

Fiscal Year 2022 Broad Agency Announcement - Access to Capital: Innovative Finance

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NOTICE OF FUNDING OPPORTUNITY

EXECUTIVE SUMMARY

Federal Agency Name(s): Minority Business Development Agency (MBDA), Department of Commerce

Funding Opportunity Title: Fiscal Year 2022 Broad Agency Announcement - Access to Capital: Innovative Finance

Announcement Type: Initial

Funding Opportunity Number: MBDA-OBD-2022-2007329

Federal Assistance Listings Number: 11.802, Minority Business Resource Development

Dates: Complete applications will be accepted in Grants.gov up to 11:59 p.m. Eastern Standard Time on June 8, 2022. Applications received after this time will not be reviewed or considered for funding under this Announcement.

Funding Opportunity Description: This notice requests applications from qualified organizations for projects addressing historical barriers to capital minority business enterprises (MBEs) face by leveraging non-traditional financial resources. The projects can utilize technical assistance models, pilot innovative solutions, leverage technology, advance research and data, or provide education to non-traditional lenders. MBDA seeks market solutions to the barriers of access to capital that acknowledge lack of traditional collateral/assets as an impediment for MBEs. The projects align with the Minority Business Development Agency (MBDA) strategic mission to support the growth and global competitiveness of minority business enterprises (MBEs) and the Administration's strategic priority to advance racial equity and support underserved communities through the Federal government.

Pre-Application Teleconference: MBDA will conduct a series of pre-application teleconferences on May 16, 23 and 26, 2022 Eastern Time. The time of the pre-application teleconferences are 2:00pm – 3:00pm Eastern Daylight Time. Participants must register at least 24 hours in advance of the teleconference. Please visit the MBDA website at www.mbda.gov for more information.

FULL ANNOUNCEMENT TEXT

I. Funding Opportunity Description

A. Program Objective

The Minority Business Development Agency (MBDA), a bureau of the U.S. Department of Commerce, promotes and administers programs with partners in the public and private sectors to assist the development of minority business enterprises (MBEs). Historically, access to capital has been the leading concern of minority-owned businesses, especially during the COVID-19 pandemic. As MBEs work to recover from the effects of the pandemic, the same remains true.

Minority-owned businesses often face challenges in securing business loans from traditional lenders. The 2021 Small Business Credit Survey, authored by the Federal Reserve, found that Black-owned firms that applied for traditional forms of financing were the least likely to receive all of the financing they sought, when compared to other groups, including white-owned firms. This trend persists even among firms with good credit scores. As a result, Black-owned firms were reported to have the smallest amount of debt outstanding among all employer firms surveyed by the Federal Reserve.

Issues limiting the flow of capital to minority-owned businesses include the inability of entrepreneurs to demonstrate adequate wealth or to provide collateral or assets (e.g., real estate) against the loans. The 2019 Survey of Consumer Finances published by the Federal Reserve, concluded that the average white family has eight times the wealth of the average Black family and five times the wealth of the average Hispanic family. Furthermore, in 2020, the National Association of Realtors found the rate of homeownership among Black Americans was nearly 30 points below that of non-Hispanic White Americans.

Another factor impeding access to credit is explained by the consolidation of the banking industry. In the past a community-based relationship between the entrepreneur and the lender allowed the bank to incorporate the borrower's character in the underwriting assessment. Today, the U.S. has roughly 5,000 community banks, down from 14,000 in the '80s. The banking consolidation into larger 'mainstream lenders' has accelerated the replacement of relationships with underwriting algorithms in the decision-making process. Some organizations argue that traditional credit scorings have structural biases that favor certain groups over others. For example, models relied on mortgage payments (a bias for home ownership where minorities are underrepresented) while home rental payments aren't captured.

MBDA is soliciting applications from eligible entities to establish one (1) project, as described in this Broad Agency Announcement (BAA), and it anticipates awarding a total of approximately \$884,559 to address systematic improvements to this ecosystem.¿

B. Program Priorities

This Announcement seeks to address, mitigate, and remove systemic barriers of traditional financing by leveraging alternative funding methods and non-traditional sources of lending. For the most part, participants in this sector lack nationwide coverage, capabilities, or the type of economies of scale that will allow any one of them to effectively service the over 9 million minority-owned businesses. Funding will be prioritized to projects that show the potential for systematic or broad impact across this sector. For this Announcement, examples of non-traditional lenders include:

Non-Bank Lenders

Minority Depository Institutions

Community Development Financial Institutions

FinTech Lenders

Accelerated/Advance payment providers

Mobilization funding providers

Local, State lending programs

Non-Profit Lenders

MBDA seeks to fund projects proposing market solutions to MBEs' barriers to capital through non-traditional lenders. A non-exhaustive list of solutions that could be considered for funding includes:

Research, development, or pilot of innovative financing products that address the unique needs of minority owned businesses - such as a product that provides financing using non-traditional or alternative methods of funding (non-asset-based);

Development of a new navigation program to improve the matchmaking between non-traditional lenders and minority borrowers;

Craft the business case for lending to MBEs including researching accurate methods of risk assessment, merit and returns;

Provide technical assistance targeted at non-traditional lenders servicing (or aspiring to serve) minority-owned businesses;

Test, modify or launch an innovative new credit methodology aspiring to predict the credit risk of minority-owned businesses more accurately;

The launch of clinics, training, or webinar programs to enhance business lending practices of providers targeting minority-owned businesses, including origination, underwriting, and services of loans;

Solutions to address the lack of economies of scale, funding, data sharing, or business capabilities among non-traditional lenders supporting the credit needs of minority owned businesses.

