

ANNOUNCEMENT OF FEDERAL FUNDING OPPORTUNITY

EXECUTIVE SUMMARY

Federal Agency Name: Minority Business Development Agency (MBDA/Agency)

Funding Opportunity Title: MBDA Business Center (MBC)

Announcement Type: Initial Announcement

FFO Number: MBDA-OBD-2011-2002950

CFDA Number: 11.805, MBDA Business Center Program

Dates: A completed application must be transmitted and time-stamped at www.Grants.gov no later than **11:59 p.m. Eastern Daylight-Saving Time (EDT) on May 5, 2011**. Applications received after the closing date will not be considered. Anticipated time for processing awards is approximately one hundred-twenty (120) days from the closing date for receipt of applications. MBDA anticipates awards will be made with a start date of September 1, 2011.

Funding Opportunity Description: This Federal Funding Opportunity (FFO) announces the anticipated availability for funding for the MBDA Business Center (MBC) program, and solicits competitive applications for operators of MBDA Business Centers in the specified locations. The services provided will be implemented to generate increased financing and contract opportunities and related awards to minority business enterprises (MBEs). In addition, the services provided will assist MBEs to create and retain jobs.

MBDA intends to award three (3) individual cooperative agreements pursuant to this FFO. The total award period for each of the MBC projects is expected to be five (5) years. Specific locations and funding amounts for the MBC projects are detailed in the table below and in Appendix A of the full text of the announcement.

Funding for this program has not yet been appropriated. MBDA anticipates a total of \$855,000 in FY 2011 funds will be available to fund the financial assistance awards for the MBC projects identified in this FFO. The Agency also anticipates that \$855,000 will be available in FY 2012 through FY 2015 to support continuation funding for this project.

Note: The MBC program is not a grant program to start or to expand an individual business. Applications must be to operate a MBC and to provide business consulting services to eligible minority-owned firms as set forth in this FFO. Applications that do not meet these requirements will not be considered by MBDA for funding.

In accordance with Executive Order 11625 and 15 U.S.C. § 1512, MBDA is soliciting competitive applications from eligible organizations to operate a MBDA Business Center in the following locations:

MBDA National Enterprise Center (NEC or Regional Office)	MBDA Business Center Location (State, City)	Federal Funding Years 1-5	Competition ID#
Chicago NEC	One of the following cities: Milwaukee, Wisconsin* Minneapolis, Minnesota*	\$225,000	2228055
New York NEC	One of the following cities: Hartford, Connecticut* Stamford, Connecticut* Boston, Massachusetts* Queens, New York*	\$275,000	2228057
San Francisco NEC	One of the following counties in Southern California:** Kern, Orange, Riverside, San Bernardino, or San Diego	\$355,000	2228059

*Applicants are required to choose one location from among the specific cities listed. Only one location may be proposed within an application. The applicant must clearly identify which location was chosen. Applicants are limited to submitting one application per Competition ID.

**Applicants are required to choose one location from among the specific counties listed. The applicant must clearly identify the specific city where the MBC project would be physically located and provide a justification for the proposed placement. Only one location may be proposed within an application. Applicants are limited to submitting one application per Competition ID.

Application Submission: Applications must be submitted electronically and time-stamped at www.Grants.gov by the closing date and time. MBDA will not accept hard-copy, facsimile or email transmission of applications. See section IV., Application Submission Information.

Pre-Application Teleconference: MBDA will conduct a pre-application teleconference on **April 7, 2011**. The time of the pre-application teleconference has yet to be determined. Participants must register at least 24 hours in advance of the conference. Please visit the MBDA Internet Portal at www.mbda.gov for more information.

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FULL TEXT OF ANNOUNCEMENT

I. Funding Opportunity Description

A. Program Objective

1. Introduction

The Minority Business Development Agency (MBDA) is the only federal agency created specifically to foster the full participation and entrepreneurial parity of minority business enterprises (MBEs) in our national economy. MBDA actively promotes the growth and global competitiveness of U.S. businesses that are minority-owned by offering strategic deal-making and business consulting services through a nationwide network comprised of MBDA National Enterprise Centers (NECs), MBDA staff, Native American Business Enterprise Centers and the MBDA Business Center (MBC) program funded by the Agency.

The MBC program is a key component of MBDA's overall portfolio of minority business development services, focusing on securing large public and/or private contracts and financing transactions, stimulating job creation and facilitating entry to global markets for "eligible minority-owned businesses." For this purpose, business concerns that are owned or controlled by the following persons or groups of persons are eligible to receive business assistance services under the MBC Program: African Americans, Hispanic Americans, Asian and Pacific Islander Americans, Native Americans (including Alaska Natives, Alaska Native Corporations and Tribal entities), Asian Indian Americans and Hasidic Jewish Americans. *See* 15 CFR § 1400.1-.2 and Executive Order 11625.

2. Program Overview

The primary drivers of the MBDA MBC program are job creation and retention and the award of procurement/contract and financial transactions to MBEs. The MBCs provide services including, but not limited to, the development of a pool of contract and finance opportunities; direct matching of opportunities with qualified/vetted MBEs; execution of relationship management and deal sourcing initiatives (such as but not limited to industry clusters); assisting MBEs in accessing global market opportunities and financing; identification and securing of alternative sources of capital for MBEs; promotion of the advantages of achieving size and scale; educating MBEs on the benefits of strategic growth alternatives (i.e. mergers, acquisitions and/or joint ventures); and provision of service referrals to MBEs of all sizes.

Through the cooperative agreements expected to be awarded under this FFO, MBDA seeks to establish a national network of public-private partnerships that will provide services aimed at increasing the probability of significant growth for minority-owned firms. MBC and MBDA staff will work collaboratively to improve access to market and financial opportunities (domestic and global), foster key industry relationships, and leverage business expertise. Operators of the MBC projects will work with the Agency and its network of funded centers to support and enhance the Agency's initiatives, performance, brand, reach, customer service, and establishment of strategic partners.

Successful applicants will possess experience in assisting minority firms in obtaining large scale procurements/contracts and financing awards; accessing established supply chains; educating and assisting minority firms in joint ventures, teaming arrangements, mergers and acquisitions; and facilitating entry and large scale transactions in global markets. It is also anticipated that the mission of successful applicant organizations will align with both the mission of MBDA and the MBC program objectives.

MBC services are targeted towards assisting MBE clients achieve higher levels of growth and competitiveness. Start-up and/or micro firms will be served by the MBC program via strategic partnership referrals or electronic service delivery mechanisms (e.g., MBDA Business Portal). While the MBC program serves all MBEs, target clients include eligible MBEs with one or both of the following characteristics: (1) annual revenues of over \$1,000,000 or (2) participant in a high-growth industry (e.g., green technology, clean energy, health care, infrastructure and broadband technology, among others). Promoting the success of MBEs is anticipated to have a significant impact on employment and the tax base in their communities.

Each MBC is part of a broader MBDA network and must be able to collaborate with both Agency staff and other funded centers. MBDA anticipates the MBC would, to the best of its abilities, provide services to those firms beyond a reasonable distance through virtual communications. The physical locations for each MBC are outlined in Appendix A of this FFO.

Although a MBC must have a physical office location as designated by MBDA within this announcement, a MBC may serve MBEs nationwide.

3. General Program Requirements

The MBC program generally requires project staff to: (1) directly provide high-level business development services to eligible MBEs; (2) develop and maintain a network of strategic partnerships; (3) provide collaborative consulting services with MBDA, other MBDA funded programs and strategic partners; and (4) provide referral services to clients. The MBCs will assist eligible MBEs in accessing federal and non-federal contracting and financing opportunities (domestically and globally) that result in demonstrable client outcomes and job creation/retention.

MBDA has developed a variety of information technology tools to augment the Agency's ability to assist the minority business community. The Agency uses a high-speed network strategy that links all of its funded projects into a single virtual organization. All funded projects will have access to this technology through the MBDA Business Portal (www.mbda.gov). MBC operators and staff are required to attend certain MBDA training programs, designed to increase operational efficiency and provide value-added client services (See Appendix E, MBC Training Requirements).

4. Program Details and Work Requirements

The MBC is required to perform work in three (3) basic areas: (a) client services; (b) program promotion and advocacy; and, (c) operational and performance management.

These elements are designed to: (1) identify immediate and long-term client needs and expectations; (2) establish projected growth tracks; (3) implement targeted plans of action for increasing size, scale and capacity; (4) provide strategic referrals; (5) increase the exposure and visibility of the MBC program and MBEs; (6) maintain the quality of center operations; and (7) promote achievement of client outcomes.

a. Client Services – The MBC shall assist eligible MBEs (which have agreed in writing to become MBC clients) in successfully growing their businesses and competing in domestic and global markets. MBCs shall provide direct client assistance to MBEs through business consulting, Business-to-Business (B2B) Linkage Forums, relationship brokering, strategic referrals and deal-making.

All new clients and related work efforts shall be entered into MBDA’s Performance/ Customer Relationship Management (CRM) system. The MBC is required to enter client information, service effort and description, awarded transactions and job creation/ retention into the Performance/CRM system within seventy-two (72) hours from the time of service.

Client services include, but are not limited to, the following types of assistance:

i. Client Assessment and Engagement - This is defined as a fundamental MBC business practice. This activity should be conducted prior to the onset of service delivery. A client assessment requires an interview to be completed between the prospective MBE client and an MBC employee or representative. MBDA will provide an electronic tool (use is optional) to support this function. The MBC will ensure that a written agreement is executed with each client that specifies services to be provided. This engagement must be individually tailored to the specific needs of each client and include a course of action for assisting the client in reaching its strategic growth goals. In the case of group events, a summary engagement can be provided to the prospective MBE client. Client assessment and engagement services are designed to provide:

- Background and contact information on the client;
- Client business analysis that includes core competency, organizational structure, market and industry placement, production of products/delivery of services, marketing plan, resources and financial viability;
- Analysis and benchmarking of the client capabilities;
- Development of a tailored service plan; and,
- Identification of resources and referrals, used in conjunction with MBC direct assistance.

MBEs receiving referral services only, do not require written client assessments or work agreements. The MBC must ensure that MBE intake information is accurately recorded in the MBDA CRM system.

ii. Access to Markets - These activities, aimed at increasing MBE revenue growth, include, but are not limited to:

- Identifying procurement opportunities based on client needs, and sourcing deals;
- Developing and maintaining strategic alliances with purchasing executives and government procurement officials;
- Engaging in deal-making between purchasing organizations and minority firms, and assisting in bringing transactions to closure;
- Conducting B2B forums, procurement/contract matchmaking events, opportunity fairs and networking events between MBEs and potential contract sources;
- Educating and assisting in the development of joint ventures, teaming arrangements, strategic alliances, and mergers and acquisitions;
- Solicitation analysis and bid/proposal preparation assistance;
- Identifying potential export markets, facilitating global transactions and providing referrals to international trade programs and services; and,
- Conducting market analysis and market promotion assistance.

iii. Access to Capital - The goal of the access to capital activities is to help entrepreneurs obtain appropriate financing for business growth. Activities in this area include, but are not limited to:

- Identifying financing opportunities based on client needs, and sourcing deals;
- Developing and maintaining strategic alliances with banking officials and other financial resources;
- Brokering of financial transactions by establishing relationships between pre-qualified clients and sources of financing;
- Financial Assistance, e.g., identification, preparation and packaging of standard commercial and alternative debt, bonding, leases (property and equipment), equity, mezzanine financing, factoring and trade credits;
- Identification and closure of opportunities for mergers and acquisitions;
- Conducting financing forums and networking events between MBEs and potential financing sources; and,
- Conducting cost analysis.

iv. Strategic Business Consulting - This activity involves providing tailored business consulting services directed towards assisting MBC clients achieve higher levels of growth and competitiveness. Strategic business consulting services include, but are not limited to the following:

- Marketing, e.g., market research, promotion, advertising and sales, sales forecasting, market feasibility studies, pricing, product and customer service, brochure design;
- Financial Management, e.g., capital budgeting, general accounting, break-even analysis, cost accounting, financial planning and analysis budgeting, tax planning, business consulting (excluding bookkeeping, tax preparation, and audits);
- Operations & Quality Management, e.g.:
 - Manufacturing - facility lease;

- Construction - estimating, bid preparation, and bonding;
- International Trade Assistance - exporting, importing, letters of credit, bank draft, distributorship, exporting trading companies, and joint ventures;
- General Management, e.g., organization and structure, formulating corporate policy, feasibility studies, legal services (excluding litigation), business planning, and organizational development.

