

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF FINANCIAL ASSISTANCE

MICROENTERPRISE DEVELOPMENT BRANCH

AMENED PROGRAM ANNOUNCEMENT

PROGRAM FOR INVESTMENT IN MICROENTREPRENEURS ACT ("PRIME")

**MICROENTERPRISE AND TECHNICAL ASSISTANCE PROGRAMS TO
DISADVANTAGED ENTREPRENEURS**

FISCAL YEAR 2010

OPENING DATE: June 15, 2010

CLOSING DATE: July 30, 2010

ANNOUNCEMENT NUMBER: PRIME -2010-01

**Track 1 Funding for provision of business based technical
assistance for disadvantaged Microentrepreneurs**

Track 2 Funding for Capacity Building

**Track 3 Funding for Research and Development of Best
Practices in the Field of Microenterprise Development**

Proposals are to be posted to www.grants.gov by

11:59:59 P.M. EST on July 30, 2010

OVERVIEW

Federal Agency Name: U.S. Small Business Administration
Office of Financial Assistance

Funding Opportunity Title: Program for Investment in Microentrepreneurs Act
("PRIME")

Announcement Type: Initial

Funding Opportunity Number: PRIME-2010-01
Track 1
Track 2
Track 3

CDFA Number: 59.050

Closing Date for Submissions: July 30, 2010 at 11:59 PM Eastern Daylight Time

Authority: Program for Investment in Microentrepreneurs Act
of 1990 - "PRIME" 13 C.F.R. Part 119

Funding Instrument: Grant

Funding Period: FY2010

Funding: Funding is subject to the availability of funds and the requirements enumerated under the Act.

Funding Range: Award amounts may vary, depending upon availability of funds; however, no single **grantee** may receive more than \$250,000 or ten (10) percent of the total funds made available for this program in a single fiscal year, whichever is less. In general, a 50% match is required, although SBA may reduce or eliminate the match in certain circumstances (up to a program limit of 10 percent).

Number of Awards: SBA anticipates issuing multiple awards under this Announcement. The number may vary, based on the needs of the pool of qualified applicants received and the amount of available funds.

Targeted Assistance: A minimum of 50% of the funds available for grants under the PRIME Act must be used to benefit very low-income persons (as defined in this document), including those residing on Indian reservations.

Project Starting Date: 90 to 120 days after the closing date of the application (estimated).

Project Duration: The performance for this grant is one base year subject to availability of funds. The total possible period of performance is one (1) year in addition to four (4) option years depending on availability of funds. Failure to secure the required annual non-Federal contribution during any project year may jeopardize continue funding.

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I. Funding Opportunity

A. PURPOSE OF LEGISLATION

The Program for Investment in Microentrepreneurs Act of 1999 (P.L. 106-102) became law on November 12, 1999. U.S.C. § 6901 et seq. ("PRIME" or "the ACT"). The Act authorizes the Administrator of the U.S. Small Business Administration ("SBA") to establish a microenterprise training and technical assistance program for disadvantaged microentrepreneurs and to provide training and capacity building grant programs to microenterprise development organizations ("MDOs"). Additionally, the Act authorizes research and development of best practices for microenterprise development and technical assistance programs for disadvantaged entrepreneurs and other activities as the administrator of SBA determines are consistent with the Act.

PRIME has several purposes for grant funding as Applicants may apply for one or more Tracks:

Track 1 - Technical Assistance calls for applications from qualified organizations wishing to obtain grant funding for the purpose of providing training and technical assistance programs for disadvantaged microentrepreneurs.

Track 2 - Capacity Building calls for applications from qualified organizations wishing to obtain grant funding for the purpose of providing training and capacity building services to microenterprise development organizations, programs and groups of such organizations to assist them in developing microenterprise training and services.

Track 3 - Best Practices calls for applications from qualified organizations wishing to obtain grant funding for the purpose of pursuing research and developing best practices in the field of microenterprise and technical assistance programs for disadvantaged microentrepreneurs.

Specifically, Track 3 solicits proposals from qualified organizations wishing to obtain grant funding for the purpose of researching and developing best practices in the field of microenterprise and technical assistance programs for disadvantaged microentrepreneurs in addition to studying the impact of technical assistance provided to microborrowers.

B. INTRODUCTION

Many low-income and very low-income entrepreneurs need training and technical assistance to start, operate, or expand their businesses. In order to achieve measurable success in the effort to provide direct training and technical assistance to low-income and very low-income individuals, PRIME will award grants for the research and development of best practices in the delivery of services to disadvantaged microentrepreneurs.

