

ANNOUNCEMENT OF FEDERAL FUNDING OPPORTUNITY

EXECUTIVE SUMMARY

- **Federal Agency Name(s):** Minority Business Development Agency, Department Of Commerce
- **Funding Opportunity Title:** Minority Business Enterprise Center (MBEC) Program.
- **Announcement Type:** Initial Announcement
- **Catalog of Federal Domestic Assistance (CFDA):** 11.800 Minority Business Enterprise Center Program (formerly the Minority Business Development Center Program)
- **Funding Opportunity Description:** The Minority Business Development Agency (MBDA) is soliciting competitive applications from organizations to operate Minority Business Enterprise Centers (MBECs) under its Minority Business Enterprise Center Program in the following geographic areas:

MBEC Name	Location of MBEC	Geographic Service Area
Cleveland MBEC	Cleveland, OH	State of Ohio
Queens MBEC	Jamaica, NY	New York Counties of: Queens, Nassau and Suffolk

Note: MBDA published an announcement on July 26, 2006 (as amended on August 10, 2006) soliciting competitive applications for operators of the Cleveland MBEC and the Queens MBEC. However, due to the lack of responsive applications, the Cleveland MBEC and the Queens MBEC competitions were deemed unsuccessful by MBDA. On December 22, 2006, MBDA published a *Federal Notice* (71 FR 76981) allowing for up to a 120-day funded extension (on a non-competitive basis) of the current award for the Queens MBEC to allow for continued program delivery by the incumbent operator while MBDA completes the solicitation process for an operator of the Queens MBEC for the next award period. The Cleveland MBEC is a new project without an incumbent operator and therefore a similar extension was not necessary for this project. This Announcement of Federal Funding Opportunity (FFO or Announcement) re-solicits competitive applications for the Cleveland MBEC and for the Queens MBEC and replaces in its entirety the previously published competitive solicitation for these projects.

In order to receive consideration, applicants must comply with all information and requirements contained in this FFO. NOTE: This is not a grant program to help start a business. Applications submitted must be to operate a Minority Business Enterprise Center and to provide business consultation to eligible minority clients. A 20% cost share is required. Applications that do not meet these requirements will be rejected.

For-profit entities (including sole proprietorships, partnerships, and corporations), non-profit organizations, state and local government entities, American Indian Tribes and educational institutions are eligible to operate MBECs. Applicants receiving three (3) consecutive funding award cycles (beginning 2007 through 2015) will not be eligible to receive an award in 2016 (and thereafter).

The MBEC Program requires MBEC staff to provide standardized business assistance services to minority firms with \$500,000 or more in annual revenues and/or “rapid growth-potential” minority businesses (“Strategic Growth Initiative” or “SGI” firms) directly; to develop a network of strategic partnerships; to charge client fees; and to provide strategic business consulting. These requirements will be used to generate increased results with respect to financing and contracts awarded to minority-owned firms and thus, are a key component of this program. The MBEC Program will concentrate on serving SGI firms capable of generating significant employment and long-term economic growth. The MBEC Program shall leverage telecommunications technology, including the Internet, and a variety of online computer-based resources to dramatically increase the level of service that the MBEC can provide to minority-owned firms.

- **Dates:** The closing date for receipt of applications is **March 5, 2007**. Completed applications must be received by MBDA no later than 5:00 p.m. Eastern Standard Time at the address below for paper submission or at www.Grants.gov for electronic submission. The due date and time is the same for electronic submissions as it is for paper submissions. The date that applications will be deemed to have been submitted electronically shall be the date and time received at Grants.gov. Applicants should save and print the proof of submission they receive from Grants.gov. Applications received after the closing date and time will not be considered. Anticipated time for processing is sixty (60) days from the date of publication of this Announcement of Federal Funding Opportunity (FFO). MBDA anticipates that awards for the Cleveland and Queens MBECs will be made with a start date of May 1, 2007.
- **Pre-Application Conference:** A pre-application teleconference will be held on **February 16, 2007** in connection with this solicitation. The pre-application conference will be available on MBDA’s Minority Business Internet Portal at www.mbda.gov (MBDA Portal). Conference participants must register at least 24 hours in advance of the event. Please visit the MBDA Portal for registration instructions. For additional information, contact the MBDA National Enterprise Center in the geographic service area in which the project will be located (see Section VII. of this FFO for a listing of MBDA Regions and Contacts). Parties interested in personally attending the pre-application conference at the applicable MBDA National Enterprise Center must also register with the corresponding NEC. Note that picture identification is required for entry into any Federal building. A summary of the questions and answers from the pre-application conference will be available through the MBDA Portal as soon as practicable following the conference.

- **Additional Information and Contact:** For further information, please visit MBDA's Portal at www.mbda.gov. Paper applications and standard forms may be obtained by contacting the MBDA National Enterprise Center for the area in which the applicant is located (See section VII. Agency Contacts). Forms 424, 424A, 424B, can also be obtained at <http://www.grants.gov>. Forms CD-511, and CD-346 may be obtained at www.doc.gov/forms. The SF-LLL can be obtained at www.whitehouse.gov/omb/grants.

Responsibility for ensuring that applications are complete and received by MBDA on time is the sole responsibility of the Applicant.

Addresses:

1a) Paper Submission – If Mailed: If the application is mailed/shipped overnight by the applicant or its representative, one (1) signed original plus two (2) copies of the application must be submitted. Completed application packages must be mailed to:

Office of Business Development – MBEC Program
Office of Executive Secretariat, HCHB, Room 5063
Minority Business Development Agency
U.S. Department of Commerce
14th Street and Constitution Avenue, NW
Washington, DC 20230

U.S. Department of Commerce delivery policies for Federal Express, UPS, and DHL overnight services require the packages to be sent to the address above.

1b) Paper Submission – If Hand-Delivered: If the application is hand-delivered by the applicant or his/her representative, one (1) signed original plus two (2) copies of the application must be delivered to:

U.S. Department of Commerce
MINORITY BUSINESS DEVELOPMENT AGENCY
Office of Business Development – MBEC Program (extension 1940)
HCHB, Room 1874
Entrance #10
15th Street, NW
Washington, DC
(Between Pennsylvania and Constitution Avenues)

U.S. Department of Commerce “hand-delivery” policies state that Federal Express, UPS, and DHL overnight services submitted to the address listed above (Entrance #10) cannot be accepted. These policies should be taken into consideration when utilizing their services. MBDA will not accept applications that are submitted by the deadline but rejected due to Departmental hand-delivery policies. The applicant must adhere to these policies in order for his/her application to receive consideration for award.

2) Electronic Submission: Applicants are encouraged to 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/ForApplicants> for detailed information). MBDA strongly recommends that applicants not wait until the application deadline date to begin the application process through Grants.gov, in some cases, the process for completing an online application may require 3-5 working days.

Application Forms and Package – Paper Submission

A completed proposal submitted by mail/overnight delivery, or hand delivery must have the following sections:

- Program Narrative (for each of the three (3) funding periods);
- Budget and Budget Narrative (one for each funding period);
- Standard Forms 424; 424A; 424B; and SF LLL (if applicable);
- Department of Commerce forms CD-346 (for key individuals); CD-511; and,
- Attachments (including but not limited to: business organization documents, resumes, official transcripts for project director, position descriptions, letters of support, signed commitment letters from proposed key staff and in-kind contributors, etc.)

Failure to include, by the deadline, a signed, original SF-424 with the paper application will result in the application being rejected and returned to the applicant. Failure to sign and submit the REMAINING FORMS with the paper application by the deadline will automatically cause an application to lose two (2) points in the overall score. Failure to submit other documents or information required may also adversely affect an applicant's overall score. MBDA shall not accept any changes, additions, revisions or deletions to competitive applications after the closing date for receiving applications, except through a formal negotiation process. MBDA may also contact applicants for additional clarifications after the final evaluation by the review panel.

Application Forms and Package – Electronic Submission

A completed proposal submitted electronically consists of the following sections:

- Program Narrative (for each of the three (3) funding periods);
- Budget and Budget Narrative (one for each funding period);
- Standard Forms 424; 424A; 424B; and SF LLL (if applicable);
- Department of Commerce Form CD-511;
- Department of Commerce form CD-346 (for key individuals) (Note: The CD-346 is not available within the Grant.gov application package. However, it can be found at www.doc.gov/forms. The form can be completed and attached to the

- application. *An original signature copy of the CD-346 will be required* before an award will be made to the successful applicant.); and,
- Attachments (including but not limited to: business organization documents, resumes, official transcripts for project director, position descriptions, letters of support, signed commitment letters from proposed key staff and in-kind contributors, CD-346, as described above, etc.)

The preferred format for electronic attachments is .pdf. Files in this format may be read by practically any computer using free reader software. This is the most prevalent format for documents that are scanned from hard-copy. However, the Department will accept electronic files in Word, Wordperfect, Lotus or Excel formats as well.

Failure to include, by the deadline, a complete application as described above, will result in the application being rejected by Grants.gov. [Note: An electronic application cannot be submitted at 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. MBDA shall not accept any changes, additions, revisions or deletions to competitive applications after the closing date for receiving applications, except through a formal negotiation process. MBDA may also contact applicants for additional clarifications after the final evaluations by the review panel. MBDA may allow more time for applicant submission due to system problems at Grants.gov that are beyond the control of the applicant.

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 should save and print the proof of submission they receive from www.grants.gov. The due date and time is the same for electronic submission as it is for hard-copy submissions. Applicants should plan to submit electronically several days before the deadline, some processes (i.e. Central Contractor Registry (CCR)) may require 3-5 working days. Doing so will help them to ensure that the applicant is completed before submitting online.

FULL ANNOUNCEMENT TEXT

I. Funding Opportunity Description

A. Introduction

In accordance with Executive Order 11625 and 15 U.S.C. § 1512, MBDA is soliciting competitive applications from organizations to operate a Minority Business Enterprise Center (MBEC) under its Minority Business Enterprise Center Program in the following geographic service areas:

MBEC Name	Location of MBEC	Geographic Service Area
Cleveland MBEC	Cleveland, OH	State of Ohio
Queens MBEC	Jamaica, NY	New York Counties of: Queens, Nassau and Suffolk

The MBEC Program requires MBEC staff to provide standardized business assistance services to minority firms with \$500,000 or more in annual revenues and/or “rapid-growth potential” minority businesses (“Strategic Growth Initiative” or “SGI” firms) directly; to develop a network of strategic partnerships; and to provide strategic business consulting. This is a fee for service program, therefore, the MBEC is required to charge client fees. These requirements will be used to generate increased results with respect to financing and contracts awarded to minority-owned firms and thus, are a key component of this program.

The MBEC Program will concentrate on serving SGI firms capable of generating significant employment and long-term economic growth. The MBEC program shall continue to leverage telecommunications technology, including the Internet, and a variety of online/computer-based resources to dramatically increase the level of service that the MBEC can provide to minority-owned firms.

The MBEC program incorporates an entrepreneurial approach to building market stability and improving the quality of services delivered. This strategy expands the reach of the MBEC by requiring project operators to develop and build upon strategic alliances with public and private sector partners, as a means of serving SGI firms within the project’s geographic service area.

In addition, MBDA will establish specialized business consulting training programs to support the MBEC client assistance services. These MBEC training programs are designed specifically to foster growth assistance to its clients. The MBEC will also encourage increased collaboration and client/non-client referrals among the MBDA-sponsored networks. This will provide a comprehensive approach to serving the emerging sector of the minority business community.

The MBEC will operate through the use of trained professional business consultants who will assist minority entrepreneurs through direct client engagements.

Entrepreneurs eligible for assistance under the MBEC Program are African Americans, Puerto Ricans, Spanish-speaking Americans, Aleuts, Asian and Pacific Islander Americans, Asian Indians, Native Americans, Eskimos and Hasidic Jews.

As part of its strategy for continuous improvement, the MBEC shall expand its delivery capacity to all minority firms (as defined above), with greater emphasis on SGI firms. MBDA wants to ensure that MBEC clients are receiving a consistent level of service throughout its funded network. To that end, MBDA will require MBEC consultants to attend training course(s) designed to achieve standardized services and quality expectations. Further information about the training is provided in this document under the heading of Work Requirements.

B. Background

Under the MBEC Program, MBDA has selected locations for the establishment of Centers based on the size and ranking of the minority population in those markets, the overall number of minority firms, as established by MBDA and U.S. Census Bureau data, as well as other available information.