The MBC shall not perform or engage in the day-to-day operations of, or make decisions for, its clients.

b. Program Promotion and Advocacy – is designed to promote MBDA program activities within the business community, facilitate the identification of potential clients, and to identify and develop public and private sector resources and business opportunities for clients.

- i. Market Research and Development** - Systematically investigate the market (locally, statewide, nationwide and globally) to determine what business and capital opportunities exist for MBE development, contract opportunities, and business acquisitions. The MBC will make optimum use of the MBDA network to ensure that the information is made available to MBEs throughout the country.
- ii. Program Promotion** - The MBC will increase minority business development by obtaining support for the program and promoting the utilization of MBEs.

The MBC will: (1) develop a MBC brochure for distribution; (2) develop a MBC directory of staff and services offered for inclusion on the MBDA Portal; and, (3) adhere to MBDA’s communication plan (see Operational Quality, under this section).

- The MBC shall promote and participate in the National Minority Enterprise Development (MED) Week activities and other events as detailed in Appendix E, “MBC Training Requirements.”

The MBC shall participate in and support designated regional Business-to-Business (B2B) Linkage Forums throughout the award period. Conducted by MBDA National Enterprise Centers (also referred to as regional offices), these events bring together MBEs for potential business-to-business teaming arrangements. The objective of the B2B is to build MBE capacity to compete for larger awards and in turn increase MBC performance.

- iii. CommerceConnect** - If and when requested by MBDA, the MBC must provide support services to CommerceConnect. CommerceConnect is a U.S. Department of Commerce initiative launched by Secretary Gary Locke in October 2009 to make businesses more competitive and create jobs by bringing all of the Department of Commerce's services together under one roof. CommerceConnect is focused on integrating Commerce Department programs to help businesses at every point of their life cycle. Ultimately, the CommerceConnect initiative aims

to create a virtual "one-stop shop" for information, counseling, and government services that can help U.S. businesses around the country transform themselves into globally-competitive enterprises.

MBDA and its network of funded centers will be trained in the broad range of programs the Department of Commerce (DOC) offers. General duties may include: (a) developing a working knowledge of DOC and partner programs; (b) providing telephone or email referrals to identified DOC points of contact; and (c) recording caller contact information and referral action. Centers will receive training on how to execute this requirement (*see* Appendix E, "MBC Training Requirements").

- iv. Develop and Maintain a Network of Strategic Partners** - Strategic partnerships are established to assist the center with: (1) generating successful contract and financial transactions; (2) creating new jobs and/or retain existing jobs; (3) helping MBEs to achieve size and scale; (4) assisting MBEs achieve globalization, and (5) developing referral sources for MBEs that do not meet the targeted client criteria. Strategic partnerships must be documented in writing through a Memorandum of Understanding (MOU) or similar agreement that records the terms and conditions of the partnership.

A minimum of five (5) strategic partners must be established by the MBC within sixty (60) days after receipt of the award and maintained throughout the life of the award. MBDA must be notified in writing if the MBC is replacing a partner. It is required that terminated partnerships be replaced within forty-five (45) days after termination. Before the MBC can claim a strategic partnership, it must be reviewed by the Federal Program Officer to determine whether the proposed relationship is likely to assist the MBC in serving its client base and is consistent with the overall goals and objectives of the MBC program. MBDA shall have no responsibility or obligations to the MBC's strategic partners.

Examples of MBC strategic partners include, but are not limited to: (1) large purchasing organizations; (2) banks and financial institutions; (3) state, county or city governments; (4) chambers of commerce or trade associations; (5) U.S. Export Assistance Centers, Procurement Technical Assistance Centers; (6) Small Business Development Centers; (7) community development corporations; (8) technology-based economic development organizations; and, (9) other organizations interested in furthering the growth and global competitiveness of MBEs.

- v. Resource Development** - Requires the MBC to identify and electronically record on the MBDA Portal sources of the following:
- Market Opportunities – e.g., public (federal, state and local government) and private (domestic and foreign) sector contracting opportunities;
 - Capital Resources - e.g., standard commercial and alternative debt (loans, lines of credit, etc.), equity, and mezzanine financing, bonds (performance and surety), and trade credit opportunities;

- Business Ownership Opportunities- e.g., franchises, licensing arrangements, mergers and buy-outs;
- Education and Training Resources - e.g., educational institution programs and other training resources; and,
- Registration of MBEs – e.g., register eligible local MBEs in MBDA’s CRM system.

c. Operational and Performance Requirements – provides for the implementation and overall management of the program, including achievement of MBC performance goals.

- i. Establishment of Office** - The physical location of the office must be within the applicable area specified in this FFO. The project operator must open a physical office and be fully operational within sixty (60) days after receipt of the award. Fully operational means that all staff is hired, all required signs are up, all items of furniture and equipment (e.g., computer hardware, software, Internet services, phones, faxes, etc.) are in place, and the MBC’s doors have been fully opened to the public for service. Within sixty (60) days after receipt of the award, the project operator shall report via Grants Online to the Federal Program Officer that it has complied with this requirement. Failure to be fully operational within sixty (60) days may result in appropriate enforcement action under the award, up to and including termination. If the MBC is co-located with the operator, it must have a “separate identity” that must include, but is not limited to, appropriate signage and working offices for MBC staff that are visually independent (or are perceived as standing apart) from the operator’s non-MBC operations and personnel.

The MBC must be accessible to disabled persons and strategically situated in the applicable location to ensure that it is: (1) close to available business resources; (2) within a reasonable commuting distance to the minority business community; and (3) professional in appearance and conducive to support the MBC’s brand.

The MBC operator must provide services to eligible clients. Services can be delivered face-to-face or virtually. MBDA calls and emails to the program operator and/or the project director must be returned within 24 hours. In addition, the MBC operator and project director shall provide MBDA and other authorized federal government officials with prompt accessibility to the center upon request.

Within sixty (60) days after receipt of the award, the project operator shall report via Grants Online to the Federal Program Officer, and to the MBDA CIO of the Office of Information Technology, Research and Innovation that it has complied with all information technology requirements as specified in Appendix D, “Information Technology and Computer Requirements.” Within sixty (60) days after receipt of the award, the project operator shall also report the name, contact telephone number and email address of the project director, MBC staff and of the network or system administrator.

- ii. Personnel** - Each project operator is required to have a project director employed and dedicated on a full-time basis to the MBC project, who is removed from any competing interests. The project director is vital to the MBC and is viewed as the

project operator's key representative to ensure the MBC achieves its performance goals. The project director must possess suitable management and business qualifications, including a minimum of a bachelor's degree or equivalent experience in a business related field. Failure to hire a project director within sixty (60) days may result in enforcement action under the award, including the withholding of award payments.

The selection of a project director requires the MBDA Federal Program Officer (FPO) in consultation with the respective Regional Director to conduct a review of candidate qualifications. The project operator shall submit to the FPO at the onset of competition and/or after an award is issued, the proposed project director's resume and three (minimum) professional references. The FPO may also conduct an interview of the proposed candidate. Successful candidates will be recommended to the Grants Officer via the FPO for final approval.

The project operator shall employ personnel with the ability to develop and manage strategic relationships that enhance the center's ability to source contracts, counsel minority firms on securing large contract and financial transactions, assist clients in negotiations with purchasing organizations and financing institutions, coordinate and collaborate on client service efforts, actively promote the brand of the center and advise MBEs on accessing global markets as outlined in Section I.A.4., "Program Details and Work Requirements." All consulting personnel should have a minimum of a bachelor's degree or equivalent experience.

MBC personnel working with clients must possess the ability to: (1) promote and demonstrate value of services offered to the client; (2) generate program income; (3) track service delivery on a regular basis; (4) collect performance data; and (5) ensure operational quality standards are met. All personnel being charged to the program must directly contribute to the operation of the program.

Staff vacancies shall be filled promptly. Vacancies beyond forty-five (45) days may result in appropriate enforcement action under the award, up to and including termination

iii. Operational Quality - The project operator must maintain the efficiency and effectiveness of its overall operations as well as the quality of its client services. Under this function, the MBC shall:

- (a) Execute signed work plan agreements and engagements with clients;
- (b) Input data, progress, best practices and results into the MBDA Performance/CRM system within seventy-two (72) hours of the time of service and/or receipt of documentation;
- (c) Establish procedures for collecting and accounting for all fees charged to clients;
- (d) Maintain records/files for all work charged to the program and clients;

- (e) Ensure all files are properly recorded and supported by client MBE self-certification, MBDA data privacy notice, needs assessment, work assignments, finished work products, awarded transactions, etc.;
- (f) Obtain required verification documentation for any of the performance measures claimed (*See Appendix C, Performance Measures and Related Definitions*);
- (g) Comply with all reporting requirements that are established as the terms of the award;
- (h) Cooperate with MBDA in maintaining content for the Performance/CRM system, PartnerNet system and other available online tools located at www.mbda.gov; and
- (i) Adhere to MBDA's trademark and licensing requirements for all forms of communication. A communication guide and logo will be made available to the operator at the post-award conference.

The term ***MBDA Business Center (MBC)*** is a trademark of the Federal Government and the Government reserves exclusive rights in the term. Permission to use the term is granted to the project operator for the sole purpose of representing the activities of the operator in the fulfillment of the terms of the financial assistance award.

The MBC is not authorized to use either the Department of Commerce's (DOC) official seal or the MBDA logo in any of its electronic and/or printed publications, documents or other materials without prior written approval from the Department of Commerce or from MBDA (as the case may be).

The operator must make a good faith effort to support the MBC program, MBDA and the Department of Commerce's policies and initiatives.

iv. Program Performance Measures and Performance Ratings

(a) Performance Measures

The program performance of each MBC is evaluated by MBDA based on specific performance elements, which are assigned weighted values. MBC operators will be awarded points with respect to each performance element through defined work activities that lead to successful client outcomes. Specifically, performance points will be awarded by MBDA in proportion to the project operator's satisfaction of the performance goals set forth in the application and incorporated into the terms and conditions of the award.

See Appendix C, "Performance Measures and Related Definitions," (www.mbda.gov) for a detailed listing of the MBC performance measures, performance reporting requirements and related definitions.

(b) Performance Ratings

The MBC operator is expected to achieve an overall “Commendable” (or better) performance rating for each funding period, and will be assigned a performance rating by MBDA for each of the five funding periods based on the below rating system:

MBC PERFORMANCE SCALE	
Performance Ratings	Overall Points Required
Outstanding	100.0* & above
Commendable	90.0 – 99.9
Good	80.0 – 89.9
Satisfactory	75.0 – 79.9
Unsatisfactory	74.9 & below
	*Not to exceed 160 Points

Failure to maintain at least a “Satisfactory” performance rating may result in designation of the recipient as high risk (including assignment of special award conditions) and/or other further action under the award, up to and including award termination.

(c) Performance Goals

Suggested performance requirements for each MBC project location for the five funding periods are listed in Appendix B, “Estimated Performance Goals by Center Location,” of this FFO. Applicants should propose performance goals for the each of the five funding periods (and in each category) that are realistic for the economic conditions and available opportunities for the applicable location.

Proposing higher than estimated goals without a corresponding methodology for accomplishment or lower than estimated goals without a corresponding justification may demonstrate a lack of knowledge of the market place and may adversely impact MBDA’s evaluation of the application. Accordingly, applicants should carefully consider the feasibility of the performance goals proposed in the application. In addition, MBDA may negotiate proposed performance goals with the apparent winner of an award competition prior to offering an award.

Detailed program performance related definitions and reporting requirements are found in Appendix C, “Performance Measures and Related Definitions.”