For every business started or Microloan made, a number of entrepreneurs are preparing themselves for a business start. A generally accepted assumption in the microenterprise industry is that it takes approximately 10 potential microentrepreneurs for every microenterprise started or microloan booked. The cost of training is substantial because those at the entry-level stage of development typically require the greatest amount of dedicated advice and guidance, over an extended period of time, to achieve the highest rates of success. Funding is scarce relative to the need. The microenterprise industry has found the technical assistance-funding gap to be a nationwide condition, particularly in the very low-income sector.

C. PROGRAM OVERVIEW

1. **Project Name:** Program for Investment in Microentrepreneurs ("PRIME") Tracks 1, 2 and 3.
2. **Purpose:** Aid in researching and developing best practices in the field of microenterprise and technical assistance programs for disadvantaged microentrepreneurs.
3. **Federal Catalog Number:** 59.050
4. **Authority:** The Program for Investment in Microentrepreneurs Act of 1990 "PRIME," 15 U.S.C. § 6901 et .seq.
5. **Funding Instrument:** Grant.
6. **Funding:** Funding is subject to the availability of funds and the requirements enumerated under the Act.
7. **Funding Range:** Award amounts may vary, depending upon availability of funds; however, no single **grantee** may receive more than \$250,000 or ten (10) percent of the total funds made available for this program in a single fiscal year, whichever is less. In general, a 50% match is required, although SBA may reduce or eliminate match in certain circumstances (up to a program limit of 10 percent).
8. **Number of Awards:** SBA anticipates issuing multiple awards under this Announcement. The number of awards made will depend upon the number of qualified applications received, the availability of funds, and use of funds requirements. .
9. **Targeted assistance:** A minimum of 50% of the funds available for grants under the PRIME Act must be used to benefit very low-income persons (as defined in this document), including those residing in Indian reservations.
10. **Closing Time and Date for the Submission of Applications:** July 30, 2010 at 11:59:59 P.M. Eastern Time.

11. Project Starting Date: Estimated to be 90 to 120 days after the closing date of the application.
12. Project Duration: The period performance for this grant is one base year with four (4) twelve-month options subject to availability of funds. The total possible period of performance is five (5) years. Each option year will constitute a separate budget period. The project recipient's satisfactory performance will be one of the key factors in determining the award of an option year. Failure to secure the required annual non-Federal contribution during any project year may jeopardize continued option year funding.
13. Proposal Evaluator: Applications will first be screened to determine if the applicant meets certain mandatory eligibility requirements. Applicants that do not document in their application that they meet these requirements will not be evaluated by SBA for participation in the PRIME Program. In addition, applications that are incomplete, illegible, or unreadable, in whole or in part, will be deemed incomplete and will not be evaluated.

Eligible proposals will be scored by an Objective Review Committee (ORC) based on evaluation criteria stated in this program announcement. The ORC will consist of SBA officials and may include Federal Officials from other agencies.

Office of Entrepreneur Development (ED) staff will review the ORC evaluations, the ORC's summary report on each applicant, and the applicant's proposals to determine the final scoring of award recipients. SBA may ask applicants for clarification on the technical and cost aspects of the proposals. Such clarifications must not be construed as a commitment to fund the proposed effort.

14. Points of Contact: Questions concerning the technical aspects of this Program Announcement should be directed to the Microenterprise Development Branch (MDB) on (202) 205-6490. However, due to the competitive process, SBA will be unable to assist with answers to specific questions regarding individual proposals or requests for assistance in completing proposals.

Questions concerning budget, cost elements or funding of this Grant should be directed to David DeLeva (202) 205-7051.

15. Award Notification: All applicants will receive a written notification relative to selection of award recipients. This written notice will be SBA's final response to this program announcement. **SBA does not anticipate providing debriefing sessions for unsuccessful applications.**
16. Cancellation: SBA reserves the right to cancel this Program Announcement in whole or in part at the Agency's discretion.

II. Award Information

Award amounts may vary, depending upon availability of funds; however, no single **grantee** may receive more than \$250,000 or ten (10) percent of the total funds made available for this program in a single fiscal year, whichever is less. In general, 50% match is required, although SBA may reduce or eliminate match in certain circumstances (up to a program limit of 10 percent).

SBA anticipates issuing multiple awards under this Announcement. However, SBA does not anticipate awarding more than 20 grants nationwide.

