

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

## Serving America's Small Businesses

### U.S. Small Business Administration Wisconsin District Office

**Eric Ness, District Director**  
April 2008

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<http://www.sba.gov>

[Wisconsin SBA Home Page](http://www.sba.gov/wi)  
<http://www.sba.gov/wi>

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### Milwaukee Launches SBA Emerging 200 Initiative



**SBA Deputy Administrator  
Jovita Carranza**

Milwaukee launched SBA's Emerging 200 Initiative (e200) on April 17<sup>th</sup>. SBA Deputy Administrator, Jovita Carranza, along with Milwaukee Mayor Tom Barrett and other local and SBA dignitaries kicked off the e200 initiative at the Manpower corporate headquarters in Milwaukee. Milwaukee was selected as one of eleven cities nationwide to participate in **SBA's e200 Initiative**.

Joining the Wisconsin SBA District Office in making e200 a success in Milwaukee are:

- City of Milwaukee
- Manpower, Inc.
- Greater Milwaukee Committee
- Wisconsin Women's Business Initiative Corp. (WWBIC)
- Milwaukee Urban Entrepreneur Partnership (UEP)
- SCORE, Counselors to America's Small Businesses
- Small Business Development Center (SBDC)-University of Wisconsin-Milwaukee

The goal of the SBA Emerging 200 initiative is to identify 200 inner-city businesses across the country that show a high potential for growth—and to provide them the network, resources and motivation required to build a sustainable business of size and scale within a designated inner-city geographic location.

The SBA Emerging 200 initiative will enable the participating small businesses to engage in an intensive curriculum focused on developing a winning, expansion strategy for their business, including options for capital access and contracting. Participants also will have the opportunity to work with experienced mentors, attend workshops, and develop connections with their peers, city leaders, and financial community.



“We, along with our partners, are very excited about being one of the 11 cities participating in the e200 initiative,” said Wisconsin SBA District Director Eric Ness. “We look forward to working with the e200 participating businesses as they engage in the extensive curriculum that will focus on developing a winning expansion strategy for their business that includes options for capital access and contracting.”

**SBA Deputy Administrator Meets Milwaukee SBA Staff**



**Deputy Administrator is third from left in second row**

SBA Wisconsin staff in the Milwaukee office met with SBA Deputy Administrator Jovita Carranza when she was in Milwaukee to launch SBA's Emerging 200 Initiative.

Ms. Carranza was sworn in December 15, 2006, as the Deputy Administrator. President George W. Bush nominated her for the post and she was confirmed by unanimous consent by the U.S. Senate.

As Deputy Administrator, she serves as second in command to Administrator Steven C. Preston. She helps to manage an agency with more than 80 field offices across the country and a portfolio of direct and guaranteed business loans, venture capital investments and disaster loans worth almost \$80 billion.

The Deputy Administrator brings to the SBA more than 30 years of successful corporate experience at UPS where she started in 1976 as a part-time, night-shift box handler in Los Angeles and worked her way up to vice president managing domestic operations and president of international operations for Latin America and the Caribbean. Most recently, she was vice president of air operations for the worldwide Package-shipping company at its facility in Louisville, KY, where she oversaw the cutting-edge automated package processing operation.

**Wisconsin SBA Employee Receives Excellence Award**



**Jim Simelton**

Wisconsin SBA Lead Business Development Specialist Jim Simelton and Business Development Specialist Mary Trimmier attended the Partners for Profit event in Green Bay April 22<sup>nd</sup> and 23<sup>rd</sup>. The event brought together minority owned businesses with major corporations that are looking to buy goods and services from these minority firms.

The event includes an award reception and trade fair. Jim and Mary presented an award to Wisconsin's SBA 2008 Minority Small Business Person of the Year award to Baly Ambegaoker of IDL Solutions. Also at the reception, **Jim received an Excellence Award** from Dr. Rose of WI Supplier Development Council (who sponsors the event) for assisting borrowers looking for financing. Dr. Rose said, "Jim clearly takes the view-"how can we make this deal work" rather than "what's wrong with this loan." Jim was pleasantly surprised, as he was not expecting to receive an award.

**Kudos Jim**

**Register Now for the 23rd Annual Small Business Awards Breakfast being held June 6<sup>th</sup> in Pewaukee**

**SBA Sets 45-Day Extension to Effective Date of Updated SOP**

The U.S. Small Business Administration has agreed to a request from lenders that participate in the agency's small business loan programs for a 45-day extension to the effective date of its modernized Standard Operating Procedure for lender and development company loan programs.