B. Program Priorities

Preference may be given during the selection process to applications that effectively address one or more of the following MBDA program priorities:

1. Applicants who demonstrate experience in assisting MBEs in obtaining large scale contracts and financing awards and accessing established supply chains;
2. Applicants who demonstrate a track record of facilitating large scale transactions for MBEs in global markets, or facilitating entry into global markets;
3. Applicants who demonstrate a track record of assisting MBEs in joint ventures, teaming arrangements, mergers and acquisitions;
4. Applicants who demonstrate a track record of successfully partnering and collaborating with third-party entities for the benefit of MBEs;
5. Applicants who demonstrate experience working with MBEs in high-growth industries;
6. Applicants who demonstrate the capacity and willingness to assist MBEs in identifying and accessing federal procurement opportunities, either directly or via partnerships;
7. Proposals that direct 80% or more of the federal funding for the project towards direct business consulting staff costs (*i.e.*, direct consulting staff salaries and fringe benefits, travel costs and training costs); and
8. Applicants who propose innovative additions to the MBC program that significantly enhance their opportunity to be successful (*See* Appendix F of the FFO for samples of possible additions that can be developed, enhanced and proposed by applicants).

C. Program Authority

MBDA is authorized in accordance with Executive Order 11625 and 15 U.S.C. § 1512, to solicit competitive applications from eligible organizations for the Minority Business Center program.

II. Award Information

A. Funding Availability

Funding for this program has not yet been appropriated. MBDA anticipates a total of \$855,000 in FY 2011 funds will be available to fund the financial assistance awards for the MBC projects identified in this FFO. The Agency also anticipates that \$855,000 will be available in FY 2012 through FY 2015 to support continuation funding for this program. MBC funding levels are generally based on the size and ranking of minority populations, the overall number of minority firms as established by MBDA and U.S. Census Bureau data, and other available research and data.

It is anticipated that awards made under this solicitation will be for a five year award period, with consecutive one year funding periods. The anticipated amount of the federal funding for each MBC project for each of the five (5) program years is listed in Appendix A, "Funding Availability by Center Location," for each center being competed under this FFO. **The non-federal cost sharing requirements under the MBC program are discussed in Section III.B. of this FFO.**

The funding periods and funding amounts referenced in this FFO are subject to the availability of appropriated funds, as well as to Department of Commerce and MBDA priorities at the time of award. FY 2011 funds have not yet been made available to MBDA to fund the MBC projects identified in this FFO. In no event will the Department of Commerce or MBDA be responsible for proposal preparation costs if this program fails to receive funding or is cancelled because of other MBDA or Department of Commerce priorities. All funding periods under the award are subject to the availability of funds to support the continuation of the project. Publication of this FFO does not obligate the Department of Commerce or MBDA to award any specific cooperative agreement or to obligate all or any part of available funds.

Federal funds should be fully expended by the MBC operator during each funding period and are not permitted to be carried-over to subsequent funding periods. The MBC operator's failure to fully expend annual federal award funds may result in the reduction of federal funding allocated by MBDA to subsequent funding periods under the award.

B. Project/Award Period

Awards are expected to be made with a start date of September 1, 2011. The award period under this solicitation is anticipated to be five (5) years, with five consecutive funding periods. **Applicants must submit project plans and budgets for each of the five (5) funding periods.**

Projects will initially be funded for the first award year of the award. A project operator will not compete for funding in years two through five, as long as the center is operating at a "Commendable" or "Outstanding" performance level at the time during the current program year that MBDA determines its recommendations to the Grants Officer for continuation funding for the next program year. A project that achieves a performance rating of "Good" or lower will not qualify for automatic renewal, but rather will be eligible for negotiation of award terms and conditions for the next funding period at the discretion of MBDA, subject to the approval of the Grants Officer.

In this respect, recommendations for continuation funding are generally evaluated by MBDA based on the mid-year performance rating and/or a combination of the mid-year and cumulative third quarter performance ratings for the current program year. In making such continued funding determinations, MBDA and the Department of Commerce will consider all the facts and circumstances of each case, such as, but not limited to, market conditions, most recent performance of the project and other mitigating circumstances.

C. Type of Funding Instrument

Financial assistance awards in the form of cooperative agreements will be used to fund the MBC Program.

MBDA shall maintain substantial involvement with the project operator throughout the award period. MBDA will perform the following duties to further the objectives of the MBC program:

1. Post-Award Conference

MBDA shall conduct a mandatory post-award conference for the new MBC awards to help ensure that the MBC operator has a clear understanding of the program and its components. During the post-award conference, MBDA will: (1) orient MBC program officers; (2) explain program reporting requirements and procedures; (3) identify available resources that can enhance the capabilities of the MBC; and (4) provide detailed information about MBDA's Business Internet Portal and other information systems.

2. Training

MBDA shall conduct various qualitative training sessions for the MBC staff (subject to the availability of funds and training resources). The training sessions are mandatory (except where otherwise indicated) and are designed in large part to improve communications, understandings, client service delivery, performance and reporting. The MBC training requirements are set forth in Appendix E, "MBC Training Requirements." The MBC applicant is required to allocate appropriate personnel and funds to support all training programs (*See Appendix E*). The MBC applicant is required to generate program income and, consistent with the requirements of this FFO that program income must further eligible project purposes, is encouraged to apply these financial resources to support training requirements under this award.

3. Network, Tools and Information Exchange

MBDA shall provide access through its Business Internet Portal (www.mbda.gov) to various technologies and business development tools intended to help streamline and enhance the process of delivering client services and promote the consistency of services provided by operators throughout the MBDA network. MBDA requires regular and ongoing use of these tools. MBDA will provide an orientation to successful applicants on how this technology can be leveraged by the centers to augment service delivery.

4. Project Support

MBDA expects to further support the MBC Program by:

- Providing client and strategic support through the respective MBDA National Enterprise Center NEC (regional office) and Headquarter staff;
- Providing a singular internet presence that supports each local center and overall program brand;
- Expanding the MBDA data bank of minority-owned firms and facilitating the exchange of business opportunity information within the MBDA network;
- Providing general program information, guidance and support as well as a help line for questions related to the MBDA Performance/CRM System;
- Providing project monitoring and advisement;
- Providing year-to-date performance transparency;
- Providing program accountability with respect to verification services; and,
- Providing general program systems and support that foster collaboration among the MBDA network through the MBDA's PartnerNet.

5. Project Monitoring and Advisement

Each MBC project is a five-year award funded for consecutive one year periods. Continued funding of the awards is subject to the terms and conditions as outlined in this FFO. As such, MBDA will systematically monitor the performance of the MBC, as provided under the management assessment performance measure (*See Appendix C, “Performance Measures and Related Definitions”*). This monitoring includes regular review of the MBC’s data input to the Performance/CRM system.

MBDA will conduct the following performance assessments for each funding period: the 1st semi-annual performance period (September 1 – February 28), and cumulative year-end performance period (September 1 – August 31). These assessments are based on the MBC’s timely submission of its required performance narrative reports.

MBDA will conduct an initial and periodic on-site assessment of the MBC to verify the center’s performance/claims, including but not limited to a review of client files, program income, and overall operations. MBDA may also conduct a review of reported assistance by surveying and/or interviewing the clients assisted by the center.

MBDA will assess the center’s effectiveness in providing business development services to their respective minority business communities. MBDA will then provide a report of findings and recommendations for improvement as a result of evaluations and monitoring visits. MBDA will approve qualifications of key MBC staff and respond to MBC requests for MBDA action.

MBDA may conduct a consultation with a MBC that is operating at an unsatisfactory performance level. This consultation is designed to assist the center through collaborative support. The MBC may be required to develop a performance improvement plan based on MBDA’s findings, suggestions and recommendations. In addition, MBCs performing at an unsatisfactory level are subject to enforcement actions under the award, up to and including termination.

III. Eligibility Information

A. Eligible Applicants

For-profit entities (including but not limited to sole-proprietorships, partnerships, limited liability companies and corporations), non-profit organizations, state and local government entities, American Indian Tribes and educational institutions are eligible to apply to operate MBCs.

B. Non-Federal Cost Share Requirement

There is no predefined minimum or maximum amount of required non-federal cost sharing under the MBC program. However, as discussed below, non-federal cost sharing through the generation of “program income” is mandatory. Non-federal

cost share is the portion of the total project costs not borne by the Federal Government. Beyond the required generation of program income, applicants may contribute additional non-federal cost share to the award by one or more of the following methods: (1) applicant cash contributions; (2) applicant in-kind (i.e., non-cash) contributions; or, (3) third-party cash or in-kind contributions (including a state or local grant or other form of support for the project).

The MBC program is a fee-for-service program and MBC operators are required to generate “program income” through the collection of client fees, membership fees, success fees and/or other fee structures proposed by the applicant. All proposed fee structures must be acceptable to MBDA and approved by the Grants Officer. Program income identified by the applicant in the project’s proposed budget and approved by the Grants Officer must be applied directly to the award’s non-federal cost share and must be used in furtherance of program objectives. In addition, for each funding period under the award, the MBC operator will generally be required to contribute cash or another acceptable form of non-federal cost share to the award to compensate for uncollected program income that was included in the approved project budget.

If the MBC project generates more program income during a funding period than is allocated to the award’s non-federal cost share for such funding period, the excess program income must be used by the MBC operator in furtherance of eligible project objectives. Subject to written approval by the Grants Officer, program income generated by an MBC project that cannot be expended during the funding period in which it is earned (i.e., when unanticipated program income is obtained towards the end of the funding period) may be carried forward by the MBC operator for one year only to be expended in furtherance of project objectives in the award’s next subsequent funding period. However, excess program generated during one funding period may not be carried back by the MBC operator to fund non-federal cost share shortfalls in prior funding periods. In addition, program income that is not (1) expended in furtherance of project objectives, (2) carried forward for expenditure in the succeeding funding period with written approval of the Grants Officer or (3) used for completion of the work by the end of the overall award period will be deducted from the project’s total allowable cost. Any of the aforementioned circumstances may result in the MBC operator being required to reimburse MBDA for some, or all, of the federal share disbursed to the operator under the MBC award. *See* the “Program Income” discussion in the Proposed Budget and Narrative portion of Section IV.B. of the FFO for additional information on this requirement.

IV. Application Submission Information

A. Address to Request Application Package

All application materials and forms are available at the Grants.gov website (<http://www.Grants.gov>). Additional competition materials, such as an unofficial panel review form, can be found on the MBDA Internet Portal (www.mbda.gov).

Applications must be transmitted electronically via www.grants.gov and received by MBDA by 11:59 p.m. Eastern Daylight-Saving Time (EDT) on May 5, 2011. The electronic submission will receive a date and time stamp at www.grants.gov and be processed after it is fully uploaded. The time it takes to completely upload an application will vary depending on a number of factors, including the size of the application, the speed of the applicant's Internet connection, and the time it takes www.grants.gov to process the application. If www.grants.gov rejects the application, the applicant will need to resubmit successfully before the deadline date. The www.grants.gov time stamp will be considered the date and time of submission receipt.

Register early and submit early. *In order to submit an application through www.grants.gov, applicants first must register for a www.grants.gov user ID and password. Note that this process can take between three to five business days or as long as four weeks if all steps are not completed correctly.* To avoid delays, MBDA strongly recommends that applicants start early and not wait until the approaching deadline date before logging on, registering at www.grants.gov, reviewing the application instructions, and applying. Information about the www.grants.gov registration process can be found at http://www.grants.gov/applicants/get_registered.jsp.

Applicants should register as organizations, not as individuals. As part of the registration process, the applicant must register an Authorized Organizational Representative (AOR) for the organization. AORs registered at www.grants.gov are the only officials with the authority to submit applications at www.grants.gov. Ensure that the organization's application is submitted by its AOR. If the application is submitted by anyone other than the organization's AOR it will be rejected and cannot be considered for the competition. Note that a given organization may designate multiple individuals as AORs for www.grants.gov purposes.

Again, MBDA strongly recommends that applicants not wait until the application deadline date to begin the application process through www.grants.gov as, in some cases, the process from completing an application may require 3 – 5 working days. Before beginning to apply through www.grants.gov, please review fully the application instructions posted at www.grants.gov and in this Program Announcement.