The period of performance for this grant will begin during Fiscal Year (FY) 2010 which will be the base year. Applicants may be approved for option year funding for up to four subsequent years. All option year awards will be subject to the availability of funds and are not guaranteed. The project recipient's satisfactory performance will be one of the key factors in determining continued funding. Failure to secure the required annual non-Federal contribution during the project year may jeopardize continued funding.

A. GENERAL INFORMATION

1. Definitions

Throughout this program announcement terminology may be used, as defined in the Act and the accompanying final rule Code of Federal Regulations (13 CFR Part 119). The definitions are contained in a glossary of terms located at the end of this document.

2. Collaborative Applications

- a. If the applicant is a collaborative as defined, all entities that are parties to the collaborative must separately meet the statutory requirements and eligibility requirements in order to apply.
- b. Applications from collaboratives must name the organization that will be the primary liaison with the Federal government, and include a copy of the collaborative agreement outlining responsibilities of each partner organization. An authorized signature from each organization must appear on the agreement. The primary liaison will be responsible for coordinating reports and requesting for funds.

3. Reports

SBA may withhold payment of advances or reimbursements if reports are not received or are regarded as inadequate. SBA may, at its discretion, reduce reporting requirements to semi-annually as it deems appropriate. SBA will notify participants if it decides to take such action.

4. Match Requirements

In general, funds awarded under the PRIME Program will require a non-Federal match of not less than 50% of each dollar awarded. Matching funds may come from fees, non-Federal grants, gifts, funds from loan sources, and in-kind resources.

Exception: In the case of an applicant with severe constraints on available sources of matching funds, SBA may reduce or eliminate the 50% match requirement on a case by case basis. Any reductions or eliminations must not exceed 10% of the aggregate of all PRIME grant funds made available by SBA in any fiscal year. Organizations seeking to receive a reduction or elimination of the matching fund requirement must include such a request with their proposal, and include justification and supporting documentation for their request.

The request must include, but is not limited to:

- The cause and extent of the constraints on the historical and projected ability to raise matching funds as demonstrated by financial statements and letters of rejection from previous funders and potential new funding sources;**
- Evidence of efforts to raise matching funds specific to the subject application, including negative responses, and**
- Based on those efforts, a list of any matching funds expected for the PRIME grant.**

Submission of a request will not automatically guarantee that an exception, in whole or in part, will be granted. Rather, it will alert SBA to the applicant's desire to receive an exception. In addition, section 13 CFR 119.8 of the rule governing this program provides further information regarding requests for waivers. Pursuant to the section, any applicant requesting a waiver is implying that, but for the waiver, the proposed project will not be possible at the levels requested.

5. Fundraising Not an Allowable Expense

Expenditures for fundraising activities are not allowable costs under this grant. Applicants must be able to raise matching funds without the assistance of grant funds. The applicant must demonstrate that it has adequate community based fundraising resources to obtain required non-Federal matching funds to perform the project.

6. Subgrants

An organization selected to receive a grant under the PRIME Program may provide sub-grants to qualified small microenterprise development

organizations. Applicants wishing to provide sub-grants as a part of their implementation plan should include detailed information regarding same in their Technical Proposal.

An applicant that wants to make subgrants using PRIME grant funds must receive written approval from SBA prior to making subgrants. The applicant must identify the subgrantee(s) and describe in detail what the subgrantee(s) will do to help the grantee implement its proposal.

An applicant must submit information to SBA demonstrating that the subgrantee(s) will:

- (1) further the goals of the grantee's research and development project, or
- (2) provide necessary services to the grantee that grantee otherwise would not be able to obtain

If an applicant has identified potential subgrantee(s) at the time it submits an application for a PRIME grant, the applicant must include the information requested in the paragraph above in the application. Otherwise, the applicant or grantee may submit the requested information at such time that approvals for subgrantee(s) are requested.

The total amount of monies subgranted by the grantee must not exceed 50% of the total amount of the PRIME grant. A maximum of 7.5% of the funds awarded may be used by the grantee for administrative expenses in connection with the making of subgrants for more than \$25,000.

7. Subcontracts

Any and all subcontracts awarded under this grant must be approved by SBA in advance and in writing and must not exceed 50% of the total amount of the PRIME grant.

8. Prohibition on Preferential Consideration of Certain SBA Program Participants

In making grants under this Program Announcement, SBA will not give preferential consideration to an applicant that is a participant in programs established under section 7(m), of the Small Business Act or the Small Business Investment Act.

