,857 (5%)	19	\$7.4M (0.8%)	12	\$7.3M (0.7%)	\$14.7M
Total Identified in Performance System	5,064	72,437	1,172	\$972.4M	529	\$1.062B	\$2.034B

Hispanic Americans, combined with Puerto Ricans, received a total of 448 contracts; while African Americans received 405. The largest ethnic group receiving the largest number of hours of management and technical assistance was the African American group, 34,844 or 48%. This same ethnic group also received the largest dollar value (\$512.5 Million or 52.7%) in contracts. This ethnic group was followed by the Hispanic Americans. The dollar value of contracts

this group received was \$204.7 Million. Client category “Other Minority” received the largest dollar value (\$480.2 Million) in financial transactions. This was followed by Hispanic Americans (\$293.3 Million) and then by African Americans (\$145.7 Million). In summary, African American clients received closed transactions totaling \$658.2 Million; followed by Hispanic Americans at \$498.0M.

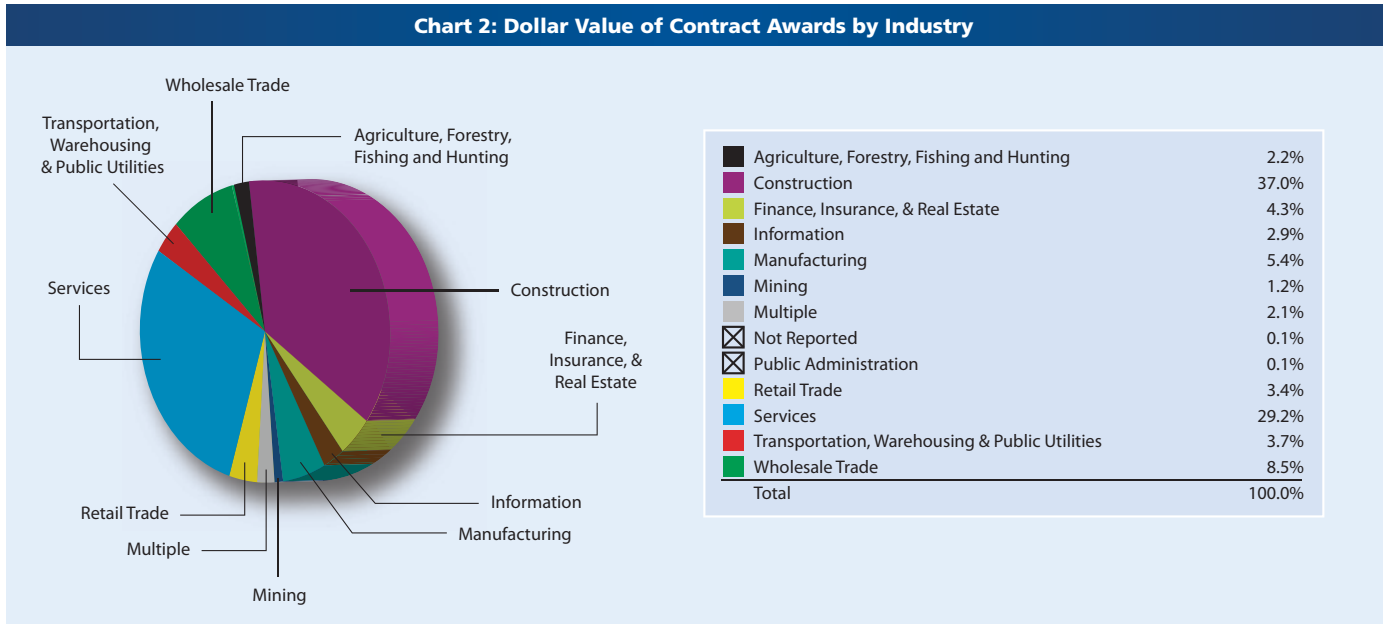
Table 6: MBE Firms Receiving Services by Industry Classification in FY 2008, as reported by MBECs, NABECs and MBOCs

Industry	Distribution by %
Services	37%
Firms with Multiple Industry Classifications	2%
Construction	19%
Manufacturing	11%
Finance, Insurance, Real Estate, Information, and Public Administration	7%
Retail Trade	7%
Wholesale Trade	8%
Transportation, Warehousing and Public Utilities	4%
Agriculture, Forestry, Fishing and Hunting	2%
Mining	3%
Client Industry not reported by Projects	1%
Total	101%

Percentages were rounded to the next whole number.

Of the MBEs receiving services during FY 2008, the largest percentage (37%) fell into industry classification “Services”. The percentage then fell to 19% in Construction and 11% in Manufacturing. All other industry classifications were less than

10%. It can be concluded that 67% of the MBEs assisted by MBDA funded projects were found in these three industry classifications – Services, Construction and Manufacturing.



The dollar value of contracts awarded by industry clearly shows that Construction and Services were the largest industries awarding contracts to MBEs serviced by MBDA funded projects.

Table 7: MBE Firms Obtaining Contract Awards by Industry Classification as Reported by MBECs, NABECs and MBOCs in FY 2008

MBE Firms by Industry	Number of Awards	Value of Contracts
Construction Firms	420	\$360.3M
Firms with Multiple Industry Classifications	23	\$20.5M
Services Firms	231	\$283.9M
Wholesale Trade	55	\$82.5M
Manufacturing Firms	298	\$52.4M
Finance, Information, Insurance, Public Administration	35	\$70.3M
Client Industry Not Identified by Projects	2	\$0.8M
Transportation, Warehousing & Public Utilities	44	\$36.3M
Retail Trade	35	\$33.1M
Mining	17	\$11.5M
Agriculture, Forestry, Fishing & Hunting	12	\$20.9M
Total	1,172	\$972.5M

A total of 1,172 awards were made to MBE firms by various industries totaling \$972.5M. The lead industry category was Construction. A total of 420 contracts, totaling \$360.3M, were awarded during FY 2008. Industry category Manufacturing followed with 298

awards and Services with 231 awards. Services category placed second with the value of contracts at \$283.9M; while Manufacturing Firms received \$52.4M in closed transactions.

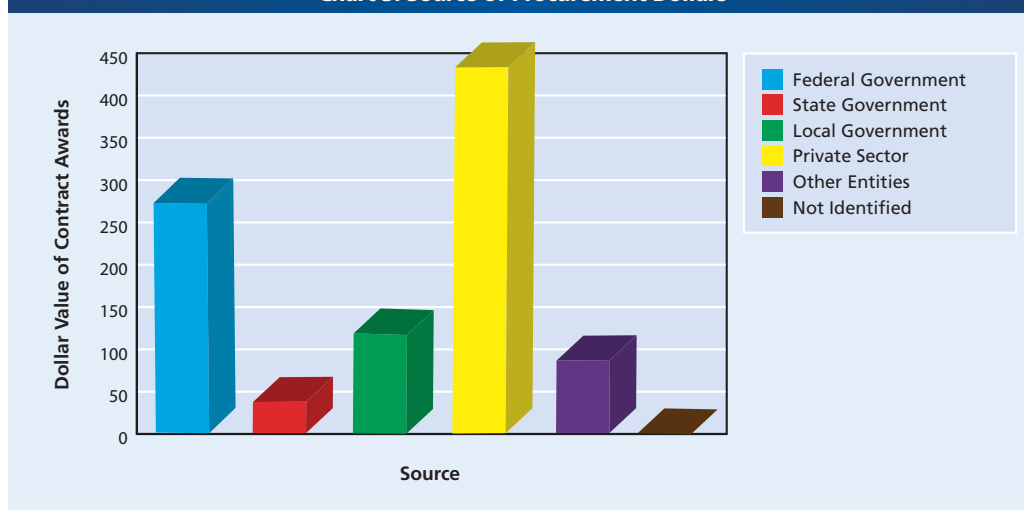
Table 8: Contract Awards Obtained from Award Sources as Reported by MBECs, NABECs and MBOCs in FY 2008 (Comparison between FY 2007 and FY 2008)

Source of Contract Awards	Number of Actual Contracts			Dollar Value of Contracts			Average Dollar Value of Contracts		
	FY 2008	FY 2007	Percentage Change	FY 2008	FY 2007	Percentage Change	FY 2008	FY 2007	Percentage Change
Federal Government	208 (17.7%)	196 (27.3%)	+6%	\$279.5M (28.7%)	\$268.2M (24.4%)	+10%	\$1.3M	\$1.3M	0%
State Government	72 (6.1%)	75 (10.4%)	-4%	\$37.6M (3.9%)	\$48.1M (4.4%)	-22%	\$0.5M	\$0.6M	-17%
Local Government	268 (22.9%)	105 (14.6%)	+61%	\$121.1M (12.5%)	\$268.2M (24.4%)	-55%	\$0.5M	\$2.6M	-81%
Private Sector	503 (42.9%)	267 (37.2%)	+88%	\$446.0M (45.9%)	\$401.1M (36.5%)	+11%	\$0.9M	\$1.5M	-81%
Other Entities	121 (10.3%)	75 (10.5%)	+61%	\$88.3M (9.1%)	\$112.4M (10.2%)	-21%	\$0.7M	\$1.5M	-53%
Not Identified	0 (0.0%)	0 (0.0%)	0%	\$0.0M (0.0%)	\$0.0M (0.0%)	0%	\$0.0M	\$0.0M	0%
Total Contract Summary	1,172	718	+63%	\$972.5M	\$1.0B	-3%	\$0.7M	\$1.3M	-46%

There was a significant growth in the number of contracts secured between FY2006 and FY2007 (63%). Most of the growth took place in the Private Sector (88%). This was followed by Local Government at 61% and Other Entities, also at 61%. State Government did have a slight drop during this same time (-4%). The value of contracts awarded by the Private Sector grew by 11%

between the two fiscal years, as did the value of contracts awarded by the Federal Government. The dollar value of Private Sector contracts was \$447 Million, while the value of the Federal Government awards was \$280 Million. There was a 55% drop in the value of Local Government awards.

Chart 3: Source of Procurement Dollars



Procurement dollars awarded to MBEs serviced by MBDA funded projects came largely from the Private Sector, followed by the Federal Government. Note that State Government procurement dollars fell at the bottom of the chart above. Why are less procurement dollars

from State Governments being awarded to MBEs? This is a question that merits further research by the MBDA's Office of Business Development. Can more be done between funded projects and states or between MBDA and states?

Table 9: Financial Awards Obtained by Source in FY 2008 as Reported by MBEC, NABEC and MBOC Projects

NEC	Federal Government		State Government		Local Government		Private Sector		Other Entities		Total Awards Dollars	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Atlanta	1	\$0.1M	4	\$0.1M	8	\$0.6M	78	\$63.5M	18	\$8.4M	109	\$72.7M
Chicago	0	\$0.0M	1	\$0.1M	2	\$0.3M	31	\$29.9M	2	\$0.1M	36	\$30.4M
Dallas	12	\$18.2M	0	\$0.0M	0	\$0.0M	167	\$228.9M	8	\$6.0M	187	\$253.1M
New York	13	\$3.2M	0	\$0.0M	12	\$6.6M	63	\$99.9M	8	\$465.0M	96	\$574.7M
San Francisco	13	\$2.0M	2	\$5.6M	0	\$0.0M	82	\$122.3M	3	\$0.7M	100	\$130.6M
National Totals	39	\$23.5M	7	\$5.8M	22	\$7.5M	421	\$544.5M	39	\$480.2M	528	\$1.062B

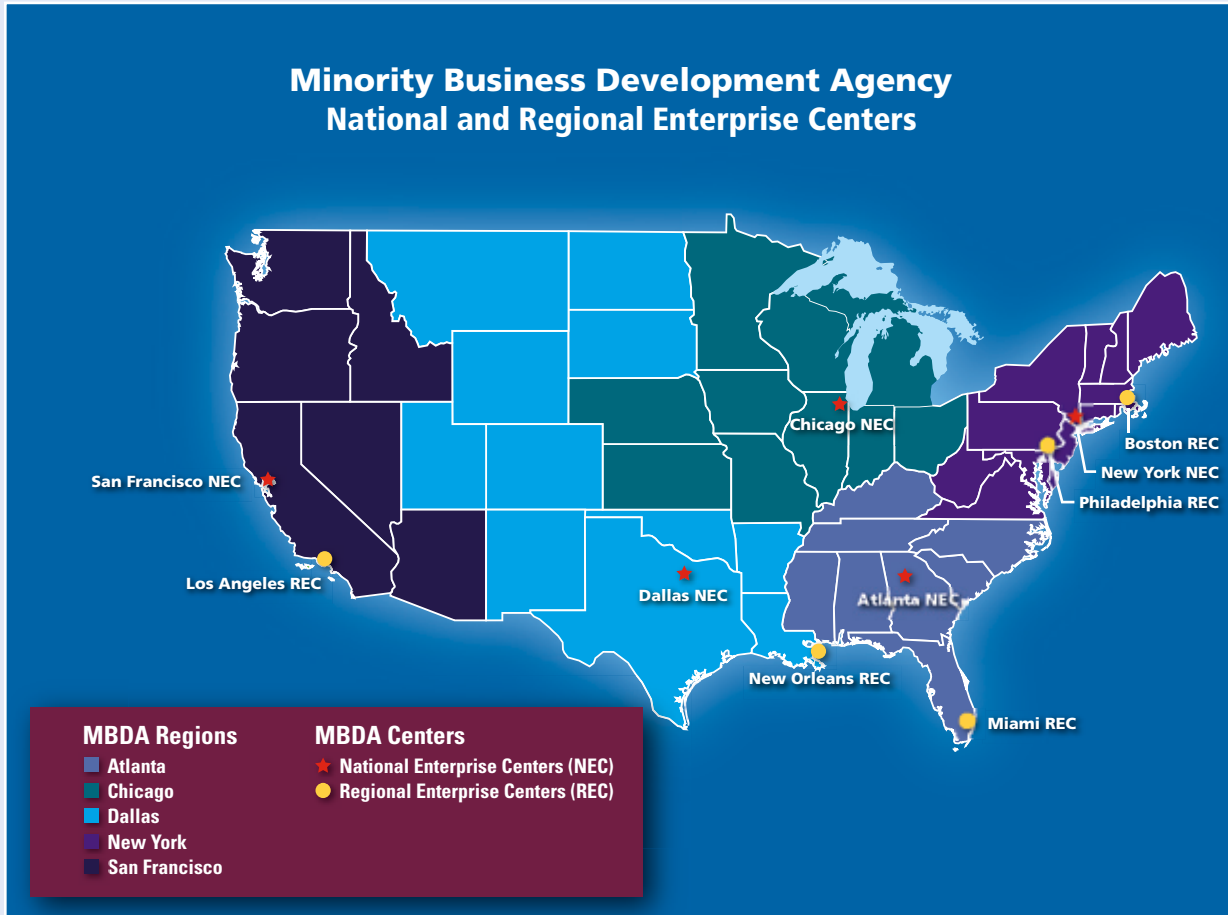
This was a record breaking fiscal year for MBDA. Financial awards for minority business entrepreneurs exceeded over one Billion dollars, as 528 transactions were awarded. This fiscal year 421 transactions, totaling \$544.5M, were secured from the private sector. Other Entities followed, where only 39 transactions were secured for a record dollar value of \$480.2M. MBEs relied less on government (local, state, or federal) to access their financial business needs.

The Dallas NEC funded projects secured the most financial transactions (187) totaling \$253.1M, but the New York NEC funded projects secured 96 transactions totaling \$574.7M. The New York NEC secured one transaction valued at \$450M. This one transaction boosted not only the NEC’s accomplishments, but it helped to take MBDA over the one Billion dollar threshold.