B. Content and Form of Application

In general, the applicant's proposal must define how it will implement the MBC work requirements (Section I.A.4., Program Details and Work Requirements) and achieve the performance goals set forth in this FFO. A complete proposal consists of a detailed program narrative with defined sections, a detailed budget and budget narrative, required attachments, and certain Standard Forms (SF) and Department of Commerce (CD) forms as set forth in the discussion of "Standard Forms" in Section IV.B.

An applicant must submit separate proposals for each MBC project for which it is applying.

A complete application should contain the below information in the following order (*See* also Appendix G, "Application Checklist," to this FFO):

1. Cover Page

At a minimum the application cover page must provide the applicant's name, address, telephone number, email address, date of submission and the MBC project for which the applicant is applying.

2. Table of Contents

Applicants should outline the full contents of the application and provide corresponding page numbers. All pages of the application must be consecutively numbered.

3. Program Narrative

a) Applicant Capability (30 points total)

- **Organizational Background and Knowledge of Community:** Applicant's organizational background, emphasizing knowledge of the minority business sector and strategies for enhancing its growth and expansion. Consideration will be given as to whether the applicant has a physical presence in the applicable location and past experience providing related services.
- **Mission Alignment:** The extent to which the mission of the applicant organization aligns with the mission of MBDA and the objectives of the MBC program.
- **Access to Markets:** Applicant's knowledge of and experience in public and private sector contracting opportunities for MBEs, as well as demonstrated experience in assisting clients into supply chains. The applicant's professional working relationships and networks with potential sources of contracts for MBEs will also be considered. Additionally, the applicant's experience with facilitating large procurement/contract deals on behalf of minority firms, conducting business matchmaking forums, and assisting MBEs with the establishment of joint ventures and teaming arrangements will be considered.
- **Access to Capital:** Applicant experience in successfully preparing and matching MBEs with traditional sources of capital, alternative sources of financing (i.e., equity and venture capital), loan and bonding packages, and mergers and acquisitions. Applicant's professional working relationships and networks with financial institutions (corporate, banking and investment communities).
- **Business Consulting to Clients:** The applicant's experience with and strategies for enhancing minority business growth and delivery of business consulting services and related successful client outcomes.
- **Key Staff:** Qualifications and experience required of proposed staff, including but not limited to the Project Director and business consultants. The applicant may identify a proposed project director within its application or after an award is issued. All staff shall possess the ability to successfully deliver the program services and fulfill the work requirements of this FFO,

and must be experienced in utilizing information systems. Position descriptions, qualification requirements, education requirements, and salary range must be provided for each proposed MBC staff position (include under program narrative attachments). If a specific individual is identified for a position, a copy of the individual's resume must be submitted. Applicant's plan for recruiting staff should be addressed.

b) Resources (20 points total)

- **Partners:** The applicant's plans for establishing and maintaining a network of strategic partners and the extent to which each partner will support the MBC in implementing the program and meeting program performance goals. Whether the partnerships will be leveraged towards assisting clients with securing contracts, securing financing, job creation, penetrating global markets, achieving size and scale, or providing referrals for services will also be considered. Additionally, how the applicant will interact and coordinate with its strategic partners towards effecting successful client outcomes will be considered.
- **Resources:** Resources that will be used in implementing the program in each of the five program years will be considered. Resources include, but are not limited to, existing prior and/or current data lists that will serve in fostering immediate success for the MBC.
- **Location/Equipment:** The applicant's strategic rationale for the proposed MBC office (the center location must be close to private and public sector resources and potential clients, and be professional in appearance). The applicant plans to satisfy the MBC information technology requirements, including computer hardware, software requirements, creation and support of an MBC website and network map (*see* Appendix C, "Information Technology and Computer Requirements") will also be considered.

c) Techniques and Methodologies (30 points total)

- **Performance Measures:** For each of the five (5) funding periods, the application's techniques and methodology to be used in implementing the program will be considered, including the quarterly breakdown of the performance goals. In addition, the applicant's recognition of and strategy for addressing existing market conditions in achieving performance goals will be considered. Additionally, how the applicant proposes to establish a system that corresponds to, or may compliment, MBDA's tracking and validation of contracts and financings will be considered. (*See* Suggested Performance Goals for each MBC location are listed in Appendix B, Suggested Performance Goals by Center Location, of the FFO.) Please note that deviations, either above or below, from the Suggested Performance Goals require justification.
- **Start-up Phase:** The applicant's strategic plan for commencement of the MBC operations within the initial 60-day period (the MBC shall have sixty (60) days to become fully operational after an award is made - *see* Section I.A.4., Operational and Performance Requirements, of the FFO) will be considered. Please note that the applicant must submit a schedule with

significant implementation milestones, such as the hiring of key staff and the opening of the MBC facility.

- **Work Requirements Execution Plan:** The applicant’s description for how staff time will be used effectively and efficiently to achieve the work requirements of the overall program including the start-up phase will be considered. Please note that the applicant must include a specific five-year plan-of-action detailing how the MBC work requirements will be met for each of the five (5) funding periods. (*See Program Details and Work Requirements in Section I.A.4, of this FFO.*) A staff allocation chart for each of the five (5) years must also be included as part of the work requirements execution plan (*see example below*).

The staff allocation summary must include a project director, all other staff, volunteers and interns. Each staff role must be identified as full or part-time, with the estimated hours to be worked on weekly basis. The staff allocation summary should indicate each role.

EXAMPLE ONLY: Staff Allocation Summary – Funding Period 1

Role	Status	Project Allocation	Total Available Hours
Project Director	Full Time	100%	2,040
Business Consultant	Full Time	100%	2,040
Business Consultant	Full Time	100%	2,040
Admin. Asst.	Part Time	25%	513
Total			6,633

4. Required Program Narrative Attachments

- i. Applicant organizational chart
- ii. Proposed MBC program organizational chart (include lines of reporting for the project director to the head of the applicant organization)
- iii. Original Letter of Commitment from the proposed project director (if applicable)
- iv. Project director resume and three (minimum) professional references must be provided (if proposed)
- v. Resumes of other key staff (if applicable)
- vi. Position descriptions, qualification requirements and salary ranges for all staff
- vii. Proof of legal entity, for example, State-issued Certificate of Good Standing, copy of registered Articles of Incorporation, by-laws, IRS 501 (c)(3) tax-exempt letter, authorizing legislation or other evidence documenting the applicant’s legal entity
- viii. Original Letter(s) of Commitment from strategic partners and other resources listed, indicating their willingness to work with the applicant (ten maximum)
- ix. Quarterly breakdown of performance goals (one chart for each year, *See Appendix C, Performance Measures and Related Definitions*)
- x. Staff allocation chart (one for each year, see example above)

- xi. Listing of MBC operating hours and all anticipated holiday closures for each year of the anticipated five-year award period. In general, MBDA expects that the MBC's operating hours will follow the traditional business hours of on or before 9:00 a.m. until on or after 5:00 p.m. each business day. In addition, MBDA generally expects that the MBC will follow the federal work schedule as in pertains to dates that the MBC will be open for business. The federal holiday schedule (*i.e.*, those dates that the federal government is not opened) is available at http://www.opm.gov/Operating_Status_Schedules/fedhol/2011.asp for each year of the anticipated five-year award period. **Deviations from the operating hours and business working days expected by MBDA (e.g., religious holidays) must be identified, with justification, in the application.**

5. Proposed Budget and Budget Narrative (20 points total)

a) Reasonableness, Allowability and Allocability of Proposed Program Costs:

All of the proposed program costs expenditures should be broken down into their individual units and discussed. The budget narrative must match the proposed line item budget, time phased plan, and staff allocation table. Fringe benefits and other percentage item calculations should match the proposed budget line-item and narrative. Line item amounts in the detailed budget and budget narrative must match the budget numbers reflected in Standard Form (SF) 424 (one for all five years) and 424A (one for each of the five years).

All costs included in the proposed budget must be allowable, allocable and reasonable. Each item of cost must be accompanied by a sufficiently detailed description and cost breakdown to enable reviewers to make a determination regarding its allowability, allocability and reasonableness. One word descriptions and lump sum amounts are not adequate for justifying costs. Each budget item should be broken out and described fully so that there is no ambiguity as to its relevance to MBC program objectives and its reasonableness. The following Office of Management and Budget (OMB) Circulars and Federal Acquisition Regulations (depending on the type of recipient) will be used to determine allowable costs, and will apply to the entire amount of the MBC award, including both the federal and non-federal program costs:

- 2 C.F.R. part 220 (OMB Circular A-21, "Cost Principles for Educational Organizations);
- 2 C.F.R. part 225 (OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments);
- 2 C.F.R. part 230 (OMB Circular A-122, "Cost Principles for Nonprofit Organizations); and
- 48 C.F.R. part 31 for commercial organizations and for those organizations listed in Appendix C to 2 C.F.R. part 230

b) Performance-Based Budgeting: The extent to which the line-item budget and budget narrative relate to the accomplishment of the MBC work requirements and

performance measures (*i.e.*, performance-based budgeting) will be considered. The budget will be compared to the program narrative to determine whether the budget is realistic from a programmatic perspective and whether costs are necessary to complete the work requirements. Costs included in the budget that are determined to be unrealistic will be considered as an indication of an applicant's lack of understanding of the requirements of the MBC program and/or the methods that must be utilized to deliver services. Program Income (*i.e.*, client fees, membership fees, success fees, and/or other acceptable fee structures proposed) must be adequately addressed and properly documented, including but not limited to how the proceeds will be billed, collected, waived and used by the applicant in furthering the program objectives.

Applicants must submit a line item budget (SF 424A) and corresponding budget narrative for EACH of the five (5) funding periods under the award, which are anticipated to be: (i) September 1, 2011 – August 31, 2012; (ii) September 1, 2012 – August 31, 2013; (iii) September 1, 2013 – August 31, 2014; (iv) September 1, 2014 – August 31, 2015; and, (v) September 1, 2015 – August 31, 2016.

The **federal contribution to the budget is non-negotiable.** The amount of federal funds designated for the award (as set forth in Appendix A, "Anticipated Funding Availability by Center Location," of this FFO) must not be exceeded in the proposed project budget. Costs must be proposed, on a per-event, per-person, per-item (e.g., airfare, per diem, ground transportation) basis for all travel. In particular, each of the training events set forth in Appendix E, "MBC Training Requirements," must be budgeted for, as indicated. If a venue for an event is not stated, applicants are to assume that the event will be held in Washington, D.C. Applicants may include training costs under federal and/or non-federal cost share (if proposed).

Non-federal cost share must be itemized on the SF-424A, the program line-item budget and in the budget narrative. All third-party, in-kind contributions must be supported by an original and signed commitment letter from those resources. Failure to provide this documentation may result in the disallowance of the amount proposed and reduction of available points.

Program Income: As discussed in Section III.B. of this FFO, the generation of program income is mandatory under the MBC program and MBC operators are required to account for all program income generated in whole or in part under MBC financial assistance awards. Program income is defined as gross income earned by the recipient from federally supported activities and, for purposes of the MBC program, specifically includes client fees, membership fees, success fees and other income generated by the MBC. *See* 15 C.F.R. § 14.24 or 15 C.F.R. § 24.25 (as applicable based on the type of applicant).

For each of the five anticipated funding periods under the MBC award, applicants must identify: (i) how program income will be generated by the MBC program; (ii) the anticipated amount of program income (which must be identified as non-

federal cost share in the project's proposed budget); and (iii) and how the program income will be used to further the MBC program objectives. In this respect, all proposed fee structures and other methods for the MBC's generation of program income must be acceptable to MBDA and approved by the Grants Officer.

The applicant should take great care in projecting the total dollar amount in fees and other program income that will be generated each program year. The applicant's methodology for estimating the amount of fees to be billed and to be collected must be clearly articulated in the proposal.

It is also important to note that in some cases the MBC may apply a policy for fee waivers and/or accounts not collectable. The applicant must indicate, for each of the funding periods, at what point fees are charged to its clients (e.g., upon completion of work assignment and/or successful completion of awarded transaction) and how it intends to collect and manage fees. These items should be taken into consideration and discussed in the budget narrative.