Performance Measures and Goals

The applicant must propose a project that clearly defines a plan to achieve the above-mentioned initiative, including identification of strategic partners. Applications should allow for the measurement of the growth and/or benefit of the ecosystem resulting from the projects. Applicants should clearly identify in the projects the measures and goals for performance based on the service(s) the applicant plans to provide and then to report their performance based on the goals and measures set. Projects must include a determination for success and impact in the proposal. Applicants must use reliable evidence and data to measure progress, outcomes, and impact.

The proposed performance criteria must be included in the award recipient's semi-annual and annual reports. MBDA will use the award recipient's submitted reports, data, and information to determine project success. MBDA may also use the reports, data, and information as evidence for future program design, policy recommendations, and/or statistical purposes.

Applicants must include in their proposal performance goals for each year of the proposal for the relevant measures that align with their outlined activities and anticipated impact.

C. Program Authority

The statutory authority for this program is the Minority Business Development Act ("MBDA Act"), 15 U.S.C. §§ 9501-9598, specifically, §§9511 and 9513.

II. Award Information

A. Funding Availability

MBDA expects to expend approximately \$884,559 in fiscal year (FY) 2022 funds for one (1) financial assistance award under this BAA to cover the first budget period of the selected project. The award will be for a two-year term but funded one year at a time. MBDA anticipates that up to \$884,559 will be available in FY 2023 to support continuation funding for the second year of the selected project.

Receipt of any prospective funding is contingent upon the availability of appropriated funds, satisfactory performance, and continued relevance to program objectives and will be at the sole discretion of MBDA. In addition, MBDA may terminate an award, and thereby decline to fund future years, for failure to comply with the terms and conditions of the award or if an award no longer effectuates MBDA's program goals or priorities.

Publication of this BAA does not obligate Department of Commerce or MBDA to award any specific grant or to obligate all or any part of available funds.

B. Project/Award Period

MBDA expects to issue one (1) award for a total term of two (2) years from September 1, 2022 – August 31, 2024.

C. Type of Funding Instrument

Selected applicant will receive funding through a grant under this Announcement.

III. Eligibility Information

A. Eligible Applicants

Eligible applicants include for-profit entities (including but not limited to partnerships, limited liability companies, and corporations), non-profit organizations, institutions of higher education, or commercial organizations. Government or quasi-governmental organizations are not eligible. The successful applicant and program partners should have knowledge and experience working in the core areas listed under Program Objectives and should expect to work on behalf of MBEs. It is also anticipated that the mission of the successful project applicant will align with both the mission of MBDA and the BAA objectives.

Note: Project must be located in the U.S. or any U.S. territory, including Guam, Puerto Rico,

and the Virgin Islands. MBDA is not authorized to provide awards to individuals under this BAA, and applications from individuals will not be considered under this request.

Note: Current Operators of a MBDA Business Center and/or Project are not eligible to apply for this Broad Agency Announcement.

B. Cost Sharing or Matching Requirement

A non-federal cost share of 33% of the Federal funding is required for each budget period. An applicant may meet the matching requirement by using a mix of the following methods: (1) applicant cash contributions, (2) applicant in-kind (i.e., non-cash) contributions, (3) third-party cash or in-kind contributions (including a state or local grant or other form of support for the project). Note: If contributions include Federal funds received from other Federal programs, applicant must attest that such program funding may be used for cost sharing purposes. All cost sharing or matching must be consistent with the requirements of 2 CFR § 200.306.

A project may, but is not required to, generate revenue from fees for service, client fees, membership fees, or other appropriate fees approved by MBDA. Any income the project generates may be used towards the matching requirement unless the matching requirement is met from other cash or in-kind sources. Any income generated in excess of the matching requirement must be used to carry out the activities of the project authorized by the award (2 C.F.R. 200.307(e)(2)).

C. Other Criteria that Affect Eligibility

None

IV. Application and Submission Information

A. Address to Request Application Package

All application materials and forms are available at the grants.gov website (<http://www.grants.gov>). Helpful competition materials such as FAQs will be made available on the MBDA website (www.mbda.gov).

B. Content and Form of Application

The application must provide sufficient information for the agency to make a determination of merit of the proposal and follow the format described in this BAA. A complete application packet consists of the following forms and required submissions

described below. Applications must include the following documents and descriptions. MBDA in its sole discretion also may continue review of applications with minor defects that easily can be cured.

(1) Title Page (One (1) page limit)

At a minimum, the application title page must provide the applicant's name, address, telephone number, email address, date of submission, and the Funding Opportunity Number. Applicants should also provide the following additional information: project's title, total budget, start and end dates, and the names, affiliations, complete mailing addresses, email addresses, and telephone numbers of all key persons affiliated with the proposal.

(2) Table of Contents (One (1) page limit)

Under the 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) Applicant Narrative (Ten (10) page limit)

A detailed narrative with defined sections as described below.

a) Project Description: The applicant should fully describe and explain the project being proposed, including:

(1) Executive Summary: Provide an executive summary of the project of no more than 250 words.

(2) Project Activities and Rationale: Provide a detailed description of the project that the applicant will develop and deliver an evidence-based rationale for the alignment of the activities to the unique capital needs of MBEs.