Question arises as to whether more should be done to increase the number of transactions from the Public Sector or whether a more concentrated effort, by MBDA funded projects, should take a more active role of networking with the private sector and other entities? Does one sector require more paperwork when borrowing funds than another, or is one sector more reliable for MBEs? These questions merit further discussion prior to the re-design of any MBDA program.



Map 1: MBDA Nationwide Network in FY 2008



MBDA currently has 5 National Enterprise Centers (Regions) as identified above and 6 Regional Enterprise Centers (District/Area offices). The Agency funds between 41 to 47 projects (MBECs, NABECs, and MBOCs) throughout the country. This network represents the front lines of Agency services and implements strategic initiatives to meet objectives and performance results. The Agency federal staff contributes consulting and referral services; identifies new resources; establishes partnerships; and markets new opportunities that can lead to transaction awards for clients.

Atlanta National Enterprise Center

Table 10: Atlanta National Enterprise Center Performance in FY 2008

Atlanta National Enterprise Center Performance	MBEC/ NABEC FY 2008 Targets	MBEC/ NABEC Accomplishments (% Goal)	MBOC FY 2008 Targets	MBOC Accomplishments (% Goal)	Staff FY 2008 Targets	Staff Activity (% Goal)	FY 2008 Performance Totals (% Goal)
Dollar Value of Contracts*	\$97.9M	\$97.6M (69%)	\$103.0M	\$42.9M (31%)	N/A	N/A	\$140.5M (66%)
Dollar Value of Financials	\$63.4M	\$43.7M (60%)	\$32.1M	\$29.0M (40%)	N/A	N/A	\$72.7M (34%)
Total Transaction Dollars*	\$161.3M	\$141.2M (66%)	\$135.1M	\$71.8M (34%)	N/A	N/A	\$213.2M
Number of Clients	745	629	187	N/A	N/A	N/A	629 (316%)
Jobs Created*	511	1,967	N/A	N/A	N/A	N/A	1,967
Regional Efficiency Measure Return on Investment (ROI)	\$86	\$58	N/A	\$30	N/A	N/A	\$89**
Number of Contracts	N/A	111	N/A	16	N/A	N/A	127
Number of Financials	N/A	108	N/A	1	N/A	N/A	109
Total Number of Transactions	N/A	219	N/A	17	N/A	N/A	236

N/A indicates that targets and data are not available.

*Indicates National Performance Goals.

**Total ROI includes NEC and project expenditures.

The MBEC funded projects delivered 66% of the total dollar value of closed transactions, while assisting 629 clients.

Table 11: Atlanta National Enterprise Center Transactions Obtained by Size of Firms as Reported by MBECs, NABECs and MBOCs in FY 2008

Atlanta Clients	Number of Contracts	Value of Contracts	Number of Financials	Value of Financials	Total Dollars in Transactions
SIGI Clients (\$500K and Over)	88 (69%)	\$134.0M (95%)	94 (86%)	\$40.6M (56%)	\$174.6M (82%)
Non-SIGI Clients (Under \$500K)	39 (31%)	\$6.5M (5%)	15 (14%)	\$32.0M (44%)	\$38.5M (18%)
Client Receipts Not Reported	0	\$0.0M	0	\$0.0M	\$0.0M
Total Identified	127	\$140.5M (66%)	109	\$72.7M (34%)	\$213.2M

Atlanta SGI clients contributed 82% to NEC transaction dollars. The average size SGI contract was \$1.52 Million, while the average non-SGI contract award was \$166 Thousand. This statement does not consider MBOC and ANEC Staff Awarded Transactions. The average financial transaction was \$432K for SGI clients. Non-SGI clients averaged \$2.13M, as the average. It can be safely concluded that non-SGI clients had a need for larger financial transaction than did SGI clients.

The average number of M&TA hours rendered to the 1,025 was 14 hours each. More contracts (91) were secured for African American clients at a total dollar value of \$114.1M. The 11.7% noted above represents the percentage that was rendered when compared with all national dollar values of contracts for the Atlanta NEC. African American MBEs were the predominant minority group that was assisted in this region. All other minority groups fell well below two percent. MBDA management should closely review this trend to determine if resources are being directed in a diversified manner or whether it is best to drop an effort to assist other minority groups. Concentrating in serving one minority group may deliver even greater return on the agency's investment.

Table 12: Atlanta NEC Client Services by Minority Group as Reported by MBECs and NABECs in FY 2008

Client Category	No. of Clients	Hours of M&TA	No. of Contracts Secured	Dollar Value of Contracts	No. of Financial Transactions	Dollar Value of Financials	Total Value of Transactions
African American	633	10,549 (15%)	91	\$114.1M (11.7%)	73	\$65.8M (6.2%)	\$179.9M
Asian American	5	70 (0%)	0	\$0.0M (0.0%)	1	\$0.3M (0.0%)	\$0.3M
Asian Indian American	37	195 (0%)	2	\$0.5M (0.1%)	0	\$0.0M (0.0%)	\$0.5M
Asian Pacific American	30	265 (0%)	2	\$1.6M (0.2%)	0	\$0.0M (0.0%)	\$1.6M
Hispanic American	225	1,693 (2%)	17	\$15.8M (1.6%)	34	\$6.6M (0.6%)	\$22.4M
Puerto Rican	4	23 (0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Aleuts	—	—	—	—	—	—	—
Eskimo	1	24 (0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Native American	83	1,620 (2%)	14	\$8.3M (0.9%)	0	\$0.0M (0.0%)	\$8.3M
Other Minority	5	45 (0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Hasidic Jew	2	5 (0%)	0	\$0.0M (0.0%)	2	\$0.0M (0.0%)	\$0.0M
Total Identified in Performance System	1,025	14,488	126	\$140.3M	110	\$72.7M	\$213.0M

The sector that assisted MBEs to secure over \$63.5 Million in financial transaction was from the Private Sector. This represents six percent of the total financial transactions that were secured across the country. Little was done to tap federal, state or local government lending programs. Was it because there were no such programs, or was it because there is a lack of knowledge or a lack of networking with these entities? A total of \$72.7 Million was secured in financial transactions in the Atlanta NEC for 109 MBEs. This averaged about \$667 thousand dollars per transaction.

A total of \$128.7M was secured in contracts for 108 MBEs. This represents an average of \$1.2M per contract. The Federal Government and the Private Sector were the lead sources for these contracts.

Table 13: Atlanta NEC Financing Obtained by Source in FY 2008

Source	Number of Financial Transactions	Dollar Value of Financials	Average Dollar Value
Federal Government	1	\$0.1M (0.0%)	\$0.1M
State Government	4	\$0.1M (0.0%)	\$0.1M
Local Government	8	\$0.6M (0.1%)	\$0.1M
Private Sector	78	\$63.5M (6.0%)	\$0.8M
Other Entities	18	\$8.4M (0.8%)	\$0.5M
Not Identified	—	—	—
TOTAL	109	\$72.7M	\$667K

Table 14: Atlanta NEC Contracts Obtained by Source in FY 2008

Source	Number of Contracts	Dollar Value of Contracts	Average Dollar Value
Federal Government	23	\$60.9M (6.3%)	\$2.6M
State Government	7	\$8.7M (0.9%)	\$1.2M
Local Government	11	\$2.1M (0.2%)	\$0.2M
Private Sector	67	\$57.0M (5.9%)	\$0.9M
Other Entities	—	—	—
Not Identified	—	—	—
TOTAL	108	\$128.7M	\$1.2M

Atlanta Funded Centers

This Center completed its second calendar year of operation. It was initiated as a result of the Hurricane Katrina disaster. MBDA continued to be fully committed to provide support for displaced MBEs that were affected by this Gulf Coast disaster. The Alabama MBEC gained significant momentum and support from the Mobile Area Chamber of Commerce and business community. A total of 119 clients received business assistance. A total of 106 jobs were created and the Center generated more than \$14M in awarded transactions.

The Georgia Statewide MBEC continued to excel in productivity in FY 2008. It helped to create 1,356 jobs far exceeding its annual performance goal of 115 jobs by nearly 1200%. The Center generated nearly \$43.1M in awarded contracts and nearly \$9M in financial awards to assist minority business enterprises. Demonstrating its power of collaboration with other MBDA funded centers and key/strategic partners resulted in a very success year end performance for the Center. It had a great year, in that it yielded a high return on investment for MBDA and is postured to demonstrate the same level of performance in the coming year.

The Miami/Ft. Lauderdale MBEC demonstrated consistent leadership in reaching its awarded transactions and job creation goals. The Center helped to create 207 jobs out of 126 projected and assisted 144 new clients out of a projected 94. The project achieved 153% of its goal in the area of jobs created. The project secured contract awards totaling \$9.7M and financial transactions totaling close to \$11M. For the past two calendar years, the Miami MBEC has exceeded 100% of its performance goals.

Table 15: Alabama Statewide MBEC FY 2008

Alabama Statewide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$5.1M	\$9.3M
Dollar Value of Financial Transactions	\$3.5M	\$4.7M
Total Dollars Values Awarded	\$8.6M	\$14.0M
Number of Contracts Awarded	N/A	13
Number of Financial Transactions	N/A	8
Total Number of Transactions	N/A	21
Number of Jobs Created	25	106 (424%)
Number of New Clients	40	119

Table 16: Georgia Statewide MBEC FY 2008

Georgia Statewide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$17.1M	\$43.1M (251%)
Dollar Value of Financial Transactions	\$11.4M	\$8.9M
Total Dollars Values Awarded	\$28.6M	\$51.9M (99%)
Number of Contracts Awarded	N/A	19
Number of Financial Transactions	N/A	8
Total Number of Transactions	N/A	27
Number of Jobs Created	115	1,356 (1,179%)
Number of New Clients	98	97 (99%)

Table 17: Miami/Ft. Lauderdale MBEC FY 2008

Miami/Ft. Lauderdale MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$8.9M	\$9.7M (109%)
Dollar Value of Financial Transactions	\$5.9M	\$10.6M (180%)
Total Dollars Values Awarded	\$14.8M	\$20.3M (137%)
Number of Contracts Awarded	N/A	4
Number of Financial Transactions	N/A	5
Total Number of Transactions	N/A	9
Number of Jobs Created	126	207 (164%)
Number of New Clients	197	144 (73%)

This project was another of MBDA's commitment to assist Katrina disaster MBEs. This Gulf Coast project gained significant momentum and support from the state of Mississippi and other key stakeholders in the Gulf Coast Region. The Center generated \$9.7M in procurements and \$7.6M in financial transactions. The Center strengthened its partnerships and postured itself as an invaluable resource to the minority business community and businesses that were displaced by Hurricanes Katrina and Rita.

This Center was a newly funded MBDA Native American Business Enterprise Center that was in its first year of operation in a remote region of North Carolina. This location presented the Center with a challenge in identifying clients to help meet its performance goals. Furthermore, this Center experienced several changes with its staffing. Its initial Operator and Project Director also presented a serious challenge to its operations. Unfortunately, the Center could not sustain its operation and closed its doors at the end of July 2008.

This Center assisted its clients with the creation of 73 jobs during Fiscal Year 2008. It secured \$8.1M in contract awards and \$12.7M in financial awards. The project did report that 115 new clients were assisted. The North Carolina MBEC continues to leverage relationships with its key and strategic partners to meet its annual performance goals. They had a total of 19 strategic partners against a goal of 5.

Table 18: Mississippi MBEC FY 2008

Mississippi MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$16.7M	\$9.7M (58%)
Dollar Value of Financial Transactions	\$10.1M	\$7.6M (75%)
Total Dollars Values Awarded	\$26.8M	\$17.3M (64%)
Number of Contracts Awarded	N/A	15
Number of Financial Transactions	N/A	5
Total Number of Transactions	N/A	20
Number of Jobs Created	58	11 (19%)
Number of New Clients	13	40 (35%)

Table 19: North Carolina NABEC FY 2008

North Carolina NABEC	NABEC Targets	NABEC Accomplishments
Dollar Value of Contracts Awarded	\$5.8M	\$0.1M (1%)
Dollar Value of Financial Transactions	\$4.0M	\$0.0M (0%)
Total Dollars Values Awarded	\$9.8M	\$0.1M (1%)
Number of Contracts Awarded	N/A	10
Number of Financial Transactions	N/A	N/A
Total Number of Transactions	N/A	10
Number of Jobs Created	45	N/A
Number of New Clients	105	43 (41%)

Table 20: North Carolina Statewide MBEC FY 2008

North Carolina Statewide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$19.4M	\$8.1M (42%)
Dollar Value of Financial Transactions	\$11.9M	\$12.7M (107%)
Total Dollars Values Awarded	\$31.3M	\$20.8M (66%)
Number of Contracts Awarded	N/A	11
Number of Financial Transactions	N/A	3
Total Number of Transactions	N/A	14
Number of Jobs Created	95	84 (88%)
Number of New Clients	101	115 (114%)

This project continued to track the number of jobs created a lot closer than many other projects. It was able to create 214 jobs (455%) out of a projected goal of 47. While this project experienced a decrease in the number of clients served as compared to this same period from the previous year, the quality of clients served was overall larger in scale, scope and capacity. The total dollar value of awarded transactions secured by this project in FY 2008 was \$13M and financial transactions totaled roughly \$3.8M.

This Alabama MBOC was successful identifying clients who could leverage past relationships to secure procurement opportunities in the private sector. The MBOC exceeded its goals again for the second consecutive year in dollar value of contracts awarded (\$29.3M), as well as number of clients served and strategic partners. The Center was challenged with meeting its goal in the area of financial transactions as in the past two years. In light of the current financial crisis facing many firms in FY 2008, the Center will continue to pursue opportunities to secure traditional and non-traditional financing alternatives for its clients.

The Florida MBOC continued to identify and serve a targeted group of high growth Strategic Growth Initiative firms. The Center aggressively and actively identified procurement opportunities which its clients successfully secured. The Center generated \$13M procurements and nearly \$29M in financial awards for its clients. It continued to demonstrate how effective outreach to private and public sector partners can result in significant growth trajectory for SGI firms. The Center continued to channel its clients to the MBDA Phoenix Opportunity database and leverages its strategic partnerships to expand the growth and capacity of minority business enterprises throughout the state of Florida.

Table 21: South Carolina Statewide MBEC FY 2008

South Carolina Statewide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$12.1M	\$13.0M (107%)
Dollar Value of Financial Transactions	\$8.1M	\$3.8M (47%)
Total Dollars Values Awarded	\$20.2M	\$16.8M (83%)
Number of Contracts Awarded	N/A	27
Number of Financial Transactions	N/A	23
Total Number of Transactions	N/A	50
Number of Jobs Created	47	214 (455%)
Number of New Clients	91	71 (78%)

Table 22: Alabama MBOC FY 2008

Alabama MBOC	MBOC Targets	MBOC Accomplishments
Dollar Value of Contracts Awarded	\$37.0M	\$29.2M (79%)
Dollar Value of Financial Transactions	\$11.6M	\$0 (0%)
Total Dollars Values Awarded	\$48.6M	\$29.3M (60%)
Number of Contracts Awarded	N/A	11
Number of Financial Transactions	N/A	N/A
Total Number of Transactions	N/A	11
Number of New Clients	36	N/A

Table 23: Florida MBOC FY 2008

Florida MBOC	MBOC Targets	MBOC Accomplishments
Dollar Value of Contracts Awarded	\$66.0M	\$13.6M (21%)
Dollar Value of Financial Transactions	\$20.5M	\$29.0M (141%)
Total Dollars Values Awarded	\$86.5M	\$42.6M (49%)
Number of Contracts Awarded	N/A	5
Number of Financial Transactions	N/A	1
Total Number of Transactions	N/A	6
Number of New Clients	151	N/A

Chicago National Enterprise Center

Table 24: Chicago National Enterprise Center Performance in FY 2008

Chicago National Enterprise Center Performance	MBEC/ NABEC FY 2008 Targets	MBEC/ NABEC Accomplishments (% Goal)	MBOC FY 2008 Targets	MBOC Accomplishments (% Goal)	Staff FY 2008 Targets	Staff Activity (% Goal)	FY 2008 Performance Totals (% Goal)
Dollar Value of Contracts	\$97.9M	\$76.1M (72%)	\$103.0M	\$55.7M (98%)	N/A	N/A	\$131.8M (77%)
Dollar Value of Financials	\$63.4M	\$29.1M (28%)	\$32.1M	\$1.2M (2%)	N/A	\$8.2M (100%)	\$39.3M (23%)
Total Transaction Dollars	\$161.3M	\$105.2M (62%)	\$135.M	\$56.9M (33%)	N/A	\$8.2M (6%)	\$170.3M
Number of Clients	745	630	187	N/A	N/A	N/A	630
Jobs Created	511	797	55	N/A	N/A	N/A	797 (302%)
Regional Efficiency Measure Return on Investment (ROI)	N/A	N/A	N/A	N/A	N/A	N/A	\$68.1
Number of Contracts	N/A	101 (86%)	57	15 (13%)	N/A	0 (0%)	116
Number of Financials	N/A	33 (86%)	N/A	3 (8%)	N/A	2 (6%)	38
Total Number of Transactions	N/A	134	57	18	N/A	2	154

The ROI includes staff activity.