The MBEC Program is one of MBDA's core competencies of overall business development efforts. Under this strategy, the MBEC will be expected to provide the following four types of client services:

1. Client Assessment - This activity requires the MBEC to conduct a standardized client assessment, which includes identifying the client's immediate and long term needs, and establishes a projected growth track and/or service engagement. MBDA shall provide an electronic tool to record the assessment (see below, item C. Enhancing the MBECs through Technology, Business Needs Analyzer). This activity shall be conducted once for each client on an annual basis; at the onset of service delivery or within a reasonable time frame but not to exceed fifteen (15) calendar days. This process may also include referring the client to any of MBDA's other funded projects that specialize in growth assistance and/or strategic partners that are capable of continuing client growth. The referral process may occur in conjunction with MBEC direct assistance.
2. Strategic Business Consulting – This involves providing intensive business consulting services that can be delivered by two methods:
 - Personalized Consulting – defined as one-on-one business consulting services utilizing an integrative systems approach to foster the growth of minority firms (see Systems Integrated Approach under the heading Client Services) or by creating a virtual team, led by an MBEC consultant and built around the client's specific needs.
 - Group Consulting - seminars that provide education and training to minority entrepreneurs on important business topics. The consulting should be hands-on, practical, and streamlined in order to reflect the time constraints of the typical entrepreneur. In addition, given the proliferation of online resources from MBDA

and others, this training should be designed to educate MBEs in the use of the Agency's electronic business assistance tools and in the use of electronic commerce generally to better access suppliers, customers and information.

3. Access to Capital – This involves assisting MBEs to secure the financial capital necessary to fuel growth and expansion of their businesses. Undercapitalization has been a major contributor to the failure of business ventures in the minority community over the years. The goal of this activity is to help minority entrepreneurs obtain the amount of appropriate financing, thereby helping to ensure the greatest likelihood of success in the marketplace.
4. Access to Markets – This involves assisting MBEs to identify and access opportunities such as procurements and contracts, as well as increased sales and revenue. Activities include but are not limited to conducting strategic market assessment and assistance, identifying sales leads, bid preparation assistance, creating market promotions, brokering services, and assisting in the development of joint ventures and strategic alliances.

C. Enhancing the MBECs through Technology

Over the last several years, MBDA has developed a variety of new technology tools designed to leverage the benefits of information technology to assist the minority business community. MBDA uses a high-speed network strategy that links all of its funded projects into a single virtual organization. The goal of MBDA is to allow all funded projects to have access to this technology through the MBDA Portal.

The technology tools that will be available to the MBECs include but are not limited to the following:

- Business Needs Analyzer – an electronic system designed to record the *Client Assessment* process. This tool assists MBEC counselors in maintaining standard interviews among all the MBEC funded projects. The tool captures and benchmarks the client's status, needs and potential growth as indicated by the consultant. The program is designed and maintained by MBDA and operated by the MBEC.
- Phoenix - an electronic bid-matching system that alerts participating MBEs of contract and teaming opportunities directly via e-mail. Procurement leads are transmitted to minority firms on a targeted basis according to the company's industry classification and geographic market.
- Opportunity – an electronic bid-matching system that alerts participating MBEs of contract and teaming opportunities directly via e-mail. Procurement leads are transmitted to minority firms on a targeted basis according to the company's industry classification and geographic market.
- Resource Locator – a software application that allows MBEs to search for business resources interactively on the Internet. Resource Locator can help MBEs identify trade associations representing their industries, government licensing and permit

offices, management and technical assistance providers, and a host of other resources quickly and efficiently.

- Capital Locator – an Internet-based tool that allows MBEC consultants to inquire about, identify and locate potential financiers nearest them. This tool shall provide basic financing criteria for each identified capital resource. The tool is designed to give users the benefit of a nationwide market for identifying financing needs and products. Please note that this tool is not yet completed. MBDA anticipates the completion of this tool during the first program year.
- Business and Market Planning – a software package designed to streamline and enhance the development of business plans, marketing plans and other strategic business documents.
- Business Analyst GIS – a software package operated at an individual computer workstation that provides strategic business data through a geographically-based information system. This software may be awarded to selected MBECs, based on the availability of funds and competition.
- Business Locator - a software package designed to identify MBEs (Phoenix firms) by NAICS code, keyword and geographic area. It can also be used to identify and match a business to businesses within a city or state who may want to partner for an opportunity.
- Other software may become available and issued on a limited and/or pilot basis to select MBECs.

These electronic tools are designed to support a nationwide network and collaborative working model. The applicant should consider the impact these tools may have in its normal business services model. MBDA will require full implementation and systemic integration in order to build a stronger nation-wide service delivery model. Furthermore, the information captured may be used by MBDA on an aggregate basis to better understand the needs of minority businesses and to support continuous improvement initiatives under the MBEC program.

D. Funding Priorities

Preference may be given to applications during the selection process which address the following MBDA funding priorities:

- a) Applicants who submit proposals that include work activities that exceed the minimum work requirements in this FFO.
- b) Applicants who submit proposals that include performance goals that exceed the minimum performance goal requirements in this FFO.
- c) Applicants who demonstrate an exceptional ability to identify and work towards the elimination of barriers which limit the access of minority businesses to markets and capital.
- d) Applicants who demonstrate an exceptional ability to identify and work with minority businesses seeking to obtain large-scale contracts and/or insertion into supply chains with institutional customers.

- e) Applicants that utilize fee for service models and those that demonstrate an exceptional ability to charge and collect fees from clients.

E. Work Requirements

The work requirements specify the duties and responsibilities of each award recipient operating a MBEC.

It is not necessary for the applicant to be located in the geographic service area at the time of application. However, the award recipient must open an office in the designated location and be fully operational within thirty (30) days after receipt of the award. For those applicants who have existing offices in the geographic service area, MBDA encourages applicants to propose a site location separate and apart from any existing offices. Fully operational means that all staff are hired (including project director), all required signs are up, all items of furniture and equipment (e.g., hardware, software, Internet services, phones, faxes, etc.) are in place, and the MBEC's doors have been fully opened to the public for service. Failure to be fully operational within thirty (30) days may be grounds for termination of the award.

The MBEC must be accessible to disabled persons and strategically located in the geographic service area (as defined in this FFO) to ensure that it is: (1) close to the available public and private sector resources, and (2) within a reasonable commuting distance to the minority business community.

The MBEC operator must provide services to eligible clients within its specified geographic service area. Each MBEC operator must contribute a good faith effort to support the Center and the Agency policies. In addition, the MBEC operator and the project director must provide accessibility to MBDA. MBDA calls to the operator and/or the project director must be responded to within 24 hours.

Training

All MBECs shall be required to fully attend training programs designed by and for MBDA funded projects. The MBEC staff shall be required to accumulate the following credit-hours for training (subject to the availability of the training as determined by MBDA):

Training Event	Operator	Project Director	Consultant(s)	Administrative
1. Post-Award Conference	Mandatory 10 credit-hours	Mandatory 10 credit-hours	N/A	N/A
2. Program Review & Orientation	Mandatory 8 credit-hours	Mandatory 8 credit-hours	Mandatory 8 credit-hours	Mandatory 8 credit-hours
3. Implementing a System for High-Quality Service (Yr 1)	N/A	Mandatory++ 40 credit-hours	Mandatory++ 40 credit-hours	N/A
4. MBDA National Conference	Mandatory** 8 credit-hours	Mandatory 24 credit-hours	Mandatory 24 credit-hours	N/A
5. MBDA NEC	N/A	Mandatory	Mandatory	N/A

MED-Week		8-10 credit-hours	8-10 credit-hours	
6. MBDA National MED-Week	Mandatory** 8 credit-hours	Mandatory 16-20 credit-hours	Mandatory 16-20 credit-hours	N/A
7. Coaching Program	N/A	Mandatory 40 credit-hours	Mandatory 40 credit-hours	N/A
8. Specialized Training Program		Mandatory** 8-20 credit-hours++	Mandatory** 8-20 credit-hours++	
Mandatory Training/ Program Year	26 Credit-Hours	114 - 172 Credit-Hours	104 - 162 Credit-Hours	8 Credit-Hours

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

++ Note, this course can be waived if there is a certificate of completion (i.e. certificate) for the same course from the Tuck School of Business only. Substitutions from other educational institutions will not be accepted.

Credit-hours shall be allocated by MBDA in MBEC performance evaluation. If the MBEC staff fails to accumulate the required credit-hours, the Center shall lose two (2) points from the assessment score during each evaluation period. MBEC personnel experience (i.e. work and educational) shall not be accepted as substitutions for attending the following trainings:

1. MBEC Post-Award Conference. This session is designed to review the grant award and key issues pertaining to the successful management of the award. The award recipient (operator) and the project director must attend. Failure to attend shall designate the award recipient as non-compliant with the award and may result in award termination.
2. MBEC Program Review and Orientation. This session will focus on understanding key aspects of MBEC 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 Center in person.
3. Implementing a System for High-Quality Service. This training will be held once in the first year of the program in Hanover, NH. This program is a five (5) day training session. MBDA anticipates this program to be conducted approximately in the later part of May 2007 (tentatively scheduled for May 20-25, 2007). The training sessions may be conducted in the second and possibly in the third year of operation based on availability of funding. The training shall focus on:
 - Orientation to the MBDA strategy
 - Instilling the entrepreneurial mindset
 - Standardization of client intake services
 - Skills and information needed to provide high-quality services to emerging firms

Successful completion of this program, which involves a competency examination, will result in certification of the MBEC staff member by MBDA. In the event that one or more MBEC staff member should fail the competency examination, the MBEC shall lose two (2) points from the assessment score during each evaluation period of the project.

This training may be provided a second and/or third time by the MBDA, depending on availability of funds. The tentative second and/or third training session will require the attendance of MBEC staff not previously trained, and/or those who failed to successfully complete the initial training program.

4. 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. It is held once per year, depending on the availability of funds. The location of this event varies. However, the MBEC should anticipate travel related costs to this activity. This session is normally a 3-day event.

5. MED Week – National Enterprise Center (NEC). This is an annual program conducted in each NEC region. MED Week is a celebratory event, under presidential proclamation. This event focuses on recognizing MBEC clients that have made significant economic impact within the NEC region. Market orientations and training programs are offered at the MBEC. The MBEC should anticipate travel related costs to this activity.

6. MED Week – National. This is an annual program conducted in Washington, DC. This program is the culmination of all MED Week celebrations. This event focuses on identifying new opportunities into marketplaces, business networking, key research and 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 MBEC should anticipate travel related costs to this activity.

7. Coaching Program. This program is designed to enhance skills in business training, counseling, financing, and procurement opportunities. Successful completion of this program is mandatory for all staff providing consulting services to clients. This session is normally a 40 hour program. MBDA anticipates this training will be conducted in multiple sessions throughout the first program year. Training will be conducted at the MBEC or by teleconference. MBDA reserves the right to conduct training in the second and possibly in the third year of operation based on availability of funding.

8. Specialized Training Program. In addition to the training noted above, the MBEC is required to have at least one staff member attend this program, tentatively scheduled to be held in May or June of the first program year in Atlanta, Georgia. This training session may vary depending on MBDA initiatives. However, travel costs should be included in its application. Examples of specialized training programs include teaching MBEC staff: (a) how to transform high-potential minority businesses and put them on a high-growth trajectory, (b) how to assist minority firms in supply chains, (c) how to support industry-focused top management teams or (d) other. The purpose of these programs are to ensure each MBEC will have the skills to nurture the growth of MBEs to become large companies, thereby helping to fulfill MBDA's strategic priority. Successful completion of this program, which involves a competency examination, will result in certification of the MBEC staff member by MBDA. The specialized training program may occur in 2008 and 2009 pending the availability of funds.

Work Elements

The MBEC is required to perform work in three (3) basic areas - market development, client services and operational quality. These elements are designed to increase the exposure and visibility of MBEs. MBEC efforts in these activities should provide quantifiable results.

1. **Market Development** – is designed to facilitate the identification of potential MBEs, methods to solicit potential clients and to identify, develop and leverage public and private sector resources and business opportunities for their clients:
 - (a) **Market Research and Development**: systematically investigate the service area market to see what business and capital opportunities exist for MBE development and search for sources of capital, sales opportunities, business buy-outs and new start possibilities. As market research is conducted, the MBEC will make optimum use of the MBDA network to ensure that the information is made available to fellow MBEC operators and to MBEs throughout the country.
 - (b) **Market Promotion**. The MBEC will promote minority business development in the local business community by obtaining support from the community for the utilization of MBEs.

