

MINORITY BUSINESS ENTERPRISE CENTER™

"Empowerment Through Entrepreneurship"



U.S. DEPARTMENT OF COMMERCE

MBDA™

MINORITY BUSINESS DEVELOPMENT AGENCY



Funded by the U.S. Department of Commerce, MBDA
Operated by M. Gill & Associates, Inc.



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Strategic Partners - City of Miami * So. Fl Regional Planning Council

www.mbecflorida.org | 786.316.0888

Financing & Bonding Opportunities for Small/Minority Contractors

Presented by:

Marie R. Gill, Executive Director
Minority Business Enterprise Center

In association with
Latimer Insurance Agency



Minority Business Enterprise Center (MBEC™)

- **WHO WE ARE**

- A Business Consultation, Technical Assistance and Entrepreneurship Training Program.
- Funded by the U.S. Dept. of Commerce's Minority Business Development Agency (MBDA). The City of Miami and South Florida Regional Planning Council are primary Strategic Partners

- **MISSION STATEMENT**

To increase the opportunity for small/minority firms to succeed in their formation, development, preservation and growth as competitive economic enterprises.

Minority Business Enterprise Center (MBEC™)

- **WHAT WE DO**

- Business Plans
- Marketing Plans
- Feasibility Studies
- Construction-related services
- Loans and Bond Sourcing and Packaging
- Procurement Sourcing & Bid Preparation
- International Trade
- Various Certifications

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- **Working Capital and Other Loan Options**
 - Counties and Cities (CIP; CRA's; Revolving Loan Funds)
 - ACCION USA
 - Partners for Self-Employment
 - South Florida Regional Planning Council
 - BAC Funding Corp.
 - Strada Capital Corporation
 - Access Florida Finance Corp. (Network)
 - Metro Broward Capital Corp.
 - SBA-Guaranteed Financing



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Loan Applications & Lending Criteria

Understanding the Five C's of Lending

- 1. Character**
- 2. Cash Flow**
- 3. Collateral**
- 4. Capitalization**
- 5. Conditions**



Minority Business Enterprise Center (MBEC™) Contract Surety Bonds

- **Obligee:**

Entity or individual to which the bond is given

- **Surety:**

Financial institution writing the bond; becoming the bearer of the risk

- **Principal:**

The party that requires the bond and on whose behalf the bond is written

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Types of Bonds

- **Bid Bond**

Gives the Obligea a sense of security that the principal has been checked out...you're OKAY!

- **Performance Bond**

A guarantee that the principal will perform in accordance with plans and specs. Main purpose is to protect the obligee, in case the principal fails to perform.

- **Payment Bond**

Generally protects sub-contractors and suppliers of labor and materials

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Three C's of Bonding

1. **Capability:**

- * Largest three contracts performed
- * Any Contract Defaults?
- * How Long in business?

2. **Capital:**

- * What is the overall financial condition of your company?
- * Do you have adequate working capital?
- * Any Bank Lines of Credit? Is your company profitable?

3. **Character:**

- * Paying Bills on time
- * Any tax liens
- * Write-offs on owner's credit reports
- * Your Beacon Score

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Bonding Application Documents

- **Contractor's Questionnaire**
- **Three Years' Financial Statements**
- **Interim Financial Statement**
- **Personal Financial Statement**
- **Schedule of Current Work**
- **Resumes of Owners, Officers, Key Personnel**
- **Certificate of Insurance**
- **Letters of Reference**

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PARTNERING TO SERVE YOU BETTER



Latimer Insurance Agency

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END OF PRESENTATION

Thank you

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“Your Success is Our Priority”