(3) Organization Location and Service Coverage: Provide the organization's location and a plan for executing nationwide services/coverage of the project, such as virtual or hybrid offerings. Include a description of any non-traditional lender ecosystem advantages that the location of the project may provide, such as concentration of non-traditional lenders.

(4) Project Implementation Timeline: Provide a timeline over the entire period of performance with progressive milestones demonstrating how the applicant will accomplish the project. Please include operational processes and procedures that will be deployed to accomplish the project objectives.

(5) Key Partners: Identification and description of key stakeholders and partners that will be

leveraged to accomplish the objectives and support a successful non-traditional lender ecosystem (e.g., Minority Depository Institutions, CDFIs). If the Applicant proposes to leverage third-party partnerships and their respective resources to accomplish the proposed project under this BAA, the Applicant must provide proof of commitment by the third party as an attached document in the proposal.

b) **Applicant Capability:** The applicant must present information describing the experience and qualifications of the organization to carry out the project. The application should include the following information.

(1) **Project Organization/Institution Profile and Experience:** A concise summary of the Applicant's organization, its mission and programs, past experience with similar projects or services as those proposed, and a list of previous or current projects or services relevant to the proposal. An overview that emphasizes the applicant's experience and strategies for leveraging non-traditional lenders and knowledge of capital sources for minority business development.

(2) **Project Organizational Structure:** A chart showing the Applicant's organizational structure, indicating responsibility for each aspect of the proposed project, including a functional statement noting the duties and/or responsibilities of all units that will comprise the organization during the period for which the proposal applies. Applicants also must provide a brief narrative outlining the reporting structure and/or governance of the Project.

(3) **Biographies or Resumes for Major Participant(s):** The Applicant should provide a bio or resume for each of the Applicant's key leaders(s) showing relevant experience of the leader(s).

(4) **Proof of Capability:** Applicants also are encouraged to provide proof of capability such as, but not limited to, public records of accomplishments, public citations, and/or letters of referrals/recommendations as attachments in the proposal.

c) **Project Goals and Objectives:** The applicant must propose measures and annual goals for each year of the proposal; including a break-down of the goals in semi-annual increments (e.g., first six-months and twelve-months). The Applicant should include the following:

1) A detailed description of the methodology or evidence that was used to propose the semi-annual and annual goals; and identification of key assumptions and/or risks that may impact the Applicant's ability to meet or exceed the goals.

- (2) Proposed contingency plans and/or strategies for meeting proposed goals if or when Applicant falls behind in meeting program objectives.
- (3) The organization's process for monitoring the accomplishment of goals and objectives. The process should include minimum program measures.
- (4) Supporting Documents

The applicant may provide additional information that supports the proposed project. This should include any memorandum of understanding, commitment letters, or other evidence of existing strategic partnerships. It may also include literature cited in the proposal, which may support scoring under the Applicant Narrative – Project Description criterion as noted above.

- (5) Standard Forms (SF) and Budget Narrative for two (2) years
The applicant must provide the required SF, attachments, and budget information as described in the section below.

- (a) Standard Application Forms. Please refer to the application package available through www.Grants.gov. Please review each form to determine which is required with a submission. Each applicant may not be required to submit all forms listed, depending on the project type or the applicant type.

- (i) Signed SF-424: Must be signed by the authorized representative. Electronic signatures submitted through Grants.gov satisfy this requirement. One form will cover all funding periods.

- (ii) SF-424A: Budget Information-Non-Construction Programs. Should be submitted for all budget periods.

- (iii) Signed SF-424B: Assurances for Non-Construction Programs. Budget Narrative must be completed and submitted for all non-construction applications. Must be signed by the authorized representative.

- (iv) SF-LLL: Disclosure of Lobbying Activities.

- (v) Signed Commerce Department (CD)-511: Certification Regarding Lobbying. Certification regarding debarment, suspension, and other responsibility matters, drug free workplace requirements, and lobbying. Must be signed by the authorized representative.

(b) Budget Narrative. The applicant must provide a detailed justification for all budget items in sufficient detail to enable the proposal reviewers to evaluate the appropriateness of the funding requested (e.g. staffing, infrastructure, work activities, materials and supplies, equipment, etc.). The budget justification must be broken-out and detailed using the same budget categories as the SF-424A. All total costs on the Budget Narrative must match the SF-424 and SF-424 A exactly. The SF-424, SF-424A and Budget Narrative must have the same correct Federal and non-Federal (if applicable).

(d) Required Travel Item(s). Each applicant should include in its budget forms and narrative travel costs for (2) key personnel to attend the events included below. If the COVID-19 pandemic continues to cause limitations on travel and gatherings, the event(s) will be virtual.

- (i) Minority Enterprise Development Week
- (ii) National Training Conference
- (ii) NOAA Grants Management Workshop

Please refer to section VIII “Other Information” of this BAA for additional information pertaining to required travel.

(e) Indirect Cost Rate Agreement (as applicable). Applicants requesting to charge indirect costs to the grant are required to submit a copy of their current and signed indirect cost rate agreement with the application package. If an applicant does not have a current indirect cost rate established by a cognizant Federal agency, provide a statement to this effect. If a successful applicant includes indirect costs in the budget and has not established an indirect cost rate with a cognizant federal agency, the applicant will be required to obtain such a rate in accordance with Section B.06 of the Department of Commerce Financial Assistance Standard Terms and Conditions, dated November 12, 2020.