The MBEC will promote individual MBEs to the public and private sectors to build market awareness of the capability, talent and capacity of its clients. The MBEC may utilize public service announcements and paid advertising. The MBEC may promote its clients locally to entities such as: Chambers of Commerce, business and trade associations, corporations and company trade fairs and meetings, state and local government agency purchasing departments, economic development and planning offices and MBE events.

The MBEC will develop and shall carry out a plan-of-action that will include, but is not limited to the following actions: (1) develop an MBEC brochure for mail-out and distribution to the public; (2) develop an MBEC program description for inclusion on the MBDA Portal and the MBEC web site; and, (3) adhere to MBDA's communication plan (see Operational Quality, item (k) under this section). The applicant is required to develop and include an initial plan of action in its proposal.

The MBEC shall promote and participate in the NEC and the National Minority Enterprise Development (MED) Week activities. MED Week is an annual event, coordinated through MBDA. MED Week celebrates the success of minority businesses. Participation is defined as follows:

- (1) NEC MED Week – This event is held annually in late summer or early fall, in or near the MBDA NEC. It involves full participation and collaboration with the designated MBDA NEC. The MBEC shall participate in MBDA's process of nominating their outstanding clients for various awards. The MBEC may be

asked to coordinate/host panel discussions and support its MBDA NEC. At a minimum, travel expenditures for the MBEC's project director and (at least) one staff must be included in the proposal.

- (2) National MED Week – This event is held annually in the fall in Washington, DC. It shall require, at a minimum, travel expenditures for the MBEC's project director and at least one staff. During the National MED Week program, possible training programs may be offered to MBEC staff. There will be no charge for tuition or materials.

The MBEC shall participate and support designated Business-to-Business Linkage programs throughout the program year. This program is a regional event conducted by MBDA that brings together certified MBEs (i.e. 8(a)) with SGI firms for potential business to business teaming arrangements. The MBEC shall be expected to collaborate with MBDA in identifying key participants, conducting outreach and maintaining ongoing communication with these participants prior to the event, during the event (where possible) and after the event. The objective of the Business-to-Business Linkage program is to build MBE capacity for competition of larger awards and ultimately the recording of contracting and financial dollars for programmatic success.

- (c) Resource Development requires the MBEC to identify and electronically record on the MBDA Portal likely sources of the following:

- (1) Market Opportunities – e.g., public (Federal, state and local government) and private (domestic and foreign) sector contracting opportunities;
- (2) Capital Resources - e.g., standard commercial and alternative debt (loans, lines of credit, etc.), equity (venture capital, angel, etc.), and mezzanine (near equity, subordinated debt, etc.) financing, bonds (performance and surety), and trade credit opportunities;
- (3) Business Ownership Opportunities- e.g., franchises, licensing arrangements, mergers and buy-outs;
- (4) Education and Training Resources - e.g., educational institution programs and other training resources; and,
- (5) Registration of MBEs – e.g., register eligible local MBEs in MBDA's Phoenix system, which is a national electronic inventory of minority firms capable of selling their goods and services to the public and private sector. The identified and recorded resources shall be verified by MBDA prior to publishing on the MBDA Portal.

- (d) Develop and Maintain a Network of Strategic Partners and Intra-Strategic Relationships -The work requirements for an award recipient under the MBEC Program include the development of key networks. The primary purpose for establishing strategic partners is to assist the MBEC to achieve its goals for assisting minority businesses (see item G. Performance Measures); the second purpose is to synchronize outreach efforts between the MBEC and MBDA; the

third purpose is to develop referral sources to assist MBEs that do not meet the SGI criteria but require business assistance services; and finally, to foster collaboration among the MBDA funded network as established under the terms of the award. Each strategic partnership shall be documented by a written Memorandum of Understanding (MOU) that shall document the terms and conditions of the partnership. The terms and conditions should assist the MBEC in achieving its goals for assisting MBEs.

A minimum of five (5) strategic partners between the MBEC and key local entities selected by the recipient must be established within one hundred-twenty (120) days after receipt of the award. The MBEC is required to maintain these partnerships throughout the life of the award. The MBEC must notify MBDA in writing that it is replacing/changing a Strategic Partner. The MBEC must then replace a strategic partner within forty-five (45) days after termination of that previously established partnership. The MBEC shall consult with its MBDA National Enterprise Center prior to completing the MOU. All strategic partnerships must be reviewed by the NEC to determine if it meets the criteria as specified in the Announcement before the MBEC will be able to claim that partnership. The MBDA shall have no relationship with or responsibility to the MBEC's strategic partners.

The strategic partners shall be public or private sector organizations located within the project's geographic service area. Strategic partners may include:

- Minority Business Enterprise (MBE) programs operated by state, county or city governments;
- Chambers of Commerce or trade associations focused on the needs of the minority business community;
- Small Business Development Centers, or other college and university entrepreneurial development programs;
- Community Development Corporations;
- Banks and financial institutions; and
- Faith-based organizations having economic development components, whose activities are not used for sectarian purposes.

Also, the MBEC shall establish intra-strategic relationships with other MBDA funded programs in support of their goals for assisting larger minority businesses as defined under the terms of the award. The MBEC is required to meet with other MBDA-funded programs in the NEC (in person or by phone conference) at quarterly meetings conducted by MBDA staff. The MBEC is encouraged to refer and/or accept clients from these relationships. The intra-strategic relationships shall not be counted towards the MBEC goal of obtaining strategic partnerships as described above.

- (e) Facilitate Matches which identify and refer eligible MBEs with specific viable businesses, market and/or capital opportunities.

This function contributes to the MBEC's financing and/or procurement performance goals, and is the only MBEC market development function outside of the standard client business assistance in which a portion of an MBEC's time can be directly associated to individual minority business clients and resource customers.

Under this function, the MBEC shall match qualified minority entrepreneurs with identified opportunities and resources by: (1) Accessing vendor information systems, including the Phoenix/Opportunity system; (2) Providing follow-up communication to Phoenix-registered minority firms that receive Opportunity matches within the MBEC geographic area; (3) Maintaining a constant awareness of the minority firms that operate within the geographic service area and their capabilities; (4) Maintaining direct contact with purchasing executives, government procurement officials, banking officials and others so that representatives of the MBEC are in a position to learn about available business opportunities, both formally and informally; (5) Engaging in relationship brokering between purchasing organizations and individual minority firms capable of fulfilling their requirements; and (6) Assisting in direct negotiations between purchasing organizations and individual minority firms, in appropriate cases, in order to help resolve issues, serve as an advocate for the minority firm, or otherwise assist in bringing the transaction to closure.

2. **Client Services** – Provides direct client assistance to MBEs on the basis of individualized professional engagements. SGI firms shall be assisted primarily through one-on-one business consulting or by strategic team consulting lead by the MBEC.

SGI firms are defined as those firms with \$500,000 in annual sales or more, and/or “rapid growth-potential” minority businesses capable of generating significant employment and long term economic growth. Under these duties, the MBEC shall assist minority firms and individuals, which have agreed in writing to become MBEC clients, in establishing, improving and/or successfully maintaining their businesses. All new clients shall be entered into the Performance system and registered in the Phoenix system upon client permission. The MBEC is required to enter clients and service hours into the Performance system within seventy-two (72) hours from the time of service. Clients assisted more than once during the funding period may be counted only once in that funding period.

Business consulting to SGI firms requires the delivery of sophisticated management and technical assistance based on the client size (see below for definition of sales range). The MBEC shall operate a *systems-integrated approach* (as described below) to assist in minority business growth and development. The applicant must define its proposal how it will conduct business consulting services and approaches with respect to implementing a *systems-integrated approach* for each of the following MBE annual sales range categories:

- Less than \$500,000
- \$500,000 - \$999,999
- \$1,000,000 - \$5,000,000
- Other “rapid growth-potential” minority firms (as defined above)

A systems-integrated approach is defined as a customer-based service model supported by the following functions:

- Strategy—e.g., plans for achieving sustainable competitive advantage and creating customer value
- Processes—e.g., efficient, effective ways of manufacturing products or delivering services
- Architecture—e.g., organizational and value chain (outsourcing) structure to implement the strategy and key processes
- Resources—e.g., the acquisition and management of financial, human, and technical assets
- Systems—e.g., mechanisms for control and communication, including but not limited to management information systems (MIS)
- Empowerment—e.g., delegation in a way that encourages staff to pursue strategic initiatives and continuous improvement.

The MBEC shall be responsible for providing business consulting to MBEs based on these principles.

Business consulting services are (as defined under this section) provided by the MBEC to eligible MBEs and individuals (as referenced in Executive Orders 11625 and 12432) seeking assistance from the MBEC, including 8(a) certified and graduate firms. These client services are segments to the systems-integrated approach. They are designed to assist minority firms to bridge operational and strategic gaps. They cannot provide long term business viability without aligning all aspects of the business and its environment. Client services include, but are not limited to, the following types of assistance:

- (a) Client Assessment – Provides the MBEC client with a fundamental business evaluation. This process is designed to standardize services across the MBEC network nationwide and to facilitate the client referral process among the MBDA funded network. It requires an interview to be conducted between the client and MBEC consultant. This service is designed to provide
- Background and contact information on the client;
 - Client business analysis with respect to its 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;
 - Development of an intervention plan utilizing a systems-integrated approach (as defined under Client Services) and client report; and,
 - Identification of resources and referrals.

The Center must ensure that all client information is accurately recorded in the Performance Database and client files.

- (b) Functional Assistance – Provides the MBEC client with detailed business consulting services including but not limited to:
- (1) Marketing, e.g., market research, promotion, advertising and sales, sales forecasting, market feasibility studies, pricing, product and customer service, brochure design (excludes mass printing);
 - (2) Financial Management, e.g., capital budgeting, general accounting, break-even analysis, cost accounting, financial planning and analysis budgeting, tax planning, business consulting (excludes bookkeeping, tax preparation, and audits);
 - (3) Financial Assistance, e.g., identification, preparation and packaging of standard commercial and alternative debt (loans, lines of credit, etc.), bonding, leases (property and equipment), equity (venture capital, angel, etc.), and mezzanine (near equity, subordinated debt, etc.) financing and trade credit opportunities;
 - (4) Procurement Assistance, e.g., preparation and planning for the identification of private and public-sector contracting opportunities;
 - (5) Operations & Quality Management, e.g.,
 - Manufacturing - plant location and site selection, plant management, materials handling and distribution, total quality management, metrication for world market, and business consulting;
 - Construction - estimating, bid preparation, bonding, take-offs, and business consulting;
 - International Trade Assistance - exporting, importing, letters of credit, bank draft, dealerships, agencies, distributorship, exporting trading companies, joint ventures, business consulting, and freight forwarding and handling;
 - Specialized Certification - ISO 9000(+) knowledge of program and standards, how to implement standards, how to report and properly apply for ISO 9000(+) Quality Systems certification;
 - Total Quality Management - process engineering, inventory control, purchasing, continuous improvement programs;
 - Technology & Systems - automation design, development and integration of technology to support infrastructure, knowledge management, data mining, performance based reporting;
 - (6) Organization & Administration, e.g., human resource management, job evaluation and rating system, employee stock option programs, training, business consulting; and,
 - (7) General Management, e.g., organization and structure, formulating corporate policy, feasibility studies, reports and controls, public relations, staff scheduling, legal services (excludes litigation), business planning, organizational development, bid preparation, and business consulting.

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

Group training sessions are considered a form of business development services that can be provided to minority clients. This function may be subject to client fees and directly contributes to the MBEC's performance goals.

