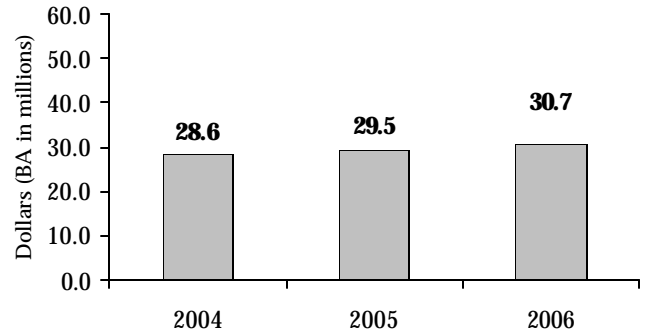


Minority Business Development Agency

The Minority Business Development Agency (MBDA) is the leader of minority business programs for the Federal Government. MBDA's vision is to achieve entrepreneurial parity for minority businesses enterprises (MBE) by actively promoting their ability to grow and to participate in the global economy. MBDA has been successful in reengineering its organizational structure to expand its frontline support for minority business assistance, information and customer service. This structure is comprised of the Agency's core programs including a network of funded centers that provide a variety of direct and indirect business assistance services which enhance the agency's mission of promoting and advancing the achievement of economic parity for minority businesses.

MBDA Funding



For FY 2006, MBDA will continue to pursue increasing opportunities for wealth creation within the minority business community. The Agency's goal to increase opportunities and access of minority-owned businesses to the marketplace and financing is in support of the Department of Commerce's goal to enhance economic growth for all Americans by developing partnerships with private sector and nongovernmental organizations. To accomplish this goal, MBDA will:

- Foster the expansion of opportunities for minority-owned business in the global marketplace;
- Identify sources of financial capital for minority owned firms;
- Develop and enhance electronic tools to provide access to growth markets through automated matching of MBEs to public and private sector opportunities;
- Provide management and technical assistance to minority owned businesses;
- Advocate for the increased use of electronic commerce and new technologies by MBEs

MBDA plans to develop additional avenues by which it can leverage its resources while expanding the availability of the agency's services to MBEs. MBDA will continue to use the Internet to establish information clearinghouses and National referral centers for minority owned businesses of any size, which will provide a wider access to public and private business development resources. The Agency will also expand the automated capabilities of matching firms with contracting opportunities. MBDA will continue to use the Minority Business Development Centers (MBDCs) and Native American Business Development Centers (NABDCs) to provide management and technical assistance and Minority Business Opportunity Committees (MBOCs) to provide brokering of contract opportunities and financial transactions for minority owned businesses.

Summary of Appropriations

Funding Levels	2004	2005	2006	Increase
Appropriation	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>(Decrease)</u>
Minority Business Development	\$28,556	\$29,500	\$30,727	\$1,227
Unobligated balance rescission	(28)			
Transfer from DM	50			
TOTAL BUDGET AUTHORITY	28,578	29,500	30,727	1,227

FTE

Minority Business Development	92	115	115	0
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Highlights of Budget Changes

Appropriation: Minority Business Development

Summary of Requirements

	Detailed		Summary	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2005 Appropriation			115	\$29,500
Adjustments to Base				
Other Changes				
2005 Pay raise		\$93		
2006 Pay raise		154		
Working Capital Fund Pay Raise		10		
Change in Compensable Days		(33)		
Civil Service Retirement System(CSRS)		(32)		
Federal Employees' Retirement System(FERS)		49		
Thrift Savings Plan		9		
Federal Insurance Contributions Act (FICA) -OASDI		26		
Health insurance		63		
Employees' Compensation Fund		(11)		
Travel: Mileage		2		
Travel: Per Diem		1		
Rent payments to GSA		24		
Printing and reproduction		1		
Working Capital Fund		59		
General Pricing Level Adjustments				
Communications, Utilities, & misc.		1		
Other services		101		
Supplies		2		
Equipment		5		
Subtotal, other cost changes			0	524
TOTAL, ADJUSTMENTS TO BASE			0	524
2006 Base			115	30,024
Program Changes			0	703
2006 APPROPRIATION			115	30,727

Comparison by Activity

	2005 Currently Avail.		2006 Base		2006 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DIRECT OBLIGATIONS								
Business Development	70	17,921	70	\$18,234	70	\$18,734	0	\$500
Advocacy, Research & Information	45	11,580	45	11,790	45	11,993	0	203
TOTAL DIRECT OBLIGATIONS	115	29,501	115	30,024	115	30,727	0	703
REIMBURSABLE OBLIGATIONS	0	475		475		475	0	0
TOTAL OBLIGATIONS	115	29,976	115	30,499	115	31,202	0	703
FINANCING								
Unobligated balance, start of year (Direct)		(1)						
Offsetting collections from:								
Federal funds		(475)				(475)		
Subtotal, financing	0	(476)			0	(475)		
TOTAL BUDGET AUTHORITY /	115	29,500			115	30,727		
APPROPRIATION								

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Asian American and Pacific Islanders Commission	0	\$500	0	+\$500

Consistent with the President’s initiative on economic and community development for Asian Americans and Pacific Islanders (AAPI), MBDA is requesting \$500,000 for the purpose of providing equal economic opportunities for full participation of Asian American and Pacific Islander businesses in our free market economy. This funding will be used to foster business-to-business growth between minority business enterprises, strengthen public and private sector partnerships, and provide an integrated Federal plan to increase participation of Asian American and Pacific Islander businesses in executive branch programs.

Data Delivery	2	\$220	0	+\$203
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MBDA is investing an additional \$203,000 to expand the Agency’s capabilities to disseminate and analyze statistical data for the minority business community. MBDA will use this funding to enhance the delivery of vital information and services to minority business enterprises through the use of the MBDA Internet Portal. This initiative will also focus on the feasibility of using a variety of economic statistical data sources from both the public and private sectors.

MBDA Performance Measures

MBDA's ability to develop an entrepreneurial innovative market-focused economy and improve minority owned business access to financing is demonstrated through the following key performance measures:

- Number of new job opportunities created.
- Percent of increase in client gross receipts.

MBDA's performance measures focus on measuring program impact and contribution toward meeting the agency's goals listed above. MBDA will continue to develop and refine the performance measures as a key management tool for benchmarking program impact. The following table shows the measures that MBDA uses to gauge its performance. A more detailed description of these goals and measures is in the MBDA section of the Department of Commerce budget.

Performance Goal (Obligations) and Measures (Targets)

(Dollars in millions)

	2004 <u>Actual</u>	2005 <u>Estimate / Target</u>	2006 <u>Estimate / Target</u>
Goal: To increase access to the marketplace and financing for minority-owned businesses	\$28.7	\$30.0	\$31.2
Number of new job opportunities created	New	1,800	1,900
Percent increase in client gross receipts	New	5%	6%
Total number of clients receiving services	29,387	30,000	30,050
Dollar value of contract awards obtained	\$0.95B	\$0.8B	\$0.9B
Dollar value of financial awards obtained	\$0.6B	\$0.45 B	\$0.5 B
Percent increase in American customer satisfaction index	New	5%	5%
Number of National Regional Strategic Partnerships	210	200	200

*Total obligations may differ from those reported in the other tables in this section and Congressional Justification exhibits due to the inclusion of prior year funds in the amounts cited above.