

**Memorandum of Understanding  
Between  
The Greater Cleveland Partnership  
And  
The Surety & Fidelity Association of America**

Whereas

The Greater Cleveland Partnership ("GCP"), through its program the Commission on Economic Inclusion ("Commission"), is committed to making Greater Cleveland's diversity a source of economic strength by promoting the rapid growth and development of minority-owned businesses in Northeast Ohio and facilitating greater participation by these businesses in contracting opportunities in the region; and

The GCP's goal is to assist in building the capacity of minority business enterprises (MBEs) and provide assistance to qualified MBEs in Northeast Ohio to effectively compete for bids, contracts, and procurement opportunities in our region; and

The GCP acknowledges the need for program efforts to increase awareness of and access to bonding for these businesses; and

Whereas

The Surety & Fidelity Association of America (hereinafter referred to as the "SFAA") is a licensed rating or advisory organization in all states, including the District of Columbia and Puerto Rico and has been designated by state insurance departments as a statistical agent for the reporting of fidelity and surety experience; and

The SFAA plays an active role in diversity nationwide by assisting in educating emerging contractors on how to become bondable or increase their bonding capacity, and

The SFAA provides technical assistance and program resources to state and local governments in the areas of contractor development and bonding support; and

The SFAA is committed to working with the Commission through the GCP to promote the growth and development of minority-owned businesses throughout Northeast Ohio through greater awareness of and access to bonding.

Therefore, be it resolved that

The Commission and the SFAA jointly will develop and support programs and activities which will provide minority-owned businesses throughout Northeast Ohio with the skills and access to bonding and financing necessary to enhance their efforts at significant participation in the contracting opportunities, including those from federal, state, local government, other nonprofit and commercial organizations; and

The program hereby established will be called "Bonding Prep," a partnership of the GCP, through its program the Commission, and the SFAA;

The objective of Bonding Prep is to assist minority-owned businesses specializing in construction and construction-related services to qualify for and access bonding or increase their bonding limits through education and direct assistance in the bonding process by working directly with the surety industry and the U.S. Small Business Administration's Bond Guarantee Program, as well as to pursue other approaches to bonding access such as state-sponsored bond guarantee programs; and

The initial activity under Bonding Prep will be a contractor development program, undertaken with the assistance of various community partners and area experts, and jointly utilizing the educational workshops and bond readiness components of SFAA's Model Contractor Development Program.

Contractors selected to participate in this program must meet pre-defined criteria established by the Commission and the SFAA. Under this program, the Commission will;

- conduct on-going outreach to inform the minority contractor community of Bonding Prep,
- identify and recruit companies that can benefit from participating in Bonding Prep,
- conduct on-going activities to network minority contractors with the surety, banking, and financial industries through sponsoring meetings and conferences in a variety of settings,
- organize and arrange a series of workshops on various aspects of contractor development, based on the SFAA/MCDP educational workshops,
- assist minority contractors in locating technical assistance in areas such as project management, job costing, finance, and accounting for contractors who may need assistance beyond education and training, prior to applying for bonding;

The SFAA will:

- identify appropriate professionals from the surety, construction, legal and financial sectors who shall make presentations at each Bonding Prep workshop,
- coordinate, facilitate, and/or provide access to resources of the SFAA, which will assist the Commission in fully implementing all aspects of the activity of Bonding Prep,
- establish peer reviews whereby contractors are teamed up with members of the surety industry who would review their bondability. The SFAA and Commission will identify and develop a strategy to address any potential denial factors apparent from each company's profile and bonding package reviewed,
- monitor the implementation of each contractor's development strategy as issues of bondability are addressed, and

Since the goal of this Program is to achieve an optimal level of bondability for each participating contractor, the SFAA will work with its member surety companies to maximize access to bonding for participants; and

The Commission and the SFAA continually will coordinate each aspect of program implementation to ensure that Bonding Prep is managed efficiently, including such operational matters as conducting intake and assessment for bonding, assembling company profiles and bonding packages, and providing monthly, quarterly or other periodic reports that may be necessary for program success.

In addition,

It is mutually agreed between the Commission and the SFAA that each party shall be responsible for its own expenses arising out of and in relation to the terms and conditions of this Memorandum of Understanding (MOU).

This MOU may be amended at any time by the parties in writing, or any party may terminate its participation in the MOU upon 30 days written notice to the other party by regular mail and certified mail return receipt requested.

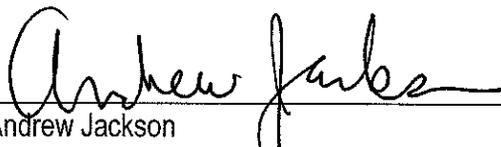
Any communication pertaining to this MOU shall be directed to Ms. Shana F. Marbury, Esq., General Counsel & Manager, Inclusion Initiatives, Greater Cleveland Partnership, The Higbee Building, 100 Public Square, Suite 210, Cleveland, OH 44113 and to Mr. Samuel A. Carradine, Jr., Director of Development and Diversity, The Surety & Fidelity Association of America, 1101 Connecticut Avenue, NW, Suite 800, Washington, DC 20036.

The MOU shall be effective upon signing and remain in force until termination by the parties to this MOU.

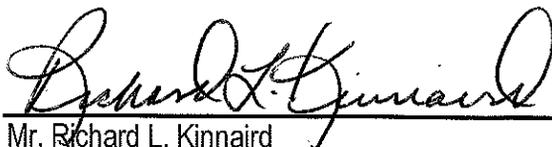
This document is a memorandum of understanding only. It is only a declaration of intent. The agreement does not create any actionable rights or obligations that may be asserted by either party.

Any portion of this agreement that conflicts with federal, state or local law shall be null and void.

Signed this 22nd day of February, 2008



Andrew Jackson  
Senior Vice President & Executive Director, Commission on Economic Inclusion  
Greater Cleveland Partnership



Mr. Richard L. Kinnaird  
Chair  
The Surety & Fidelity Association of America