

sector and strategies for enhancing its growth and expansion (5 points);

- Business Consulting—experience in and knowledge of business consulting of rapid growth-potential minority firms (10 points);

- Financing—experience in and knowledge of the preparation and formulation of successful financial transactions (5 points);

- Procurements and Contracting—experience in and knowledge of the public and private sector contracting opportunities for minority businesses (5 points);

- Financing Networks—resources and professional relationships within the corporate, banking and investment community that may be beneficial to minority-owned firms (5 points);

- 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 (5 points); and

- Key Staff—assessment of the qualifications, experience and proposed role of staff who will operate the MBDC. In particular, an assessment will be made to determine whether proposed staff possess the expertise in utilizing information systems as contemplated under the heading entitled, "Computer Requirements" (10 points).

2. Resources (20 Points)

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

- *Resources*—discuss those resources (not included as part of the cost-sharing arrangement) that will be used. (10 points);

- *Partners*—discuss how you plan to establish and maintain the network of five (5) Strategic Partners (5 points);

- *Equipment*—discuss how you plan to accomplish the computer hardware and software requirements (5 points).

3. Techniques and Methodologies (25 Points)

The applicant's proposal will be evaluated as follows:

- *Performance Measures*—relate each performance measure to the financial, information and market resources available in the geographic service area to the applicant and how the goals will be met. Specific attention should be placed on the Dollar Value of Transactions (as described under Definitions). This goal represents the sum of (a) Dollar Value of Financial Transactions and (b) Dollar Value of Gross Receipts. When proposing the

minimum goal under Dollar Value of Transactions, the applicant is given the flexibility to address the percentage breakdown for items (a) and (b) above within a specific range—not more than 60% and not less than 40%. The applicant should consider existing market conditions and its strategy to achieve the goal. The applicant may vary the percentage breakdown for items (a) and (b) above as long as the sum meets the required goal as provided by MBDA in this Notice (as described under Geographic Service Areas). (15 points);

- *Plan of Action*—provide specific detail on how the applicant will start operations. MBDCs 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);

- *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 (10 Points)

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

- Reasonableness, allowability and allocability of costs (5 points).
- Proposed cost sharing of 15% is required. The non-Federal share must be adequately documented, including how client fees will be used to meet the cost-share (5 points).

Bonus Points

Proposals with cost sharing which exceeds 15% will be awarded bonus points on the following scale: 16–20%—1 point; 21–25%—2 points; 26–30%—3 points; 31–35%—4 points; and over 36%—5 points.

- *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 OMB Circulars A–21, A–87 and A–122 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 OMB circulars (A–21, A–87 and A–122). 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.

- *Management Fee.* For-profit as well as not-for-profit organizations may negotiate their management fees, but they shall not exceed 7% of total estimated direct costs (Federal plus non-Federal) for the proposed award.

- *Program Income.* Many of MBDA's business development services programs allow their awardees to charge a fee for services rendered to clients. Where applicable, fees are considered program income and shall be accounted for and used to finance the non-Federal cost-share of the project. Any excess fee income shall be used to further the program purpose in accordance with the terms and conditions of the award.

Selection Procedures: Prior to the formal paneling process, each application will receive an initial screening to ensure that all required forms, signatures and documentation are present. 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