B. CODE OF FEDERAL REGULATIONS (CFR) AND OMB CIRCULARS

The PRIME Grant Notice of Award incorporates by reference all applicable CFRs, including:

1. 2 C.F.R Part-220, "Cost Principles for Educational Institutions," containing cost principles for educational institutions;
2. 2 C.F.R. Part-225 "Cost Principles for State, Local, and Indian Tribal Governments," containing cost principles for State, local governments, and federally recognized Indian tribal governments.
3. 2 C.F.R. Part-215, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations," containing administrative requirements;
4. 2 C.F.R. Part-230, "Cost Principles for Non-Profit Organizations, " containing cost principles for non-profits; and
5. OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," concerning audits.

Current versions of these OMB Circulars (Code of Federal Regulations) are available from the Office of Management and Budget's website. The address is:

www.whitehouse.gov/WH/EOP/OMB/html/circular.html.

III. Eligibility Information

A. ELIGIBLE APPLICANTS FOR THIS GRANT

An organization will be considered eligible to apply for funding under any of the three tracks (Technical Assistance, Capacity Building, or Research and Development) if it is:

1. A microenterprise development organization or program (or group or Collaborative thereof) that has a demonstrated record of delivering microenterprise services to disadvantaged entrepreneurs, OR
2. An intermediary (as defined in this document) which has experience in delivering technical assistance to disadvantaged entrepreneurs, OR
3. A microenterprise development organization or program (as defined in this document) that is accountable to a local community, working in conjunction with a State or local government or Indian Tribe, OR
4. An Indian tribe acting on its own, if the Indian tribe can certify that no private organization or program referred to in this paragraph exists within its jurisdiction.

An eligible applicant for the PRIME research and development grant must provide documentation in its application that it falls within one of the above categories of

qualified organizations. Such documentation should include but is not limited to:

1. A copy of your organization's IRS tax-exempt certificate including the IRS code under which your organization is considered non-profit;
2. Certification by your Secretary of State that your organization is legally allowed to do business in the State and a copy of your organization's articles of incorporation and by-laws;
3. For category four (4) in the preceding paragraph, written certification from a duly authorized person that no other qualified organization (i.e. private organization or program as defined in categories 1-3 above) exists within its jurisdiction; and
4. Financial statements for the past three (3) years. If your organization has been in business for less than 3 years, provide your year-end financial statements for those years completed and a financial statement not less than 90 days old.

SBA will not evaluate applications that do not meet these requirements. SBA may not screen applicants for eligibility until after the Closing Date for application acceptance and will attempt to notify applicants of ineligible proposals as soon as practicable. SBA strongly urges all applicants to ensure all eligibility requirements are met and documented before sending an application to SBA.

B. INELIGIBLE APPLICANTS FOR THIS GRANT

The following applicants will automatically be considered ineligible and their applications will not be evaluated:

1. Any organization with unresolved audit by any Federal agency.
2. Any organization suspended, debarred, or otherwise excluded from any Federal agency non-procurement or procurement programs.
3. Any organization which has defaulted on an obligation to the United States.

IV. Application and Submission Information

A. PROPOSAL INSTRUCTIONS AND EVALUATION CRITERIA

The application must be submitted electronically via www.grants.gov and must include the technical proposal, the budget proposal, and other narratives. The Recipient must indicate in its proposal package which of the PRIME Tracks for which it is applying. The closing date for submission of applications is July 30, 2010 11:59:59 PM Eastern Time. If you have trouble uploading to grants.gov see the Instruction Package. Applications will be accepted under this program announcement until the application cut-off date. The project start date must be approximately 90-120 days

after the closing date of the application

Organizations submitting applications under any of the tracks, that can demonstrate experience (with supporting documentation) in providing business based training and technical assistance services to women owned microenterprises, and/or Native American owned microenterprises will be awarded ten points over and above the normal point structure.

The technical proposal must be single-spaced not to exceed 45 pages, excluding exhibits, supporting documentation and appendices. Prepare your proposal using the following outline.

Any eligible application that does not include the required information will be considered incomplete and will not be evaluated.

1. APPLICATION FORMAT

A. Technical Proposal

Section 1. Eligibility Requirements (not to exceed 5 pages, excluding documentation)

Applicant must prove that it falls within one of the four categories of qualified organizations. (See Section III)

Applicants are reminded to include documentation of the mandatory eligibility requirements in their technical narrative. Failure to provide the mandatory eligibility documentation will result in disqualification of the application, and the application will not be evaluated. In addition, incomplete or illegible (in whole or in part) applications will not be evaluated.

Section 2. Applicant Experience (not to exceed 15 pages)

Applicant experience includes experience in providing technical assistance, information regarding current and past performance in conducting research and development activities particularly as such activities relate to the improvement of technical assistance to disadvantaged entrepreneurs (as defined in this document). Previous work in the development of best practices in the field of microenterprise development should be noted in discussions of experience Track 3 only.