6. Service Innovation – Bonus Points (10 points maximum)

Bonus points may be awarded to applicants proposing innovative MBE services that enhance the required MBC program scope. This component is optional and any service(s) proposed under the "Service Innovation" is in addition to the core MBC services listed under the "Program Details and Work Requirements" in Section I.A.4., of the FFO. Proposed innovations cannot be used as a substitute or otherwise in lieu of the defined MBC program and service requirements.

An applicant proposing a "Service Innovation" must fully describe the aspects of any innovative addition(s) to the work requirements that the applicant will implement. Some examples have been provided in Appendix F – Sample Service Innovation Concepts, of the FFO. Applicants are not required to utilize these examples. MBDA encourages any innovative solutions; however, proposed ideas (including the stated examples) must be fully developed and articulated, including processes and anticipated results.

7. Standard Forms

The application must contain the following Standard Forms (SF): (i) **SF-424** - Application for Federal Assistance (one form to cover all funding periods); (ii) **SF-424A**, Budget Information-Non-Construction Programs; (iii) **SF-424B**, Assurances-Non-Construction Programs; and, (iv) **SF-LLL**, Disclosure of Lobbying Activities.

8. Department of Commerce Forms

The application must contain the following Department of Commerce (CD) form: **CD-511, Certification Regarding Lobbying.**

9. Application Submission Checklist

A submission checklist has been developed as a guide for applicants. Do not submit newspaper clippings, brochures, letters of recommendation or other superfluous documents, as they will not be considered in the evaluation process. See Appendix G, Application Checklist

C. Submission Date and Time

The closing date for receipt of applications is **May 5, 2011 at 11:59 p.m. Eastern Daylight-Saving Time (EDT)**. To be considered timely, electronic applications must be transmitted and time-stamped at www.Grants.gov by the closing date. Applications received after the closing date will not be considered.

The electronic submission date is the date that applications will be deemed to have been submitted electronically and shall be the date and time received at www.Grants.gov. Applicants must save and print the proof of submission they receive from www.Grants.gov. *Applicants should plan to submit the application electronically several (3-5) days before the deadline to ensure that the application is complete and accepted by grants.gov before the submission deadline.* If problems occur while using www.Grants.gov, the applicant is advised to (i) print any error message received, and (ii) call www.Grants.gov at 1-800-518-4726 for immediate assistance. MBDA may allow more time for applicant submission due to system problems at Grants.gov that are beyond the control of the applicant.

Please note: problems with the application or computer systems at the applicant organization are not considered systems issues. Similarly, an applicant's failure to complete the required registration, ensure that an AOR submits the application, notice receipt of an email message from www.grants.gov, or otherwise fail to comply with the requirements of www.grants.gov are not systems issues. A www.grants.gov "systems issue" is an issue occurring in connection with the operations of www.grants.gov itself, such as the temporary loss of service by www.grants.gov due to unexpected volume of traffic or failure of information technology systems, both of which are highly unlikely.

D. Intergovernmental Review

Applications under this program are not subject to Executive Order 12372, "Intergovernmental Review of Federal Programs."

E. Funding Restrictions

1. Profits or Fees

Profits, fees or other increments above cost may not be paid on MBDA financial assistance awards and must not be included as part of the proposal.

2. Indirect Costs

Under the MBC program, indirect costs charged to an award shall not exceed the lesser of: (a) the indirect cost rate negotiated and approved by the applicant's cognizant federal agency; or (b) thirty percent (30%) of the total direct costs for the MBC project. This limitation applies separately and collectively to each of the five anticipated funding periods under the award. Indirect costs in excess of the above limitations must not be included as part of the proposal. Indirect costs proposed under the award must be clearly identified as a separate budget line-item.

If indirect costs are being proposed by the applicant and the applicant has an approved negotiated indirect cost rate agreement with its cognizant federal agency, a copy of the agreement must be included with the application package. For State, Local, and Indian Tribal Governments, educational institutions and non-profit organizations, the cognizant federal agency is generally defined as the federal agency that provides the largest dollar amount of direct federal funding. For commercial organizations, cognizant federal agency is generally defined as the federal agency that provides the largest dollar amount of negotiated contracts, including options. In either case, if the only federal funds received by an applicant are derived from the Department of Commerce, then the Department of Commerce is the cognizant federal agency for the purpose of indirect cost negotiations.

Organizations that do not have an approved negotiated indirect cost rate agreement may propose indirect costs as part of the project budget. For a recipient to recover indirect costs, however, the organization must prepare and submit a cost allocation plan and indirect cost rate proposal consistent with the applicable OMB guidelines set forth below. The allocation plan and the rate proposal must be submitted to the Department of Commerce Office of Acquisition Management (or the recipient's cognizant federal agency if not the Department of Commerce) within ninety (90) days from the effective date of the award and is subject to Department of Commerce (or other cognizant federal agency) approval.

The indirect cost policies contained in 2 C.F.R. part 220 (2007) (OMB Circular A-21, "Cost Principles for Educational Organizations), 2 C.F.R. part 225 (2007) (OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments) and 2 C.F.R. part 230 (2007) (OMB Circular A-122, "Cost Principles for Nonprofit Organizations) will apply to MBDA awards for its business development programs. Indirect costs are those costs proposed for common or joint objectives and which cannot be readily identified with a particular cost objective. (The term "indirect cost" has been replaced with the term "facilities and administrative costs" under OMB Circular A-21, "Cost Principles for Educational Institutions.") Therefore, if the MBDA award is to be the sole source of support for the applicant organization, all costs are direct costs and no indirect costs should be proposed.

F. Other Submission Requirements

1. Electronic Submission

Applicants must submit their proposal electronically at <http://www.Grants.gov>. Electronic submissions should be made in accordance with the instructions available at Grants.gov (See <http://www.Grants.gov/applicants/resources.jsp> for detailed information).

The preferred format for electronic attachments is .pdf. This is the most prevalent format for documents that are scanned from hard-copy. However, the Department will accept electronic files in Word or Excel formats.

Please note that to submit an application through www.Grants.gov, applicants must register for a Grants.gov User ID and Password. This process can take several days; therefore, applicants should not wait until having a completed application package to initiate the registration process. In addition, applicants must have an updated Central Contractor Registration (CCR) for their organization, and must designate the person submitting the application on behalf of the organization as an Authorized Organizational Representative (AOR).

Applicants should register as organizations, not as individuals. As part of the registration process, the applicant representative must register as an Authorized Organizational Representative (AOR) for the organization. AORs registered at www.grants.gov are the only officials with the authority to submit applications at www.grants.gov. The applicant must ensure its application is submitted by its AOR. If the application is submitted by anyone other than the organization's AOR, the application will be rejected and cannot be considered for the competition. Note that a given organization may designate multiple individuals as AORs for www.grants.gov purposes.

Failure to submit a complete application by the submission deadline will result in the application being rejected by Grants.gov. An electronic application cannot be submitted through Grants.gov unless all required fields on all required forms are completed. Failure to submit other documents or information by the deadline, which does not result in the rejection of an application by Grants.gov, may affect an applicant's overall score.

V. Application Review Information

A. Evaluation Criteria

1. Program Narrative

The Program Narrative section of the proposal will be evaluated, and applicants will be selected, based on the level at which the proposal addresses the below listed evaluation criteria. Section IV.B., "Content and Form of Application," of this FFO provides detailed

requirements for each listed criterion. A total of eighty (80) points are available for the Program Narrative section of the application.

Program Narrative Evaluation Criteria	Points Assigned
1. Applicant Capability - Organizational Background and Knowledge of Community (5 points) - Mission Alignment (5 points) - Access to Markets (5 points) - Access to Capital (5 points) - Business Consulting to Clients (5 points) - Key Staff (5 points)	30
2. Resources - Partners (10 points) - Resources (5 points) - Location/Equipment (5 points)	20
3. Techniques and Methodologies - Performance Measures (10 points) - Start-up Phase (10 points) - Work Requirements Execution Plan (10 points)	30
Core Program Narrative Points Available	80

2. Proposed Budget and Budget Narrative

The Proposed Budget and Budget Narrative section of the applicant’s proposal will be evaluated on the criteria identified below. Section IV.B. “Content and Form of Application” of this FFO provides detailed cost proposal requirements. A total of twenty (20) points are available for the Proposed Budget and Budget Narrative section of the application.

Budget Detail and Narrative Evaluation Criteria	Points Assigned
Proposed Budget and Budget Narrative - Reasonableness, Allowability and Allocability of Proposed Program Costs (10 points) - Performance-Based Budgeting (10 points)	20
Total Program Narrative and Budget Detail and Narrative Points Available	100

3. Service Innovation (Optional) – Bonus Points

Service Innovation is optional. The applicant’s proposal may include service concepts that are above and beyond the required services listed under the “Program Details and Work Requirements” in Section I.A.4., of the FFO. A maximum of ten (10) bonus points are available under this criterion.

Bonus Points for “Service Innovation”	10
Total Program Narrative, Budget Detail and Narrative Points Available, and Service Innovation Bonus Points	110

B. Review and Selection Process

1. Initial Screening

Prior to the formal paneling process, each application will receive an initial screening to ensure that all required forms, signatures and documentation are present. An application will be considered non-responsive and will not be evaluated by the review panel if it is received after the closing date for receipt of applications, the applicant authorized organizational representative (AOR) fails to submit Standard Form 424 by the application closing date, or the application does not provide for the operation of a MBC. Note, AOR substitutions require approximately ten (10) working days to be processed by www.Grants.gov. Other application deficiencies will be accounted for during panel review and may result in point deductions.

2. MBDA Merit Review Panel

Each responsive application will receive an independent, merit review by a panel qualified to evaluate the applications submitted. The review panel will consist of at least three (3) individuals, all of whom will be full-time federal employees and at least one of whom will be an MBDA employee, who will review the applications for a specified project based on the published evaluation criterion. Each reviewer shall evaluate and provide a score for each proposal. Each project review panel (through the panel Chairperson) shall provide the MBDA Selecting Official with a ranking of the applications based on the average of the reviewers' scores.

3. MBDA Regional Director Review

The MBDA Regional Director will have the opportunity to review panel recommendations and submitted applications for MBC projects located within the geographical area served by his/her National Enterprise Center (NEC) (sometimes referred to as an MBDA Regional Office). Responsibility for the NEC review will reside with the Regional Director and shall not be delegated to staff.

The applicable MBDA Regional Director will review the panel recommendation and submitted applications and provide a written memorandum to the MBDA Selecting Official either indicating his/her concurrence with the recommendation of the panel or making an alternate recommendation for selection out of rank order. Any recommendation by the Regional Director for selection out of rank order must be justified based on one or more of the MBDA Program Priorities outlined in the FFO.

The panel recommendation, together with Regional Director’s recommendation, will be

provided to the MBDA Selecting Official for consideration in making the final award recommendation to the Grants Officer.

4. Final Selection and Recommendation for Funding

The MBDA National Director is the Selecting Official and makes the final recommendation to the Grants Officer regarding the funding of applications under this competitive solicitation. MBDA expects to recommend funding of the highest ranking applicants, as evaluated and recommended by the review panel and taking into account results of the respective MBDA Regional Director's review. However, the MBDA National Director may decide not to select any of the recommended applications, or may select an applicant out of rank order, for the following reasons:

- (a) A determination that a lower ranked applicant better addresses one or more of the program priorities set forth in the FFO. The National Director (or his/her designee) reserves the right to conduct one or more site visits, in order to make a better assessment of an applicant's capability to achieve the program priorities; or
- (b) The availability of MBDA funding.

Prior to making a final recommendation for funding to the Grants Officer, MBDA may conduct negotiations with an applicant that the Selecting Official anticipates recommending and/or request that the applicant provide written clarifications regarding its application.

C. Anticipated Announcement and Award Dates

Anticipated time for processing awards is one hundred-twenty (120) days from the closing date for receipt of applications. MBDA anticipates that the MBC awards will be made with a start date of September 1, 2011.

VI. Award Administration Information

A. Award Notices

The notice of award (CD-450) is executed by the Department of Commerce Grants Officer and is the authorizing document. It is generally provided electronically via the Grants Online system to the Authorized Representative of the recipient organization. The Authorized Representative for a successful applicant will receive instructions from MBDA on how to access the Grants Online system to accept the award.