The MBEC/NABEC funded projects in the Chicago NEC secured 59% of the total dollar value of contracts and 74% of the financial transaction during FY 2008. A total of \$170.3M was secured by funded projects and NEC staff in FY 2008.

Table 25: Chicago National Enterprise Center Transactions Obtained by Size of Firms as Reported by MBECs, NABECs and MBOCs in FY 2008

Chicago Clients	Number of Contracts	Value of Contracts	Number of Financials	Value of Financials	Total Dollars in Transactions
S/GI Clients (\$500K and Over)	60 (52%)	\$115.8M (88%)	22 (61%)	\$27.1M (89%)	\$143.0M (88%)
Non-S/GI Clients (Under \$500K)	56 (48%)	\$15.9M (12%)	14 (39%)	\$3.2M (11%)	\$19.2M (12%)
Client Receipts Not Reported	0	\$0.0M	0	\$0.0M	\$0.0M
Total Identified	116	\$131.8M (81%)	36	\$30.3M (19%)	\$162.1M

A total of 116 contracts were secured by projects funded in the Chicago NEC, totaling \$132M, while 36 financial transactions were secured, totaling \$275M. Clients were evenly distributed between

those who's gross receipts were over \$550K and those who were under \$500K. Note that these figures reference only MBECs, NABECs and MBOCs. Staff activity is not included.

Table 26: Chicago NEC Client Services by Minority Group as Reported by MBEs and NABECs in FY 2008

Client Category	No. of Clients	Hours of M&TA	No. of Contracts Secured	Dollar Value of Contracts	No. of Financial Transactions	Dollar Value of Financials	Total Value of Transactions
African American	435	6,393 (9%)	66	\$81.3M (8.4%)	20	\$11.7M (1.1%)	\$93.0M
Asian American	6	331 (0%)	1	\$0.4M (0.0%)	1	\$0.0M (0.0%)	\$0.5M
Asian Indian American	67	699 (1%)	3	\$7.6M (0.8%)	1	\$0.5M (0.0%)	\$8.1M
Asian Pacific American	44	532 (1%)	16	\$16.3M (1.7%)	2	\$3.7M (0.4%)	\$20.0M
Hispanic American	121	1,295 (2%)	20	\$26.6M (2.7%)	11	\$7.8M (0.7%)	\$34.4M
Puerto Rican	2	26 (0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Aleuts	—	—	—	—	—	—	—
Eskimo	—	—	—	—	—	—	—
Native American	46	744 (1%)	11	\$4.3M (0.4%)	2	\$10.1M (1.0%)	\$14.4M
Other Minority	4	19 (0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Hasidic Jew	—	—	—	—	—	—	—
Total Identified in Performance System	725	10,039	117	\$136.5M	37	\$33.9M	\$170.4M

Chicago NEC funded projects rendered 10,039 hours of M&TA to 725 clients. This averaged to about 14 hours per client. Of the 725 clients 435 were African American or 67%; while Hispanic American MBEs totaled 121 or 17%. This minority group received at total 1,295 hours of M&TA. Oddly enough another minority group rose to recognition. This is Asian Indian American group. They totaled 67 MBEs and were rendered a total of 699 hours of M&TA. Could this be the next up and coming minority group in the Chicago NEC or in the country? Further review of census data may reveal a sudden group pattern of this minority group. African American MBEs secured 20 financial transactions totaling \$11.7 Million. Hispanic American MBEs received the second largest number of dollars in the Chicago NEC, totaling \$34.4 Million.

The Private Sector once again awarded 31 out 36 financial transactions, totaling \$29.9 Million. Little activity was reported from the other sources.

Contracts reported by funded projects in the Chicago NEC were basically Secured from the Private Sector (82 contracts out 112 or 73%). These totaled \$92.4 Million.

Table 27: Chicago NEC Financing Obtained by Source in FY 2008

Source	Number of Financial Transactions	Dollar Value of Financials	Average Dollar Value
Federal Government	0	\$0.0M (0.0%)	\$0.0M
State Government	1	\$0.1M (0.0%)	\$0.1M
Local Government	2	\$0.3M (0.0%)	\$0.2M
Private Sector	31	\$29.9M (2.8%)	\$1.0M
Other Entities	2	\$0.1M (0.0%)	\$0.1M
Not Identified	—	—	—
TOTAL	36	\$30.4M	\$0.8M

Table 28: Chicago NEC Contracts Obtained by Source in FY 2008

Source	Number of Contracts	Dollar Value of Contracts	Average Dollar Value
Federal Government	15	\$4.5M (0.5%)	\$0.3M
State Government	4	\$3.5M (0.4%)	\$0.9M
Local Government	11	\$9.9M (1.0%)	\$0.9M
Private Sector	82	\$92.4M (9.5%)	\$1.1M
Other Entities	—	—	—
Not Identified	—	—	—
TOTAL	112	\$110.3M	\$985.0K

Chicago Funded Centers

The Chicago MBEC assisted with creating 57 new jobs during the award period. Thirteen contracts and thirteen financial transactions were secured. The total dollar value of contracts awarded exceeded \$26.8M, \$20.1M in contracts and \$6.7M in financial transactions. The Chicago MBEC staff has tremendous abilities with assisting clients with accessing capital. However, due to the economic downturn towards the end of the program year, the Chicago MBEC was not fully able to achieve their full potential.

During this program year, the Detroit MBEC has managed to completely turn their performance around from the past years performance. The Detroit MBEC achieved nearly \$40M in awarded transactions, \$26.3M in contract transactions and over \$13M in financial transactions. The success of this Center can be directly attributed to the hard work and dedication of the MBEC team. This success is especially meaningful given the rapidly deteriorating Michigan economy.

The Indianapolis MBEC reported assisting with 336 jobs during the award period. The Indianapolis MBEC achieved over \$20M in total awarded transactions, \$14.5M in contracts, and \$5.5M in financial transactions. The MBEC has capitalized on their very strong public sector relationships and has utilized many of their strategic partners to assist them with assisting their clients.

Table 29: Chicago MBEC FY 2008

Chicago MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$15.1M	\$20.1M (133%)
Dollar Value of Financial Transactions	\$10.1M	\$6.7M (67%)
Total Dollars Values Awarded	\$25.2M	\$26.8M (106%)
Number of Contracts Awarded	N/A	13
Number of Financial Transactions	N/A	13
Total Number of Transactions	N/A	26
Number of Jobs Created	58	57 (98%)
Number of New Clients	113	122 (108%)

Table 30: Detroit MBEC FY 2008

Detroit MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$20.8M	\$26.3M (126%)
Dollar Value of Financial Transactions	\$4.1M	\$13.1M (322%)
Total Dollars Values Awarded	\$24.9M	\$39.4M (159%)
Number of Contracts Awarded	N/A	44
Number of Financial Transactions	N/A	5
Total Number of Transactions	N/A	49
Number of Jobs Created	82	326 (398%)
Number of New Clients	146	328 (225%)

Table 31: Indianapolis MBEC FY 2008

Indianapolis MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$13.5M	\$14.5M (107%)
Dollar Value of Financial Transactions	\$9.0M	\$5.6M (62%)
Total Dollars Values Awarded	\$22.5M	\$20.1M (89%)
Number of Contracts Awarded	N/A	9
Number of Financial Transactions	N/A	7
Total Number of Transactions	N/A	16
Number of Jobs Created	52	336 (646%)
Number of New Clients	100	64 (64%)

While the St Louis MBEC has made vast improvements during their second year of the award period, they still are experiencing issues with achieving their mandated goals. They have achieved a total of \$13.5M in awarded transactions, \$ 9.9M in contracts and \$3.6M in financing. The dire economy hit the St. Louis area. Especially hard hit and greatly impacted were the opportunities for minority businesses.

Table 32: St. Louis MBEC FY 2008		
St. Louis MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$13.2M	\$3.6M (27%)
Dollar Value of Financial Transactions	\$8.8M	\$9.9M (113%)
Total Dollars Values Awarded	\$22.0M	\$13.5M (61%)
Number of Contracts Awarded	N/A	6
Number of Financial Transactions	N/A	7
Total Number of Transactions	N/A	13
Number of Jobs Created	50	78 (156%)
Number of New Clients	97	76 (78%)

The Minnesota/Iowa NABEC was only operational for a short period during the 2008 Fiscal year. During this period, they reported \$5.3M in contracts.

Table 33: Minnesota/Iowa NABEC FY 2008		
Minnesota/Iowa NABEC	NABEC Targets	NABEC Accomplishments
Dollar Value of Contracts Awarded	\$1.8M	\$5.3M (294%)
Dollar Value of Financial Transactions	\$1.2M	\$0.1M (8%)
Total Dollars Values Awarded	\$3.0M	\$5.4M (179%)
Number of Contracts Awarded	N/A	29
Number of Financial Transactions	N/A	1
Total Number of Transactions	N/A	30
Number of Jobs Created	22	N/A
Number of New Clients	50	40 (80%)

The Chicago MBOC project was not fully operational for the first two months it was awarded. This lapse caused the project to have a very slow start. In addition, the entire staff of the MBOC was brand new employees which led to a longer learning period to learn the project requirements. Historically, the Chicago MBOC has been a top performing Center and it is anticipated that the Center will end its program year strong.

Table 34: Chicago MBOC FY 2008		
Chicago MBOC	MBOC Targets	MBOC Accomplishments
Dollar Value of Contracts Awarded	\$108.0M	\$44.2M(41%)
Dollar Value of Financial Transactions	\$32.7M	\$1.1M(3%)
Total Dollars Values Awarded	\$140.7M	\$45.4M(32%)
Number of Contracts Awarded	N/A	14
Number of Financial Transactions	N/A	1
Total Number of Transactions	N/A	15
Number of New Clients	146	N/A

The Gary MBOC project was not operational for the first two months of the award period. In addition, staff changes also had a detrimental impact on the project. The economic crisis also disproportionately affected the Gary area, which in turn has slowed contract and financial opportunities available to MBEs.

The Wisconsin MBOC assisted with obtaining nearly \$12M in both contracts and financial transactions. This is the Wisconsin MBOC's first award period and due to a very dedicated Project Operator, it is off to a very impressive start. The Wisconsin MBOC has done a very good job of utilizing their strategic partners to bring opportunities to MBEs.

Table 35: Gary MBOC FY 2008

Gary MBOC	MBOC Targets	MBOC Accomplishments
Dollar Value of Contracts Awarded	\$39.2M	N/A
Dollar Value of Financial Transactions	\$12.M	N/A
Total Dollars Values Awarded	\$51.3	N/A
Number of Contracts Awarded	N/A	1
Number of Financial Transactions	N/A	N/A
Total Number of Transactions	N/A	1
Number of New Clients	49	N/A

Table 36: Wisconsin MBOC FY 2008

Wisconsin MBOC	MBOC Targets	MBOC Accomplishments
Dollar Value of Contracts Awarded	\$26.8M	\$11.5M (43%)
Dollar Value of Financial Transactions	\$5.7M	\$0.1M (2%)
Total Dollars Values Awarded	\$32.5M	\$11.6M (36%)
Number of Contracts Awarded	N/A	1
Number of Financial Transactions	N/A	1
Total Number of Transactions	N/A	2
Number of New Clients	45	N/A

Dallas National Enterprise Center

Table 37: Dallas National Enterprise Center Performance in FY 2008

Dallas National Enterprise Center Performance	MBEC/ NABEC FY 2008 Targets	MBEC/ NABEC Accomplishments (% Goal)	MBOC FY 2008 Targets	MBOC Accomplishments (% Goal)	Staff FY 2008 Targets	Staff Activity (% Goal)	FY 2008 Performance Totals (% Goal)
Dollar Value of Contracts	\$127.3M	\$157.1M (38%)	\$62.6M	\$39.4M (97%)	N/A	\$6.1M (52%)	\$202.6M (44%)
Dollar Value of Financials	\$92.7M	\$252.6M (62%)	\$26.1M	\$1.1M (3%)	N/A	\$5.7M (48%)	\$259.4M (56%)
Total Transaction Dollars	\$220.0M	\$409.7M (89%)	\$88.7M	\$40.5M (9%)	N/A	\$11.8M (2%)	\$462.0M
Number of Clients	1,402	798	81	N/A	N/A	8	806
Jobs Created	668	877	43	N/A	N/A	N/A	877
Regional Efficiency Measure Return on Investment (ROI)	N/A	\$187.51	N/A	\$156.77	N/A	N/A	\$128.33
Number of Contracts	N/A	143	N/A	41	N/A	7	191
Number of Financials	N/A	186	N/A	2	N/A	6	194
Total Number of Transactions	N/A	329	N/A	43	N/A	13	385

MBEC ROI - \$113.81; NABEC ROI - \$11.25; DNEC Staff ROI - \$3.28

The Dallas NEC’s funded BEC projects secured more \$252.6M or 62% of the total value of secured transaction dollars.

- DNEC has a high ROI due to the significantly high performance in the dollars of Financials. The MBEC Program had the highest ROI (\$113.81) of the three DNEC funded programs.

- Financial transactions accounted for 56% of all transactions, even though the financial industry was hit very hard by the economic recession.
- SGI Clients accounted for 68% of Total Transactions.
- DNEC Staff contributed \$11.8 million to the Agency’s Performance.

Table 38: Dallas National Enterprise Center Transactions Obtained by Size of Firms as Reported by MBECs, NABECs and MBOCs in FY 2008

Dallas Clients	Number of Contracts	Value of Contracts	Number of Financials	Value of Financials	Total Dollars in Transactions
SGI Clients (\$500K and Over)	148 (80%)	\$150.3M (76%)	63 (34%)	\$157.5M (62%)	\$307.8M (68%)
Non-SGI Clients (Under \$500K)	36 (20%)	\$46.2M (24%)	125 (66%)	\$96.2M (38%)	\$142.4M (32%)
Client Receipts Not Reported	N/A	N/A	N/A	N/A	N/A
Total Identified	184	\$196.5M (44%)	188	\$253.7M (56%)	\$450.2M

The Dollar Value of Contracts (\$6.1M) and Financials (\$5.7M) totaling \$11.8M, reported by the Dallas NEC’s Staff for FY 2008 is not included in this table.

More Dallas NEC clients (80%) at \$500K and above were assisted. This category of clients secured 76% of all contracts and 62% of the value of all financials.