Alternatively, in accordance with 2 CFR § 200.414(f), a non-Federal entity that does not have a current negotiated indirect cost rate may elect to charge a de minimis rate of 10 percent of modified total direct costs. Applicants proposing a 10 percent de minimis rate pursuant to 2 C.F.R. § 200.414(f) should note this election as part of the budget and budget narrative portion of the application.

Indirect costs proposed under the award must be clearly identified as a separate budget line-item.

Costs must be consistent with the Uniform Guidance: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 2 CFR Part 200.

(6) Format Requirements

All pages should be single-spaced and should be composed in at least 11-point font with one-inch margins on 8-1/2-inch x 11-inch paper. The total proposal shall not exceed 20 pages, including the title page, table of contents, applicant narrative, literature cited, budget narrative, letters of support or letters of commitment (if any), and organizational structure. The following items are not included in the 20-page limit: resumes/bios of key personnel and required forms.

Failure to follow the requirements may result in the rejection of the application. Any PDF or other attachments that are included in an electronic application must meet the above format requirement when printed.

C. Unique Entity Identifier and System for Award Management (SAM)

Each applicant (unless the applicant is eligible for an exception under 2 CFR § 25.110(b), (c), or (d)) is required to

1. Register in SAM before submitting an application;
2. Provide a valid unique entity identifier in the application; and,
3. Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by MBDA (or any other Federal agency).

MBDA may not make a Federal award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements. If an applicant has not fully complied with the requirements by the time MBDA is ready to make the award, MBDA may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making an award to another applicant.

Entities that do not have a unique entity identifier (UEI) by July 6, 2022 at 11:59:59 Eastern Time (E.T.) will be ineligible to receive an award. See section D, below, for application submission options for entities that have not received a UEI by the June 8, 2022 application deadline but have requested and received a ticket number from SAM related to the processing of their request for a UEI.

D. Submission Dates and Times

All proposals must be received on or before June 8, 2022 at 11:59:59 pm Eastern Standard Time (E.S.T). Applications may be submitted starting from the publication date of this BAA up to the deadline above. Applications received after this time will not be reviewed

or considered for funding. Applications must be submitted electronically via www.grants.gov. The electronic submission will receive a date and time stamp at www.grants.gov and will be processed after it is fully uploaded. Applicants should anticipate receiving confirmation of successful submission within forty-eight (48) hours. It is imperative that applicants obtain this confirmation as proof of successful submission. Waiting to submit an application until the end of the competition period puts an application at risk; be sure to allow ample time.

Applicants that are unable to submit their application electronically on grants.gov because they have not received a Unique Entity Identifier (UEI) from SAM may email their complete application to mbdagrants@mbda.gov by the submission deadline. Applicants may only use this alternate email application submission method if they have not yet received a UEI but have applied for a UEI and have received an Electronic Verification System (EVS) ticket number from sam.gov related to the processing of their request for a UEI. Applicants that choose to submit their applications via the alternate email submission method **MUST** include their SAM EVS ticket number in the body of the transmittal email with their application.

Applicants are responsible for ensuring the completeness of their application.

Applicants that use the alternate email submission method are encouraged to email mbdagrants@mbda.gov as soon as SAM issues a final UEI number. Applicants **MUST** submit their final assigned UEI number via email to mbdagrants@mbda.gov and clearly indicate the name of the applicant entity in that email no later than July 6, 2022 at 11:59:59 pm Eastern Time (E.T.). Applicants that fail to obtain a UEI and provide the UEI to MBDA by the established deadline of July 6, 2022 will not be eligible to receive an award.

E. Intergovernmental Review

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

F. Funding Restrictions

Any income the project generates in operating the project may be used towards the matching requirement unless the matching requirement is met from other cash or in-kind sources. Any income generated not used for the matching requirement must be used to carry out the activities of the project authorized by the award (2 C.F.R. 200.307(e)(2)).

G. Other Submission Requirements

In order to submit an application through Grants.gov, an applicant must register for a 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. The most up-to-date instructions for application submission via Grants.gov can be found at <https://www.grants.gov/web/grants/applicants/apply-for-grants.html>. Applicants already registered with Grants.gov do not need to re-register; however, all registered organizations must keep their System for Award Management (SAM) registration up-to-date through sam.gov or their applications will not be accepted by Grants.gov.

New Grants.gov Users

New Grants.gov users should note that the registration process can be lengthy, requires interaction with multiple organizations not affiliated with MBDA, and requires confirmation at each step. Applicants should register as organizations, not individuals. The process requires the applicant to appoint one or more Authorized Organization Representatives (AOR). The AORs registered at Grants.gov are the only officials with the authority to submit applications for an applicant. An applicant may authorize multiple AORs for Grants.gov. Below are instructions for registering as an organization.

Register with SAM: Access <https://www.sam.gov>. The applicant needs to identify the authorizing official of its organization and an Employer Identification Number (EIN) (7-10 business days).

The Unique Entity ID is the official identifier for doing business with the U.S. Government as of April 4, 2022. Entities registering in SAM.gov are assigned a Unique Entity ID as a part of the registration process. If your entity is registered in SAM.gov today, you already have your Unique Entity ID, and it is viewable in SAM.gov. This includes inactive registrations.

Create Grants.gov Username and Password: Complete the Authorized Organization Representative (AOR) profile and create a username and password. The applicant will need to use its organization's UEI Number (same day).