3. **Operational Quality** - Maintains the efficiency and effectiveness of its overall operations as well as the quality of its client services. These duties are the means by which the MBEC manages its overall operations as well as the quality of its client services. The function directly contributes to the MBEC's overall qualitative evaluation and rating as well as the successful completion of all work requirements. Under this function, the MBEC shall:
- (a) Execute signed work plan agreements and engagement letters with clients;
 - (b) Formally describe the methodology that will be used in achieving the work plan objectives for each client;
 - (c) Input progress/results to the performance database within seventy-two (72) hours from the time of service;
 - (d) Establish procedures for collecting and accounting for all fees charged to clients;
 - (e) Maintain records/files for all work charged to the program and clients;
 - (f) 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.
 - (g) Obtain written acceptance and verification (with client signatures) of services provided to its clients and any financings/contracts obtained. For services reported, documentation must be in the MBEC's client files within thirty (30) days after the end of every quarter in which a client receives services;
 - (h) Comply with all reporting requirements provided upon award;
 - (i) Cooperate with MBDA in maintaining content for the Phoenix/Opportunity system, Resource Locator, and other available online tools located at www.mbda.gov;
 - (j) Promote and utilize the services and resources of other MBDA programs, sponsored efforts and/or voluntary activities; and
 - (k) The MBEC shall adhere to MBDA's trademark and licensing requirements for all forms of communication including but not limited to signage, stationary and other MBEC-related publications. Such requirements shall be provided at the time of award. These requirements include but are not limited to specific size, location, and font of the MBEC logo. A Communication's guide and MBEC logo will be made available to the recipient at the post-award conference.
 - Signage - Signs should be highly visible to the MBEC clients and general public. They should be prominently displayed on entrances or doors.
 - Printed Materials – These items shall include the name of MBDA on all stationery, letterhead, brochures, etc.
 - Internet Presence and Information – The MBEC is to maintain an Internet presence (see Computer Requirements) and shall include standardized language as provided by MBDA.
 - Telephonic Communication - Identify the MBEC immediately upon answering the telephone. If the recipient also requires that its organization's name be given, it should be provided only after the MBEC has been verbally

identified to a caller. Refer to MBDA in all advocacy and outreach efforts such as speaking engagements, news conferences, etc.

The MBEC is not authorized to use either the Department of Commerce's (DOC) official seal or the MBDA logo in any of its publications, documents or materials without specific written approval from the Department of Commerce.

The term *Minority Business Enterprise Center (MBEC)* 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 award recipient for the sole purpose of representing the activities of the award recipient in the fulfillment of the terms of the financial assistance award. The Minority Business Development Agency reserves the right to control the quality of the use of the term by the award recipient. In all printed materials, such as promotional literature and stationery, whenever *Minority Business Enterprise Center*[™] is cited, the [™] must be used.

F. COMPUTER REQUIREMENTS

MBDA requires that all award recipients meet certain requirements related to the acquisition, installation, configuration, maintenance and security of information technology (IT) assets in order to ensure seamless and productive interface between and among all grant recipients, minority-owned businesses, 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.

At a minimum, each grantee 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 award recipient's network. The server shall have a constant, high-speed broadband Internet connection. The grantee shall ensure that each of his/her 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. Each grantee shall design, develop and maintain, in accordance with the computer requirements, a presence on the Internet's World Wide Web and 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 thirty (30) calendar days after the award.

1. Network Design

At all locations where services are delivered to the eligible public as defined by Executive Order 11625, the recipient 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 2000. Any server providing principal service to the desktops shall contain 40 or more gigabytes (GB) of hard drive space using two or more 9 GB+ disks configured appropriately to ensure data retention should one disk fail. At least one (1) Pentium IV class 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.

2. Desktop Workstations

All desktop systems shall not be more than two (2) calendar years old at time of award and shall contain a Pentium IV class central processing unit (CPU), operating at speeds not less than 2.13 Gigahertz (GHz). Each desktop system shall contain a hard drive with a storage capacity of at least forty (40) GB and 512 Megabytes (MB) of RAM and a CD or DVD reader/writer. All desktop systems shall have installed an operating system fully compatible with Microsoft Windows 2000 or XP Professional Operating System, MS Office 2000 Professional or higher, Microsoft Internet Explorer 6.x, Anti-Virus software, software or hardware-based Firewall and Adobe Reader 7.0 or higher. Additionally, it is suggested that a full-page scanner, along with software fully compatible with Adobe Acrobat (Standard or Professional, 7.0 or higher) be installed on at least one workstation for the production of electronic document submissions.

3. Maintenance and Security

A network map (“as-built”) reflecting adherence to the computer and networking requirements set forth herein shall be maintained by the recipient for review by MBDA at any time. Each recipient shall designate and train one administrative person competent in the operation of an Operations System fully compatible with Windows 2000 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 MBEC 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 MBEC files. A photocopy of the agreement shall be sent by fax to MBDA to the attention of the MBDA CIO at: (202) 482-2678, no later than thirty (30) days after receipt of the award. All subsequent new hires and associations requiring access to the

MBEC 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.

4. Web Site

Each recipient shall create and maintain a public web site using a unique domain/address (e.g., www.center-name.com), that will conform to MBDA web standards (A comprehensive listing of MBDA web standards can be found on the MBDA Portal). MBDA Web standards may include, *but are not limited to the following*:

- The first page (Index page) of the web site shall *clearly* identify the recipient as a Minority Business Enterprise Center funded by the U.S. Department of Commerce's Minority Business Development Agency. The index page of the web site shall load on software fully compatible with Windows Internet Explorer 6.x browser software using a normal home computer with 56 Kb/s analog phone-line connection in less than five (5) seconds.
- The web site shall contain a "Contact" page with the names of all managers and employees, the business and mailing address of the MBEC, business phone and fax numbers and email addresses of the MBEC and employees, a statement referencing the services available at the MBEC, the hours under which the MBEC operates and a link to the MBDA homepage at www.mbda.gov.
- For purposes of electronically directing clients to the appropriate MBEC staff, the recipient's web site shall also contain a short biographical statement for each employee of the MBEC 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.
- 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 CIO of the Office of Information Technology, Research and Innovation 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 [recipient's company name] or by the Minority Business Development Agency

of these web sites or the information, products or services contained therein. Regarding such external web sites, we do not exercise any editorial control over the information you may find at these locations. These links are provided consistent with [recipient's company name] stated purpose as shown on our web site. 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.

- 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 Program Operator, nor any other person, shall use the MBEC web site for any purpose other than that approved under the terms of the agreement between the recipient and MBDA.
- Every page of the web site shall comply with Federal standards of the American With Disabilities Act, Section 508, and be reviewed by the recipient for accuracy, currency, and appropriateness every three (3) months. In addition to this, MBDA's Section 508 Officer may occasionally review the recipient's site to ensure that the web site 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 recipient's web site and recommend changes in accordance with the guidelines set forth herein.
- The recipient will also be responsible for informing the MBDA CIO of the Office of Information Technology, Research and Innovation and to the MBDA MBEC Program Manager of any changes operating changes such as location, contact information or otherwise.

5. Time for Compliance regarding IT Requirements

Within thirty (30) days after receipt of the award, the recipient shall report via email to the MBDA CIO of the Office of Information Technology, Research and Innovation and to the MBDA MBEC Program Manager that he/she has complied with all technical requirements as specified herein. Within thirty (30) days after receipt of the award, the recipient shall report the name, contact telephone number and email address of the Project Director, Network or System Administrator.

6. 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).

7. **Data Integrity**

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

Note, failure to adhere to sections of the Work Requirements and/or Computer Requirements may result in enforcement action under the award, including the withholding of award payments until full compliance is reached.

G. Performance Measures

In accordance with 15 CFR Parts 14 and 24, applicants selected will be responsible for the effective management of all functions and activities supported by the financial assistance award. Award recipients will be required to use program performance measures in a performance report due forty-five (45) days after the end of the first semi-annual period and second semi-annual period. The award recipient shall also provide an end-of-year assessment of the accomplishments of the project using these measures. The Year-End or Final Narrative Performance Report is due forty-five (45) days after the end of the funding year. Once the project is awarded, the evaluation criteria, along with the assigned weight value, to be used for measuring the MBEC project performance on an ongoing basis are:

1. Dollar value of awarded contracts and procurements (27 points);
2. Dollar value of awarded financial transactions (27 points);
3. Increase in sales (6 points)
4. Number of jobs created (10 points);
5. Number of new clients served (5 points);
6. Administrative Management and Operational Quality (25 points total)
 - Maintenance of SGI Client Portfolio (3 points);
 - Customer Relationship Management (3 points);
 - Management Assessment (3 points);
 - Partnerships (5 points);
 - Consulting hours (3 points);
 - Maintenance of Non-Federal Cost Share (3 points);
 - Market promotion (1 point);
 - Resource entries (2 points);
 - Facilitated matches (2 points).

 - Bonus Points (maximum of 5 points) -
 - Joint ventures (1 point per item); and,
 - MBDA Special Initiatives (1 point per initiative)

The minimum performance goals required for the above listed performance measures for each of the solicited geographic service areas are set forth in Section J., Geographic

Service Areas and Performance Goals. The minimum performance goals are listed on an annual basis by MBDA and will be broken out into quarterly increments by the applicant.

The MBEC is required to utilize, in a good faith effort, all of its resources to achieve the stated goals. Should the MBEC exceed its performance requirements prior to the end of a funding year, the MBEC is expected to maintain operations at full strength and **continue to provide services and reach greater performance outcomes**. MBDA views the MBEC as a designated cooperative partner and an envoy to the greater minority business community. Thus, high achievement in one performance measure cannot excuse failure to reach other goals as stated in this FFO and may result in termination of the award.

H. Definitions

1. **Dollar Value of Awarded Financial Transactions** – The dollar value of transactions are defined as the total principal value of approved loans, equity financings, bonds, leases (property and equipment) or other binding financial agreements secured by clients of the project, with the assistance of MBEC staff. For purposes of this performance element, eligible financial transactions are those which have a specific dollar value, and which expand its capital base/operations, or produce some other direct commercial benefit for client firms. In order to be deemed complete, a financial transaction must be documented by an executed and binding agreement between the MBEC client (firm) and a party (financier) capable of performing its obligations under the terms of the agreement.
2. **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 direct commercial benefit for the client firms. In order for a contract award to be considered for this performance requirement, the award must have been made as a direct result of MBEC activity.

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 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.

3. **Increase in Sales** – This represents the dollar value of sales that increased within a specific time frame due to the direct assistance provided by the MBEC. This value does not include contracts and procurements obtained. This performance measure is designed to capture the value added by the MBEC to its client for business-to-consumer (i.e. retail, discount) markets. This performance element must be documented through an initial client assessment, a year-end client assessment (see Client Assessment under Client Services) and the value of sales increase shall be recorded in the MBDA Performance system (as supported by client documentation).
4. **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.
5. **Number of New Clients** – This represents the actual number of new clients in a funding year. New clients are defined as those MBEs that complete a written engagement with the MBEC for specific services and registered with the MBEC. The number of new clients may not be counted in a current year if they were included in prior program years.
6. **Administrative Management & Operational Quality** – Operational quality refers to the quality and effectiveness of the project operator’s delivery of client services and project scope, as evidenced by the following performance elements relating to the day-to-day management of the project:
 - a) **Maintenance of SGI Client Portfolio** - The Center shall be rated on the balance of SGI firms versus overall clients served. The MBEC must maintain the following ratio in order to achieve the specified points.

Year	Percent of SGI Firms Served & Allocated Points							
2007	50.0% (+)	3 Pts.	49.9-40.0%	2 Pts.	39.9-30.0%	1 Pts.	29.9% or less	0 Pts.
2008	60.0% (+)	3 Pts.	59.9-50.0%	2 Pts.	49.9-40.0%	1 Pts.	39.9% or less	0 Pts.
2009	70.0% (+)	3 Pts.	69.9-60.0%	2 Pts.	59.9-50.0%	1 Pts.	49.9% or less	0 Pts.

Note: Percent SGI firms served shall account for all active clients served in current program year.

- b) **Customer Relationship Management** – This item refers to a process conducted by MBDA with the clients of the MBEC. MBDA shall verify the services rendered by the Center and gather qualitative information for client satisfaction. MBDA will utilize a survey tool. The MBEC must achieve the following satisfaction ratings in order to be allocated the listed points.