Dallas NEC funded projects rendered 14,379 hours of Management and Technical Assistance to 879 clients. This represents 16.4 hours per client. Hispanic American MBEs were rendered 6,158 hours or 43% of the total hours rendered. African American MBEs were

Table 39: Dallas NEC Client Services by Minority Group as Reported by MBEs and NABECs in FY 2008

Client Category	No. of Clients	Hours of M&TA	No. of Contracts Secured	Dollar Value of Contracts	No. of Financial Transactions	Dollar Value of Financials	Total Value of Transactions
African American	242	4,081 (0.6%)	52	\$59.2M (6.1%)	61	\$5.3M (1.1%)	\$64.5M
Asian American	21	345 (0.0%)	2	\$0.6M (0.1%)	7	\$1.0M (0.0%)	\$1.6M
Asian Indian American	21	965 (0.1%)	1	\$0.0M (0.0%)	11	\$18.2M (0.0%)	\$18.2M
Asian Pacific American	14	214 (0.0%)	1	\$1.2M (0.1%)	2	\$0.1M (0.4%)	\$1.3M
Hispanic American	406	6,158 (0.9%)	84	\$88.8M (9.1%)	73	\$199.8M (0.7%)	\$288.6M
Puerto Rican	3	32 (0.0%)	0	\$0.0M (0.0%)	1	\$0.3M (0.0%)	\$0.3M
Aleuts	—	—	—	—	—	—	—
Eskimo	2	97 (0.0%)	0	\$0.0M (0.0%)	3	\$5.3M (0.0%)	\$5.3M
Native American	146	2,330 (0.3%)	43	\$41.6M (4.3%)	17	\$22.3M (1.0%)	\$63.9M
Other Minority	23	97 (0.0%)	0	\$0.0M (0.0%)	12	\$1.4M (0.0%)	\$1.4M
Hasidic Jew	1	60 (0.0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Total Identified in Performance System	879	14,379	183	\$191.4M	187	\$257.3M	\$445.1M

rendered 4,081 hours or 28% of the hours. In third place were the Native American MBEs. They received 2,330 hours of M&TA or 16%. While more hours were rendered to Hispanic American clients, it should be noted that they went to a considerably larger number of clients – 406. Hispanic American clients were assisted in securing a combined total of \$288.6 Million dollars. African American and Native American clients were each assisted in securing \$64.5 Million and \$63.9 Million, respectively.

The Private Sector awarded 167 of the financial transaction secured by the Dallas NEC funded projects, totaling \$253.1 Million. This averaged to \$1.4 per transaction. No activity was reported with State or Local Government. It would be of interest to further study the make-up of the Private Sector firms that are awarding these financial transactions.

There is greater interaction among the various sources which are awarding contracts in the Dallas NEC. Funded projects appear to have a better network with both the Public and Private Sectors. Of the total dollar value (\$181.6 Million) of contracts secured for MBE clients, the greater majority were secured from the Federal Government (60 contracts, valued at \$101.9 Million). While more (77) was secured from the Private Sector, the dollar value of these contracts totaled

Table 40: Dallas NEC Financing Obtained by Source in FY 2008

Source	Number of Financial Transactions	Dollar Value of Financials	Average Dollar Value
Federal Government	12	\$18.2M (1.7%)	\$1.5M
State Government	0	\$0.0M (0.0%)	\$0.0M
Local Government	0	\$0.0M (0.0%)	\$0.0M
Private Sector	167	\$228.9M (21.6%)	\$1.4M
Other Entities	8	\$6.0M (0.6%)	\$0.8M
Not Identified	—	—	—
TOTAL	187	\$253.1M	\$1.4M

Table 41: Dallas NEC Contracts Obtained by Source in FY 2008

Source	Number of Contracts	Dollar Value of Contracts	Average Dollar Value
Federal Government	60	\$101.9M (10.5%)	\$1.7M
State Government	11	\$7.8M (0.8%)	\$0.7M
Local Government	15	\$18.3M (1.9%)	\$1.2M
Private Sector	77	\$53.6M (5.5%)	\$0.7M
Other Entities	—	—	—
Not Identified	—	—	—
TOTAL	163	\$181.6M	\$1.1M

\$53.6 Million. It would make sense for the MBDA management to further study who the federal agencies were that awarded the contracts and who were the firms from the private sector, as diversification of sources appears to be working to a greater extent in this region versus other regions.

Dallas Funded Centers

The MBEC uses its Capital Strategic Partners to assist its clients in obtaining financing. Given the economic climate in FY 2008, clients of the Center were able to obtain funds for the growth of their business operations from the MBEC. Through the relationship-based and alternative financing partners, the Center acquired SBA- related and conventional financing as well as non-traditional financing via mezzanine or micro loan sources. The MBEC conducted a series of workshops and seminars publicizing access to capital in conjunction with its Strategic & Capital Partners. The Center generated over \$70M in financing projects with an additional \$10M in pipeline activity.

The MBEC, operated by the El Paso Hispanic Chamber of Commerce, established key strategic partnerships with local area banks. These strategic partnerships aided the MBEC in exceeding the goals for Dollar Value of Awarded Transactions.

The El Paso MBEC sponsored a joint procurement workshop with the University of Texas at El Paso to inform the business community of \$250M in contract opportunities for fiscal years 2009-2013.

The Center did not perform at a satisfactory level. The Dallas NEC staff provided guidance, coaching and counseling via telephone, written correspondence and conducted an on-site evaluation; overall performance remained at less than Satisfactory. The reduction in federal funding for the project, affected its ability to retain high performing employees which resulted in staff turnovers.

MBDA dissolved its relationship with the current operator on December 31, 2008, and issued a Federal Funding Opportunity solicitation for a new operator in 2009.

Table 42: Dallas/Ft. Worth MBEC FY 2008

Dallas/Ft. Worth MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$15.8M	\$17.2M (109%)
Dollar Value of Financial Transactions	\$10.5M	\$76.4M (727%)
Total Dollars Values Awarded	\$26.3M	\$93.6M (356%)
Number of Contracts Awarded	N/A	12
Number of Financial Transactions	N/A	17
Total Number of Transactions	N/A	29
Number of Jobs Created	61	38 (62%)
Number of New Clients	118	35 (30%)

Table 43: El Paso MBEC FY 2008

El Paso MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$10.6M	\$9.6M (90%)
Dollar Value of Financial Transactions	\$7.1M	\$7.3M (104%)
Total Dollars Values Awarded	\$17.7M	\$16.9M (96%)
Number of Contracts Awarded	N/A	33
Number of Financial Transactions	N/A	27
Total Number of Transactions	N/A	60
Number of Jobs Created	50	67 (134%)
Number of New Clients	85	67 (79%)

Table 44: Houston MBEC FY 2008

Houston MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$15.1M	\$7.3M (48%)
Dollar Value of Financial Transactions	\$10.1M	\$2.2M (22%)
Total Dollars Values Awarded	\$25.2M	\$9.5M (38%)
Number of Contracts Awarded	N/A	10
Number of Financial Transactions	N/A	7
Total Number of Transactions	N/A	17
Number of Jobs Created	58	50 (86%)
Number of New Clients	113	107 (95%)

The Center officially opened during the fourth quarter of FY 2007. Due to the physical conditions and the human resource issues facing the City of New Orleans (as a result of Hurricane Katrina), the operator encountered problems in hiring staff for the Center. Major problems were the City’s hiring policy and the time required to process new staff members. Also, finding a location for the Center took more time than anticipated. Many buildings were destroyed due to storm damages of physical structures in the area. This, coupled with the delay in the distribution of funds awarded by state and Federal government, made it difficult to assist MBEs in the community. To remain committed to the community, MBDA awarded the MBEC to another operator with more flexibility. The new operator has a portfolio of capable MBEs qualified to participate in major business opportunities.

The Center continued its successful operation due to the efficiency and management techniques of the operator, NEDA Business Consultants, Inc. Since 1970, NEDA has helped small and minority businesses succeed in the free enterprise system. The Center has the reputation of being the foremost expert in 8(a) Certification packaging and has certified 80% of its client base into the program. The MBEC has been successful in working to create significant partnerships and joint ventures between minority firms (taking a new 8(a) recipient and forming a partnership with an older established firm who has graduated from the program but has developed a successful track record and the resources to handle sizable contracts). The Center worked with the Sandia National Laboratories operated for the U.S. Department of Energy by Lockheed Martin and advocates for minorities and SGI firms to secure viable procurement opportunities.

This Center, operated by the American Indian Chamber of Commerce of New Mexico, demonstrated its ability to exceed its dollar value of awarded transactions goal by working with SGI firms on securing sizable contracts. The staff has the experience and networking in place to collaborate with its six strategic partners (i.e., the Manuel Lujan Agencies) for achieving its financial goal.

Table 45: Louisiana MBEC FY 2008

Louisiana MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$7.6M	\$10.4M (137%)
Dollar Value of Financial Transactions	\$5.1M	\$2.2M (43%)
Total Dollars Values Awarded	\$12.6M	\$12.6M (100%)
Number of Contracts Awarded	N/A	73
Number of Financial Transactions	N/A	4
Total Number of Transactions	N/A	77
Number of Jobs Created	29	N/A
Number of New Clients	57	105 (184%)

Table 46: New Mexico MBEC FY 2008

New Mexico MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$12.6M	\$49.6M (393%)
Dollar Value of Financial Transactions	\$8.4M	\$118.3M (1,408%)
Total Dollars Values Awarded	\$21.0M	\$167.9M (799%)
Number of Contracts Awarded	N/A	16
Number of Financial Transactions	N/A	28
Total Number of Transactions	N/A	44
Number of Jobs Created	48	340 (708%)
Number of New Clients	91	196 (215%)

Table 47: New Mexico NABEC FY 2008

New Mexico NABEC	NABEC Targets	NABEC Accomplishments
Dollar Value of Contracts Awarded	\$14.3M	\$18.8M (132%)
Dollar Value of Financial Transactions	\$8.2M	\$16.0M (195%)
Total Dollars Values Awarded	\$22.5M	\$34.8M (155%)
Number of Contracts Awarded	N/A	13
Number of Financial Transactions	N/A	7
Total Number of Transactions	N/A	20
Number of Jobs Created	103	42 (41%)
Number of New Clients	237	9 (4%)

The NABEC, operated by the United Tribes Technical College, employs knowledgeable staff that travels out in the rural community and throughout the service areas, to meet with interested MBEs and work to create the dialogue for their businesses to grow. The NABEC continuously exceeds the dollar value of awarded transactions goal by working with SGI firms on construction contracts in the range of \$2M plus.

This MBEC, operated by Langston University, was successful in securing contracts totaling \$1.5M for the period 10/1/07 - 12/31/07. The operator was extended a three-month award period of 01/1/08 - 0/31/08 and the staff reported a \$10M contract. It was secured for an SGI firm. The MBEC reported that it worked with seven strategic partners. The Center reported no activity for jobs created and financials. As a result of poor performance, it did not receive continued funding.

The operator of this NABEC, Rural Enterprises, exceeded its goal for dollar value of awarded procurements for the FY 2008 (securing over \$8M in contracts). The staff continued to work with its strategic partners and planned to position both MBE and SGI clients to obtain financing (bonding). The NABEC is the only MBDA funded program in Oklahoma and the operator plans to continue carrying out its marketing efforts to advocate for business development.

Table 48: North/South Dakota NABEC FY 2008

North/South Dakota NABEC	NABEC Targets	NABEC Accomplishments
Dollar Value of Contracts Awarded	\$10.0M	\$4.2M (42%)
Dollar Value of Financial Transactions	\$7.4M	\$0.6M (8%)
Total Dollars Values Awarded	\$17.4M	\$4.8M (28%)
Number of Contracts Awarded	N/A	10
Number of Financial Transactions	N/A	7
Total Number of Transactions	N/A	17
Number of Jobs Created	58	39 (67%)
Number of New Clients	123	30 (24%)

Table 49: Oklahoma City MBEC FY 2008

Oklahoma City MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$4.1M	\$11.5M (277%)
Dollar Value of Financial Transactions	\$0.9M	\$0 (0%)
Total Dollars Values Awarded	\$5.1M	\$11.5M (226%)
Number of Contracts Awarded	N/A	9
Number of Financial Transactions	N/A	N/A
Total Number of Transactions	N/A	9
Number of Jobs Created	20	25 (125%)
Number of New Clients	53	2 (4%)

Table 50: Oklahoma Statewide NABEC FY 2008

Oklahoma Statewide NABEC	NABEC Targets	NABEC Accomplishments
Dollar Value of Contracts Awarded	\$11/0M	\$6.2M (56%)
Dollar Value of Financial Transactions	\$21.0M	\$15.5M (74%)
Total Dollars Values Awarded	\$32.1M	\$21.7M (68%)
Number of Contracts Awarded	N/A	18
Number of Financial Transactions	N/A	10
Total Number of Transactions	N/A	28
Number of Jobs Created	150	109 (73%)
Number of New Clients	320	73 (23%)

The MBEC, operated by the University of Texas at San Antonio, sponsored a HUB Procurement Workshop with minority contractors and put them through a 7-week intense training program on finance, bonding, banking, project management and other topics important to contractors. This training session also showed MBEs how to secure bonding when bidding for a contract. The staff invited representatives from JDW Insurance Co. and Wells Fargo Insurance Services to provide one on one consultation to interested attendees wanting to obtain bonding. The event had over 200 attendees and provided exposure for the SA MBEC. The Center works with several programs that offer complimentary services such as Bexar County SWMBE Program, City of San Antonio Procurement and Technical Assistance Program Base Realignment and Closure Committee (BRAC) and they were able to offer entrepreneurs information and marketing services.

The Center officially opened during the fourth quarter of FY 2007. Due to the physical conditions and the human resource issues facing the City of Baton Rouge (as a result of Hurricane Katrina), the operator encountered problems in hiring staff. The problems were compounded by the lack of relationships between the City of New Orleans and the City of Baton Rouge. MBDA corrected the problem by dissolving its agreement with the City of Baton Rouge and awarding operation of the MBOC program to a community-based organization.

Table 51: San Antonio MBEC FY 2008

San Antonio MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$14.2M	\$12.1M (85%)
Dollar Value of Financial Transactions	\$9.5M	\$9.3M (98%)
Total Dollars Values Awarded	\$23.7M	\$21.4M (90%)
Number of Contracts Awarded	N/A	18
Number of Financial Transactions	N/A	10
Total Number of Transactions	N/A	28
Number of Jobs Created	56	136 (243%)
Number of New Clients	140	164 (117%)

Table 52: Louisiana MBOC FY 2008

Louisiana MBOC	MBOC Targets	MBOC Accomplishments
Dollar Value of Contracts Awarded	\$17.8M	\$39.4M (221%)
Dollar Value of Financial Transactions	\$6.9M	\$1.1M (16%)
Total Dollars Values Awarded	\$24.7M	\$40.5M (164%)
Number of Contracts Awarded	N/A	41
Number of Financial Transactions	N/A	2
Total Number of Transactions	N/A	43
Number of Jobs Created	12	N/A
Number of New Clients	53	2 (4%)

New York National Enterprise Center

Table 53: New York National Enterprise Center Performance in FY 2008

New York National Enterprise Center Performance	MBEC/ NABEC FY 2008 Targets	MBEC/ NABEC Accomplishments (% Goal)	MBOC FY 2008 Targets	MBOC Accomplishments (% Goal)	Staff FY 2008 Targets	Staff Activity (% Goal)	FY 2008 Performance Totals (% Goal)
Dollar Value of Contracts	\$118.8M	\$167M (23%)	\$102.0M	\$97M (96%)	N/A	N/A	\$264M (31%)
Dollar Value of Financials	\$85.9M	\$570.5M (77%)	\$34.5M	\$4.4M (4%)	N/A	N/A	\$574.9M (69%)
Total Transaction Dollars	\$204.7M	\$737.5M (88%)	\$136.5M	\$101.4M (12%)	N/A	N/A	\$838.9M
Number of Clients	807	943	111	110*	N/A	N/A	1,053
Jobs Created	504	941	49	161*	N/A	N/A	1,102
Regional Efficiency Measure Return on Investment (ROI)	N/A	N/A	N/A	N/A	N/A	N/A	\$227.30
Number of Contracts	N/A	389	N/A	45	N/A	N/A	434
Number of Financials	N/A	87	N/A	9	N/A	N/A	96
Total Number of Transactions	N/A	476	N/A	54	N/A	N/A	530

* 6 month period, April – September 2008.