MBDA will notify unsuccessful applicants, in writing, after a final selection has been made and after an offer has been accepted. Those applications that are not ultimately selected for funding will be retained by MBDA for a period of three (3) years after which they will be destroyed.

On occasion, competitive solicitations or competitive panels may produce less than optimum results, such as a competition resulting in the receipt of no applications or a competition resulting in all unresponsive applications received. If the competition results in only one application, it may or may not require additional action from MBDA depending upon the competitive history of the area, the quality of application received, and the time and cost limits involved. In the event that any or all of these conditions arise, MBDA shall take the most time and cost-effective approach available that is in the best interest of the Government. This includes but is not limited to: (i) a new competition; (ii) re-paneling; or (iii) negotiation.

B. Administrative and National Policy Requirements

Administrative and national policy requirements for all Department of Commerce awards are contained in the *Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements*, published in the *Federal Register* on February 11, 2008 (73 FR 7696), and are applicable to this solicitation. You may obtain a copy of this notice by contacting the MBDA contact under Section VII., Agency Contacts, or by entering the *Federal Register* volume and page numbers provided in the previous sentence at the following Internet website: www.gpoaccess.gov/fr/retrieve.html.

C. Reporting

Financial reports are to be submitted to the Department of Commerce Grants Office on a quarterly basis. A final financial report is due within ninety (90) days after expiration of the award. Performance narrative reports are to be submitted to the Federal Program Officer within forty-five (45) days after the end of the second program quarter of each funding period. An annual or final performance report is due forty-five (45) days after the end of each funding period. Additional reporting requirements are set forth in Appendix C, "MBC Program Performance Measures and Related Definitions."

VII. Agency Contacts

Prospective applicants may contact:

Ms. Rita Gonzales, Program Manager
MBDA Office of Business Development
U.S. Department of Commerce
14th and Constitution Ave., N.W.
Room 5085
Washington, DC 20230
Tel: 202-482-1940

VIII. Other Information

A. Past Performance and Non-Compliance with Award Provisions

A consistent pattern of unsatisfactory performance under prior federal awards may result in an application not being considered for funding. Failure to comply with any or all of the provisions of an award may have a negative impact on future funding by the Department of Commerce (or any of its operating units) and may be considered grounds for any or all of the following actions: establishment of an account receivable, withholding payments under any Department of Commerce awards to the recipient, changing the method of payment from advance to reimbursement only, imposition of other special award conditions, suspension of any active Department of Commerce awards and termination of any active Department of Commerce awards.

B. Limitation of Liability

In no event will MBDA or the Department of Commerce be responsible for proposal preparation costs if the MBC Program fails to receive funding or is cancelled because of Department of Commerce or MBDA priorities. All funding periods under the award are subject to the availability of funds to support the continuation of the project. Publication of this FFO does not obligate MBDA or the Department of Commerce to award any specific project or to obligate any available funds. FY2011 funds have not yet been appropriated for the MBC program.

C. Audit Costs

Audits shall be performed in accordance with audit requirements contained in Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, revised June 27, 2003. OMB Circular A-133 requires that non-profit organizations, government agencies, Indian tribes and educational institutions expending \$500,000 or more in federal funds during a one-year period conduct a single audit in accordance with guidelines outlined in the Circular. Commercial and other organizations not covered by OMB Circular A-133 will be subject to the audit requirements set forth in the terms and conditions of the award. Applicants are also reminded that other audits may be conducted by the Department of Commerce Office of Inspector General and by other authorized federal agencies.

D. Freedom of Information Act Disclosure

The Freedom of Information Act (5 U.S.C. § 552) (FOIA) and the Department of Commerce's implementing regulations at 15 C.F.R. part 4 set forth the rules and procedures to make requested material, information and records publicly available. Unless prohibited by law and to the extent permitted under FOIA, contents of applications submitted by applicants may be released in response to FOIA requests.

E. Appendices to the FFO and MBC Program Requirements Documents

The appendices and MBC program documents listed below are incorporated by reference into this announcement. It is incumbent on all applicants to access and familiarize themselves with the information contained therein.

- Appendix A – Anticipated Funding Availability by Center Location (FFO attachment)
- Appendix B – Minimum Performance Goals by Center Location (FFO attachment)
- Appendix C – Performance Measures and Related Definitions (FFO attachment)
- Appendix D – Information Technology and Computer Requirements (FFO attachment)
- Appendix E – MBC Training Requirements (FFO attachment)
- Appendix F – Sample Innovation Concepts (FFO attachment)
- Appendix G – Application Checklist (FFO attachment)

Appendix A – Anticipated Funding Availability by Center Location

MBDA National Enterprise Center (NEC or Regional Office)	MBDA Business Center Location (State, City)	Federal Funding Years 1-5	Competition ID#
Chicago NEC	One of the following cities: Milwaukee, Wisconsin* Minneapolis, Minnesota*	\$225,000	2228055
New York NEC	One of the following cities: Hartford, Connecticut* Stamford, Connecticut* Boston, Massachusetts* Queens, New York*	\$275,000	2228057
San Francisco NEC	One of the following counties in Southern California:** Kern, Orange, Riverside, San Bernardino, or San Diego	\$355,000	2228059

*Applicants are required to choose one location from among the specific cities listed. Only one location may be proposed within an application. The applicant must clearly identify which location was chosen. Applicants are limited to submitting one application per Competition ID.

**Applicants are required to choose one location from among the specific counties listed. The applicant must clearly identify the specific city where the MBC project would be physically located and provide a justification for the proposed placement. Only one location may be proposed within an application. Applicants are limited to submitting one application per Competition ID.

Appendix B – Estimated Performance Goals by Center

The following tables provide the estimated performance requirements for each MBC location. Applicants should propose performance goals, for each year and in each category, based on those listed below. Proposed goals that differ, either higher or lower, from those listed below require justification.

In preparing applications in response to this Announcement, please note the following:

1. The “Total Value of Awarded Transactions” is the sum of the “Dollar Value of Awarded Contracts and Procurements” and the “Dollar Value of Awarded Financial Transactions.” Applicants must propose specific performance goals for each of these two sub-categories within the following parameters: (a) the “Dollar Value of Awarded Contracts and Procurements” must be no more than 70% and no less than 30% of the “Total Value of Awarded Transactions;” and (b) the “Dollar Value of Awarded Financial Transactions” must be no less than 30% and no more than 70% of the “Total Value of Awarded Transactions.” The combined total of these two sub-categories must equal 100% of the “Total Value of Awarded Transactions.”
2. The “Total Number of Awarded Transactions” is the sum of the “Number of Awarded Contracts and Procurements” and the “Number of Awarded Financial Transactions.” Applicants must propose specific performance goals for each of these two sub-categories within the following parameters: (a) the “Number of Awarded Contracts and Procurements” must be no more than 70% and no less than 30% of the “Total Number of Awarded Transactions;” and (b) the “Number of Awarded Financial Transactions” must be no less than 30% and no more than 70% of the “Total Number of Awarded Transactions.” The combined total of these two sub-categories must equal 100% of the “Total Number of Awarded Transactions.”

	<u>Programs with Federal Funding below \$300K</u>		
	Year 1	Year 2	Years 3 - 5
Number of Jobs Created	70	87	87
Number of Jobs Retained	48	60	60
Total Value of Awarded Transactions	Listed by location below	Listed by location below	Listed by location below
Total Number of Awarded Transactions	40	50	60
Dollar value of Awarded Contracts & Procurements	To be proposed by applicant	To be proposed by applicant	To be proposed by applicant
Number of Awarded Contracts & Procurements	To be proposed by applicant	To be proposed by applicant	To be proposed by applicant
Dollar value of Awarded Financial Transactions	To be proposed by applicant	To be proposed by applicant	To be proposed by applicant
Number of Awarded Financial Transactions	To be proposed by applicant	To be proposed by applicant	To be proposed by applicant
Number of Export Transactions Facilitated	2	3	5
Number of Strategic Transactions Facilitated	2	3	5
Number of Clients Served	60	75	75
Number of Minority Business Enterprise Referrals	58	72	72

	<u>Programs with Federal Funding of \$300K and above</u> (MBC located in Southern California)		
	Year 1	Year 2	Years 3 - 5
Number of Jobs Created	120	150	150
Number of Jobs Retained	80	100	100
Total Value of Awarded Transactions	Listed by location below	Listed by location below	Listed by location below
Total Number of Awarded Transactions	40	50	60
Dollar value of Awarded Contracts & Procurements	To be proposed by applicant	To be proposed by applicant	To be proposed by applicant
Number of Awarded Contracts & Procurements	To be proposed by applicant	To be proposed by applicant	To be proposed by applicant
Dollar value of Awarded Financial Transactions	To be proposed by applicant	To be proposed by applicant	To be proposed by applicant
Number of Awarded Financial Transactions	To be proposed by applicant	To be proposed by applicant	To be proposed by applicant
Number of Export Transactions Facilitated	2	5	6
Number of Strategic Transactions Facilitated	2	5	6
Number of Clients Served	60	75	75
Number of Minority Business Enterprise Referrals	58	72	72

Estimated Total Value of Awarded Transactions Goal

MBDA National Enterprise Center (NEC)	Center Location (State, City)	Awarded Transactions Year 1	Awarded Transactions Year 2	Awarded Transactions Year 3
Chicago NEC	Milwaukee, WI / Minneapolis, MN	\$30,000,000	\$39,900,000	\$49,875,000
New York NEC	Hartford, CT / Stamford, CT / Boston, MA / Queens, NY	\$84,106,000	\$112,141,000	\$140,176,000
San Francisco NEC	Southern California	\$96,026,286	\$125,408,329	\$151,829,858

Appendix C
Performance Measures and Related Definitions

A. Performance Measures and Bonus Points

In accordance with 15 CFR Parts 14 and 24, the award recipient (operator) will be responsible for the effective management of all functions and activities supported by the financial assistance award. Additionally, the project operator is required to report to MBDA on the attainment of program performance goals twice during each program year. A Semi-Annual Progress Report is due forty-five (45) days after the end of the first six months (first semi-annual period) of each year. The project operator shall also provide a comprehensive Year-End Progress Report on the accomplishments and overall operations of the project. The Year-End Progress Report is due forty-five (45) days after the end of the funding year. All performance reporting is conducted electronically via MBDA’s Internet portal. The evaluation criteria and weighted-value for measuring MBC project performance on an ongoing basis are as follows:

Performance Measure	Performance Points (at 100% Goal Achievement Level)	Performance Points (at 150% Goal Achievement Level - Maximum)
Number of Jobs Created	20	30
Number of Jobs Retained	5	7.5
Dollar Value of Awarded Contracts and Procurements	20	30
Number of Awarded Contracts and Procurements	5	7.5
Dollar Value of Awarded Financial Transactions	15	22.5
Number of Awarded Financial Transactions	5	7.5
Number of Clients Served	5	7.5
Number of Export Transactions Facilitated	5	7.5
Number of Strategic Transactions Facilitated	5	7.5
MBE Referrals	5	7.5
Management Assessment	5	5
Promotion of MBDA	5	5

Bonus Points		Bonus Points (Maximum)
Bonus Points: - MBDA Special Initiatives - Collaboration with MBDA - B2B Events Completed		15 (total available) (1 point per item, 5 total available) (1 point per item, 5 total available) (1 point per item, 5 total available)
Total Points	100 points	160 maximum points

The estimated performance goals required for the above performance measures are set forth in Appendix B, “Estimated Performance Goals by Center Location,” of the Federal Funding Opportunity (FFO) announcement. The estimated performance goals are listed on an annual basis by MBDA and should be broken out into quarterly increments by the applicant in its proposal.

MBDA encourages and rewards high achievement levels. Up to 150% of the maximum allowable points for most performance measures will be awarded, based on the extent to which the MBC exceeds the minimum performance goal for the identified category. For example, if the minimum performance goal for the Dollar Value of Awarded Contracts is \$70 million and the MBC achieves \$105 million in this category, the project operator will receive 30 points. Alternatively, if the MBC were to achieve \$110 million in this category, the operator would be limited by the 150% threshold and receive 30 points.