Client Satisfaction	Points
80.0% or more	3
70.0% – 79.9%	2
60.0% - 69.9%	1
59.9% or less	0

- c) Management Assessment - The management assessment reflects MBDA's own evaluation of the overall management of the MBEC project, based on the Agency's internal review of the project's operations. The management assessment reflects such areas as the development of written engagement letters and work plans, proper staffing, adherence to scheduled work hours, recordkeeping, successful completion of Agency training, and any other areas which MBDA may deem to be relevant in determining the overall quality of the project's operations (see section I., item E. Work Requirements, 3. Operational Quality).
- d) Partnerships – The MBEC must establish and maintain five (5) strategic partnerships throughout the life of the award. These strategic partnerships must be documented in writing and be structured such that the relationship shall have a direct impact on the MBEC in order to assist the MBEC meet its performance goals and/or its non-federal cost share requirements. Performance points for this element will be allocated to the MBEC by quarter after MBDA has verified the completion of the activity. If a partner does not contribute to the MBEC's performance goal and/or its non-federal cost share requirements, the Center's score will be assessed accordingly.
- e) Consulting Hours – This refers to the actual time spent by the MBEC when providing one-on-one and group counseling services to MBE clients. These hours shall also relate to the fees billed to each MBE, as originated in the client engagement and tracked on the MBDA performance system. These hours shall be compared to the recipient's originally proposed staff allocation summary. Points shall be allocated as a percentage of hours accomplished versus quarterly and cumulative goals.
- f) Maintenance of Non-Federal Cost Share – MBDA shall monitor the MBEC's rate of non-federal cost share throughout the program period. Points shall be allocated as a percentage of reported accomplished versus quarterly and cumulative goals.
- g) Market Promotion – This represents the total number of successfully completed activities (per reporting period) as proposed in the applicant's response to this FFO.
- h) Resource Entries – This is defined as the total quantity of accurate and timely records entered into MBDA's Portal tools (e.g., Phoenix, Opportunity, Capital Locator, Resource Locator, etc.) in support of its efforts to disseminate information electronically. Points shall be allocated as a percentage of reported accomplished versus quarterly and cumulative goals.
- i) Facilitated Matches - Facilitated Matches represent the number of minority firms directed by the Center to strategic partners, the MBDA funded network, and

other business resources that result in awarded financial transactions and/or contracts and procurements (as described under sections H.1 and H.2 above).

- Facilitated Matches are performance elements awarded under Administrative Management and Operational Quality. In other words, the Center submits documentation in support of a Facilitated Match to its MBDA representative. MBDA reviews the information and then assigns a point for each match.
- Facilitated Matches can be issued to the Center for MBE clients as well as non-clients (provided they are MBEs and award is documented).

Any items reported under Dollar Value of Awarded Financial Transactions and/or Awarded Contracts and Procurements, and/or Increase in Sales, and/or Jobs Created must:

1. Originate from services (M&TA) provided to a client by the Center,
2. Services are documented via a written engagement & needs assessment (via needs analyzer),
3. Fees should be charged for services rendered (where & when applicable) (see III. Eligibility Information, section B. Cost Sharing or Matching Requirements).

Items that do not comply with these three fundamental items cannot be recorded under Dollar Value of Awarded Financial Transactions and/or Awarded Contracts and Procurements, and/or Increase in Sales, and/or Jobs Created.

It is possible for the MBEC to count the dollar value of the transactions for clients AND THEN record the facilitated match. However, it is NOT possible for the MBEC to count the dollar value of the transaction if recorded exclusively as a facilitated match without client service/engagement letter/etc.

Further definitions and clarifications will be provided to the award recipient by MBDA through a program handbook at the post award conference.

7. Performance Bonus

MBDA's overall mission is to foster the expansion of all minority firms in the U.S. economy. Historical data indicates minority-owned firms have yet to reach scalability in terms of size such that a discernable and nationwide impact can be measured by the U.S. Census Bureau. For example, in the 1997 report Survey of Minority-Owned Businesses, the U.S. Census Bureau estimated 3.03 million minority-owned firms however, only 3% of these firms generated more than \$1 million in annual revenues. This year, the U.S. Census Bureau released its 2002 Survey of Business Owners. The recent data estimates over 4 million minority-owned firms are currently operating. However, percentages of minority-owned firms that generate more than \$1 million in annual revenues have yet to be released. Furthermore, prior economic models project a continued expansion of the U.S. economy; however contribution levels as it relates to larger MBEs with annual revenues in excess of \$1 million remain stagnant.

In an effort to encourage the MBEC to work with and to help build larger MBEs, MBDA will provide performance bonus points for the following work activities and outcomes. The MBEC may earn up to a maximum of 5 points in any program year.

- a) Joint Ventures – MBDA is seeking to build MBE capacity through the establishment of competitive teams for federal/state/local government and private sector contracting opportunities. A MBEC will be awarded up to 1 bonus point for each successful joint venture that is formed through the direct assistance provided to its client and another (larger) business entity, that results in an awarded financial transactions and/or awarded contracts and procurements (as defined under sections H.1 and H.2 above in this FFO).
- b) Participation and Successful Execution of MBDA Special Initiatives – MBDA may issue a request for MBEC participation on special Agency and/or Department of Commerce initiatives. The Center may be asked and/or instructed to support MBDA in these special initiative efforts. MBDA shall reward the MBEC by allocating up to 1 bonus point per event. MBDA Special Initiatives shall be formally announced to the MBEC program as a whole, in further detail, and all MBECs will have an opportunity to participate.

I. Performance Standards

The year-to-date performance of the MBEC for Year One (May 1, 2007 – December 31, 2007) of the award will be based on the following rating system:

YEAR ONE YEAR-TO-DATE PERFORMANCE		
Minimum Required Percent of Goals Needed for Each Rating Category	Minimum Required Points Needed for Each Rating Category	Rating Categories Rating Category
100.0% and above*	100.0** & above	Outstanding
At least 92.8%	92.8 – 99.9	Commendable
At least 85.4%	85.4 – 92.7	Good
At least 78.0%	78.0 – 85.3	Satisfactory
Below 78.0%	Below 78.0	Unsatisfactory
*Not to exceed 110%		
**Not to exceed 110 Points		

The year-to-date performance of the MBEC for Year Two of the award will be based on the following rating system:

YEAR TWO YEAR-TO-DATE PERFORMANCE		
Minimum Required Percent of Goals Needed for Each Rating Category	Minimum Required Points Needed for Each Rating Category	Rating Categories Rating Category
100.0% and above*	100.0** & above	Outstanding
At least 93.4%	93.4 – 99.9	Commendable
At least 86.7%	86.7 – 93.3	Good

At least 80.0%	80.0 – 86.6	Satisfactory
Below 80.0%	Below 80.0	Unsatisfactory
*Not to exceed 110%		
**Not to exceed 110 Points		

The year-to-date performance of the MBEC for Year Three of the award will be based on the following rating system:

YEAR THREE YEAR-TO-DATE PERFORMANCE		
Minimum Required Percent of Goals Needed for Each Rating Category	Minimum Required Points Needed for Each Rating Category	Rating Categories Rating Category
100.0% and above*	100.0** & above	Outstanding
At least 95.1%	95.1 – 99.9	Commendable
At least 90.1%	90.1 – 95.0	Good
At least 85.0%	85.0 – 90.0	Satisfactory
Below 85.0%	Below 85.0	Unsatisfactory
*Not to exceed 110%		
**Not to exceed 110 Points		

J. Geographic Service Areas and Performance Goals

An operator must provide services to eligible clients within its specified geographic service area. MBDA has defined the service area for each award below. To determine its geographic service areas, MBDA uses states, counties, Metropolitan Areas (MA), which comprise metropolitan statistical areas (MSA), consolidated metropolitan statistical areas (CMSA), and primary metropolitan statistical areas (PMSA) as defined by the OMB Committee on MSAs (see OMB Bulletin No. 07-01, Update of Statistical Area Definitions and Guidance on their Uses (December 18, 2006) at <http://www.whitehouse.gov/omb/bulletins> and other demographic boundaries as specified herein. Service to eligible clients outside of an operator's specified service area may be requested, on a case-by-case basis, through the appropriate MBDA Regional Director and/or granted by the Grants Officer.

Each MBEC is required to produce a minimum goal for each specific Performance element as listed below. These goals are listed by project and are established relative to funding levels, unless indicated. Dollar values have been rounded to the nearest \$500 or \$1,000 level.

Competitive applications for the following MBEC geographic service areas being solicited by this FFO:

1. Application Location: Cleveland MBEC
 Geographic Service Area: State of Ohio
 Award Number: 05-10-07002-01

The recipient is required to maintain its MBEC in the city of Cleveland, OH.
The minimum performance goals for each year for this MBEC are:

Goals – Cleveland MBEC	Year 1 5/1/07—12/31/07	Years 2 & 3 (Each Program Year)
Dollar Value of Awarded Contracts & Procurements	\$8,069,000	\$12,104,000
Dollar value of Awarded Financial Transactions	\$5,380,000	\$8,069,500
Increase in Sales	\$708,000	\$1,062,000
Number of Jobs Created	31	46
Number of New Clients	60	90
Resource Entries	115	172
Strategic Partnerships	5	5

For further information and for a copy of the application package, please contact:

Mr. Eric Dobyne
Regional Director
Chicago National Enterprise Center
Minority Business Development Agency
U.S. Department of Commerce
55 E. Monroe Street
Suite 2810
Chicago, IL 60603
312-353-0182

2. Application Location: Queens MBEC
Geographic Service Area: New York Counties of Queens, Nassau and Suffolk
Award Number: 02-10-07004-01

The recipient is required to maintain its MBEC in the city of Jamaica, NY.
The minimum performance goals for each year for this MBEC are:

Goals – Queens MBEC	Year 1 5/1/07—12/31/07	Years 2 & 3 (Each Program Year)
Dollar Value of Awarded Contracts & Procurements	\$9,246,000	\$13,869,000
Dollar value of Awarded Financial Transactions	\$6,164,000	\$9,246,000
Increase in Sales	\$811,000	\$1,216,500
Number of Jobs Created	35	53
Number of New Clients	69	104
Resource Entries	122	183
Strategic Partnerships	5	5

For further information and for a copy of the application package, please contact:

Mr. Heyward Davenport
Regional Director
New York National Enterprise Center
Minority Business Development Agency
U.S. Department of Commerce
26 Federal Plaza
Room 3720
New York, NY 10278
212-264-3262

II. Award Information

A. Funding Availability, Award Period and Renewals

The total award period under this competitive solicitation shall not exceed two (2) years and eight (8) months. MBDA anticipates a total of approximately \$333,033 will be available in FY 2007 for Federal assistance to the Cleveland MBEC and to the Queens MBEC, and that a total of approximately \$499,550 will be available for Federal assistance to these MBECs in FY 2008 and in FY 2009, respectively. Specific funding levels for the Cleveland MBEC and for the Queens MBEC are set forth in the below table. Applicants are hereby given notice that funds have not yet been appropriated for this program. Accordingly, MBDA issues this notice subject to the appropriations made available under the current continuing resolution, H.R. 5631, "Continuing Appropriations Resolution, 2007," Public Law 109-289, as amended by H.J. Res. 100, Public Law 109-369 and H.J. Res. 102, Public Law 109-383. In no event will MBDA or the Department of Commerce be responsible for proposal preparation costs if this program fails to receive funding or is cancelled because of other agency priorities.

Applicants must submit project plans and budgets for each of the three funding periods.

Projects will be funded for no more than eight (8) months the first funding period (expected to run May 1, 2007 through December 31, 2007) and for no more than one year at a time thereafter (January 1, 200x through December 31, 200x). Project proposals accepted for funding will not compete for funding in subsequent budget periods within the approved award period. Second and third year funding will depend upon the MBEC achieving a minimal "Satisfactory" performance rating by the award recipient in each preceding year. Recommendations for second year funding are evaluated based on a "Satisfactory" mid-year performance rating (e.g., May 1 – August 31) and/or a combination of mid-year and year-to date (e.g., May 1 – November 30) "Satisfactory" performance rating. Recommendations for third year funding are evaluated based on a "Satisfactory" mid-year performance rating (i.e., January 1 – June 30) and/or combination of mid-year and cumulative third quarter (i.e., January 1 – September 30) "Satisfactory" performance rating.

All funding periods are subject to the availability of funds to support the continuation of the project, as well as to Department of Commerce and MBDA priorities. 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.

Contingent upon the availability of Federal funds, the cost of performance for each of the program funding years is estimated in the chart below. The application must include a minimum cost share of 20% in non-Federal contributions.

Project Name	May 1, 2007 through December 31, 2007			January 1, 2008 through December 31, 2008			January 1, 2009 through December 31, 2009		
	Total Cost (\$)	Federal Share (\$)	Non-Federal Share (\$) (20% min.)	Total Cost (\$)	Federal Share (\$)	Non-Federal Share (\$) (20% min.)	Total Cost (\$)	Federal Share (\$)	Non-Federal Share (\$) (20% min.)
Cleveland MBEC	194,000	155,200	38,800	291,000	232,800	58,200	291,000	232,800	58,200
Queens MBEC	222,389	177,833	44,555	333,583	266,750	66,833	333,583	266,750	66,833

B. Type of Funding Instrument

Financial assistance awards in the form of cooperative agreements will be used to fund this program.