Authorize the AOR: Request approval, then the applicant's E-Biz POC must log in to Grants.gov to confirm the AOR (same day).

Track AOR Status: Log in to Grants.gov and look at the Applicant welcome box for your current status (same day).

Download an application package: Use Funding Opportunity Number MBDA-OBDA-2022-2007329 and Download a Grant Application Package (same day).

Complete your application package: Write your proposal and fill out ALL the required forms, fields, and certifications (allow 3 days).

Submit your application package: Access your completed application package, ensure all the necessary information is entered, check the package for errors, then click the "Save & Submit" button on the cover page (3 days).

Track my application package: Enter the tracking number you received after Step 8 and click the "Submit Tracking Number(s)" button. Note, confirmation of successful submission may require 48 hours (allow 2 days).

Electronic Submission - The electronic submission date is the date that applications have been submitted electronically and received by www.Grants.gov. Proof of timely submission shall be the official date and time that www.Grants.gov receives your application. You must save and print the proof of submission from/on www.Grants.gov. 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.

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 Grants.gov to process the application. If Grants.gov rejects the application, the applicant must resubmit the entire application and receive a date and time stamp from Grants.gov. The Grants.gov time stamp will be considered the date and time of submission receipt. Before beginning to apply through Grants.gov, please review the application instructions posted at Grants.gov.

If you experience a grants.gov “systems issue” (technical problems or glitches with the grants.gov website) that you believe threatens your ability to complete a submission, you must

(i) print any error message received and (ii) call the Grants.gov Contact Center at 1-800-518-4726 for immediate assistance. Ensure that you obtain and document a case number regarding your communications with grants.gov.

Important note: problems with an applicant organization’s computer system or equipment are not considered “systems issues.” Similarly, an applicant’s failure to: (i) complete the required registration, (ii) ensure that a registered AOR submits the application, or (iii) receive an email message from grants.gov are not considered systems issues. A grants.gov “systems issue” is an issue occurring in connection with the operations of grants.gov system, such as the temporary loss of the service by grants.gov due to unexpected volume of traffic or failure of information technology systems, both of which are highly unlikely.

Confirmation of successful submission requires 48 hours. Applicants are advised to review the Grants.gov tutorial to minimize risk of an unsuccessful submission. Please visit <http://www.grants.gov/web/grants/applicants/applicant-tools-and-tips.html>.

www.grants.gov

V. Application Review Information

A. Evaluation Criteria

Application Review Information

Throughout the review and selection process, MBDA reserves the right to seek clarification in writing from applicants whose applications are being reviewed. MBDA may additionally ask applicants to clarify application materials or modify budgets or other specifics necessary to comply with Federal requirements.

Each complete application will be evaluated based on criteria included below. A complete application is one that contains the information detailed in Section IV.B (Content and Form of Application). The number of points that can be earned for each criterion is listed below, with 100 points the maximum total that can be earned.

1. Impact of the Proposed Project (40 points)

This criterion considers the effectiveness of the proposed project, including:

alignment to the Program Objectives (8 points)

the quality and feasibility of the project implementation and timeline (7 points)

the breadth and quality of the applicant's strategic partners and alliances to support the non-traditional financing ecosystem serving MBEs (10 points)

the appropriateness of the proposed Project Goals and Objectives section of the application, including the monitoring and contingency plans, and how well the analysis ties with the project implementation timeline. (15 points)

2. Applicant Capability (25 points)

This criterion assesses whether the applicant and its personnel possess the experience, background, and qualifications to accomplish the project, including

the quality of the knowledge, experience and demonstrated track record of the applicant (or key implementing partners) related to non-traditional lending sources, MBE access to capital initiatives through technical assistance or research and data, and business development with weight toward specific examples of success (20 points)

the knowledge, experience, and qualifications of the key project personnel and understanding of their roles in implementing the project (5 points)

3. Applicant Budget (35 points)

This criterion evaluates the budget to determine if it is realistic and commensurate with the project needs and time frame, as well as the accuracy of budget breakdown.

Total Available Application Points 100

All applications must adhere to the submission guidelines provided in this section and section IV.B (Content and Form of Application). Omissions will result in the deduction of points from the final score according to the table below up to and including disqualification of the entire application.

Mandatory Item:	(Failure to Adhere Shall Result In)
Title Page	(5 Point Deduction)
Table of Contents	(5 Point Deduction)
Applicant Narrative	(Disqualification)
Budget Narrative	(Disqualification)
SF 424, SF 424A	(Disqualification)

All project proposals will be evaluated, and applicant(s) will be selected based on the level at which the proposal addresses the evaluation criteria above, less any points deducted for failure to include the mandatory items noted above.

B. Review and Selection Process

1. Initial Screening – Prior to the formal review process, each application will receive an initial administrative screening to ensure that all required forms, signatures, and documents are present. An application will not be evaluated by the review panel if:

- a) The application is received after the closing date;
- b) The application package does not include an application narrative, a budget narrative, an SF 424, and an SF 424A;
- c) The project synopsis/description fails to address program objectives (see Section I.B, “Program Priorities” and Section I.B.1, “Agency Requirements for the Project”);
- d) The application falls within the scope of an existing MBDA competitive program or announcement for Federal Funding or duplicates a project previously awarded; or
- e) The principal purpose of the activities in the application is to provide a direct benefit or service to MBDA and not to MBEs.

Note: MBDA, in its sole discretion, may continue the review process for an application that is missing non-substantive information that easily may be rectified or cured.