The New York NEC funded projects secured \$838.9 Million dollars in closed transactions. This total represents over 39% of the total that was generated by all funded projects across the country. The

primary reason is that one project reported a financial transaction totaling \$450 Million. This transaction represents over 41% of the total financial transactions reported by funded projects.

Table 54: New York National Enterprise Center Transactions Obtained by Size of Firms as Reported by MBECs, NABECs and MBOCs in FY 2008

Chicago Clients	Number of Contracts	Value of Contracts	Number of Financials	Value of Financials	Total Dollars in Transactions
S GI Clients (\$500K and Over)	404 (93%)	\$246.9M (93%)	58 (60%)	\$559.6M (97%)	\$806.5M (96%)
Non-SGI Clients (Under \$500K)	30 (7%)	\$17.2M (7%)	38 (40%)	\$15.0M (3%)	\$32.2M (4%)
Client Receipts Not Reported	0	\$0.0M	0	\$0.0M	\$0.0M
Total Identified	434	\$264.1M (31%)	96	\$574.7M (69%)	\$838.8M

There were more contracts awarded (404) or 93% to SGI clients with gross receipts of \$500K and above. The value of these contracts also matched the same percentage (93%). The dollar value of transactions \$806.6 or (96%), was awarded to clients with gross receipts of \$500K and above.



Table 55: New York NEC Client Services by Minority Group as Reported by MBECs and NABECs in FY 2008

Client Category	Number of Clients	Hours of M&TA	No. of Contracts Secured	Dollar Value of Contracts	No. of Financial Transactions	Dollar Value of Financials	Total Value of Transactions
African American	544	8,785 (12.0%)	147	\$164.5M (16.9%)	60	\$50.5M (5.1%)	\$218.0M
Asian American	40	514 (1.0%)	1	\$0.0M (0.0%)	1	\$0.0M (0.0%)	\$0.0M
Asian Indian American	45	618 (1.0%)	5	\$5.7M (0.6%)	1	\$1.0M (0.1%)	\$6.7M
Asian Pacific American	37	234 (0.0%)	2	\$0.5M (0.0%)	2	\$10.3M (1.0%)	\$10.8M
Hispanic American	68	675 (1.0%)	6	\$17.3M (1.8%)	1	\$35.0M (3.3%)	\$52.3M
Puerto Rican	148	1,294 (2.0%)	251	\$61.5M (6.3%)	6	\$6.0M (0.6%)	\$67.5M
Aleuts	2	3 (0.0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Eskimo	—	—	—	—	—	—	—
Native American	8	73 (0.0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Other Minority	22	904 (1.0%)	0	\$0.0M (0.0%)	1	\$450.0M (42.7%)	\$450.0M
Hasidic Jew	112	3,743 (5.0%)	19	\$7.4M (0.8%)	10	\$7.3M (0.7%)	\$14.7M
Total Identified in Performance System	1,026	16,852	431	\$256.9M	82	\$563.1M	\$820.0M

There were three primary minority groups that assisted in the New York NEC by funded projects. These included African Americans (544); Puerto Ricans (148) and Hasidic Jews (112), out of 1,026 clients assisted in FY 2008. African American clients received 8,785 hours of management and technical assistance; while Hasidic Jews received 3,743 hours. This represents an average of 16 and 33 hours per client for each minority group, respectively. While more contracts (251) were secured for Puerto Rican clients, valued at a total of \$61.5 Million the average dollar value of contracts were far less than those awarded to African American clients (averaged \$1.1 Million, while those awarded to Puerto Rican clients averaged \$240K).

The dollar value of financial transaction from other entities represents 43.8% of all the transactions secured by MBEA funded projects across the country. This again is due to the one transaction valued at \$450 Million that was reported. The region appears to be diverse in tapping financial sources. The only exception is the lack of activity with State Government sources. More (63) financial transactions were secured from the Private Sector in FY 2008.

Funded projects in the New York region were more diversified when securing contracts for minority business entrepreneurs. All key sources were tapped;

Table 56: New York NEC Financing Obtained by Source in FY 2008

Source	Number of Financial Transactions	Dollar Value of Financials	Average Dollar Value
Federal Government	13	\$3.2M (0.3%)	\$0.2M
State Government	0	\$0.0M (0.0%)	\$0.0M
Local Government	12	\$6.6M (0.6%)	\$0.5M
Private Sector	63	\$99.9M (9.4%)	\$1.6M
Other Entities	8	\$465.0M (43.8%)	\$58.1M
Not Identified	—	—	—
TOTAL	98	\$574.7M	\$5.9M

Table 57: New York NEC Contracts Obtained by Source in FY 2008

Source	Number of Contracts	Dollar Value of Contracts	Average Dollar Value
Federal Government	54	\$69.9M (7.2%)	\$1.3M
State Government	44	\$16.8M (1.7%)	\$0.4M
Local Government	198	\$61.1M (6.3%)	\$0.3M
Private Sector	107	\$107.4M (11.0%)	\$1.0M
Other Entities	—	—	—
Not Identified	—	—	—
TOTAL	403	\$255.2M	\$633K

however, there was much more activity at the local level than there was at the State or Federal Government level. This activity did not secure the largest dollar value of contracts. This honor was left to the Private Sector, who awarded 107 MBE clients over \$107 Million in contracts. Federal Government contracts were fewer, but they were larger in dollar value.

New York Funded Centers

The Manhattan/Bronx MBEC attained its annual goal by generating \$29.6M in the awarded transaction value. This was achieved despite the unexpected delays of several regional large-scale public works procurement contract opportunities. The Center’s success hinged on managing customized relationships to develop the certification program, elevate bonding, grow contracts for existing clients, and continually improved upon the process intake for new recruitment. It exceeded 100% in new jobs created due to retail client activity. Ample effort in FY 2008 was invested in developing long-term clients with measurable deliverables, such as M&AI, significant new MOU engagements and resulted in the Center posting a \$111.06 ROI index score. The Center has continued to emphasize cultivating new facilitated SGI matches with Native Americans and defense contractors for building viable teams. As a result, the number of new clients generated only 85% (93).

The New Jersey Statewide MBEC achieved its goal with \$59.50M in the Awarded Transaction value. This was achieved despite unexpected delays of several regional large-scale public works procurement contract opportunities such as the U.S. Hispanic Chamber of Commerce and the Connecticut Metropolitan Water projects. The Center’s success has hinged on managing customized relationships to develop the certification program, elevate bonding upgrades that contributed to \$47.5M or 340% of its financial attainment, grow contracts for existing clients, and continually improve upon the process intake for new recruitment. Ample effort in FY 2008 was invested in developing long-term clients with measurable deliverables such as M&AI and significant MOU engagements. The result: the center posted a \$223.08 ROI index score. The Center has continued to emphasize cultivating new facilitated matches with Native Americans and defense contractors for building viable teams. In the number of new clients, the center attained 100% with 110 new clients and exceeded at 118% in the number of new jobs category.

The Pennsylvania Statewide MBEC got off to a slow start in 2008. After the first quarter, however, the Center made strong progress towards many of its performance goals. The recipient’s strategic relationships with the Philadelphia Industrial Development Corporation, the Emerging Business Loan Fund, and the Empowerment Zone Community Development financial Institution became a source of financing and contracts for the clients of the center. Two very large contracts to provide office supplies contracts were secured on behalf of the Telrose Corporation: the first one was with the University of Pennsylvania and the second one was with Drexel University. The Center raised its performance level to “Good” for the period.

Table 58: Manhattan/Bronx MBEC FY 2008

Manhattan/Bronx MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$17.0M	\$24.9M (147%)
Dollar Value of Financial Transactions	\$14.0M	\$4.8M (34%)
Total Dollars Values Awarded	\$31.0M	\$29.6M (96%)
Number of Contracts Awarded	N/A	11
Number of Financial Transactions	N/A	4
Total Number of Transactions	N/A	15
Number of Jobs Created	80	84 (105%)
Number of New Clients	110	93 (85%)

Table 59: New Jersey Statewide MBEC FY 2008

New Jersey Statewide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$17.0M	\$12M (73%)
Dollar Value of Financial Transactions	\$14.0M	\$47.5M (339%)
Total Dollars Values Awarded	\$31.0M	\$59.5M (193%)
Number of Contracts Awarded	N/A	232
Number of Financial Transactions	N/A	4
Total Number of Transactions	N/A	236
Number of Jobs Created	80	94 (118%)
Number of New Clients	110	110 (100%)

Table 60: Pennsylvania Statewide MBEC FY 2008

Pennsylvania Statewide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$18.0M	\$23.9M (133%)
Dollar Value of Financial Transactions	\$12.1M	\$11.2M (92%)
Total Dollars Values Awarded	\$30.1M	\$35.0M (116%)
Number of Contracts Awarded	N/A	26
Number of Financial Transactions	N/A	35
Total Number of Transactions	N/A	61
Number of Jobs Created	59	234 (397%)
Number of New Clients	107	166 (155%)

The Puerto Rico MBEC's continued its success in developing opportunities in the government sector. It also demonstrated great initiative in developing strong partnerships within the pharmaceutical industry. Its annual MED Week conference featured strong sponsorship and participation by companies from both the private and public sector. MBEs firms participating in the full day event were highly enthusiastic with the development and leads offered by the MBEC. The Center was recognized at MBDA's 2008 National Conference for the being the highest performing MBEC in contract awards within the New York Region.

The Queens MBEC continues to excel in providing its clients with training, opportunities and financing related to the robust state and local construction industry. It also serves the retail and professional services sectors. The MBEC exceeded its contracting and financing goals. Several of its clients experienced significant revenue and sales growth. The Center is also the downstate provider of customized training for New York State construction contractors through the State's bond guaranty program. Upon successful completion of the program, participants will receive state-guaranteed bonding, enabling them to overcome a major obstacle that has hampered the growth of many minority-owned construction companies.

The success of the Washington Metro MBEC in 2008 was due to the consistency of the accomplishments of their fine staff. The Center helped one of its clients to secure a \$450 million financial transaction. In addition, the recipient exceeded goals in the following performance areas: Number of New Clients, Increase in Sales, Number of Jobs Created, and Partnerships. The Center sponsored several workshops with the assistance of their Strategic Partners.

Table 61: Puerto Rico Islandwide MBEC

Puerto Rico Islandwide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$18.0M	\$59M (335%)
Dollar Value of Financial Transactions	\$13.0M	\$14.1M (109%)
Total Dollars Values Awarded	\$31.0M	\$73.2M (241%)
Number of Contracts Awarded	N/A	33
Number of Financial Transactions	N/A	19
Total Number of Transactions	N/A	52
Number of Jobs Created	105	207 (197%)
Number of New Clients	132	186 (141%)

Table 62: Queens MBEC FY 2008

Queens MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$14.7M	\$25.8M (176%)
Dollar Value of Financial Transactions	\$9.8M	\$12.2M (124%)
Total Dollars Values Awarded	\$24.5M	\$38M (155%)
Number of Contracts Awarded	N/A	13
Number of Financial Transactions	N/A	7
Total Number of Transactions	N/A	20
Number of Jobs Created	61	74 (121%)
Number of New Clients	124	103 (83%)

Table 63: Washington Metro MBEC FY 2008

Washington Metro MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$19.0M	\$14M (73%)
Dollar Value of Financial Transactions	\$12.9M	\$475M (3,695%)
Total Dollars Values Awarded	\$31.9M	\$489M (1,535%)
Number of Contracts Awarded	N/A	46
Number of Financial Transactions	N/A	21
Total Number of Transactions	N/A	67
Number of Jobs Created	61	224 (367%)
Number of New Clients	111	162 (146%)

The Williamsburg Center began a strong turnaround in 2008 with major organizational changes. One result was that it exceeded its goal for new clients served. It developed an innovative strategy within the food processing sector that resulted in several firms being added to the approved vendor list for the New York State WIC program, effective January 2009. It hosted a very successful GSA Federal Contracting workshop and co-hosted several B2Bs with local partners. The strategic initiatives of the Center are expected to result in an outstanding performance in 2009.

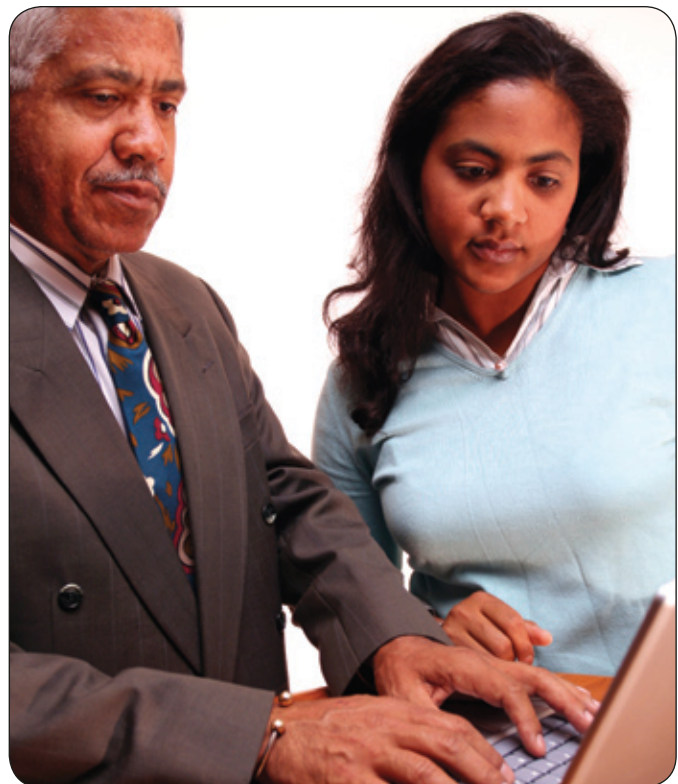
For the 2008 fiscal year, the Washington, DC MBOC’s capable staff demonstrated a high level of government contracting acumen by assisting clients in obtaining contracts totaling \$97M. As a result, the MBOC achieved 95% of its aggressive goal for the number of contracts facilitated. The revenue growth achieved by the MBOC’s clients enabled them to provide 161 jobs. The MBOC also attracted 112 new clients. Unfortunately, it experienced a significant shortfall in the financing category, achieving only 13% of goal. To address the problem, MBOC management expanded its alternative financing networks to meet the needs of its clients.