The applicant should discuss the items delineated below:

To the extent possible, the applicant should provide internal statistical data to document its past experience and illustrate current activities.

1. Illustrate an understanding of the microenterprise industry, the Microentrepreneurial community, and the perceived needs of disadvantaged entrepreneurs.

2. Enumerate and summarize your organization's current and historical research and development activity as it relates to microenterprise development and provision of technical assistance (particularly to disadvantaged entrepreneurs) for Track 3 only.
3. Provide a list of grants and or contracts similar in scope to the grant for which you are applying. Specifically provide the name, if any, of any Federal or non-Federal, agency(ies) or private sector foundations or organizations providing funding, the grant or grant, and the period(s) of performance. Include in each summary the name and contact information (phone number and e-mail address) of the person providing oversight on each grant or contract. Also include abstracts of research and development activities conducted during the past five years, particularly in the field of microenterprise development and/or training and technical assistance to disadvantaged entrepreneurs for Track 3 only. The abstracts should clearly illustrate the nature and scope of the research conducted. **(Limit to 8 pages)**

Section 3. Institutional Capacity (not to exceed 5 pages)

This section should include the following:

1. Personnel Qualifications and Internal Structure
 - Applicants must have, or demonstrate the ability to obtain, Personnel who are qualified to meet the goals of all tracks for which you are applying under this grant. Provide resumes of personnel key to your organization's participation in the PRIME Program. The resumes should clearly present personnel's qualifications relative to this particular work. Special mention should be made of relevant experience. Personnel indicated must demonstrate knowledge of research and development methodologies and strategies particularly as they relate to microenterprise development issues.
 - Provide an organizational chart for all proposed full-time and part-time project staff and the amount of time each will devote to the project. The Project Director should be a full time employee; however, the Project Director does not have to be dedicated solely to this activity. The project director (and other federally funded staff positions) must not engage in fundraising activities using Federal funds provided under this grant.
 - A description of the role of subcontractors, subgrantees and/or Outside consultants that may be called upon to provide assistance with the completion of the activity to be funded under this grant.
 - Delineate how the organization will manage data collection and electronic reporting to SBA and the position of the person within the organization that will be responsible for financial record keeping pertaining to the receipt and expenditure of PRIME program funding.

2. Data Collection and Statistical Information Tracking

- Describe your organizations' current data collection and management systems. If applying as a group or collaborative, describe how data management systems will be integrated for an inter-organizational uniform approach to data gathering for reporting as well as production of a final product.
- Describe your organization's computer capacities, if any, and the software used. Indicate whether or not your organization is connected to the Internet and, if not, delineate plans to become connected. The applicant should indicate its level of willingness/capacity to report data via the Internet.
- Describe your organization's internal systems of checks and balances in terms of financial, data collection, and reporting systems. If applying as a group or collaborative, also describe the plan for inter-organization checks and balances in terms of those systems. Also indicate which member of the group or collaborative will be responsible for coordination and submission of data and reports, and how the collaborative will ensure that this responsibility will be fully implemented.

Section 4. Program Narrative (not to exceed 15 pages)

All projects are sought in several areas of microenterprise industry development. In a broad sense, several projects are suggested below. However, proposals for projects not suggested, but inside the scope of the goals of the Act, will be accepted for consideration. In general, research should concentrate on the forward movement of the disadvantaged microenterprise development industry. The research should also focus on the development, replicability, and transferability to disadvantaged microenterprise development service providers. The underlying theme of any activities should be how the final product will enhance provision of microenterprise services to disadvantaged entrepreneurs.

Each applicant must provide the following:

1. A proposal indicating the thesis, method(s) scope, duration, and implementation plans (if appropriate) for the final product.
2. A discussion of how the proposed project will aid in the development of best practices and what enhancements are anticipated, as a result of the proposed activity, to the delivery of microenterprise services to disadvantaged microentrepreneurs.

While not limiting the scope of proposals, SBA is interested in developing several products for general use by industry participants as follows, to meet the ultimate goal of enhancing delivery of services to disadvantaged microentrepreneurs:

- The delivery of Technical Assistance to Microborrowers and its impact in business development and loan repayments.

- The long term effect of a microborrower's credit score after receiving a microloan and technical assistance from a Microloan Intermediary Lender. How does the microborrower's financial health improve after receiving a microloan(s) and technical assistance from a Microloan Intermediary?