2. MBDA Merit Review Panel - Each responsive application will receive an independent merit review by a panel (Merit Review Panel) qualified to evaluate the applications submitted based on the published criteria. The Merit Review Panel will consist of at least three (3) individuals, all of whom could be a combination of full-time federal employees and/or non-federal civilians. Each reviewer shall evaluate and provide individual scores for each proposal based on the criteria set out in this Section (see Application Review Information, above) for a maximum of 100 points. The Merit Review Panel may discuss the application(s) but will not provide a consensus on scores for each applicant. Each application will be reviewed against the criteria individually (i.e., applications will not be compared to each other).

The scores of all reviewers will be averaged for each application to produce a final application score. Applicants may receive written follow-up questions during the review process from the MBDA program office relative to requested clarifications of items contained in the applicant's proposal. The Chairperson of the Merit Review Panel will be responsible for averaging reviewers' scores, collating reviewer comments, and completing an overall evaluation form that documents the scores and comments of the merit reviewers. Any applicant scoring at least 60 and above will be considered for selection. Applications that receive fewer than 60 points will not be considered for funding

C. Selection Factors

Proposals deemed meritorious will be passed to the selection review panel composed of no more than five federal employees, which will recommend a final portfolio of proposals from which the successful application may be selected, and may take into consideration one or more of the following selection factors:

The availability of funds;

The extent to which the application meets the overall objectives and priorities of the program as provided in Section I.A and B;

The performance of the applicant under previous Federal financial assistance awards, as well as the performance of any third parties the applicant identifies who will be responsible for carrying out a substantial portion of the project;

Project that can demonstrate clear purpose of causality between services provided (output), benefits to the ecosystem resulting from the services provided (outcome), and changes to the known impediments experienced by MBEs in accessing capital (impact).

The project's likelihood to enable ease of access to capital for MBEs through systemic change, addressing the barriers outlined in Section I.A and B;

Location of the project in or adjacent to an area that is federally designated as an area of distress or serving a State or region that has a significant population of socially or economically disadvantaged individuals.

The Under Secretary, or their designee, will serve as the Selecting Official for the Access to Alternative/Non-traditional Capital Program. The Under Secretary will generally select and recommend an application for funding from the portfolio prepared by the selection review panel.

As the Selecting Official, the Under Secretary retains discretion to select and recommend an application for funding that was not recommended by the selection review panel based on one or more of the selection factors enumerated above.

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

D. Anticipated Announcement and Award Dates

Anticipated time for processing awards is approximately one hundred forty (140) days from the receipt of applications. MBDA anticipates that the awards under this BAA will be made with start dates of September 1, 2022. Successful applicants may be eligible for pre-award costs (see 2 C.F.R. § 200.458).

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.

B. Administrative and National Policy Requirements

1. Department of Commerce Pre-Award Notification Requirements For Grants And Cooperative Agreements – the Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements, published in the Federal Register on December 30, 2014, effective December 26, 2014 (79 FR 78390) are applicable to this solicitation and may be accessed online at:

<https://www.federalregister.gov/documents/2014/12/30/2014-30297/department-of-commerce-pre-award-notification-requirements-for-grants-and-cooperative-agreements>

2. Awards made under this BAA are subject to the Department of Commerce Financial Assistance Standard Terms and Conditions. This document will be provided in the award package. This document can be found at:

https://www.commerce.gov/sites/default/files/2020-11/DOC%20Standard%20Terms%20and%20Conditions%20-%202012%20November%202020%20PDF_0.pdf

3. Uniform Administrative Requirements, Cost Principles, and Audit Requirements: Through 2 C.F.R. § 1327.101, the Department of Commerce adopted Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. Part 200, which apply to awards in this program. Refer to <http://go.usa.gov/SBYh> and <http://go.usa.gov/SBg4>

4. Review of Risk - After Applications are proposed for funding by the Selecting Official, the Grants Office will perform administrative reviews, including an assessment of risk posed by the applicant under 2 C.F.R. 200.206. These may include assessments of the financial stability of an applicant and the quality of the applicant's management systems, history of performance, and the applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities. Special conditions that address any risks determined to exist may be applied. Applicants may submit comments to the Federal Awardee Performance and Integrity Information System (FAPIIS) about any information included in the system about their organization for consideration by the by the awarding agency.

C. Reporting

1. Reviews - MBDA will conduct performance assessments every six months from the start date of the project.

MBDA will monitor the project throughout the funding award period and maintain open communications with key project staff. As such, a member of the project team is required to enter performance measure outcomes within three (3) business days of an activity or outcome. The level of monitoring will be dependent on the awarded applicant's proposed breakdown of measures, milestones (e.g., outputs and outcomes), and goals.

2. Reporting Requirements - The project is required to provide the following reports:

a) Financial Reports –The financial report shall include details on the use of Federal funds and contributions of non-Federal funds (if proposed). The financial reports are to be submitted to the Department of Commerce via Grants Online on a semi-annual and annual basis. The semi-annual and annual reports are due thirty (30) days after the end of the initial six-month period in each funding period. The final report is due within one-hundred twenty (120) days after the expiration of the award.

b) Progress Report – Progress reports are to be submitted to the Department of Commerce via Grants Online on a semi-annual and annual basis. The semi-annual report is due forty-five (45) days after the end of the initial six-month period in each funding period. The final report is due within one hundred twenty (120) days after the expiration of the award.