Under “Bonus Points,” a project operator may earn up to 15 additional points in each program year for (a) participating in special initiatives undertaken by MBDA; (b) collaborating with MBDA staff for the benefit of MBE clients; and, (c) organizing and completing business-to-business events.

The MBC is required to utilize, in a good faith effort, all of its resources to achieve the stated goals. **Should the MBC exceed its performance requirements prior to the end of a funding period, the MBC is expected to maintain operations at full strength and continue to provide services and reach greater performance outcomes.**

MBDA views the project operator of the center as a cooperative partner and the MBC an extension of MBDA in the minority community. The staff of the MBC is seen as an envoy of MBDA that communicates the mission and values of the Agency to the minority business community. Thus, high achievement in any one performance measure cannot excuse failure to reach other goals as stated in this Appendix to the FFO. Failure to satisfy minimal goals in other performance elements may result in termination of the award, notwithstanding high achievement in any particular performance measure.

In order for a reported outcome to be considered and counted towards the center’s goal, the outcome must have a link to the MBC services. A link is defined as specific actions provided by the center to the client for a specific objective (i.e., loan packaging services resulting in an approved loan, bid matching services resulting in the client securing a contract, managerial consulting focused on increasing productivity resulting in jobs retained, etc.). The center may also receive credit towards a goal generated through the assistance of a strategic partner or in collaboration with other MBDA funded projects and staff. Strategic partner or collaborative-related outcomes must have a link to MBC services.

B. Definitions

1. Number of Jobs Created – This is defined as the number of new full time and/or part time employment opportunities reported on the client’s payroll during the funding

year. Persons on paid sick leave, paid holiday and paid vacations are included as employees, as are salaried officers and executives of corporations. However, proprietors and partners of unincorporated business are not considered employees under this definition.

2. Number of Jobs Retained – The number of existing full time and/or part time employee positions retained and reported on the client’s payroll during the funding year. Job retention pertains to maintaining the status quo of persons employed by the client in lieu of subjective and objective decisions made by the client to reduce its work force due to economic conditions, lack of capital, failure to secure necessary contracts and/or sales. Persons on paid sick leave, paid holiday and paid vacations are included as employees, as are salaried officers and executives of corporations. However, proprietors and partners of unincorporated businesses are not considered employees under this definition.
3. Dollar Value of Awarded Contracts and Procurements – This represents the total dollar value of successfully awarded contracts and/or the total principal value of executed sales/delivery contracts of services/products/intellectual rights and/or other binding financial considerations secured by clients of the project, with the assistance of project staff.

For purposes of this performance element, Dollar Value of Awarded Contracts and Procurements are those transactions which have a specific dollar value, and which produce a commercial benefit for the client firm.

MBDA recognizes that the financial obligations evidenced by these transactions may be long-term, and require the delivery of goods and services over an extended period. In some cases, the agreements may have been awarded as indefinite demand indefinite quantity. Consequently, it is not necessary that the funds or other financial value specified under the agreements have actually changed hands for the project operator to receive credit. In the case of multi-year and multiple-year awards (base and option years), the full contract value, including option years, can be claimed in the year the contract was signed. Non-single year contracts shall require the MBC to communicate with the client, obtain proof of awards that were let on or prior to the end of the MBC award period and to conduct an update the MBDA performance system.

4. Number of Contracts – The number of awarded contracts and other binding procurement awards secured by client firms.
5. Dollar Value of Awarded Financial Transactions – The dollar value of transactions is defined as the total principal value of approved loans, equity financings, bonds, leases (property and equipment), assets under management or other binding financial agreements secured by clients of the project, with the assistance of MBC staff. For purposes of this performance element, eligible financial transactions are those that

- have a specific dollar value, and which expand the client's capital base/operations, or produce some other direct commercial benefit for client firms.
6. Number of Financial Transactions – The number of successful financial transactions secured by client firms.
 7. Number of Clients Served – The actual number of clients served in a funding period. Clients are defined as those MBEs that have registered with the MBC and completed a written engagement for specific services. Clients may be counted only once during the program year. Clients from a prior program year may be counted in a subsequent program year if continued service provision to said clients is documented.
 8. Number of Export Transactions Facilitated – Export transactions facilitated is defined as the number of global contract opportunities and export financing transactions secured by client firms as a result of direct MBC activity related to international trade assistance.
 9. Number of Strategic Transactions Facilitated – MBDA is seeking to build MBE capacity through (1) the establishment of competitive teams for federal/state/local government and private sector contracting opportunities, and (2) the promotion of mergers and acquisitions. This measure is defined as the number of awarded transactions secured by clients that included successful MBC facilitation of joint ventures, teaming arrangements, and/or the number of mergers and acquisitions brokered on behalf of clients by the center.
 10. Number of MBE Referrals – This represents the number of referrals made by the center to MBEs seeking assistance that is outside the scope of MBC program services. Referrals may be made to strategic partners or other external service providers able to provide services that are relevant to the MBE.
 11. Management Assessment – The management assessment reflects MBDA's evaluation of the overall management of the MBC project, based on the Agency's internal review of the project's operations. The management assessment focuses on such areas as the development of written service engagements and work plans; proper staffing; adherence to scheduled work hours; recordkeeping; successful completion of Agency training; customer relationship management, maintenance of strategic partnerships; market promotion and any other areas which MBDA may deem to be relevant in determining the overall quality of the project's operations. An operator may also lose up to two points from the assessment if the MBC staff fails to participate in the required training credit hours.
 12. Promotion of MBDA – The measure represents the extent to which MBCs meet and exceed the requirements for communication of the mission and objectives of MBDA within the business and government community.

13. Performance Bonus - The MBC may earn up to a maximum of 15 points in any funding period as follows:
- a. Participation in and Successful Execution of MBDA Special Initiatives – On occasion, MBDA may issue a request for MBC participation on special Agency and/or Department of Commerce initiatives. The MBC may be asked and/or instructed to support MBDA in these special initiative efforts. MBDA shall reward the MBC by allocating up to one (1) bonus point per event, for a maximum of (5) five points. MBDA Special Initiatives shall be formally announced to the MBC program as a whole, in further detail, and all MBC's will have an opportunity to participate.
 - b. Collaboration with MBDA – The MBC program is a component of MBDA's overall portfolio of minority business assistance services. To further encourage MBC collaboration with the Agency in generating outcomes for clients, MBDA will award up to one (1) bonus point per client successfully assisted in partnership with MBDA staff, for a maximum of five (5) points.
 - c. Business to Business (B2B) Events Completed – B2B events are a cost-effective and convenient mechanism for matching vetted MBEs with interested purchasing officials from the private and public sectors. This activity involves identifying the business needs of all parties and ensuring that all matchmaking appointments are qualified and mutually beneficial. MBDA will award up to one (1) bonus point per B2B event successfully executed, for a maximum of five (5) points.
14. Brokering – This represents one of the services provided by the MBC to its clients. It is the act of bringing buyers and sellers together for the purpose of executing contracts, financings or other agreements leading to an economic benefit.
15. Dealmaking – This represents one of the services provided by the MBC to its clients. It involves crafting complex deals anticipated to have a significant impact on the size, scale and capacity of a client firm. This activity includes sourcing, negotiating and assisting in completing high value, sustainable deals for MBEs.
16. Harvesting – Harvesting is prohibited under the MBC program. Harvesting is defined as the MBC taking credit for a contract or financial transaction without having performed some work that links the center to the client that helped said client obtain the contract or complete the financial transaction. MBCs found to employ the practice of harvesting are subject to having their awards with MBDA terminated for cause.

Please note that program performance related definitions may be subject to change based on Department of Commerce imperatives, quality assessment reviews, and/or Federal audit findings.

Additional program definitions and operating procedures are set forth in the Program Standards Handbook (Handbook), which will be incorporated by reference into each MBC award and are applicable to each MBC operator.

Appendix D

Information Technology and Computer Requirements

MBDA requires that all project operators meet certain requirements related to the acquisition, installation, configuration, maintenance and security of information technology (IT) assets *within sixty (60) days after receipt of the award*, in order to ensure seamless and productive interface between and among all grant recipients, MBEs, the MBDA Federal IT system and the public. These required assets and their configuration are hereinafter referred to as the “enterprise.” The basic components of the enterprise are the desktop workstations, the server, local area network (LAN) components and a connection to the Internet. Refer to the MBDA Web Portal for current policies and guidelines around operational requirements.

At a minimum, the project operator shall provide one (1) desktop computer for the exclusive use of each employee delivering minority business assistance to the public under an award from MBDA. All desktop computers shall be connected to a client/server network using an Ethernet protocol enabling communication with all workstations on the project operator’s network. The server shall have a constant, high-speed broadband Internet connection. The project operator shall ensure that each of its employees, to include management, administrative personnel, contractors, full-time, part-time, and non-paid (volunteer) staff have a unique electronic mail (email) address that is available to the public. The project operator shall maintain appropriate computer and network security precautions during all periods of funding by MBDA. All IT requirements, as described herein, shall be met within sixty (60) calendar days after the award.

A project operator’s failure to adhere to the MBC computer requirements as set forth herein may result in enforcement action under the award, including but not limited to the withholding of award payments until full compliance is reached.

A. Network Design

At all locations where services are delivered to the eligible public as defined by Executive Order 11625, the project operator shall operate a Client Server Network that provides shared disk drives and the setup of print queues for a network printer(s) (if individual printers are not provided) for each staff person delivering services to the eligible public. MBDA shall, from time to time, specify certain configurations of the enterprise hardware and software to meet interface requirements.

Currently, MBDA recommends servers using an operating system that is fully compatible with Microsoft Windows 2003. Any server providing principal service to the desktops shall contain 200 or more gigabytes (GB) of hard drive space using two or more disks configured appropriately to ensure data retention should one disk fail. At least one (1) Dual-Core Intel/AMD central processing unit (CPU) or any other server providing principal service to the desktops shall be used. Web servers, mail servers and/or servers maintained by a third party such as an Internet Service Provider (ISP) shall meet the minimum server specifications as stated herein.

B. Workstations

All computer systems shall not be more than five (5) calendar years old at time of award and shall contain an Intel Cores Duo Processor or AMD class central processing unit (CPU), operating at speeds not less than 2.33 Gigahertz (GHz). Each desktop system shall contain a hard drive with a storage capacity of at least eighty (80) GB and 1 Gigabyte (GB) of RAM and a CD or DVD reader/writer. All workstations shall have installed an operating system fully compatible with Microsoft Windows XP Professional or higher Operating System, MS Office 2003 Professional or higher, Microsoft Internet Explorer 7.x, Anti-Virus software, software or hardware-based Firewall and Adobe Reader 8.1 or higher. Additionally, it is suggested that a full-page scanner, along with software fully compatible with Adobe Acrobat (Standard or Professional, 9.2 or higher) be installed on at least one workstation for the production of electronic document submissions. Workstations must also support all MBDA client specific specialty software loads/configurations identified by MBDA for the MBC program.

C. Maintenance and Security

A network map (“as-built”) reflecting adherence to the computer and networking requirements set forth herein shall be maintained by the project operator for review by MBDA at any time. Each project operator shall designate and train one administrative person competent in the operation of an Operations System fully compatible with Windows 2003 network (or higher) and local area network (LAN) technology as described herein. From time to time, MBDA may require that certain software be loaded on servers and desktops. In any given year, the cost of this additional software may be \$300.00 per workstation and \$600.00 per server.

Every employee of the MBC shall be assigned a unique username and password to access the network. Every employee shall be required to sign a written computer security agreement (a suggested format for the computer security agreement will be provided at the time of award and/or on the MBDA Portal [website]). Every manager, employee, and contractor and any other person given access to the computer system shall sign the security agreement and an original copy of the signed agreement shall be kept in the MBC files. A photocopy of the signed agreement shall be submitted to MBDA, no later than thirty (30) days after receipt of the award. The original agreement shall be maintained on file by the project operator. All subsequent new hires and associations requiring access to the MBC or MBDA systems shall read, understand, and sign the security agreement prior to issuance of a password. No employee shall have access to any MBDA system(s) without a signed security agreement on file at MBDA.