- A start-up kit for organizations (specifically organizations participating as Women's Business Centers or organizations that are Tribal Colleges) considering entry into the microenterprise development field.

- A case study oriented ("best practices"- Track 3 only) on small town redevelopment of traditional town squares.

- Comparative studies of service delivery issues in terms of geography, population density, economic stratification, gender, or other relevant issues.

Section 5. Timeline/Milestones (not to exceed 5 pages)

In this section the applicant must include a timeline with milestones covering the 12-month grant period. Milestones should clearly illustrate the applicant's goals for completion of the proposed project and the projected use of funds.

Section 6. Supporting Documentation

In this section the applicant should provide any necessary documentation to support its proposal, including but not limited to the following documents:

1. A statement signed by the applicants Executive Director (or an equivalent duly authorized person), authorizing SBA to make inquiries to other Federal Agencies as to the performance capabilities of your organization.
2. A copy of your organization's IRS tax exempt certificate including the IRS code section under which your organization is considered non-profit.
3. Certification by your Secretary of State that your organization is legally allowed to do business in the State and a copy of your organization's articles of incorporation and by-laws.
4. A copy of your organization's financial statements for the last 3 years.
5. Resumes and reference information for personnel key to the delivery of technical services to date.
6. An organizational chart, if you are applying as a group, or plan to use sub-contractors, to include a second organizational chart that shows how the members of the group will interact and collaborate and/or how the sub-

contractors will fit into the work flow plan.

B. Cost Proposal (Budget Information)

The cost proposal must include the application cover sheet (SF-424), budget information-non-construction programs, budget narrative, assurances and certifications.

Section I. Preparing the Budget Standard Form 424, Application of Federal Assistance, will be found beginning at page:

Item 1	Enter: "Application"
Item 2	Enter: "New"
Item 3	Completed by Grants.gov upon submission.
Item 4	Leave Blank
Item 5a	Leave Blank
Item 5b	Leave Blank
Item 6-7	Refer to instructions at end of form.
Item 8-9	Refer to instructions at end of form.
Item 10	Enter: "U.S. Small Business Administration"
Item 11	Enter: 59.050 and Program for Investment for Microentrepreneurs (PRIME)
Item 12	Enter: Program Announcement Number and Title
Item 13	Leave Blank
Item 14	Applicants must specifically state each city, count and stat that is affected by its project.
Item 15	Self Explanatory
Item 16	Refer to instruction at end of form.
Item 17	Leave Blank
Item 18	Self Explanatory
Item 19	Check c. Program is not covered by E.O. 12372.
Item 20	Refer to instructions at end of form.
Item 21	Self Explanatory

Section II. Instruction for Standard Form 424A (Budget Information) (INCLUDE FOR ALL PROJECT YEARS) :

The budget is the applicant's estimate of the total cost of performing the project or activity for which grant support is requested. The budget is to be based upon the cost of performing the project, including federal and private sources. All proposed costs reflected in the budget must be necessary to the project, reasonable and otherwise allowable under applicable cost principles and agency policies.

All costs should be justified and itemized by unit cost in the **BUDGET NARRATIVE**. All forms contained in the financial application package must be completed accurately and in full.

(a) Section A – Budget Summary

Column A: Enter “PRIME”

Column B: Enter the Catalog of Federal Domestic Assistance Number 59.050

Section B – Budget Categories Complete lines 6a – 6k, entering amounts by budget category, labeling columns 1- 5 as follows: 1 - Federal 2 – Non-Federal Cash 3 - In-Kind 4 - Program Income 5-Totals All amounts entered in this section are to be expressed in terms of whole dollars. Provide justification of cost for each budget category in the Budget. Each budget line item pertinent to your submission **MUST ALSO** be completed on the application. The itemization must reflect the total requirements for funding from federal and non-federal sources.

(b) Section C – Non-Federal Resources Refer to instructions on form.

(c) Section D – Forecasted Cash Needs Refer to instructions on form.

(d) Section E – Budget Estimates Refer to instructions on form.

(e) Section F – Other Budget Information

Direct Charges Transfer the total direct charges from Section B, line 6i.

Indirect Charges Transfer the total direct charges from Section B, line 6j.

(f) Personnel

List the name, title, salary for each employee and the estimated amount of time each will be assigned to this project. The applicant must have a 100% full-time Project Director..

Note: fees, expenses, and estimated amount of time for outside consultants should be included in the contractual line item.

Résumés of all key personnel assigned to this effort must be included in the application.