The periodic reports must include data and information to determine project progression and success. MBDA will rely on these reports, data, and information as evidence for success stories, future program design, policy recommendations, and/or statistical purposes.

Note: failure to submit reports in a timely manner may result in MBDA award enforcement and/or delayed access to Federal funds.

c) Federal Funding Accountability and Transparency Act of 2006 Reporting - The Federal Funding Accountability and Transparency Act of 2006, 31 U.S.C. 6101 note, includes a requirement for awardees of applicable federal grants to report information about first-tier subawards and executive compensation under Federal assistance awards. All awardees of applicable grants and grant agreements are required to report to the Federal Subaward Reporting System (FSRS) available at www.FSRS.gov on all sub-awards over \$30,000. Please see the OMB guidance published at 2 CFR Parts 170 and 200, which can be

accessed at http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl.

d) Restrictions Governing Making Grants to Corporations Convicted of Felony Criminal Violations and/or Unpaid Federal Tax Liabilities - In accordance with current Federal appropriations law, execution by an applicant of the Representation by Corporations Regarding an Unpaid Delinquent Tax Liability or a Felony Conviction Under Any Federal Law will be required in a format requested by NOAA before any award will be made under this BAA. This information is, however, a required Representation and Certification within SAM.

3. Follow-up Study – Should MBDA choose to conduct a follow-up longitudinal impact study after the award period, the operator agrees to provide all reasonable support for tracking outcomes after project completion, where relevant.

VII. Agency Contacts

Ms. Nakita Chambers
MBDA Program Manager
U.S. Department of Commerce
Email: nchambers@mbda.gov
Tel: 202-482-0065

VIII. Other Information

A. Conferences

1. Pre-Application Teleconference

MBDA will conduct a series of pre-application teleconferences on May 16, 23 and 26, 2022. The time of the pre-application teleconferences is 2:00 – 3:00 p.m. Eastern Standard Time. Participants must register at least 24 hours in advance of the teleconference. Please visit the MBDA website at www.mbda.gov to register and additional information.

2. Post Award Teleconference

MBDA shall conduct a mandatory post-award virtual conference to ensure that the successful applicant has a clear understanding of the project award, terms, conditions, and expectations. During the post-award teleconference, MBDA will: introduce Federal officers, orient the project operator and key project staff, explain project reporting requirements and procedures, identify available Federal resources that can enhance the capabilities of the

project, and provide detailed information about key online systems.

3. National Minority Enterprise Development (MED) Week Conference

The project operator and key project staff will be required to attend the MED Week conference unless otherwise noted by MBDA. MED Week is a national recognition of the success and contributions of minority business enterprises to the U.S. economy. The President of the United States designates the specific dates on which MED Week falls. MBDA conducts an annual conference featuring workshops, seminars, and business matchmaking activities that inform minority business attendees of new opportunities and information related to contracts, capital, and markets. MBDA MED Week hosts a celebratory awards program in recognition of MBE clients that have made significant economic impact and minority business advocates that have supported supplier diversity. The location of MED Week varies annually in major cities across the country.

Note: applicants should include expenses to accommodate (2) individuals to travel to MED Week in the proposed budget, including travel and registration. In the event that the COVID-19 pandemic continues to cause limitations on travel and gatherings, the conference will be virtual.

4. MBDA National Training Conference

The project operator and key project staff will be required to attend the MBDA National Training Conference (NTC), unless otherwise noted by MBDA. The NTC is a 2-3-day conference designed to review key MBDA initiatives among all MBDA sponsored programs and MBDA staff. Specialized programmatic training as well as formal meetings and/or trainings with the Program Manager and the Grants Management Unit are also offered at this event. The NTC is held once a year, depending on the availability of funds. The location of this event varies.

Note: applicants should include expenses related to the NTC in the proposed budget to accommodate (2) individuals to travel (no conference registration costs). The duration of the conference is approximately 2-3 days. In the event that the COVID-19 pandemic continues to cause limitations on travel and gatherings, the conference will be virtual.

5. NOAA Financial Assistance and Grants Management Workshop

The project operator and key project staff will be required to attend the NOAA Financial Assistance and Grants Management Workshop, unless otherwise noted by MBDA. The NOAA Grants Management Workshop is a 2-3-day interactive event hosted by the NOAA/GMD grants team.

Note: In the event that the COVID-19 pandemic continues to cause limitations on travel and gatherings, the workshop will be virtual.

B. Collaboration with MBDA

MBDA welcomes working collaboratively with each award recipient and project to serve the minority entrepreneurship community. The project and its staff are encouraged to support MBDA by communicating the mission and values of the MBDA to the minority entrepreneurship community. Collaboration with MBDA may include items such as: pre-award and award review site visits, promotion of MBDA sanctioned events and conferences, annual nomination of minority entrepreneurs for MED Week recognition, inclusion of MBDA to project-led activities, submission of project success stories and/or profiles for MBDA social media promotion, and co-promotion of project and MBDA-led activities.

C. Past Performance and Non-Compliance with Award Provisions

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.

D. Limitation of Liability

Funding for awards listed in this BAA is contingent upon the availability of appropriations. In no event will MBDA or the Department of Commerce be responsible for preparation costs for the Applicant's proposal. All budget periods under the award to support the continuation of the project are subject to the availability of funds. Publication of this BAA does not obligate MBDA or the Department of Commerce to award any specific project or to obligate any available funds.