C. MBDA Involvement

MBDA shall maintain substantial involvement with the recipient throughout the program period. MBDA will perform the following duties to further the MBEC's objectives:

1. Post-Award Conferences

MBDA shall conduct a post-award conference for all new MBEC awards to ensure that each MBEC has a clear understanding of the program and its components. The conference will: (1) Provide an MBDA Directory of Business Resources; (2) Orient MBEC program officers; (3) Explain program reporting requirements and procedures; (4) Identify available resources that can enhance the capabilities of the MBEC; and (5) Provide detailed information about MBDA's business and other information systems.

The MBEC shall budget for the mandatory participation of the (a) award recipient (operator) and (b) project director to attend. The budget shall include all travel expenditures; to its respective National Enterprise Center (see section VII, Agency Contacts for further information).

Failure to hire a project director within thirty (30) calendar days may result in enforcement action under the award, including the withholding of award payments until full compliance is reached.

2. **Training**

MBDA shall conduct various qualitative training sessions for the MBEC staff (subject to the availability of the training as determined by MBDA). The training sessions are designed (in part) to improve communications, understandings, client service delivery, performance and reporting. The listed training sessions are designated for the specified funding years. The MBEC shall budget for appropriate staff participation (as indicated in this section and section entitled, "Training" under Work Requirements of this Announcement), travel and expenditures for the following:

- a) Post Award Conference. This training provides an award orientation and review of key management areas. This training is mandatory for the operator and project director. Travel expenses must be included in the MBEC budget. This is normally a 1-2 day event, held at the MBEC's respective NEC.
- b) Program Review and Orientation.
- c) "Implementing a System for High Quality Service: Building Adaptive Minority and Native American Businesses," is a Tuck School of Business and MBDA Partnership. This program provides an integrated approach to client services, including client assessment and functional assistance. This is a 5 day training program. All staff involved in the delivery of client consulting services is required to attend. It is anticipated that this training will be held late May 2007 (tentatively scheduled for May 20-25, 2007) in Hanover, NH. MBEC travel expense should include round trip airfare, local travel from airport to Hanover, NH and return, some meals and incidentals. Note, hotel accommodations, conference fees (including some meals) and materials will be covered by the Tuck-MBDA partnership. All participants will be required to successfully complete this program and exam. This program may be offered in program years 2008 and 2009, depending on the availability of funds. However, in lieu of availability of funds (2008 and 2009 only), the MBEC shall budget travel related expenses and a \$5,000 registration fee (program fee, materials, lodging and some meals included) for at least one staff person to attend in 2008 and 2009.
- d) MBDA National Conference. This is an annual event typically held in late spring or early summer. The MBEC shall ensure attendance by the Project Director and operator and/or consulting staff. This is normally a 3-4 day conference and training program. The location of the event is usually announced to the MBEC by late March. The MBEC shall budget for travel expense including round trip airfare, local travel, hotel/lodging fees, miscellaneous expenses and some meals. MBDA shall provide to the MBEC operational training programs at the event including (but not limited to) the MBDA Performance system, Resource Locator, Capital Locator, Business Plan, Phoenix and Opportunity System, etc.
- e) MBDA National Enterprise Center (NEC) MED Week. This conference is an annual event hosted by the MBDA regional office. Active participation and/or collaboration is sought from the MBEC. Mandatory attendance and travel is required.
- f) MBDA National MED Week conference. This conference is an annual event hosted by the MBDA. Mandatory attendance and travel is required.

- g) Coaching Program is an MBDA initiative. This program is designed to enhance skills in business training, counseling, financing, and procurement opportunities. Successful completion of this program is mandatory for all staff providing consulting services to clients. This session is normally a 40 hour program. MBDA anticipates this training will be conducted in multiple sessions throughout the first program year. Training will be conducted at the MBEC or by teleconference. MBDA anticipates no additional fees or costs will be associated with this training program. MBDA reserves the right to conduct in the second and possibly in the third year of operation based on availability of funding.
- h) Specialized Training Program. The specialized training program is normally a 4-day event. Attendance is mandatory. The MBEC shall budget for at least one staff to attend in the first program year in Atlanta, Georgia. The MBEC shall budget for travel expense including round trip airfare, local travel, hotel/lodging fees, miscellaneous expenses and some meals. Note, the specialized training program may occur in 2008 and 2009, pending availability of funds.

Training sessions may be offered each funding year based on the availability of funds. Locations for the training sessions are subject to change. The MBEC must comply with its work requirements and achieve the minimal training credit-hours per staff (see prior section entitled Work Requirements, Training).

3. **Networking, Promotion and Information Exchange**

MBDA shall provide the following:

- a) Access to business information systems, which support the work of the MBEC (see I. Funding Opportunity Description, item C. Enhancing the MBECs Through Technology). This information will be provided by MBDA's Office of Information Technology. The specific information systems and access to them will be provided at the time of the award for a particular MBEC;
- b) Sponsor one national and at least one NEC conference;
- c) Expand the Phoenix data bank of minority-owned firms by requiring other MBDA-funded programs to provide additional entries;
- d) Promote the exchange of business opportunity information within the MBDA funded system using the Capital Locator, Resource Locator, Phoenix and Opportunity system on the MBDA Portal located at www.mbda.gov;
- e) Work closely with the MBEC to establish a system in which procurement and contract opportunities can be shared with the network of MBECs. This system will include opportunities identified throughout the MBDA network using the Phoenix and Opportunity system located at www.mbda.gov;
- f) Help promote special events to be scheduled at the local community, state and national levels in celebration of MED Week, which occurs annually; and,
- g) Identify Federal, state and local governments, and private sector market opportunities to the MBEC using the Capital Locator, Resource Locator, Phoenix and Opportunity system on the MBDA Portal located at www.mbda.gov.

4. Project Monitoring and Advisement

MBDA will systematically monitor the performance of the MBEC, as provided under the operational quality performance measure. This monitoring includes regular review of data input to the Performance reporting system.

MBDA will conduct performance assessments of the 1st Semi-Annual performance period (first and second calendar quarters), 2nd Semi-Annual performance period (third and fourth calendar quarters) and Year-End performance period. These assessments are based on the MBEC's timely submission of its required Narrative Reports. The 1st Semi-Annual performance period will cover May 1 - August 31, 2007 only, due to the anticipated May 1, 2007 award start date. The 2nd Semi-Annual performance period will cover September 1 – December 31, 2007. The Year-End performance period will cover May 1 – December 31, 2007. This reporting adjustment will apply only to the first program year.

MBDA will also assess the MBEC's performance for the first quarter performance period (first calendar quarter) and the cumulative third quarter performance period (first through third calendar quarter). All data recorded in the Performance System shall be reviewed and analyzed. MBDA shall provide a written report of findings. MBDA shall conduct only the cumulative third quarter assessment (second through third quarter) in the first program year.

MBDA will conduct an on-site review of the MBEC to verify the Center's performance/claims, including (but not limited to) review of client files, fees billed, cost share requirements and overall operations. MBDA may also conduct a review of reported assistance by interviewing the clients assisted by the Center.

MBDA will assess each Center's effectiveness in providing business development services to its 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 MBEC staff and respond in a timely manner to correspondence requesting MBDA action.

MBDA may, upon unsuccessful performance by a MBEC, conduct a MBEC consultation. This consultation (which may be referred to as an advisement) is designed to assist a failing Center through collaborative support. The MBEC may be called upon to develop a performance improvement plan based on MBDA's findings, suggestions and recommendations.

III. Eligibility Information

A. Eligible Applicants

For-profit entities (including sole-proprietorships, partnerships, and corporations), and non-profit organizations, state and local government entities, American Indian Tribes,

and educational institutions are eligible to operate MBECs. Applicants receiving three (3) consecutive funding award cycles (beginning 2007 through 2015) will not be eligible to receive an award in 2016 (and thereafter).

B. Cost Sharing or Matching Requirements

Cost sharing of at least 20% is required. Cost sharing is the portion of the project cost not borne by the Federal Government. Applicants must meet this requirement in client fees and any one or more of remaining three means or a combination thereof: (1) client fees (mandatory); (2) cash contributions; (3) non-cash applicant contributions; and/or (4) third party in-kind contributions.

The MBEC program is a fee for service program. The MBEC must charge client fees for services rendered. The fees may range from \$10 to \$60 per hour based on the gross receipts of the client's business ranging from \$0 to \$5 million and above. The MBEC must comply with the following policy restrictions when charging client service fees:

- (1) client fees charged for one-on-one assistance must be based on a rate of \$100 per hour,
- (2) the MBEC must set fee rates based on the following chart:

Gross Receipts of Client	Base Rate for Services Rendered	Percent of Cost Borne by Client	Client Fee Per Hour
\$0 – 99,999	\$100.00	10%	\$10.00
\$100,000 – 299,999	\$100.00	20%	\$20.00
\$300,000 – 999,999	\$100.00	30%	\$30.00
\$1 Million – 2,999,999	\$100.00	40%	\$40.00
\$3 Million – 4,999,999	\$100.00	50%	\$50.00
\$5 Million and Above	\$100.00	60%	\$60.00

- (3) the MBEC must contribute cash for uncollected fees that were included as part of the cost sharing contribution committed for this award, and
- (4) client fees applied directly to the award's cost sharing requirement must be used in furtherance of the program objectives.

The applicant should take great care to project the number of hours it will serve clients. It is highly recommended that the applicant estimate the type of client it anticipates serving (by sales range). It should then break-out the type of services it may provide its clients followed by the estimated number of hours to complete tasks (i.e. consulting services, loan packaging, bid preparation assistance, etc.). These hours can then be multiplied by the client fee rate (as listed above). Individual sums should be tallied and result in a total estimate of anticipated fees billed in each program year. The number of consulting hours must match the total staff allocation summary for consulting hours (see IV. Application and Submission Information, section B.1.III, c).

The applicant should then provide its invoicing policy including when an invoice is provided to a client (i.e. upon completion of work assignment and/or successful completion of awarded transaction, accommodation for results, etc.), how it intends to collect fees, how it may apply a fee waiver (i.e. policy for clients with negative cash flow), and estimates for fees not collectable. These items should be taken into consideration and carefully described in each budget year and its respective budget narrative.

IV. Application and Submission Information

A. Address to Request Application Package

Electronic application packages are available at: <http://www.mbda.gov> . Paper applications may be obtained by contacting the specified MBDA National Enterprise Center (NEC) for the geographic service area (Section I.J; see also Section VII, Agency Contacts) in which the project will be located or visit MBDA's Minority Business Internet Portal at www.mbda.gov. Standard forms may be obtained by (1) contacting MBDA as described above; (2) by downloading Standard forms at <http://www.whitehouse.gov/omb/grants> or <http://www.Grants.gov>, and Department of Commerce forms at www.doc.gov/forms. If an applicant files electronically, all application materials and forms are available at the Grants.gov website.

B. Content and Form of Application Submission

Applications may be submitted electronically or in paper format. Instructions for submitting electronically are posted at www.Grants.gov. Paper applications must be submitted by delivering an original and two copies to the listed submission address as set forth below in Section IV.F.

A completed application consists of: Program and Budget Narratives (for each funding period); Standard Forms 424, Application for Federal Assistance; 424A, Budget Information-Non-Construction Programs; and 424B, Assurances-Non-Construction Programs; SF-LLL (Rev. 7-97)(if applicable); Department of Commerce Forms, CD-346, Applicant for Funding Assistance; and CD-511, Certification Regarding Lobbying and required attachments.