(g) Fringe Benefits Leave blank if fringe benefits applicable to direct salaries and wages are treated as part of indirect costs in the indirect cost rate negotiation agreement. If your organization does not have a federally negotiated fringe benefit package, list each component included as a fringe benefit.

(h) Indirect Charges Enter the indirect cost rate, date, and agency that issued the rate. If the applicant does not have an approved rate, see Attachment Button 6 of the Grant Instructions Package to receive a provisional rate with the SBA . Indirect cost rating from cognizant agency (new one if expired) or complete cost policy or detailed chart of how the costs are comprised.

(i) Justification of Costs All proposed costs require justification and narrative explanation

(j) Miscellaneous or Contingency Costs No miscellaneous or contingency costs may be included in the budget. Contributions to a contingency reserve or any similar provision made for events, the occurrence of which cannot be foretold, are unallowable.

(k) Proposal Costs This Program Announcement does not commit the U.S. Small Business Administration or any federal agency to pay any costs incurred in the preparation and submission of a proposal.

The SF 424, SF 424A, SF 424B (for the Base Year Budget) and the SF LLL, are a part of the grants.gov application package.

C. Certification Forms and Assurances

1. Certification Regarding Debarment, Suspension and Other Responsibility Matters, (SBA Form 1623)
2. Certification Regarding Drug-Free Workplace Requirements
3. Certification Regarding Lobbying (SBA Form 1711)
4. Disclosure of Lobbying Activities (SF-LLL)
5. CPA Certification that financial system meets 2 CFR Part 215.21. This must be a letter from your accounting firm for from your audit report. Include the organization's fiscal year.
6. Current year's financial audit report - this may be a link to your website. Please include full address.
7. Documentation and/or Certification from the U.S. Internal Revenue Service (IRS).

V. Application Review In formation

EVALUATION FACTORS

Applications will be reviewed for technical merit as follows:

1. SBA will evaluate organizational structure, financial stability, financial management systems, personnel capacity, and electronic communication capabilities (or potential for same). Additional evaluations will be made on the data collection capabilities, reporting capacities, and ability to account for performance.
2. SBA will evaluate how the research potentially will enhance microenterprise oriented technical assistance services to disadvantaged entrepreneurs. Applicants must show the method(s), scope, duration, and implementation plans of the proposed projects. SBA will evaluate the applicant's plan of action incorporating original and secondary research. Applicants must show impact on improved access to microenterprise development services for disadvantaged entrepreneurs, and the expected replication/transferability of the finished product to the field.

All awards will be competed from a single pool of applicants. Specifically, areas of evaluation and the maximum number of points attainable under each are as follows:

- A. Institutional Capability (total of 80 points)

The following factors are considered under this criteria:

- (1) Organizational structure, financial stability, and financial management systems (20)
 - (2) Personnel (30)
 - (3) Electronic communication, data collection, and reporting capability (30)
- B. Past performance and history of conducting activities or providing similar to those tracks to which the applicant, especially related to disadvantaged microentrepreneurs. (30 points)
- C. Management Plan for Proposed Projects including transferability and replication. (total 110 points)

The following factors are considered under this criteria:

- (1) Proposal's potential for enhancement of microenterprise oriented technical assistance to disadvantaged entrepreneurs (30)
- (2) Methods and scope of activities (20)
- (3) Plan of action incorporating original plan of action (30)
- (4) Transferability and replication of the finished product (30)

The total number of points an applicant may attain under this evaluation system is 220, except that entities demonstrating a history of service to women owned microbusinesses, Native American owned microbusinesses and eligible entities located in states with unemployment rates in excess of 10% may receive up to 230 (additional points for states with a 10% or more unemployment is applicable to track 1 technical assistance grants only).

VI. Award Administration Information

All applicants will receive a written notification relative to selection of award recipients. Successful applicants will receive a Notice of Award by mail in the form of an SBA Grant Award.

Unsuccessful applicants will receive a letter from SBA. As stated above, this written notice will be SBA's final response to this program announcement. This notice is not an authorization to begin performance. **SBA does not anticipate debriefing sessions for unsuccessful applicants.**

VII. Agency Contact(s)

Questions or help with problems concerning programmatic issues or program requirements may contact:

Jaunice Rufai, Financial Analyst, (202) 401-1469 e-mail: prime@sba.gov

Questions or help with problems concerning cost and budget you may contact:

David DeLeva, Grants Management Office, (202) 205-7051
e-mail: David.DeLeva@sba.gov

VIII. Other Information

A. CANCELLATION

SBA reserves the right to cancel this announcement in whole or in part at the Agency's discretion.