Table 64: Williamsburg MBEC FY 2008

Williamsburg MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$15.1M	\$7.4M (49%)
Dollar Value of Financial Transactions	\$10.1M	\$5.8M (57%)
Total Dollars Values Awarded	\$25.2M	\$13.2M (52%)
Number of Contracts Awarded	N/A	19
Number of Financial Transactions	N/A	6
Total Number of Transactions	N/A	25
Number of Jobs Created	58	24 (41%)
Number of New Clients	113	123 (109%)

Table 65: Washington DC MBOC

Washington DC MBOC	MBOC Targets	MBOC Accomplishments
Dollar Value of Contracts Awarded	\$102.0M	\$97M (95%)
Dollar Value of Financial Transactions	\$34.5M	\$4.4M (13%)
Total Dollars Values Awarded	\$136.5M	\$101.4M (74%)
Number of Contracts Awarded	N/A	45
Number of Financial Transactions	N/A	9
Total Number of Transactions	N/A	54
Number of New Clients	111	112 (101%)



San Francisco National Enterprise Center

Table 66: San Francisco National Enterprise Center Performance in FY 2008

San Francisco National Enterprise Center Performance	MBEC/ NABEC FY 2008 Targets	MBEC/ NABEC Accomplishments (% Goal)	MBOC FY 2008 Targets	MBOC Accomplishments (% Goal)	Staff FY 2008 Targets	Staff Activity (% Goal)	FY 2008 Performance Totals (% Goal)
Dollar Value of Contracts	\$149.1M	\$198.5M (66%)	\$94.2M (64%)	\$41.3M (61%)	\$15.0M	\$36.1M (76%)	\$275.9M (66%)
Dollar Value of Financials	\$101.9M	\$104.2M (34%)	\$53.6M (36%)	\$26.2M (39%)	\$15.0M	\$11.1M (24%)	\$141.5M (34%)
Total Transaction Dollars	\$251.1M	\$302.7M (73%)	\$147.8M	\$67.5M (16%)	\$30.0M	\$47.2M (11%)	\$417.4M
Number of Clients	1,223	977	106	N/A	N/A	N/A	977 (86%)
Jobs Created	708	750	57	N/A	N/A	N/A	750 (109%)
Regional Efficiency Measure Return on Investment (ROI)	N/A	N/A	N/A	N/A	N/A	N/A	\$101.80
Number of Contracts	N/A	283	N/A	28	N/A	12	323
Number of Financials	NA	91	N/A	9	N/A	3	103
Total Number of Transactions	NA	374	N/A	37	N/A	15	426

MBECs and NABECs secured 73% of the \$417.4 Million that was secured in the San Francisco NEC. The MBOC secured a total of 16% and NEC Staff activity secured the remaining 11% of this same total.

Table 67: San Francisco National Enterprise Center Transactions Obtained by Size of Firms as Reported by MBECs, NABECs and MBOCs in FY 2008

San Francisco Clients	Number of Contracts	Value of Contracts	Number of Financials	Value of Financials	Total Dollars in Transactions
S GI Clients (\$500K and Over)	287 (92%)	\$215.2M (90%)	65 (65%)	\$103.3M (79%)	\$318.5M (86%)
Non-SGI Clients (Under \$500K)	24 (8%)	\$24.7M (10%)	35 (35%)	\$27.3M (21%)	\$52.0M (14%)
Client Receipts Not Reported	0	\$0.0M	0	\$0.0M	\$0.0M
Total Identified	311	\$239.9M (65%)	100	\$130.6M (35%)	\$370.5M

S GI clients with gross receipts of \$500K and above were awarded more contracts 287 or 92% than S GI firms who had under \$500K in gross receipts. In summary, S GI clients with gross receipts of \$500K and above secured more contracts valued at \$215.2M and more financial awards valued at \$103.3M.

A total of 16,375 hours of M&TA were reported as rendered to 1,369 MBE clients or an average of 12 hours per client. African American clients received 5,036 hours. This was followed by Hispanic American clients at 3,313 hours and Native American clients at 3,178 hours. Sixty-nine contracts were secured on behalf

of Hispanic American clients totaling \$56.2 Million, but it was 49 African American clients who were awarded \$93.4 Million in contracts. Sixty Native American clients were assisted in securing \$60 Million. Less financial transactions were secured (100) versus the number of contracts secured (315). Thirty-six transactions were secured for African American clients valued at \$9.4 Million. The next minority group that followed the African American clients was the Hispanic American minority group. Funded projects were able to secure 30 financial transactions valued at \$44.1 Million. They were followed by 10 Asian American clients at \$7.8 Million. Native American clients numbered 4, totaling \$22.5 Million. In summary

Table 68: San Francisco NEC Client Services by Minority Group as Reported by MBECs and NABECs in FY 2008

Client Category	Number of Clients	Hours of M&TA	No. of Contracts Secured	Dollar Value of Contracts	No. of Financial Transactions	Dollar Value of Financials	Total Value of Transactions
African American	442	5,036 (7.0%)	49	\$93.4M (9.6%)	36	\$9.4M (0.9%)	\$102.8M
Asian American	191	2,246 (3.0%)	57	\$34.1M (3.5%)	10	\$7.8M (0.7%)	\$41.9M
Asian Indian American	36	298 (0.0%)	11	\$3.7M (0.4%)	4	\$9.9M (0.9%)	\$13.6M
Asian Pacific American	114	1,817 (3.0%)	11	\$14.6M (1.5%)	8	\$3.1M (0.3%)	\$17.7M
Hispanic American	339	3,313 (5.0%)	69	\$56.2M (5.8%)	30	\$44.1M (4.2%)	\$100.5M
Puerto Rican	5	30 (0.0%)	1	\$0.0M (0.0%)	1	\$4.9M (0.5%)	\$4.9M
Aleuts	1	4 (0.0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Eskimo	3	13 (0.0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Native American	188	3,178 (4.0%)	60	\$39.0M (4.0%)	4	\$22.5M (2.1%)	\$61.5M
Other Minority	44	401 (1.0%)	57	\$6.3M (0.6%)	7	\$28.8M (2.7%)	\$35.1M
Hasidic Jew	6	49 (0.0%)	0	\$0.0M (0.0%)	0	\$0.0M (0.0%)	\$0.0M
Total Identified in Performance System	1,369	16,385	315	\$247.3M	100	\$130.5M	\$377.8M

the three predominate minority groups – African American, Hispanic American and Native American were the groups that were assisted in securing the largest dollar value of transaction, \$102.8 Million, \$100.5 Million and \$61.5 Million, respectively.

Funded projects in the San Francisco NEC leaned heavily on the Private Sector as their source for financial transactions. A total of 82 out of 100 transaction were secured from the Private Sector, totaling \$122.3 Million. This figure represents 11.5% of the total national dollar value of financial transactions. The Federal Government was the second source that was tapped to finance \$2.0 Million.

The primary source for contracts was the Private Sector with 179 contracts awarded and valued at \$135.6 Million, out of a total of 265 contracts secured and valued at \$208.3 Million. The Federal Government was another source that was tapped. It Awarded 56 contracts to minority businesses in the San Francisco NEC, valued at \$41.2 Million. This NEC appears to also be diversified when tapping sources.

Table 69: San Francisco NEC Financing Obtained by Source in FY 2008

Source	Number of Financial Transactions	Dollar Value of Financials	Average Dollar Value
Federal Government	13	\$2.0M (0.2%)	\$0.2M
State Government	2	\$5.6M (0.5%)	\$2.8M
Local Government	0	\$0.0M (0.0%)	\$0.0M
Private Sector	82	\$122.3M (11.5%)	\$1.5M
Other Entities	3	\$0.7M (0.1%)	\$0.2M
Not Identified	—	—	—
TOTAL	100	\$130.6M	\$1.3M

Table 70: San Francisco NEC Contracts Obtained by Source in FY 2008

Source	Number of Contracts	Dollar Value of Contracts	Average Dollar Value
Federal Government	56	\$42.2M (4.3%)	\$0.8M
State Government	6	\$0.8M (0.1%)	\$0.1M
Local Government	33	\$29.7M (3.1%)	\$0.9M
Private Sector	179	\$135.6M (13.9%)	\$0.8M
Other Entities	—	—	—
Not Identified	—	—	—
TOTAL	274	\$208.3M	\$760K

San Francisco Funded Centers

The Arizona MBEC is very well organized and has a strong professional team. The Center appears to very well positioned within the minority business community, viewed not only as an asset to the local minority businesses but also to private and public sources looking to do business with minority owned firms. The Center’s marketing and promotion program is among the strongest in the Region, as evidenced by its performance. Overall, the Center exceeded the combined goal for Dollar Value of Contracts and Procurements and Financials by 159.9%.

The Arizona Statewide NABEC has intensified its market promotion efforts in 2008. Identifying additional companies with a high growth potential of \$500,000 in annual sales in the Native American Community still remains challenging. Thus, to advance a broader client marketing approach, the Project Director is expanding the Center’s visibility throughout minority communities by building networks and forming partnerships. In promoting its services regionally and locally, AZ NABEC is building greater exposure for recruiting and matching minority business clients to contracting and B2B opportunities. The Center has also registered with CCR as well as the SBA offices, Bankers and Bonding Brokers and will continue matching 8(a) clients to non-Native American clients for mentoring and/or joint ventures. Through facilitation of meetings between clients, corporations and other entities seeking Native American Vendors, AZ NABEC is strategically strengthening its position. In enhancing the Staff’s ability to better manage their internal systems, the Operator NCAIED, has agreed to provide an Intern to assist with reorganizing their data management files so that the Project Director and Management Consultant can use their time to more readily execute performance based strategies.

Table 71: Arizona Statewide MBEC FY 2008

Arizona Statewide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$17.0M	\$22.9M (135%)
Dollar Value of Financial Transactions	\$11.4M	\$22.4M (197%)
Total Dollars Values Awarded	\$28.4M	\$45.4M (160%)
Number of Contracts Awarded	N/A	43
Number of Financial Transactions	N/A	8
Total Number of Transactions	N/A	51
Number of Jobs Created	70	83 (119%)
Number of New Clients	102	107 (105%)

Table 72: Arizona Statewide NABEC FY 2008

Arizona Statewide NABEC	NABEC Targets	NABEC Accomplishments
Dollar Value of Contracts Awarded	\$11.4M	\$2.2M (19%)
Dollar Value of Financial Transactions	\$7.7M	\$0 (0%)
Total Dollars Values Awarded	\$19.1M	\$2.2M (12%)
Number of Contracts Awarded	N/A	0
Number of Financial Transactions	N/A	1
Total Number of Transactions	N/A	1
Number of Jobs Created	62	25 (40%)
Number of New Clients	130	59 (45%)



The California NABEC maintains their strategic approach to building market awareness by providing overall business development services to a client base operating within different stages of the business life cycle. Through each stage of development clients can receive a range of assistance includes federal certifications, particularly 8(a); instructions on identifying contracting opportunities, how to market to the Federal Government; and, guidance on submitting capability briefings to Federal Contractors. The process has been quite instrumental in CA NABEC receiving its first 8(a) sole sourced contract for a client, which is just a portion of a larger Federal contract that provided the \$20 Million Bond. Historically, the Center has been challenged in realizing financial transaction, but its entrance into the bonding arena is spearheading future client opportunities. The Center’s utilization of a professional network of relationships established with other socio-economic programs including the SBA’s Mentor–Protégé program has also been of great value in building capacity. To affect changes in the Sales Performance measure, the Project Director is identifying a pool of service-oriented businesses to target as clients. In terms of the internal organizational practices, AZ NABEC’s Administrative Specialist is quite effective in overseeing the internal management systems, which are maintained by each staff member per the internal procedures. This dynamic and cooperative structure greatly impacts the Team’s ability to work effectively in managing their duties.

The new Project Director and Business Consultant have been in place since the beginning of the year. The team is bright and has performed well in developing strategies to address some of the unique characteristics of the local market relative to minority business. Most important among these, the project staff has developed a strategy to address the disparity between the goals for SGI clients and the actual availability of firms meeting the SGI profile. Taking a longer term approach, the team has identified a pool of firms with high potential and is developing them into 8(a) firms. Anticipating the build up of Guam by the U.S. military, these efforts will generate a larger pool of qualified firms to take advantage of the forthcoming contracting opportunities resulting from the build up of the island. In order to facilitate this market development strategy, the team outreached to the SF NEC to support their efforts in establishing a working relationship with the SBA office which approves 8(a) applications. The Center continues its relationship with the Pacific Center which is a tremendous technical resource and provides tremendous leverage to the project through the business school.

Table 73: California Statewide NABEC FY 2008

California Statewide NABEC	NABEC Targets	NABEC Accomplishments
Dollar Value of Contracts Awarded	\$17.6M	\$9.3M (53%)
Dollar Value of Financial Transactions	\$11.7M	\$20.0M (171%)
Total Dollars Values Awarded	\$29.2M	\$29.3M (100%)
Number of Contracts Awarded	N/A	37
Number of Financial Transactions	N/A	1
Total Number of Transactions	N/A	38
Number of Jobs Created	94	41 (44%)
Number of New Clients	200	60 (3%)

Table 74: Honolulu MBEC FY 2008

Honolulu MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$14.6M	\$11.8M (81%)
Dollar Value of Financial Transactions	\$11.6M	\$1.6M (14%)
Total Dollars Values Awarded	\$26.2M	\$13.4M (51%)
Number of Contracts Awarded	N/A	13
Number of Financial Transactions	N/A	11
Total Number of Transactions	N/A	24
Number of Jobs Created	60	34
Number of New Clients	121	59 (49%)

The Inland Empire MBEC has achieved success in offering a range of services to a broad industry diverse client base. Clients are recruited from an array of local businesses that include construction, recycling plants, professional services and equipment companies. In terms of overall capabilities, the Center performed well by consistently generating results and being open to developing new strategies. However, throughout FY 2008, there were some operational and performance based challenges. There were also various business management issues that are still being handled by the Operator. However, the IE MBEC was able to maintain a productive Center and addressed issues concerning performance, including the low number of SGI clients and lack of access to more financial institutions that will fund the working capital requests. The IE MBEC has a strong connection to the communities it serves and utilizes a tremendous amount of resources to provide a range of services to its client base.

The LA MBEC experienced some staffing changes in late 2007 and early 2008 that continued to impact the program throughout FY 2008. The LA MBEC has progressively stabilized its operations and improved performance. To advance its core team concepts and restructure its connections with USC to tap into new business prospects, the Project Director renewed partnerships with the Marshall School of Business and Supplier Diversity Services, as well as the Los Angeles Unified School District (a long standing partner of USC). Three financing partners were also added to expand contract financing and business ownership opportunities. The LA MBEC efforts successfully resulted in obtaining very competitive financing to leverage client business debts and improve cash flow. Clients restructured their operations; developed relationships that yielded significant increases in revenue; and advanced LA MBEC's overall performance. The strategic one-on-one consulting program and added value services (including training; certifications; and B2B match making) fostered cross-marketing options and inventive management strategies for clients to use in identifying new business options.

Table 75: Inland Empire MBEC FY 2008

Inland Empire MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$18.0M	\$18.2M (101%)
Dollar Value of Financial Transactions	\$12.0M	\$33.1M (275%)
Total Dollars Values Awarded	\$30.0M	\$51.3M (171%)
Number of Contracts Awarded	N/A	81
Number of Financial Transactions	N/A	19
Total Number of Transactions	N/A	100
Number of Jobs Created	70	89 (127.1%)
Number of New Clients	135	122 (90%)

Table 76: Los Angeles MBEC FY 2008

Los Angeles MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$17.7M	\$15.5M (88%)
Dollar Value of Financial Transactions	\$11.8M	\$7.4M (63%)
Total Dollars Values Awarded	\$29.5M	\$22.9M (78%)
Number of Contracts Awarded	N/A	49
Number of Financial Transactions	N/A	10
Total Number of Transactions	N/A	59
Number of Jobs Created	68	183 (269%)
Number of New Clients	132	113 (86%)

The Project has been operating under an active Assistance Plan since 2007, due to Performance deficiencies throughout their funding periods. It is accurate to state, that the Project managed to pull their performance up to a satisfactory level, or better, at year end. However, it is noted that the project required a lot of hands on assistance, and continued guidance in meeting their performance goals. This Project is noted as “high maintenance”. The Project was heavily reliant on one specific Banking Institution in meeting their Financial Goals, and due to a change of personnel at this Bank, this caused the Project to perform poorly in meeting their financial goal for its 1st Semi Annual performance period. They are and have been asked to expand their Financial Partners, and assess their Committee member’s value to the Project, in an effort to meet their Financial Goals for the 2nd Semi Annual Performance Period. The Project is fully staffed and they are well recognized in the community for their efforts and support in developing and strengthening minority businesses.