1. Proposal Format

The structure of the proposal should contain the following headings and information, in the following order:

I. Cover Page

II. Table of Contents

III. Program Narrative

- a. Applicant Capability – In addition to the applicant’s narrative discussion of this evaluation criterion (see V. Application Review Information, section A.1), include the following specific documentation as attachments: a resume setting forth the qualifications of the project director, along with a copy of a college transcript, as appropriate; original commitment letter from the proposed project director; resumes of other key individuals who will be involved in operating the MBEC; position descriptions; qualification standards and salary ranges for all staff should also be included as part of the application. Applicants must provide a copy of their Articles of Incorporation, by-laws and IRS 501(c)(3) non-profit letter or other evidence of non-profit status. Include organizational background information on prior experience in working with minority firms, delivery of applicable services (as outlined in this Announcement), and successful client outcomes. In particular, applicants should provide a market assessment in support of its application and include its prior experiences with assisting MBEs in supply chains. Also, applicants shall submit a summary plan (no more than 2 pages in length) describing how it would use MBDA funds to help create a self-sustainable service model for continued services to the MBE community beyond the MBDA three year funding cycle. It is important that the applicant demonstrate its capabilities as it pertains to this Announcement. Applicant capability should support all elements required particularly as outlined under the section, Work Requirements.
- b. Resources – In addition to the applicant’s narrative discussion (see V. Application Review Information, section A.2), include the following specific documentation: original commitment letters from those resources listed and indicating their willingness to work with the applicant. These resources can include such items as facilities, equipment, voluntary staff time and space, and financial resources. One to two letters of support (with contact information) from prior assisted larger minority firms and community organizations should be included from those resources willing to work with the applicant. The applicant should provide a description of its existing client base as part of its qualification under resources. It is important that the applicant provide a detailed proposal for how it shall establish and adhere to Section F. Computer Requirements. The applicant should also include a network map that identifies each user station, equipment type and routing.
- c. Techniques and Methodologies - In addition to the applicant’s narrative discussion of this evaluation criterion (see V. Application review Information, section A.3), include a specific plan-of-action detailing how the work requirements will be met for each of the three (3) program years. Included in

this plan should be a discussion of how the MBEC will be established; the methodology for accomplishing the work requirements; implementation strategies with timelines; and how the applicant will integrate the work requirements with the MBEC program performance measures. It is also important that the application include information on how the applicant will integrate the MBEC program service requirements to its existing infrastructure. Applicants should develop and submit a proposed marketing plan as part of their proposal responding to this criterion. This plan should be strategic in order to maximize the number of SGI firms it will serve throughout each program year. The applicant must provide a quarterly breakdown of the goals, and estimated client service hours delivered to clients (by MBE annual sales range). These hours must correspond to the applicant's proposed budget.

In addition, the applicant must provide a staffing allocation summary in its proposal as part of the work requirements execution plan under this criterion. The staff allocation summary must be based on a project director at 100% of his/her time to the MBEC, all other staff, volunteers and interns. The applicant is encouraged to provide administrative support staff to the MBEC. 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 and the estimated client-service hours to be delivered by each. Below is an example of a staff allocation summary.

A separate staffing allocation summary must be provided for each of the three program years. Please note that the staff allocation summary for year 1 of this project must reflect an eight (8) month funding period (May 1, 2007 – December 31, 2007). The staff allocation summary for year 2 (January 1, 2008 – December 31, 2008) and for year 3 (January 1, 2009 – December 31, 2009) of this project must each reflect each a twelve (12) month funding period.

Example: Staff Allocation Summary - Year X

Role	Status	Project Allocation	Hours	Client Consulting		Admin Time		Other (List Here) Time	
				Hrs & %	Hrs & %	Hrs & %	Hrs & %	Hrs & %	
Project Director	Full Time	100%	2,050	410	20%	1,025	50%	615	30%
Business Consultant	Full Time	100%	2,050	1,640	80%	205	10%	205	10%
Business Consultant	Part Time	80%	1,640	1,312	80%	164	10%	164	10%
Admin. Asst.	Full Time	100%	2,050	0	0%	2,050	100%	0	0%
Intern	Part Time	50%	1,025	103	10%	820	80%	103	10%
Total			8,815	3,465	39%	4,264	49%	1,087	12%

Note: Client consulting time is actual billable hours and should correspond to the budget narrative

- d. Costs – In addition to the applicant’s narrative discussion of this evaluation criterion (see V. Application Review Information, section A. 4), include how client fees will be used to meet the cost-share. Client fees must be consistent with the type of clients to be served as outlined in this Announcement (see discussion at; III. Eligibility Information, section B. Cost Sharing or Matching Requirements). Non-federal cost share must be itemized for each of the proposed program years in the SF-424A and the budget narrative. All 3rd party in-kind contributions must be supported by an original and signed commitment letter from those resources. Failure to provide this document will result in the disallowance of the amount proposed and evaluation points to be reduced.

Applicants are reminded that costs must be proposed for the following required travel:

1. Post Award Conference – 1-2 day travel in or near the MBDA NEC for the award recipient (a.k.a. Project Operator) and Project Director.
2. Program Review and Orientation – no travel required.
3. MBDA National Conference – 3-4 days of travel. Location normally held in the continental U.S., for the Project Director and at least one MBEC consultant.
4. NEC MED Week Conference – 1-2 days of travel in or near the MBDA NEC for the Project Director and at least one MBEC consultant.
5. National MED Week – 3-4 days of travel to Washington, DC, for the Project Director and at least one MBEC consultant.
6. “Implementing a System for High-Quality Service” – 5-day mandatory training session for the Project Director and all MBEC consultants, to be held in Hanover, New Hampshire in 2007. This session may be held in 2008 and 2009 depending on the availability of funds. However, for 2008 and 2009 only, the MBEC shall budget travel related expenses and a \$5,000 registration fee (program fee, materials, lodging and some meals included) for at least one staff person to attend this training during both years. .
7. Coaching Program – no travel required.
8. Specialized Training Program – a 4-day training for one staff consultant, to be held in Atlanta, Georgia or Washington, DC. Attendance is mandatory. The MBEC shall budget for at least one staff to attend the first year in Atlanta, Georgia. The MBEC shall budget for travel expense including round trip airfare, local travel, hotel/lodging fees, miscellaneous expenses and some meals. The specialized training program may be conducted in 2008 and 2009 pending the availability of funds. The applicant should include estimated costs in its proposal.

Participation of the award recipient (operator) to the Post Award Conference and (a) MBDA National Conference and/or (b) MBDA

National MED Week is mandatory. The applicant may include these costs in the proposal under federal or non-federal cost share.

Applicants must submit operating plans and budgets for each of the three funding periods, i.e., (1) May 1, 2007 – December 31, 2007, (2) January 1, 2008 – December 31, 2008, and January 1, 2009 – December 31, 2009.

Pages of the proposal should be numbered consecutively, including attachments.

IV. Forms

Forms include Standard Forms 424, Application for Federal Assistance; 424A, Budget Information-Non-Construction Programs; and 424B, Assurances-Non-Construction Programs; SF-LLL (Rev. 7-97)(if applicable); Department of Commerce Forms, CD-346, Applicant for Funding Assistance (when filing electronically, include CD-346 as an attachment as described below); and CD-511, Certification Regarding Lobbying.

V. Attachments

Include the identified attachments above in sections IV.B.1.III.a., b., c., and d. (Note: The CD-346 is not available within the Grant.gov application package for electronic filing. However, it can be found at www.doc.gov/forms. The form can be completed and attached to the application. An original signature copy of the CD-346 will be required before an award will be made to the successful applicant.)

2. Application Forms and Package

Application Forms and Package – Paper Submission

A completed proposal submitted by mail/overnight delivery, or hand delivery must have the following sections:

- Program Narrative (for each of the three (3) funding periods);
- Budget and Budget Narrative (one for each funding period);
- Standard Forms 424; 424A; 424B; and SF LLL (if applicable);
- Department of Commerce forms CD-346 (for key individuals); CD-511; and
- Attachments as identified above in sections IV.B.1.III a., b., c., and d.(including but not limited to: business organization documents, resumes, official transcripts for project director, position descriptions, letters of support, signed commitment letters from proposed key staff and in-kind contributors, etc.)

Failure to include, by the deadline, a signed, original SF-424 with the paper application will result in the application being rejected and returned to the applicant. Failure to sign and submit the REMAINING FORMS with the paper application by the deadline will automatically cause an application to lose two (2) points in the overall score. Failure to submit other documents or information required may also adversely affect an applicant's overall score. MBDA shall not accept any changes, additions, revisions or deletions to competitive applications after the closing date for receiving applications, except through a formal negotiation process. MBDA may also contact applicants for additional clarifications after the final evaluation by the review panel.

Application Forms and Package – Electronic Submission

A completed proposal submitted electronically consists of the following sections:

- Program Narrative (for each of the three (3) funding periods);
- Budget and Budget Narrative (one for each funding period);
- Standard Forms 424; 424A; 424B; and SF LLL (if applicable);
- Department of Commerce Form CD-511;
- Department of Commerce form CD-346 (for key individuals) (Note: The CD-346 is not available within the Grants.gov application package. However, it can be found at www.doc.gov/forms. The form can be completed and attached to the application. An original signature copy of the CD-346 will be required before an award will be made to the successful applicant.); and
- Attachments as identified above in sections IV.B1.III.a., b., c., and d. (including but not limited to: business organization documents, resumes, official transcripts for project director, position descriptions, letters of support, signed commitment letters from proposed key staff and in-kind contributors, CD-346, as described above, etc.)

The preferred format for electronic attachments is .pdf. Files in this format may be read by practically any computer using free reader software. This is the most prevalent format for documents that are scanned from hard-copy. However, the Department will accept electronic files in Word, Wordperfect, Lotus or Excel formats as well.

Failure to include, by the deadline, a complete application as described above, will result in the application being rejected by Grants.gov. [Note: An electronic application cannot be submitted at 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. MBDA shall not accept any changes, additions, revisions or deletions to competitive applications after the closing date for receiving applications, except through a formal negotiation process. MBDA may also contact applicants for additional clarifications after the final evaluations by the review panel. MBDA may allow more time for applicant submission due to system problems at Grants.gov that are beyond the control of the applicant.

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 should save and print the proof of submission they receive from www.grants.gov. The due date and time is the same for electronic submission as it is for hard-copy submissions. Applicants should plan to submit electronically several days before the deadline as some processes (i.e. Central Contractor Registry (CCR)) may require 3-5 working days. Doing so will help them to ensure that the applicant is completed before submitting online.

If problems occur while using www.grants.gov, the applicant is directed to (a) print any error message received, and (b) call Grants.gov directly at 1-800-518-4726 for immediate assistance. Grants.gov hours of operations are Monday-Friday, 7:00 a.m. to 9:00 p.m. Eastern Standard Time (except for Federal holidays).

Additional Information and Contact: For further information, please visit MBDA's Minority Business Internet Portal at www.mbda.gov. Paper applications and standard forms may be obtained by contacting the MBDA National Enterprise Center (NEC) for the area in which the applicant is located (see section VII. Agency Contacts). Forms 424, 424A, 424B, and SF-LLL can also be obtained at <http://www.whitehouse.gov/omb/grants>, or <http://www.grants.gov>. Forms CD-511, and CD-346 may be obtained at www.doc.gov/forms.

C. Submission Dates and Times

The closing date for receipt of applications is March 5, 2007. Completed applications must be received by MBDA no later than 5:00 p.m. Eastern Standard Time at the address below for paper submission or at www.Grants.gov for electronic submission. The due date and time is the same for electronic submissions as it is for paper submissions. The date that applications will be deemed to have been submitted electronically shall be the date and time received at Grants.gov. Applicants should save and print the proof of submission they receive from Grants.gov. Applications received after the closing date and time will not be considered. Anticipated time for processing is sixty (60) days from the date of publication of this FFO.

D. Intergovernmental Review

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

E. Funding Restrictions

Construction is not an allowable activity under the MBEC Program.

Management Fee: For-Profit as well as Not-For-Profit organizations may negotiate a management fee but such fees shall not exceed 7% of the total estimated direct costs (Federal plus Non-Federal) for the proposed award.

Indirect Costs: The total dollar amount of the indirect costs proposed in an application under this program must not exceed the indirect cost rate negotiated and approved by the cognizant Federal agency prior to the proposed effective date of the award or 100 percent of the total proposed direct costs dollar amount in the application, whichever is less. A copy of an approved indirect cost rate must be included in the application package if indirect costs are proposed.

F. Other Submission Requirements

Responsibility for ensuring that applications are complete and received by MBDA on time is the sole responsibility of the Applicant.

