

Minority Bank Deposit Program

Overview

This voluntary program encourages federal agencies, State and local governments and the private sector to use Minority Bank Deposit Program participants as depositories and financial agents. Banks are certified by the Financial Management Service and included on an annual program roster.

Quick Links

[Participants List](#)

- [OCC Active Participants List](#)

[MBDP Certification Form](#)

[MBDP Recertification Form](#)

Background

When was the MBDP created?

The MBDP began in 1969 in response to Executive Order 11458 (March 5, 1969), which established a national program supporting minority business enterprise. It was expanded under Executive Orders 11625 (October 13, 1971), and 12138 (May 18, 1979). The Competitive Equality Banking Act of 1987 (Public Law 100-86) and the Financial Institutions Reform, recovery and Enforcement Act of 1989 (Public Law 101-73) include provisions supporting the intent of the MBDP.

Who administers the program?

Policy responsibility for the MBDP rests with the Fiscal Assistant Secretary of the Treasury. The Financial Management Service is responsible for coordinating the program within the Federal Government, and the Minority Business Development Agency (MBDA), in the Department of Commerce, is responsible for developing minority business enterprise efforts with the private sector.

What type of Federal Government deposits and financial services are involved in the program?

Potential deposits include agency deposits of public money, cash advances to Federal contractors and grantees, certain independent demand deposits, e.g. Postal Service deposits, and certificates of deposit (CDs). Typical CDs include the non-appropriated funds of various military organizations (exchange or club funds), certain Department of Agriculture funds, and funds that the Bureau of Indian Affairs invests on behalf of Indian Tribes and Alaskan Native Villages.

How is a depositary relationship established with a Federal agency?

MBDP financial institutions market their services to Federal agencies as they would to any potential customer. MBDP participants should contact local, regional and national offices of Federal agencies to determine if banking-type services are needed and can be established.

If a Federal agency chooses to use a MBDP participant as a depositary, the agency must coordinate the banking-type arrangements with its headquarters office and the Financial Management Service, Department of the Treasury.

What is Treasury's role?

The Financial Management Service certifies eligibility for MBDP participation, and maintains and publishes the roster of participating financial institutions. The roster is distributed periodically to Federal agencies, interested State and local government agencies and private sector enterprises, and minority banks.