The revised document, SOP 50 10, which has been cut in length from 1,000 pages to 400, was completely re-written with significant input by program participants, including lenders, certified development companies and SBA employees. Although the revision incorporated substantial structural changes, SBA made only limited policy changes or clarifications in the document.

The new SOP was made available to the public on March 20, 2008, to permit lenders and certified development companies an opportunity to become familiar with and implement the revised SOP.

SBA staff from the Office of General Counsel and the Office of Financial Assistance met with lenders and CDCs in sessions across the country to discuss clarifications and changes to the SOP and to hear any concerns raised about specific issues.

Because of those meetings, SBA has identified certain technical changes to the SOP that should be made before the SOP takes effect. The lending community has requested an extension to the effective date of the SOP and, as a result, SBA is extending the effective date from May 1 to June 15, 2008. The provisions under SOP 50-10(5) will apply to all applications received **by SBA** on or after June 15, 2008, effective date.

Lenders, CDCs and other interested parties can e-mail questions or comments regarding the new SOP to SBA at

[SOP50-10Modernization@sba.gov](mailto:SOP50-10Modernization@sba.gov).

The revised SOP may be found at <http://www.sba.gov/tools/resourcelibrary/sops>.

**President Bush Proclaims National Small Business Week**

Calling small business the backbone of the nation's economy, President George W. Bush stressed his Administration's efforts to foster "an environment in which the entrepreneurial spirit can thrive" in his proclamation of the week of April 20-26 as National Small Business Week.

The President's proclamation was issued on the eve of the U.S. Small Business Administration's 45<sup>th</sup> annual observance of National Small Business Week in Washington, D.C. and New York City (April 21-25). The event honors the nation's most outstanding entrepreneurs, and features the announcement of the National Small Business Person of the Year for 2008 from among the 53 state small business winners, including the District of Columbia, Puerto Rico, and Guam.

Wisconsin's SBA 2008 Small Business Person of the Year winners Robert Beach, James Jourdan, and John Petek of Marvel Manufacturing and National Women in Business Champion winner Julann Jatczak of Wisconsin Women's Business Initiative Corp. were at the Small Business Week activities in Washington and joined the other award winners at the White House on Wednesday, April 23<sup>rd</sup> where President Bush met with them.

"In communities across America, small business owners are working hard to turn their dreams into enterprises," President Bush said. "Small Business Week is a time to celebrate the many achievements of small business owners, entrepreneurs, and employees who contribute to the vitality and prosperity of our Nation and create new job opportunities for our citizens.

"Small businesses are the backbone of the American economy and my Administration is committed to fostering an environment in which the entrepreneurial spirit can thrive. By keeping taxes low, we leave more money in the hands of Americans to save, spend, and invest. This year, we have also temporarily expanded incentives to help small businesses invest in new equipment and expand their enterprises.

"We have also expanded market access and opened new markets for American goods and services abroad, helping our small businesses compete in the global economy. To make health care more affordable and accessible, we continue to support Association Health Plans so small businesses can band together to get the same discounts that big companies receive.

"The underpinnings of our economy is strong, competitive, and resilient enough to overcome the challenges we face, and in the end, Americans can be confident that our economy will continue to grow," the President said. "During Small Business Week and throughout the year, we recognize the determination and ingenuity of America's workers and entrepreneurs who play a vital role in building a more prosperous future for our country."

The full text of the President's National Small Business Week proclamation can be found at [www.whitehouse.gov/news/releases/2008/04/20080418.html](http://www.whitehouse.gov/news/releases/2008/04/20080418.html).

**SBA's Business Gateway Initiative Wins 'Excellence .Gov' Award**

The Business Gateway Initiative has been awarded the ACT/IAC Excellence.Gov Award for its Business.gov Web site, demonstrating best practices in a federal e-government program and improving organizational performance using information technology.

Presented by the American Council for Technology (ACT) and its Industry Advisory Council (IAC), the awards were established to recognize successful programs that improve delivery of programs and information to citizens, businesses, taxpayers, government agencies, and other end-users through the use of IT.

"This award clearly demonstrates the initiative in technology that excels within the SBA and its leadership team," said Steve Preston, Administrator of the U.S. Small Business Administration. "We are proud of the work Business.gov has done to help our nations businesses."

This Excellence.Gov Award represents the program's second win so far this year. In March, Business.gov won the Government Information Technology Executive Council (GITEC) 2008 *Government Computer News* (GCN) Technology Leadership Award, which recognizes distinguished individuals for their outstanding work and leadership in the field of government information technology.