Addresses:

1a) Paper Submission – If Mailed: If the application is mailed/shipped overnight by the applicant or its representative, one (1) signed original plus two (2) copies of the application must be submitted. Completed application packages must be mailed to:

Office of Business Development – MBEC Program
Office of Executive Secretariat, HCHB, Room 5063
Minority Business Development Agency
U.S. Department of Commerce
14th Street and Constitution Avenue, NW
Washington, DC 20230

U.S. Department of Commerce delivery policies for Federal Express, UPS, and DHL overnight services require the packages to be sent to the address above.

1b) Paper Submission – If Hand-Delivered: If the application is hand-delivered by the applicant or his/her representative, one (1) signed original plus two (2) copies of the application must be delivered to:

U.S. Department of Commerce
MINORITY BUSINESS DEVELOPMENT AGENCY
Office of Business Development – MBEC Program (extension 1940)
HCHB, Room 1874
Entrance #10
15th Street, NW
Washington, DC
(Between Pennsylvania and Constitution Avenues)

U.S. Department of Commerce “hand-delivery” policies state that Federal Express, UPS, and DHL overnight services submitted to the address listed above (Entrance #10) cannot

be accepted. These policies should be taken into consideration when utilizing their services. MBDA will not accept applications that are submitted by the deadline but rejected due to Departmental hand-delivery policies. The applicant must adhere to these policies in order for his/her application to receive consideration for award.

2) Electronic Submission: Applicants are encouraged to 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/ForApplicants> for detailed information). MBDA strongly recommends that applicants not wait until the application deadline date to begin the application process through Grants.gov.

V. Application Review Information

A. Evaluation Criteria

Proposals will be evaluated and applicants will be selected based on the following criteria. An application must receive at least 70% of the total points available for each evaluation criterion, in order for the application to be considered for funding. The maximum number of total points for each evaluation criterion is provided below. The number of points assigned to each evaluation criterion will be determined on a competitive basis by the MBDA review panel based on the quality of the application with respect to each criterion. The maximum total of points that can be earned is 105 including the bonus points for related non-federal cost sharing, except when oral presentations are made by applicants. If oral presentations are made (see below, item 5. Oral Presentation - Optional), the maximum total of points that can be earned is 115.

1. Applicant Capability (40 points).

The applicant's proposal will be evaluated with respect to the applicant firm's experience and expertise in providing the work requirements listed. Specifically, the proposals will be evaluated as follows:

- a) MBE Community - experience in and knowledge of the minority business sector and strategies for enhancing its growth and expansion; particular emphasis shall be on expanding SGI firms (4 points);
- b) Business Consulting - experience in and knowledge of business consulting of SGI firms (5 points);
- c) Financing - experience in and knowledge of the preparation and formulation of successful financial transactions (5 points);
- d) Procurements and Contracting - experience in and knowledge of the public and private sector contracting opportunities for minority businesses, as well as demonstrated expertise in assisting MBEs into supply chains (5 points);

- e) Financing Networks - resources and professional relationships within the corporate, banking and investment community that may be beneficial to minority-owned firms (5 points);
- f) Establishment of a Self-Sustainable Service Model – summary plan to establish a self-sustainable model for continued services to the MBE community beyond the MBDA funding cycle (3 points);
- g) MBE Advocacy - experience and expertise in advocating on behalf of minority businesses, both as to specific transactions in which a minority business seeks to engage, and as to broad market advocacy for the benefit of the minority community at large (3 points); and,
- h) Key Staff - assessment of the qualifications, experience and proposed role of staff who will operate the MBEC. In particular, an assessment will be made to determine whether proposed key staff possess the expertise in utilizing information systems (see I. Funding Opportunity Requirements, Section F. Computer Requirements) and the ability to successfully deliver services (see I. Funding Opportunity Description, section E. Work Requirements) (10 points).

2. Resources (20 points).

The applicant's proposal will be evaluated according to the following criteria:

- a) Resources - discuss those resources (not included as part of the cost-sharing arrangement) that will be used, including (but not limited to) existing prior and/or current data lists that will serve in fostering immediate success for the MBEC (8 points);
- b) Location – Applicant must indicate if it shall establish a location for the Center that is separate and apart from any existing offices in the geographic service area (2 points);
- c) Partners - discuss how you plan to establish and maintain the network of five (5) Strategic Partners and how these partners will support the MBEC to meet its performance objectives (5 points); and,
- d) Equipment - discuss how you plan to accomplish the computer hardware and software requirements (5 points).

3. Techniques and Methodologies (20 points).

The applicant's proposal will be evaluated as follows:

- a) Performance Measures - relate each performance measure to the financial, information and market resources available in the geographic service area to the applicant (including existing client list) and how the goals will be met (marketing plan). Specific attention should be placed on matching performance outcomes (as described under Section J., Geographic Service Areas and Performance Goals) with client service (billable) hours. The applicant should consider existing market conditions and its strategy to achieve the goal (10 points);
- b) Plan of Action – provide specific detail on how the applicant will start operations. The MBEC shall have thirty (30) days to become fully operational after an award is made. Fully operational means that all staff are hired, all signs are up, all items of furniture and equipment are in place and operational, all necessary forms are developed (e.g., client engagement letters, other standard correspondence, etc.), and the center is ready to open its doors to the public (5 points); and,
- c) Work Requirement Execution Plan - The applicant will be evaluated on how effectively and efficiently all staff time will be used to achieve the work requirements (5 points).

4. **Proposed Budget and Supporting Budget Narrative (20 points).**

The applicant's proposal will be evaluated on the following sub-criteria:

- a) Reasonableness, allowability and allocability of costs. All of the proposed expenditures must be discussed and the budget line item narrative must match the proposed budget. Fringe benefits and other percentage item calculations must match the proposed line item on the budget (5 points);
- b) Proposed cost sharing of 20% is required. The non-Federal share must be adequately documented, including how client fees will be used to meet the cost-share (5 points); and,
- c) Performance Based Budget. Discuss how the budget is related to the accomplishment of the work requirements and the performance measures. Provide a budget narrative that clearly shows the connections (10 points).

Proposals with cost sharing which exceeds 20% will be awarded bonus points on the following scale: more than 20%-less than 25% - 1 point; 25% or more-less than 30% - 2 points; 30% or more-less than 35% - 3 points; 35% or more-less than 40% - 4 points; and, 40% or more - 5 points.

5. **Oral Presentation - Optional (10 points)**

Oral presentations are held only when determined by MBDA. When the merit review by the panel results in applications scoring 70% or more of the available points for each

criterion, MBDA may request all those applicants to develop and provide an oral presentation. This presentation will be used to establish a final evaluation and rating.

The applicant's presentation will be evaluated on the following sub-criteria:

- a) The extent to which the presentation demonstrates how the applicant will effectively and efficiently assist MBDA in the accomplishment of its mission (2 points);
- b) The extent to which the presentation demonstrates business operating priorities designed to manage a successful MBEC (2 points);
- c) The extent to which the presentation demonstrates a management philosophy that achieves an effective balance between micromanagement and complete autonomy for its Project Director (2 points);
- d) The extent to which the presentation demonstrates robust search criteria for the identification of a Project Director (1 point);
- e) The extent to which the presentation demonstrates effective employee recruitment and retention policies and procedures (1 point); and,
- f) The extent to which the presentation demonstrates a competitive and innovative approach to exceeding performance requirements (2 points).

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.

2. Panel Review

Each application will receive an independent, objective review by a panel qualified to evaluate the applications submitted. MBDA anticipates that the review panel will be made up of at least three independent reviewers (all Federal employees) who will review all applications based on the above evaluation criteria. Each reviewer will evaluate and provide a score for each proposal. In order for an application to be considered for funding, it shall need to achieve 70% of the available points for each criterion. Failure to achieve these results will automatically deem the application as unsuccessful.

3. Oral Presentation – Optional

When the merit review by the panel results in applications scoring 70% or more of the available points for each criterion, MBDA may request all those applicants to develop and provide an oral presentation. The applicants may receive up to 10 additional points based on the presentation and content presented (*see* Section V.A.5 of this FFO).

If a formal presentation is requested, the applicants will receive a formal communication (via standard mail, e-mail or fax) from MBDA indicating the time and date for the

presentation. In person presentations are not mandatory but are encouraged; telephonic presentations are acceptable. Applicants will be asked to submit a power point presentation (or equivalent) to MBDA that addresses the oral presentation criteria (*see* Section V.A.5 of this FFO). This presentation must be submitted at least 24 hours before the scheduled date and time of the presentation. The presentation will be made to the National Director (or his/her designee) and/or up to three senior MBDA staff who did not serve on the merit evaluation panel. The oral panel members may ask follow-up questions after the presentation. MBDA will provide the teleconference dial-in number and pass code. Each finalist will present to MBDA staff only; other applicants are not permitted to listen (and/or watch).

All costs pertaining to this presentation shall be borne by the applicant. MBEC award funds may not be used as a reimbursement for this presentation. MBDA will not accept any requests or petitions for reimbursement.

The oral panel members shall score each presentation in accordance with the oral presentation criteria. An average score shall be compiled and added to the score of the original panel review.

4. Final Recommendation

The National Director of MBDA makes the final recommendation to the Department of Commerce Grants Officer regarding the funding of applications, taking into account the selection criteria as outlined in this Announcement and the following:

- a) The evaluations and rankings of the independent review panel and the evaluation(s) of the oral presentations, if applicable;
- b) Funding priorities (see I. Work Requirements, section D. Funding Opportunity Description). The National Director (or his/her designee) reserves the right to conduct a site visit (subject to the availability of funding) to applicant organizations receiving at least 70% of the total points available for each evaluation criterion, in order to make a better assessment of the organization's capability to achieve the funding priorities; and,
- c) The availability of funding.

VI. Award Administration Information

A. Award Notices

The notice of award (CD-450) is signed by the DoC Grants Officer and is the authorizing document. It is provided by Federal Express to the appropriate business office of the recipient organization.

MBDA will notify unsuccessful applicants, in writing, by postal mail. Those proposals that are not ultimately selected for funding will be destroyed, unless requested by the applicant, in writing, within thirty (30) days of notification.

B. Unsuccessful Competition

On occasion, competitive solicitations or competitive panels may produce less than optimum results, such as competition resulting in the receipt of no applications or 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 that 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: (1) Re-competition or (2) Re-Paneling or (3) Negotiation.

C. 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 December 30, 2004 (69 FR 78389). You may obtain a copy of these notices by contacting the agency contact under section VII, or by going to the website at: www.access.gpo.gov/su_docs/aces140.html.

D. Reporting

Financial reports are to be submitted to the DoC Grants Office on a quarterly basis. A final financial report is due within 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 quarter. An end-of-year or final performance report is due forty-five (45) days after the end of each funding year.

All new clients shall be entered into the Performance System and registered in the Phoenix System. The MBEC is required to enter clients and services into the Performance System within seventy-two (72) hours from the time of service.

VII. Agency Contacts

General MBEC information can be obtained through the applicable National Enterprise Center listed in Section I.J. of this FFO. In addition, prospective applicants can also contact:

Mr. Efrain Gonzalez
Program Manager
MBDA Office of Business Development
U.S. Department of Commerce
14th and Constitution Ave., NW
Room 5075

Washington, DC 20230
202-482-1940

VIII. Other Information

- **KEY POINTS TO REMEMBER: The Federal amount is not negotiable!** The full amount of Federal funds designated for the award must be used in its entirety in the proposal.
- **All proposed costs must be accompanied by written narrative.** Read the budget narrative requirements in the application kit carefully. All costs must be explained in writing.
- **Indirect Costs.** The indirect cost policies contained in 2 C.F.R. part 220 (2006) (OMB Circular A-21, "Cost Principles for Educational Organizations), 2 C.F.R. part 225 (2006) (OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments) and 2 C.F.R. part 230 (2006) (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. 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.

Organizations with indirect costs that do not have an established indirect cost rate negotiated and approved by a cognizant Federal agency may still propose indirect costs. For the recipient to recover indirect costs, however, the proposed budget must include a line item for such costs. Also, the recipient must prepare and submit a cost allocation plan and indirect cost rate proposal as required by applicable regulation cited above. The allocation plan and the rate proposal must be submitted to the Department's Office of Acquisition Management within 90 days from the effective date of the proposed award.

- **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. Applicants are reminded that other audits may be conducted by the Office of Inspector General.
- **Limitation of Liability.** In no event will the MBDA or the Department of Commerce be responsible for proposal preparation costs if these programs fail to receive funding or are cancelled because of Agency priorities. Publication of this Announcement does not oblige the Agency to award any specific project or to obligate any available funds.