D. Web Site

The project operator shall support MBDA in maintaining accurate information pertaining to the MBC on the MBDA Minority Business Internet Portal. MBDA Web standards may include, *but are not limited to the following*:

- A listing of the names of all managers and employees, the business and mailing address of the MBC, business phone and fax numbers and email addresses of the MBC and

employees, a statement referencing the services available at the MBC, the hours under which the MBC operates, schedule of holiday and/or office closure

- For purposes of electronically directing clients to the appropriate MBC staff, the MBDA web site shall also contain a short biographical statement for each employee of the MBC including management, contractors, part-time, full time, and non-paid (volunteer) personnel, providing services directly to the eligible public under an award from MBDA. This biographical statement shall contain:
 - the full name of the employee, and
 - a brief description of the expertise of the employee to include academic degrees, certifications and any other pertinent information with respect to that employee's qualifications to deliver minority business assistance services to eligible members of the public.
- The project operator will also be responsible for updating the MBDA Web Portal and providing notification to the MBDA MBC Program Manager of any changes in operations such as location, contact information or otherwise within two weeks of said change.

E. Time for Compliance Regarding IT Requirements

Within sixty (60) days after receipt of the award, the project operator shall report via email to the Federal Program Officer and the MBDA CIO of the Office of Information Technology, Research and Innovation and to the MBDA MBC Program Manager that he/she has complied with all technical requirements as specified herein (a checklist will be provided at the Post Award Conference). Within thirty (30) days after receipt of the award, the project operator shall report the name, contact telephone number and email address of the Project Director, Network or System Administrator.

F. Performance System

All required performance reporting to MBDA shall be conducted via the Internet using the Performance system to be found at a secure web site (www.mbda.gov).

G. Data Integrity

The project operator shall take the necessary steps to ensure that all data entered into MBDA systems, and systems managed by the project operator in support of the award, or by any employee of the project operator is verified, accurate and timely.

Appendix E
MBC Training Requirements

MBDA has designed a comprehensive training program for funded projects. The identified MBC staff shall be required to participate in the following training sessions (subject to the availability of the training as determined by MBDA):

Training Event	Delivery Mode	Operator	Project Director	Consultant(s)
1. Post-Award Conference	In Person	Mandatory	Mandatory	N/A
2. Program Review & Orientation	Teleconference	Mandatory	Mandatory	Mandatory
3. Performance System	Teleconference or Webinar	Mandatory	Mandatory	Mandatory
4. Grants Online System	Webinar	Mandatory	Mandatory	N/A
5. Customer Relationship Management System	Webinar	Optional	Mandatory	Mandatory
6. Partner.net System	Webinar	Optional	Mandatory	Mandatory
7. Commerce Connect Orientation	Teleconference	Mandatory	Mandatory	Mandatory
8. NEC Collaboration	Teleconference	Optional	Mandatory	Optional
9. Quarterly "Town Hall" Teleconference	Teleconference or Webinar	Mandatory**	Mandatory**	N/A
10. MBDA National Conference	In-Person Attendance	Optional	Mandatory	Mandatory
11. MBDA Regional Event	In-Person Attendance	Mandatory**	Mandatory**	Optional
12. MBDA National MED-Week	In-Person Attendance	Mandatory**	Mandatory**	Optional
13. Coaching Program		N/A	Optional	Optional

** Note, attendance required for either, not both.

If the MBC staff fails to participate in the required training indicated above, the project shall lose a maximum of two (2) points from the performance assessment score during each evaluation period. MBC personnel experience (i.e. work and educational) shall not be accepted as substitutions for attending the trainings. Descriptions of each training session follow:

A. Items

1. **MBC Post-Award Conference:** This session, held once in the first year, is designed to review the grant award and key issues pertaining to the successful management of the award. Failure to attend shall designate the project operator as non-compliant with the award and may result in award termination. A change in project director will require the project director to attend a post-award conference as soon as practicable following the commencement of his/her duties.
2. **MBC Program Review and Orientation:** This session, held once in the first year, will focus on understanding key aspects of MBC operations and procedures. This training will not require travel and may be conducted over a series of days by teleconference or by MBDA staff attending the MBC in person.
3. **Performance System Orientation:** This training is designed to review basic access, navigation and understanding of the MBDA Performance System. All trainings shall be conducted telephonically; participants will need access to a computer and the internet during the training session(s). The project operator is required to attend 1 session on reporting. The project director is required to attend 3 sessions: (a) reporting, (b) performance system, and (c) understanding on-line tools. Consultants are required to attend 2 sessions: (a) performance system, and (b) understanding on-line tools. An administrative assistant is required to attend the performance system session.
4. **Grants Online System Orientation:** This session, held once in the first year, is designed to review basic access, navigation and understanding of the Grants Online (GOL) system. The GOL system is utilized by MBDA and the Grants Office to manage all financial assistance awards administered by the Agency. This training will be conducted via webinar and will not require travel.
5. **Customer Relationship Management System Orientation:** This training is designed to review basic access, navigation and understanding of the MBDA Customer Relationship Management (CRM) system. The CRM system is a tool developed to enhance the client intake and relationship management processes across the Agency. This training will be conducted via webinar and will not require travel.
6. **Partner.Net System Orientation:** This training is designed to review basic access, navigation and understanding of the MBDA Partner.Net system. With an emphasis on social networking, MBDA Partner.Net provides simple and secure online workspaces to

collaborate and share information with MBDA and funded centers staff on procurement opportunities, client needs, best practices, strategic partnering, financing, marketing and other topics. This training will be conducted via webinar and will not require travel.

7. CommerceConnect Orientation: This training is designed to provide a functional review of CommerceConnect services and the MBC requirements. The training will be conducted at the onset of the MBC award and possible follow-up training sessions.
8. NEC Collaboration: This session, held once in the first program year, is designed to foster the flow of communication and leveraging of resources and talent within the MBDA network. The cultivation of this collaborative environment is anticipated to expand the Agency's ability to deliver seamless and relevant services to benefit MBEs across the nation.
9. Quarterly "Town Hall" Teleconference: MBDA will conduct quarterly Town Hall Teleconferences with all funded centers to provide updates on upcoming events and trainings, system enhancements, policy developments, and to offer a forum for MBC questions and feedback.
10. MBDA National Conference: This training is designed to review key Agency initiatives among all of its funded projects and MBDA staff. Specialized programmatic training is also offered at this event. The MBC attendees shall be required to attend a formal meeting and/or training session conducted by the MBDA Office of Business Development. The National Conference is held once a year, depending on the availability of funds. The location of this event varies. However, the MBC should anticipate travel related costs to this activity. This session is normally a 3-day event.
11. Regional Event: This is an annual business development and/or regional conference conducted in each NEC region. The MBC should anticipate travel related costs to this activity in its respective MBDA region. This event is normally a 1-2 day event.
12. MED Week – National Enterprise Center (NEC): This is an annual program conducted in Washington, D.C. This program is the culmination of all MED Week celebrations. This event focuses on identifying new opportunities into marketplaces, business networking, key research, distribution of materials and reports for and about MBEs. MED Week also hosts a celebratory event and awards recognition of MBE clients that have made significant economic impact on a national level. The MBC attendees shall be required to attend a formal meeting and/or training session conducted by the MBDA Office of Minority Entrepreneurship and Trade. This event is held once a year, depending on the availability of funds. The MBC should anticipate travel related costs to this activity. This session is normally 1-3 day event.

13. Coaching Program: This program is designed to enhance skills in business training, counseling, financing, and procurement opportunities. This training is designed for staff providing consulting services to clients. MBDA anticipates this training will be conducted in multiple sessions throughout the first funding period. Training will be conducted at the MBC or by teleconference. MBDA may conduct training in the second and possibly in the third year of operation based on availability of funding.

Appendix F **Sample Service Innovation Concepts***

THE MBC ANGEL FUND STRATEGY

This concept focuses on organizing various angel investors with the primary objective being to support minority businesses with mezzanine and second round financing.

THE MBC CAPACITY BUILDING INSTITUTE

This concept provides capacity building services to the fastest growing demographic of firms across America, minority business enterprises (MBEs). The Institute is specifically designed to increase their capacity, scale and scope so they become more competitive. The goal is to develop growth, infrastructure, and marketing strategies to ensure MBE suppliers are poised to sustain their business into the future. Participants in the Institute receive an initial assessment to determine their needs and measured for progress. A partnership with other public and private sector stakeholders will ensure buy-in to support the success of the Institute. The Institute targets SGI firms with \$1 million or more in annual revenues and those with high growth potential. The Institute also targets business segments based on the industry drivers and the forecasted growth industries in a particular market.

THE MBC CHAMBER OF COMMERCE ROUNDTABLE

This concept organizes a minority business roundtable in their area of operation that includes the following stakeholders: a representative from the respective MBDA National Enterprise Center; minority chambers of commerce and trade associations; city, county and state minority business programs; and other private and public sector organizations involved in advocacy and minority business development. The roundtable collaborates to support initiatives that impact the minority business community. The roundtable also plays a major role in assisting the MBC in meeting their goals through formalized strategic partnerships, information sharing, and event/program support and promotion.

THE MBC NETWORK DEVELOPMENT

This concept establishes networking groups and connectivity among MBEs. The network focuses on the MBE community based on function, such as industry, customer, size, or market. Services provided include: targeted procurement events, networking events, collaboration assistance (joint ventures, mergers and acquisitions, strategic alliances, etc.), training/certification, and purchasing groups. Possible groups include: minority information technology firms, multicultural export firms, federal vendors consortium, food industry vendors, and/or MBE \$20M Roundtable.

THE MBC UNDERWRITING INITIATIVE

This concept provides a lending underwriting process for loan processing by professional and experience underwriters. The underwriting initiative maintains a committee of strategic partners, including traditional and non-traditional lenders, venture capitalist, angel investors, credit unions and the like, that will serve as a lending board. The underwriting initiative provides MBEs with an objective “underwriting” process that can utilize prior to completing a loan package and submitting the loan application to a lender. Preparing the preliminary and financial due diligence process (underwriting) will provide the MBE with a competitive advantage in the approval loan process.

**The preceding examples are only concepts and must be fully developed and articulated, including processes and anticipated results.*

Appendix G
Application Checklist

- ___ Cover Page
- ___ Table of Contents
- ___ Program Narrative

- ___ Applicant Capability
 - ___ Organizational background and knowledge of community
 - ___ Mission alignment
 - ___ Access to markets
 - ___ Access to capital
 - ___ Business consulting to targeted clients, key staff

- ___ Resources
 - ___ Partners
 - ___ Resources
 - ___ Location/Equipment

- ___ Techniques and Methodologies*
 - ___ Performance measures
 - ___ Start-up phase
 - ___ Work requirement execution plan

- ___ Required Attachments
 - ___ Applicant organizational chart
 - ___ Proposed MBC program organizational chart
 - ___ Project Director resume, professional references (three) and letter of commitment (if applicable)
 - ___ Resumes of other key staff (if applicable)
 - ___ Position descriptions, qualification requirements and salary ranges
 - ___ Copy of State-issued Certificate of Good Standing, registered Articles of Incorporation, by-laws, IRS 501 (c)(3) tax-exempt letter, authorizing legislation or other evidence **documenting the applicant's** legal entity
 - ___ Original Letter(s) of Commitment from strategic partners and other resources
 - ___ Quarterly breakdown of performance goals (one chart for each year)
 - ___ Staff allocation chart (one for each year, see example)
 - ___ Listing of MBC operating hours and all anticipated holiday closures (one for each year)

- ___ Budget Narrative
 - ___ Proposed Detailed Budget (one for each funding period, total of 5)
 - ___ Proposed Budget Narrative (one for each funding period, total of 5)
 - ___ Original Letters of Commitment from Third Party In-Kind Contributors (if applicable)

Service Innovation - Optional

- Proposed service innovation beyond required MBC services
- Plan to fully execute innovative service

Standard Forms

- SF – 424 (one set to cover all funding periods)
- SF – 424 A (one for each funding period, total of 5 sets)
- SF – 424 B
- SF – LLL

Commerce Department Forms

- CD 511

*Multi-year awards require the applicant to acknowledge what services will be provided for each program year. The applicant may provide a summary statement indicating the proposed techniques and methodologies will remain consistent for the entire funding period.