"It is truly an honor to be gaining so much recognition for doing something we at Business.gov feel so

passionate about,” Sternberg said. “At the end of the day, as long as we’re saving business owners’ time and money, we’ve done our jobs. These awards are icing on the cake.”

SBA’s Disaster Credit Management System, managed by Michael Sorrento was also identified as a top-20 finalist in the government-wide competition.

**About Business.gov**

Business.gov is the official business link to the U.S. Government. Business.gov is managed by the U.S. Small Business Administration (SBA) in a partnership with 21 other federal agencies. This partnership, known as Business Gateway, serves as an incubator of technologies designed to improve the delivery of services and information to the nation’s small business community. Originally launched in 2004, Business.gov provides a single access point to government services and information to help the nations businesses with their operations.

**IRS Launches Campaign to Educate New Small Business Owners**

The Internal Revenue Service has launched a year-long campaign to help educate new self-employed small business owners about federal tax responsibilities and about filing **Schedule C**, Profit or Loss from Business.

“One of the biggest challenges faced by people starting out in business is understanding and meeting their tax filing requirements,” said Kathy Petronchak, commissioner of the IRS’s Small Business/Self-Employed operating division. “It’s a new, different, and potentially over-

whelming experience for them. We want new small business owners to know that the IRS has resources to help them learn about their federal tax responsibilities and avoid common pitfalls.”

The campaign will provide new **Schedule C**, Profit or Loss from Business, filers with improved and updated educational materials through a variety of channels, including IRS.gov, small business workshops and other outreach events.

Schedule C is filed by sole proprietors (one-owner businesses) as an attachment to their Form 1040 individual income tax return. Self-employed individuals with less complex situations – including business expenses of less than \$5,000, no net losses, and no employees – may be able to file **Schedule C-EZ**, Net Profit from Business.

About one in seven federal income tax returns includes a Schedule C or Schedule C-EZ. Taxpayers filed over 21 million Schedules C for tax year 2006, reporting overall net profits from sole proprietorships totaling more than \$269 billion.

In this introductory phase of the campaign, IRS is offering some basic tips to avoid potential problems:

- Classify workers properly as **employees or independent contractors** as determined by law, not the choice of the worker or business owner;

- Deposit federal **employment taxes**, called trust fund taxes, according to the appropriate schedule;
- Start making quarterly **estimated quarterly payments** to cover your own income tax and social security **self-employment tax liability**;
- Keep **good records** to protect your personal and financial investment and to make tax filing easier;
- Consider a **tax professional** to help you with Schedule C;
- File and **pay your taxes electronically**; it is fast, easy, and secure;
- Protect financial and tax records to ensure business continuity in the event of a **disaster**; and
- Avoid abusive tax avoidance schemes such as the IRS’s 2008 “**Dirty Dozen**”.

The first event in the campaign is a free **national phone forum** [www.irs.gov/businesses/small/article/0,,id=166814,00.html](http://www.irs.gov/businesses/small/article/0,,id=166814,00.html), “Calling All First Time Schedule C Filers, on May 21. It will review common pitfalls for new small businesses to avoid.

To get the latest information about other events and learn about new products and services as they become available, start a Free subscription to **e-News for Small Businesses**; just go to IRS.gov at [www.irs.gov/businesses/small/content/0,,id=154826,00.html](http://www.irs.gov/businesses/small/content/0,,id=154826,00.html), type in your e-mail address and submit.

[Link to SBA WI April 2008 Loans](#)

**SBA WI March 2008 Micro-Loans**

Impact Seven - 1 Loan for \$1,773

Lincoln Neighborhood Redevelopment Corp. - 1 Loan for \$3,777

WI Women's Business Initiative Corp. - 1 Loan for \$35,000

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**2008 LENDERS CONFERENCE**

MAY 15 & 16, 2008

LeRoy Butler – Evening Keynote Speaker

**Chula Vista Resort**

**Wisconsin Dells**

**Wisconsin**

**FOR:**

*Bank Presidents, CEO's, Board &  
Chamber Directors, CPA's,  
Commercial Lenders, Tellers, Credit Analysts,  
Collection Managers*

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**Editor's Notes**

**EVENTS/TRAINING CALENDAR**

Be sure to visit <http://web.sba.gov/calendar/public/index.cfm?op=group&grp=73> for business training opportunities offered by SBA, SCORE, SBDC Centers, Women Business Centers, Procurement Assistance Centers, and the Wisconsin Procurement Institute. This site will become your first stop when looking for training sessions, conferences, and seminars at the federal level but will also include state, local, and private activities that pertain to small business development.