B. GLOSSARY OF TERMS

- AGENCY: means the U.S. Small Business Administration (SBA);
- ADMINISTRATOR: means the Administrator of the Small Business Administration;
- CAPACITY BUILDING SERVICES: means services provided to an organization or program that is, or is developing as, a microenterprise development organization or program, for the purpose of enhancing its ability to provide training and services to disadvantaged entrepreneurs;
- COLLABORATIVE: means two or more nonprofit entities that agree to act jointly as a qualified organization under this part;
- DISADVANTAGED ENTREPRENEUR, or DISADVANTAGED MICROENTREPRENEUR: means the owner, majority owner, or developer of a microenterprise who is also-
 1. a low-income person
 2. a very low-income person; or
 3. an entrepreneur who lacks adequate access to capital or other resources essential for business success, or, is economically disadvantaged as determined by the Administrator.
- GRANTEE: means a recipient of a grant under the Act.
- GROUP: has the same meaning as "collaborative" defined above.
- INDIAN TRIBE: means any Indian tribe, band, pueblo, nation, or other organized group or community, including any Alaska Native village or regional or village corporation, as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services the United States provides to Indians because of their status as Indians.
- INDIAN TRIBE JURISDICTION: means Indian country, as defined in 18

U.S.C. § 1151, and any other lands, title to which is either held by the United States in trust for the benefit of any Indian tribe or individual or held by any tribe or individual subject to a restriction by the United States against alienation, and any land held by Alaska groups, regional corporations, and village corporations, as defined in or established under the Alaska Native Claims Settlement Act, public domain Indian allotments, and former Indian reservations in the State of Oklahoma.

- INTERMEDIARY: means a private, nonprofit entity that seeks to serve qualified microenterprise development organizations and programs;
- LARGE MICROENTERPRISE DEVELOPMENT ORGANIZATION OR PROGRAM: means a microenterprise development organization or program with 10 or more full time employees or equivalents, including its executive director, as of the date it files its application with SBA for a PRIME grant.
- LOCAL COMMUNITY: means an identifiable area and population constituting a political subdivision of a state.
- LOW-INCOME PERSON: means a person having an income, adjusted for family size, of not more than-
 1. for metropolitan areas, the greater of 80 percent of the median income; and
 2. for non-metropolitan areas, the greater of -
 - a) 80 percent of the area median income; or
 - b) 80 percent of the statewide non-metropolitan area median income;
- MICROENTREPRENEUR: means the owner or developer of a microenterprise;
- MICROENTERPRISE: means a sole proprietorship, partnership, limited liability corporation or corporation that has fewer than 5 employees, including the owner, and generally lacks access to conventional loans, equity, or other banking services.
- MICROENTERPRISE DEVELOPMENT ORGANIZATION OR PROGRAM: means a nonprofit entity, or a program administered by such an entity, including community development corporations or other nonprofit development organizations and social service organizations, that provide services to disadvantaged entrepreneurs.
- ELIGIBLE ORGANIZATION: means an organization eligible for a PRIME grant that is-
 1. a microenterprise development organization or program as defined above (or a group or collaborative thereof) that has demonstrated a record of

- delivering microenterprise services to disadvantaged microentrepreneurs;
2. an intermediary, as defined above;
 3. a microenterprise development organization or program as defined above that is accountable to a local community, working with a State or local government or Indian tribe; or
 4. an Indian tribe acting on its own, if the Indian tribe can certify that no private organization referred to in this definition exists within its jurisdiction.
- SEVERE CONSTRAINTS ON AVAILABLE SOURCES OF MATCHING FUNDS: means the documented inability of qualified organization applying for a PRIME grant to raise matching funds or in-kind resources from non-Federal sources during the 2 years immediately prior to the date of its application because of a lack of or increased scarcity of monetary or in-kind resources from potential non-Federal sources.
 - SMALL MICROENTERPRISE DEVELOPMENT ORGANIZATION OR PROGRAM: means a microenterprise development organization or program with less than 10 full time employees or equivalents, including its executive director, as of the date it files its application with SBA for a PRIME grant.
 - TRAINING AND TECHNICAL ASSISTANCE: means services and support provided to disadvantaged entrepreneurs, such as assistance for the purpose of enhancing business planning, marketing, management, financial management skills, and assistance for the purpose of accessing financial services.
 - VERY LOW-INCOME PERSON: means having an income adjusted for family size of not more than 150 percent of the poverty line (as defined in § 673(2) of the Community Services Block Grant Act (42 U.S.C. § 9902(2), including any revision required by that section).