The Nevada MBEC project team is performing well in year two. The Operator, who in year one also performed the functions of the Project Director, has promoted someone on staff to the position of Project Director. The Center now has a fully dedicated individual in this position. The efforts of the Perini B2B in year one have paid off. The Center has been diligent in continuing the relationship with Perini which began with the Agency’s MOU with the firm. As a result of the B2B, the Center achieved \$14.8 million in transactions.

The Northwest NABEC has historically demonstrated stronger performance in Procurement than in Financials. This year was no exception. The Project Director has begun to expand the Center’s network for financing, particularly in construction, where the bulk of the project’s procurement contracts occur. In addition, the Center has forged a strategic relationship with the Washington Statewide MBEC on the recommendation of the SFNEC with the intent of optimizing synergies between the two centers. The Center has encountered some operating problems due to unanticipated staff turnover. The Project Director was quick in responding to this situation and avoided any substantive negative impact on the project’s overall performance. Recent events in the marketplace offer the Center with potential gains in their client base. Due to the closure of the PTAC, the Center has already experienced a substantial increase in demand for services from the clients originally served by the PTAC.

Table 77: Los Angeles MBOC FY 2008

Los Angeles MBOC	MBOC Targets	MBOC Accomplishments
Dollar Value of Contracts Awarded	\$94.2M	\$41.3M (44%)
Dollar Value of Financial Transactions	\$53.6M	\$26.2M (49%)
Total Dollars Values Awarded	\$147.8M	\$67.5M (50%)
Number of Contracts Awarded	N/A	9
Number of Financial Transactions	N/A	28
Total Number of Transactions	N/A	37
Number of New Clients	106	N/A

Table 78: Nevada MBEC FY 2008

Nevada MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$14.0M	\$73.3M (523%)
Dollar Value of Financial Transactions	\$10.0M	\$9.7M (97%)
Total Dollars Values Awarded	\$24.0M	\$83.0M (346%)
Number of Contracts Awarded	N/A	29
Number of Financial Transactions	N/A	24
Total Number of Transactions	N/A	53
Number of Jobs Created	120	144 (120%)
Number of New Clients	85	172 (202%)

Table 79: Northwest NABEC FY 2008

Northwest NABEC	NABEC Targets	NABEC Accomplishments
Dollar Value of Contracts Awarded	\$12.1M	\$17.9M (148%)
Dollar Value of Financial Transactions	\$8.0M	\$2.3M (29%)
Total Dollars Values Awarded	\$20.1M	\$20.2M (101%)
Number of Contracts Awarded	79	15
Number of Financial Transactions	135	2 (1%)
Total Number of Transactions	214	17
Number of Jobs Created	65	42 (65%)
Number of New Clients	130	64 (49%)

The Interim Project Director did a remarkable job in assuming the leadership of the project unexpectedly. He not only assumed the position after the unexpected extended leave of absence of the previous Project Director, but also faced high staff turnover. The project did not operate with a complete or proven team at any point in the year. Despite these drawbacks, the Project Director was extremely successful in building on the progress of the Center to become established as the premier source of service for minority owned businesses in the Silicon Valley. The Center had a broad client base, two of which were honored by the Agency as Minority Business of the Year, one in technology and the other in construction. The Center exceeded the goal for the Dollar Value of Contracts and Procurements and has taken steps to improve its performance in Financials in the coming year.

The Washington Statewide MBEC continued to provide a high level of service to its clients throughout the state and was requested by firms in Oregon, where there is currently no MBEC, to provide assistance. During the year, the Center made tremendous inroads in expanding its contracting network. Most notably, the Center established a critical relationship with the Port of Seattle, one of the largest ports in the world. The project is operated by a CDC which positions it to be the first point of referral of clients who the larger banks are not able to serve but believe the business has some potential if matched with the right service and product. The Center met the goal for dollar value of contracts and procurements while achieving a lower score in financials.

Table 80: Northern California MBEC FY 2008

Northern California MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$17.4M	\$17.9M (103%)
Dollar Value of Financial Transactions	\$11.6M	\$4.8M (41%)
Total Dollars Values Awarded	\$29.0M	\$22.7M (78%)
Number of Contracts Awarded	N/A	8
Number of Financial Transactions	N/A	6
Total Number of Transactions	N/A	14
Number of Jobs Created	65	53 (82%)
Number of New Clients	130	128 (98%)

Table 81: Washington Statewide MBEC FY 2008

Washington Statewide MBEC	MBEC Targets	MBEC Accomplishments
Dollar Value of Contracts Awarded	\$9.5M	\$10.0M (105%)
Dollar Value of Financial Transactions	\$6.3M	\$3.0M (48%)
Total Dollars Values Awarded	\$15.8M	\$13.0M (82%)
Number of Contracts Awarded	N/A	7
Number of Financial Transactions	N/A	14
Total Number of Transactions	N/A	21
Number of Jobs Created	34	40 (118%)
Number of New Clients	53	92 (174%)

Appendices

The MBDA Efficiency Measure

The MBDA Efficiency Measure reflects the Return on the Agency's Investment (ROAI) which is identified in the budget allocation for the fiscal year. In FY 2008, MBDA's total budget was \$28.6 million. The ROAI represents the total dollars in award transactions (contracts and financials) obtained for clients divided by the total agency budget allocation (\$28.6 million). MBDA was able to achieve an ROAI of \$74. MBDA uses this same formula to calculate the ROI for each National Enterprise Center (NEC), as well as for each funded project. MBDA believes that this is a good means of measuring how its money is being spent and whether the funds are achieving their intended allocation. In summary, MBDA management and staff continue to make every effort to improve organizational effectiveness and efficiency as it relates to delivering quality services to the minority business community.

Long-Term Performance Measure

As part of MBDA Strategic Plan, it identified the increase of client firms, gross receipts and job creation as its primary long-term measures if it were to reach parity with the minority population growth. MBDA's vision is that by assisting clients to obtain new opportunities, minority businesses will grow, gross receipts will increase and more employees will be hired, as new jobs are created. This means of measurement is supported by the MBDA Strategic Growth Initiative (SGI) and by the Summary of Business Owners, prepared by the Census Bureau every 5 years. This Census reports shows the growth of minority firms compared to all U. S. firms. In the 2002 report, minority firms increased 35% compared to 10% for all firms. (See Appendix Charts 3-5) MBEs are also encouraged to form joint ventures to successfully bid for larger prime contract awards. In FY 2008, 83.6 percent of all transactions obtained by minority firms who were assisted by MBDA funded projects went to SGI firms.

Project Effectiveness Measurement

MBDA management and field staff continued to review the status of its funded projects on a weekly basis. Available to all were electronic reports that were produced through the agency's performance database system. Quarter Desk Assessments and Semi-Annual evaluations reports were conducted to track progress. Verification of closed transactions was entered into the performance system. NEC monitors tracked performance that fell behind schedule or targets by developing intervention plans and by working very closely with projects affected. Supporting the Federal Funding Opportunity (FFO) requirements MBDA developed a project rating system. Each project received an annual rating and projects that could not achieve a satisfactory rating of 80% score could be terminated and the project re-advertised. Several projects in FY 2008 were affected by this FFO requirement.

Table 82: MBDA Accomplishments During the George W. Bush Administration

Performance Measures	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Total Number of Clients Served	New	5,600	7,647	29,583	18,500	20,223	Retired	Retired
Number of Contracts Secured	New	New	3,492	2,475	2,257	913	Retired	Retired
Dollar Value of Contract Awards	\$1.6B	\$1.3B	\$0.7M	\$1.0B	\$1.07B	\$1.171B	\$1.2B	\$1.034B
Number of Financial Awards Secured	1,155	1,512	539	679	483	275	Retired	Retired
Dollar Value Financial Awards Secured	\$0.6M	\$0.4M	\$0.6M	\$0.6M	\$0.602M	\$0.407M	\$575M	\$1.089B
Number of Employee Training Hours	New	9,817	9,874	7,446	7,175	4,560	Retired	Retired
Number of National And Regional Strategic Partnerships	New	6	6	231	231	231	220	220
Number Jobs Created	New	New	New	New	2,270	4,254	2,751	5,316
Percent Client Gross Receipts (+ or -)	New	New	New	New	+30%	6.2%	5%	6%*
Percent Increase in American Customer Satisfaction Index	New	New	57	N/A	+13% (68)	N/A	72%	N/A

*This is an estimate and the data for this measure within the MBDA performance system is currently under review.

The Bush Administration has actively promoted performance results by the President's Management Agenda and the Government Performance and Results Act (GPRA). MBDA has successfully integrated the Budget and Performance elements to show that dollars

spent equals outcomes and results. Decisions by MBDA senior management have improved efficiency of operations and have shown outstanding accomplishments during the last seven years.

Table 83: MBDA Assistance by State in FY 2008 as Reported by MBECs, NABECs and MBOCs

State	NEC Region	MBEs Assisted	Hours of Assistance	# Financings	\$ Financings	# Contracts	\$ Contracts	Total Dollars	Jobs Created
Alabama	Atlanta	127	3,292	6	\$4.26M	19	\$38.07M	\$42.33M	107
Alaska	San Francisco	6	222	0	\$0.00M	1	\$8.34M	\$8.34M	0
Arizona	San Francisco	168	2,358	8	\$22.44M	44	\$25.14M	\$47.58M	108
California	San Francisco	836	8,316	45	\$91.49M	203	\$102.21M	\$193.70M	398
Colorado	Dallas	3	19	0	\$0.00M	0	\$0.00M	\$0.00M	0
Connecticut	New York	5	290	1	\$3.68M	0	\$0.00M	\$3.68M	0
District of Columbia	New York	85	977	8	\$0.99M	19	\$4.02M	\$5.00M	17
Florida	Atlanta	497	4,245	63	\$39.99M	21	\$23.30M	\$63.29M	219
Georgia	Atlanta	116	1,357	10	\$8.95M	20	\$43.17M	\$52.12M	1,356
Hawaii	San Francisco	58	913	7	\$1.59M	13	\$11.79M	\$13.38M	34
Idaho	San Francisco	3	80	0	\$0.00M	2	\$0.55M	\$0.55M	2
Illinois	Chicago	162	2,074	13	\$7.15M	30	\$69.80M	\$76.95M	115
Indiana	Chicago	100	993	8	\$5.62M	9	\$14.47M	\$20.09M	341
Iowa	Chicago	4	39	1	\$3.50M	1	\$11.50M	\$15.00M	0
Kentucky	Atlanta	2	52	0	\$0.00M	1	\$0.20M	\$0.20M	17
Louisiana	Dallas	185	1,647	74	\$3.23M	44	\$44.81M	\$48.05M	62
Maine	New York	1	51	0	\$0.00M	0	\$0.00M	\$0.00M	0
Maryland	New York	139	3,439	20	\$476.23M	69	\$81.13M	\$557.36M	230
Massachusetts	New York	3	31	2	\$2.25M	9	\$3.51M	\$5.76M	70

(continued on next page)

**Table 83: MBDA Assistance by State in FY 2008
as Reported by MBEs, NABECs and MBOCs (continued)**

State	NEC Region	MBEs Assisted	Hours of Assistance	# Financings	\$ Financings	# Contracts	\$ Contracts	Total Dollars	Jobs Created
Michigan	Chicago	331	3,812	6	\$13.85M	44	\$26.26M	\$40.10M	326
Minnesota	Chicago	45	1,006	1	\$0.09M	29	\$5.29M	\$5.38M	0
Mississippi	Atlanta	36	1,355	5	\$7.60M	15	\$9.66M	\$17.26M	11
Missouri	Chicago	73	2,062	7	\$3.59M	4	\$9.12M	\$12.72M	59
Montana	Dallas	1	1	0	\$0.00M	0	\$0.00M	\$0.00M	0
Nevada	San Francisco	169	3,590	24	\$9.74M	29	\$73.26M	\$83.00M	144
New Hampshire	New York	1	115	0	\$0.00M	0	\$0.00M	\$0.00M	0
New Jersey	New York	108	902	4	\$45.51M	6	\$6.37M	\$51.88M	21
New Mexico	Dallas	194	2,340	35	\$134.30M	29	\$68.40M	\$202.70M	379
New York	New York	321	4,972	14	\$15.27M	254	\$47.20M	\$62.47M	185
North Carolina	Atlanta	163	2,358	2	\$0.80M	23	\$12.98M	\$13.78M	63
North Dakota	Dallas	26	575	6	\$4.81M	10	\$14.37M	\$19.19M	66
Ohio	Chicago	8	40	0	\$0.00M	0	\$0.00M	\$0.00M	0
Oklahoma	Dallas	77	881	10	\$15.50M	27	\$17.69M	\$33.19M	135
Oregon	San Francisco	11	82	2	\$2.29M	11	\$11.81M	\$14.10M	24
Pennsylvania	New York	153	3,692	25	\$11.18M	35	\$23.86M	\$35.03M	234
Puerto Rico	New York	186	1,607	19	\$14.11M	33	\$59.04M	\$73.16M	207
South Carolina	Atlanta	72	1,736	23	\$3.76M	27	\$13.04M	\$16.80M	214
South Dakota	Dallas	10	321	1	\$0.56M	0	\$0.00M	\$0.56M	4
Tennessee	Atlanta	12	92	1	\$7.29M	0	\$0.00M	\$7.29M	10
Texas	Dallas	382	8,590	61	\$95.29M	73	\$46.20M	\$141.49M	291
Utah	Dallas	1	3	0	\$0.00M	0	\$0.00M	\$0.00M	0
Virginia	New York	62	1,023	1	\$0.01M	6	\$31.78M	\$31.79M	254
Washington	San Francisco	118	824	14	\$3.01M	12	\$14.14M	\$17.16M	56
West Virginia	New York	1	53	1	\$2.00M	0	\$0.00M	\$2.00M	10
Wisconsin	Chicago	2	13	1	\$0.10M	0	\$0.00M	\$0.10M	82

The State of California assisted more MBEs (836); while the State of Texas followed (382), but the State of rendered more M&TA hours (8590). The State of Utah received the least amount of services. Surprisingly, the State of Louisiana secured the largest number of financial transactions however the transactions were small in comparison to other states. Take for instance, the State of Maryland, it secured over \$476.23 Million dollars in financial transactions. It was followed by the State of New Mexico at \$134 Million. The State of New York secured the largest number of contracts

(254), followed by the State of California at 203 contracts. The State of Maryland secured the largest dollar value of contracts at \$557.36 Million. The second highest dollar value of contracts was generated by the State of New Mexico at \$202.70 Million. The State of Georgia created the largest number of jobs (1,356). In summary it can be noted that services rendered by MBDA's forty-four projects reached out across the country. These services touched every state in one way or another.

