

ABOUT THE ACCESS BONDING PROGRAM

Overview

The Access Bonding Program is a program of Capital Access Project, Inc., that was created to enhance the work performed through the organization's Contractor's College and CertAssist programs. The goal of the Access Bonding Program is to help underserved contractors qualify for and secure construction surety bonding.

Access Bonding Program's Mission

The mission of the Access Bonding Program is to increase the surety bonding capacity of small, disadvantaged, minority- and women-owned construction firms by providing them with the education, management, technical, and financial assistance to give them greater ability to bid and perform on large government and private sector construction projects that require surety bonding.



Access Bonding Program's Vision

Our vision is to develop the Access Bonding Program as a national model for successful surety bonding assistance programs.

Statement of Need

Despite the growth, opportunities, and achievements of small, disadvantaged, minority- and women-owned construction firms ("DBE" firms) in post-Katrina New Orleans, their growth remains limited by a lack of access to surety bonds.

A lack of access to surety bonds limits the ability of DBE firms to secure large commercial and government construction projects¹, the segments of the construction industry that provide the best opportunity for long-term growth and sustainability.

Solution

The Access Bonding Program addresses the challenges of securing surety bonds faced by DBE firms through a revolving surety bond fund.

¹ Surety bonds are required on Federal construction projects of \$100,000 or more.

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The Access Bond Fund

Merrill-Lynch manages the revolving Access Bond Fund. Capital Access Project capitalized the fund with \$10,000 in 2009. Capital Access Project received an additional \$100,000 in program-related investments (PRIs) to fund the Access Bonding Pilot Program from the Louisiana Disaster Recovery Foundation (LDRF). Capital Access Project also received a \$25,000 grant from LDRF to provide management and technical assistance to program participants. Capital Access Project's goal is to raise \$2.0 million for the Access Bond Fund by the end of 2010. Contractors accepted to participate in the Access Bonding Program will have access to a line of credit from the Access Bond Fund (issued in the form of a Letter of Credit) up to \$50,000. The Letter of Credit will be utilized as collateral to secure a surety bond up to \$500,000 for the contractor.

Who Can Participate in the Program?

In order to participate in the Access Bonding Program, a contractor must-

- Hold a Louisiana contractor's license
- Have a minimum of one (1) year as a licensed contractor
- Have personal credit score of 640 or above
- Sign a contract to participate and commit to the program

Participants will be required to undergo "advanced" Contractor's College training (advanced project management, estimating and bidding) and ongoing, one-on-one management and technical assistance.

- The advanced management and technical assistance is critical to the success of the contractor. Through the advanced management and technical assistance-
- The company will undergo a comprehensive analysis of its current position and opportunities;
- A strategic growth/business plan will be developed;
- A computerized accounting system will be implemented or enhanced to ensure the accuracy of interim financial statements;
- An accountant and CPA will be hired to create surety-ready financials;
- The firm's owners will undergo personal and business credit counseling;
- Firms will be required to register or certify with Dun & Bradstreet, Central Contractor's Registration, the State of Louisiana's Department of Economic Development (as a Small and Emerging Business), the Housing Authority of New Orleans and the Louisiana Department of Transportation (Louisiana Unified Certification); and
- Participants will be assigned a mentor in the construction industry.

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Anticipated Program Outcomes

The program outcomes for participating firms include, but are not limited to-

- Develop surety-ready financials and an accounting system that meets surety underwriting requirement;
- Improve personal credit scores of the owners to an average of 700 or above at all three credit bureaus;
- Create a business credit profile and build the company's business credit score (Paydex score) to 75 or above;
- Complete a business plan that will outline the company's growth plans and that will be utilized to secure a business line of credit; and
- Complete no less than two (2) bonded projects while in the 12-month program.

If the program is successful in achieving the anticipated program outcomes, each participant should be considered "bondable" under standard surety underwriting criteria by the end of their participation and should be able to secure a bond line without further assistance from the Access Bonding Program.

About Capital Access Project, Inc.

Capital Access Project is a 501(c)3 non-profit entrepreneur and economic development organization founded in 2001 by Norman David Roussell. Based in New Orleans, Louisiana, Capital Access Project works with clients to help them start, manage, and grow competitively viable organizations.

Capital Access Project's Mission

Capital Access Project is dedicated to supporting the creation of competitively viable small, disadvantaged, minority-, and women-owned firms through business development assistance by identifying, qualifying, and matching those firms with public and private sector capital and resources to start or expand their businesses, create jobs, and create an economic impact that would otherwise not exist.

Capital Access Project's Corporate Values

Capital Access Project is committed to acting honestly and ethically in all our transactions and dealings. We are committed to treating our employees and clients fairly and respectfully and we are dedicated to acting responsibly in the communities in which we work. We will engage in no transaction that does not benefit all parties involved.

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Capital Access Project's Corporate Structure and Management

CAP was formed on October 5, 2001 as a Louisiana Corporation. Norman David Roussell is the company's sole incorporator, founder and Executive Director. On August 18, 2002, CAP received its designation as a non-profit corporation under section 501(c) 3 of the Internal Revenue Code. CAP's day-to-day operations are managed by its Executive Director, and staff of four full-time employees. The overall management of CAP is under the direction of its board of directors.

Capital Access Project's Team

Capital Access Project's team is led by the company's founder Norman David Roussell. Roussell holds a BBA in Finance from Howard University and a MBA from Loyola University at New Orleans. The remainder of Capital Access Project's team includes:

- Adonis C. Expose, MPA, CBCC²- Client Manager
- Don C. Lawhorn, CBCC - Client Manager
- Dionne Peters, CBCC - CreditProject Program Manager
- Debbie Weary, CBCC- Contractor's College Program Manager
- Mike Glapion, ARM³, CWCA⁴- Risk Management Consultant
- Tiya Scroggins, MBA- Certification Consultant
- Clarence Odom, PMP⁵- Project Management Consultant
- Winston Williams, MBA- Accounting/Strategic Management Consultant

Contact Us

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² Certified Business Credit Consultant

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