E. Audit Costs

Audits shall be performed in accordance with audit requirements contained in the Uniform Administrative Requirements, Cost Principles and Audit Requirements found in 2 CFR Part 200, Subsection F. Recipients expending \$750,000 or more in federal funds during the recipient's fiscal period must conduct a single audit in accordance with guidelines outlined in 2 CFR §§ 200.500-.520. For-profit organizations not covered by the audit requirements in 2 CFR §§ 200.500-.520 are subject to the audit requirements set forth in the terms and

conditions of the award. Recipients that expend less than \$750,000 during the recipient's fiscal year in Federal awards are exempt from Federal audit requirements for that year, except as noted in 2 CFR § 200.503, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO). 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.

F. Right to Use Information

The applicant acknowledges and understands that information and data contained in applications for financial assistance, as well as information and data contained in financial, performance, and other reports submitted by applicants, may be used by the Department of Commerce—either through its staff or by hiring a third-party—in conducting reviews and evaluations of its financial assistance programs. For this purpose, applicant information and data may be accessed, reviewed and evaluated by Department of Commerce employees, other Federal employees, Federal agents and contractors, and/or by non-Federal personnel, all of whom enter into appropriate confidentiality and nondisclosure agreements covering the use of such information. As may be provided in the terms and conditions of a specific financial assistance award, applicants are expected to support program reviews and evaluations by submitting required financial and performance information and data in an accurate and timely manner and by cooperating with Department of Commerce and external program evaluators. In accordance with 2 C.F.R. § 200.303(e), applicants are reminded that they must take reasonable measures to safeguard protected personally identifiable information and other confidential or sensitive personal or business information created or obtained in connection with a Department of Commerce financial assistance award.

G. Freedom of Information Act Disclosure

Department of Commerce regulations implementing the Freedom of Information Act (FOIA), 5 U.S.C. Sec. 552, are found at 15 C.F.R. Part 4, Public Information. These regulations set forth rules for the Department regarding making requested materials, information, and records publicly available under FOIA. Applications submitted in response to this Notice of Funding Opportunity may be subject to requests for release under FOIA. In the event that an application contains information or data that the applicant deems to be confidential commercial information that should be exempt from disclosure under FOIA, that information should be identified, bracketed, and marked as Privileged, Confidential, Commercial or Financial Information. In accordance with 15 CFR § 4.9, the Department of Commerce will protect from disclosure confidential business information contained in financial assistance applications and other documentation provided by applicants to the extent permitted by law.

Appendix A Website Requirements

Website: The Project operator shall create and maintain a public web site using a unique domain/address (e.g., www.Project-na, that will conform to MBDA web standards, which may include, but are not limited to the following:

1. The first page (Index page) of the website shall clearly identify the Project as an MBDA Project funded by the U.S. Department of Commerce's Minority Business Development Agency." The website shall load in less than three (3) seconds on software fully compatible with commonly used Internet browsers (e.g., Chrome, Explorer, etc.).
2. Project operators are encouraged to create a responsive web design (RWD); a web development approach that allows dynamic changes to the appearance of the website depending on the screen size and orientation of the device being used. RWD offers an optimized browsing experience, can improve the website's rankings in search engines, and works well on a desktop (or laptop), a tablet, and a mobile phone's browser.
3. The website design should include a "translator plugin" or other translations services to provide content in additional languages.
4. The website shall contain a "Contact" page with the names of all Project employees, the business and mailing address of the Project , business phone and fax numbers and email addresses of the Project, a statement referencing the services available through the Project, and a link to the MBDA homepage at www.mbda.gov.
5. No third-party advertising of commercial goods and services shall be permitted on the site. All links to websites other than federal, state or local government agencies, and non-profit educational institutions must be requested, in advance and in writing, through the MBDA Office of Public Affairs, and the website must provide an external link policy or notice stating that they will be redirected to an external website. Specifically, a notice similar to the following must be provided:

The appearance of hyperlinks to other sites does not constitute endorsement by the [Project operator's company name] or by the Minority Business Development Agency of these websites or the information, products or services contained therein. Regarding such external websites, we do not exercise any editorial control over the information you may find at these locations. These links are provided consistent with [Project operator's company name] stated

purpose as shown on our website. We recommend that you review the website's information collection policy or terms and conditions to fully understand what information is collected and/or provided.

6. Furthermore, the approval for the placement of such links shall not be unreasonably withheld but is subject to withdrawal if MBDA determines the linked site is unsuitable. No employee of the Project operator, nor any other person, shall use the Project website for any purpose other than that approved under the terms of the agreement between the Project operator and MBDA.

7. Every page of the website shall comply with Federal standards of the Americans With Disabilities Act, Section 508, and be reviewed by the Project for accuracy, currency, and appropriateness every three (3) months. In addition, MBDA's Section 508 Officer may occasionally review the project website to ensure that it is Section 508 Compliant. For additional information and guidelines, please visit www.section508.gov. Appropriate privacy notices and handicapped accessibility will be predominately featured. In general, MBDA may audit the Project website and recommend changes in accordance with the guidelines set forth herein.

8. The Project operator will also be responsible for informing their assigned MBDA Program Analyst and the MBDA Program Management Supervisor of any changes in operations such as location, contact information or otherwise.

A comprehensive listing of Department of Commerce's social media and web standards can be found at <https://www.commerce.gov/about/policies/social-media#technologies>.