**Table 84: The State of Minority Business Enterprises
Total Firms, Total Gross Receipts and Total Paid Employees
(1997 – 2002)**

Group	Year	Number of Firms	% Change	Gross Receipts (\$1,000)	% Change	Number of Employees	% Change
African American	2002	1,197,661	45%	\$88,641,608	24%	7563,987	5%
	1997	823,499		\$71,214,662		718,341	
American Indian and Alaska Native	2002	201,387	N/A	\$26,872,947	N/A	191,270	N/A
	1997	197,300		\$34,343,907		298,661	
Asian	2002	1,103,587	24%	\$326,663,445	8%	2,213,948	2%
	1997	893,590		\$302,794,624		2,169,033	
Hispanic	2002	1,573,464	31%	\$221,927,425	19%	1,536,795	11%
	1997	1,199,896		\$186,274,582		1,388,746	
Native Hawaiian and Other Pacific Islander	2002	28,948	49%	\$4,279,591	3%	29,319	-14%
	1997	19,370		\$4,138,358		34,047	
All Minority Firms	2002	3,958,610	30%	\$661,148,403	12%	4,675,382	4%
	1997	3,039,033		\$591,259,123		4,514,699	
Non-Minority Firms	2002	18,521,646	6%	\$8,122,392,743	4%	50,692,834	-7%
	1997	17,401,382		\$7,800,742,138		54,386,713	
Classifiable Firms (Minority + Non-Minority)	2002	22,480,256	10%	\$8,783,451,146	5%	55,386,216	-6%
	1997	20,440,415		\$8,392,001,261		58,901,412	
All U.S. Firms	2002	22,974,415	10%	\$22,603,658,904	22%	110,766,605	7%
	1997	20,821,934		\$18,553,243,047		103,359,815	

Source: U.S. Census Bureau's 2007 Special Tabulation for minority firms in 2002 acquired by MBDA, 2002 Survey of Business Owners, August 2006; 1997 Survey of Minority-Owned Business Enterprises, July 2001.
N/A Native Americans were calculated differently in FY 2002.

Table 84 above denotes the growth and development of minority-owned firms by ethnic group from 1997 to 2002. Final data was released by Census in August 2006. It presents each major minority group and the increase in total firms, gross receipts, and paid employees. Source: U.S. Census Bureau's 2007 Special Tabulation for Minority firms in 2002 acquired by MBDA, 2002 Survey of business Owners, August 2006; 1997 Survey of Minority-Owned Business Enterprises July 2001. Note that this same data was presented in FY 2007. More current data is not available at this time.

Minority firms grew by 35% in the five year period, while non-minority firms grew just 6%. Likewise, MBE gross receipts increased 13% while non-minority receipts increased just 4%. Finally, employees in MBE firms increased 5% while non-minority firms showed a minus 7% in employment.

Despite the substantial progress, MBEs continue to be proportionately underrepresented in the number of firms, employment and gross receipts compared to the minority population percentages. This reflects MBDA's Vision to attain entrepreneurial parity for MBEs in the future.

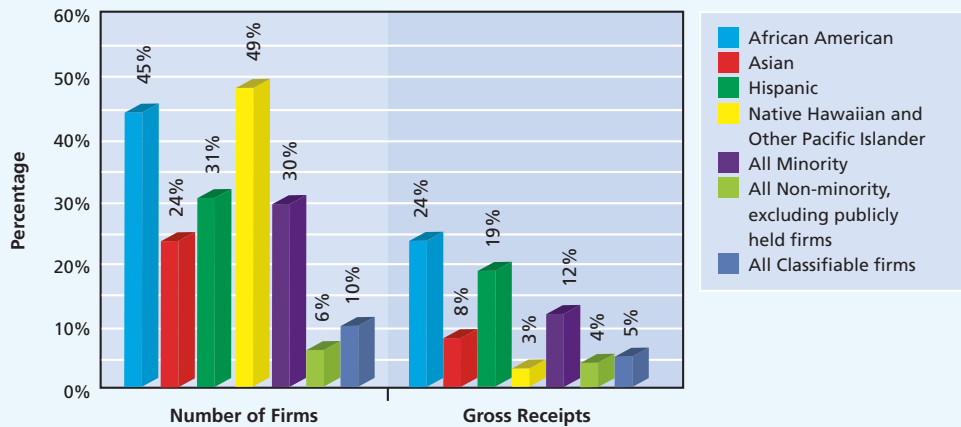
Table 85: Summary Statistics by Group - 2002

Group	Number of Firms	Total Gross Receipts	Average Gross Receipts	Paid Employees
African American	1,198,000	\$88.8B	\$74,000	757,000
American Indian & Alaska Native	201,000	\$26.9B	\$133,000	191,000
Asian	1,104,000	\$326.4B	\$296,000	2,213,000
Hispanic	1,574,000	\$222.0B	\$141,000	1,538,000
Native Hawaiian and Other Pacific Islander	29,000	\$4.3B	\$148,000	29,000
All Minority	3,958,000	\$661.1B	\$167,000	4,675,000
All U.S. Firms (excludes publicly-held and other non-classifiable firms)	22,480,000	\$8.8T	\$391,000	55,368,000

Source: U.S. Census Bureau, 2002 Survey of Business Owners, August 2006, and 2007 Special Tabulation on total minority firms for 2002 acquired by MBDA.

- In 2002, there were 4 million minority business enterprises (MBEs), about 18% of all U.S. firms excluding publicly-held firms, non-profit, and foreign owned.
- MBEs generated gross receipts of \$661 billion, which is 7.5% of the gross receipts generated by all firms, excluding publicly-held and other non-classifiable firms.
- Minority firms employed about 4.7 million workers.

Chart 4: Growth in Number of Firms and Gross Receipts 1997-2002



Source: U. S. Census Bureau's 2007 Special Tabulation for minority firms in 2002 acquired by MBDA, 2002 Survey of Business Owners, August 2006; 1997 Survey of Minority-Owned Business Enterprises, July 2001.

BETWEEN 1997 AND 2002:

- The number of MBEs increased by 30%. The number of non-minority firms increased by only 6%.
- Annual gross receipts generated by MBEs increased by 12%. Annual gross receipts generated by non-minority firms increased only 4% over the same period.
- The number of workers employed by MBEs grew by 4% between 1997 and 2002. Over the same period, the number of workers employed by non-minority firms declined 7%.

Table 86: List of Business-to-Business Forums Held in FY 2008

MBDA National & Regional NECs	Date	Location	Description
Office of Business Development			
National Conference	June 20, 2008	Seattle, Washington	3 Private sector buyers (Microsoft, HMS Host, Perini Building) to discuss process with all of the funded Centers and staff on contract opportunities with their firms. Johnson Controls also conducted separate session on access to markets. HMS Host also conducted a separate training session (in-depth) on the process and requirements for their program.
National MED Week Business-To-Business Linkage Forum	September 5, 2008	Washington, D.C.	Forum with 30 public and private sector buyers and over 100 MBEs in multiple industries for contracts identified. SBA also participated.
National Enterprise Centers:			
Atlanta NEC			
2008 Katrina Economic Development Summit	February 7 & 8	New Orleans, Louisiana	Gulf Coast Recovery
Mississippi MBEC	May 7, 2008	Biloxi, Mississippi	Gaming Supply/Industry
Alabama MBEC	May 5 & 6, 2008	Mobile, Alabama	Steel Industry – ThyssenKrupp AG
Chicago NEC			
Marketing & Advertising Matchmakers	August 14, 2008	Chicago, Illinois	Buyers' Forum with 8 corporations & 20 MBEs.
Government Forum	August 14, 2008	Chicago, Illinois	Buyers' Forum with 10 federal, state & local agencies with 60 MBEs.
Professional Services	August 14, 2008	Chicago, Illinois	Buyers' Forum with 10 corporations & 60 MBEs.
Finance Forum	August 14, 2008	Chicago, Illinois	Finance Forum with 5 to 6 capital providers.
Regional MED Week	August 15, 2008	Chicago, Illinois	Buyers' Forum with 13 corporations & 60 MBEs
Investment Management Forum	September 17, 2008	Chicago, Illinois	Capital Forum comprised of 12 public and private pension funds and 12 minority money managers.
Dallas NEC			
Gulf Recovery Business-To-Business Forum	May, 2008	New Orleans, Louisiana	Buyers' Forum with local, state and federal agencies in construction sector (architects & engineering) with 154 MBEs.
Regional MED Week	August 19, 2008	Atlanta, Georgia	Forum with 12 private sector buyers and 2 buyers from public sector buyers with 62 MBEs.
Asian Pacific Island/Greater Dallas MBEC	September 29, 2008	Dallas, Texas	Forum with 15 buyers (private & public sectors) with 70 MBEs.
New York NEC			
New York City Department of Sanitation	October 30, 2007	New York, New York	B2B Forum held with three local state agencies: New York City Dept. of Sanitation, Housing Preservation & Development and New York City EPA. 84 attendees.
LIPA – National Grid –Key Span	November 14, 2007	Uniondale, New York	B2B Forum event attracted 25 DBE certified firms in various Energy and Transportation related sector industries.
Native American tribes representing national & regional basis	January 29, 2008	Hoboken, New Jersey	B2B Native American Conference. 84 attendees. Over 10 NA tribes represented & 2 casinos.
Hispanic Business-To-Business Forums	February 27, 2008	New York, New York	Co-sponsoring with federation of Hispanic chamber with 75 MBEs for potential joint ventures.
Pharmaceutical Forum	May 19, 2008	Morristown, New Jersey	Forum held with Merck & pharmaceutical buyers. 240 attendees.
Avis-Budget	June 26, 2008	New York, New York	Single buyer with several 8 contractor vendors confirmed selected for opportunities by buyers. 15 attended.
Regional MED Week	August 7, 2008	New York, New York	Multiple 40 buyers with public & private sector buyers in several industries and 150 MBEs.

(continued on next page)

Table 86: List of Business-to-Business Forums Held in FY 2008 (continued)

MBDA National & Regional NECs	Date	Location	Description
San Francisco NEC			
Arizona Biz Green Forum	January 16, 2008		
Construction Forum	April 9, 2008	Phoenix, Arizona	Forum with Hensel Phillips Construction and 50 MBEs
Costco Forum	May, 2008	San Diego, California	Forum with Costco buyers and 50 MBEs.
Construction Forum	June 11, 2008	Phoenix, Arizona	Forum with Hensel Phelps Construction & Ryan Co. and 50 MBEs.
Finance Forum	July 9, 2008	Los Angeles, California	Forum with multiple capital providers with 100 MBEs.
Regional MED Week	August 15, 2008	San Francisco, California	8-10 private sector buyers in multiple industries with 20 MBEs.

Acronyms

AAPI - Asian American and Pacific Islanders

B2B - Business-to-Business

CFO - Chief Financial Officer

DOC - Department of Commerce

EBLS - Emerging Business Development Summit

EMBL - Emerging Minority Business Leaders

FMFIA - Federal Manager's Financial Integrity Act

GPRA - Government Performance and Results Act

GSA - General Services Administration

ICIC - Initiative for a Competitive Inner City

IDIQ - Indefinite Delivery, indefinite Quantity

KM - Knowledge Management

M&TA - Management & Technical Assistance

MBDA - Minority Business Development Agency

MBE - Minority Business Enterprise

MBEC - Minority Business Enterprise Center

MBOC - Minority Business Opportunity Center

MDCP - Model Contractor Development Program

MED Week - Minority Enterprise Development Week

MOU - Memorandum of Understanding

NABEC - Native American Business Enterprise Center

NEC - National Enterprise Center

NTIA - National Telecommunications & Information Administration

OBD - Office of Business Development

OMB - Office of Management and Budget

OPIC - Overseas Private Investment Corporation

OPPE - Office of Performance and Program Evaluation

PART - Program Assessment Rating Tool

PMA - President's Management Agenda

ROAI - Return on the Agency Investment

ROI - Return on Investment

SGI - Strategic Growth Initiative

VERA - Voluntary Early Retirement Authority

VSIP - Voluntary Separation Incentive Program

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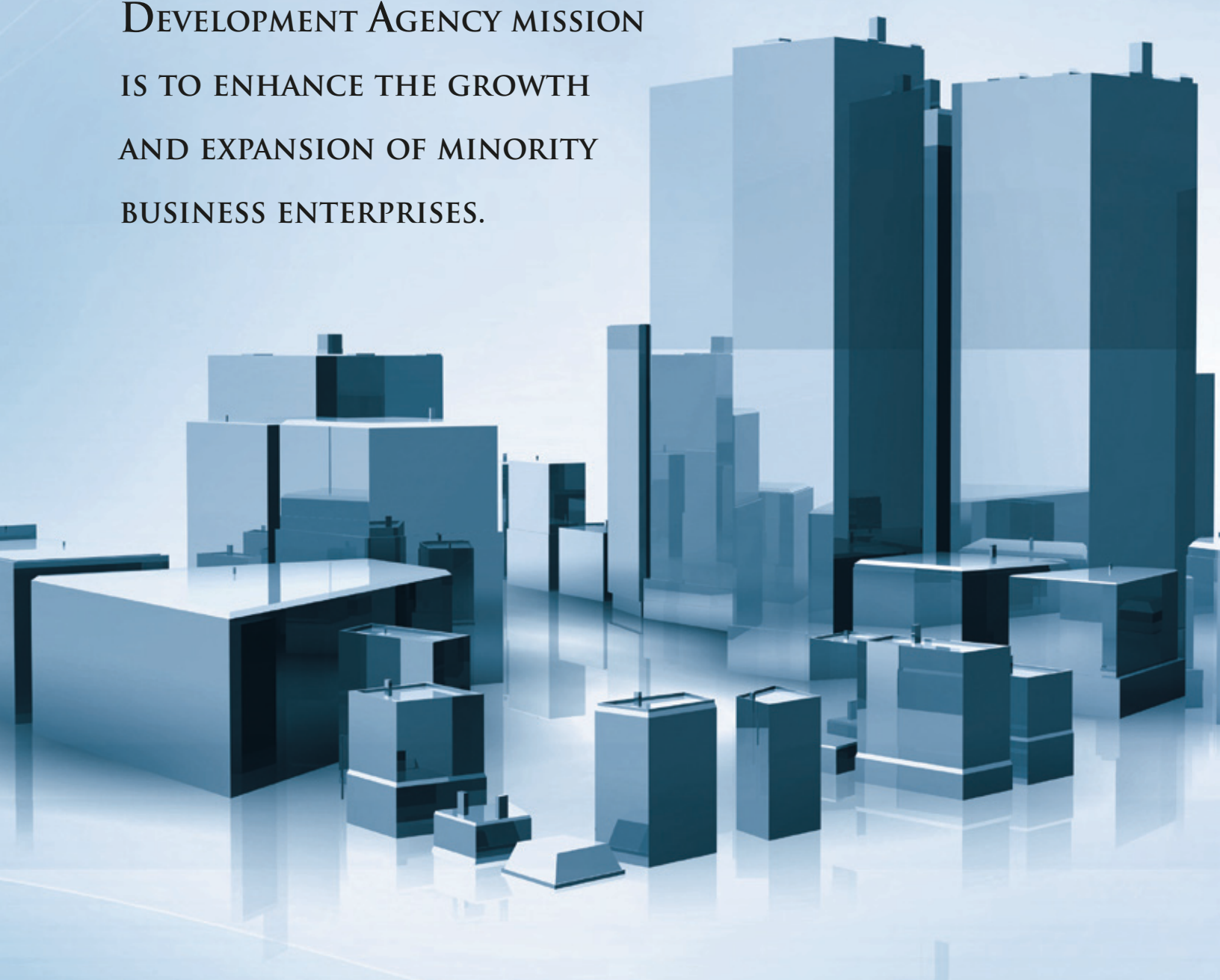
National Enterprise Centers (NECs) for their cooperation and write-ups.

Without the support and implementation of the Agency’s goals and objectives by many at MBDA and by funded projects, much would not have been achieved. This year’s success can be attributed to all who contributed and believed in the mission and vision of MBDA. To all “Thank you!”

Note – Performance Data provided for each funded project and each NEC was dated as of December 5, 2008 for the period of performance October 1, 2007 through September 30, 2008.



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