

Benefits to Contractors and Program Participants

- One-on-one bond assistance by a license insurance agent
- Subcontracting opportunities with GCs looking to meet diversity requirements
- CPA and business line-of-credit or loan referrals
- Technical assistance and mentoring
- Access to the Small Business Administration's Surety Bond Guarantee Program which is currently providing guarantees for projects up to \$6,500,000 nationwide

Benefits to Partners and Sponsors

- Subcontractor capacity building and sustainability for ongoing subcontractor relationships
- Direct access with bond-ready subcontractors
- Increasing diversity goals
- National recognition as a participating stakeholder in closing disparity gaps



**Interested participants, partners,
or sponsors should contact:
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National Association of Minority Contractors
Southern California

Owner Bond Assist Program





Overcoming Bonding Challenges

In America, the opportunity to own a business is as fundamental as the articles set forth in the Bill of Rights.



Despite their historical connection to job creation and wealth building, many small businesses are finding it increasingly difficult to fulfill their dreams of success and contribute to the economic vitality of communities. Many face numerous challenges that threaten their existence.

One such barrier is bonding. Bonding protects the project owner in the event a job is not completed properly, on time, or someone does not get paid for work performed on a project. It is not insurance.

Bonding has been a barrier that has prevented many small, women, minority, disadvantaged, and veteran-owned businesses from competing for local, state, and federal contracts.

Several studies measure the disparities, but few direct solutions have been provided. This is why Creative Bonding and Insurance Solutions, a bi-coastal insurance consultant and bonding agency, collaborated with the National Association of Minority Contractors Southern California to address bonding barriers with our Owner Bond Assist Program.

The Owner Bond Assist Program goal is to help contractors obtain bid bonds, payment bonds, and performance bonds.

Overcoming Barriers

OBAP addresses the bonding challenges often faced by minority contractors such as low credit scores, limited available capital, lack of financial capacity, inadequate past performance for similar jobs, weak or no financial statements, inadequate net worth, no established business line of credit, and credit limit maxed out.

Growth and Sustainability

OBAP is a special resource for new and start-up companies. It also builds bond capacity for contractors and assists previously denied contractors. The OBAP Administrator teams resources using corporate partners and sponsors to coordinate technical assistance, mentoring, and training.

General Contractor and Project Owner Tool

OBAP provides a tool to help public entities meet and increase their DBE and MBE contractor goals. OBAP also assists in increasing the percentage of contracts awarded to women and veteran-owned businesses or whatever the focal point may be for diversity contracting.

Enrollment

The program is administered by the NAMCSC OBAP Administrator. Contact the National Association of Minority Contractors Southern California and obtain an "OBAP Contractor's Enrollment Form" to enroll. Applications also be available online. NAMCSC membership not required to enroll.

Every minute of a contractor's time on and off the job site is important. OBAP participants are not required to leave their job sites to attend time-consuming weekly bond education classes.

The consultant provides one-on-one bond assistance addressing each contractor's need, whether it be bonding for the first time, or to increase capacity. Participants receive assistance compiling bond paperwork, financing resource referrals to obtaining working capital, and CPA referrals to have financial statements prepared.

Optional interactive workshops are offered, ultimately allowing participants to submit bond applications electronically on a project-by-project basis.

