



Fiscal Year 2023
Congressional Submission

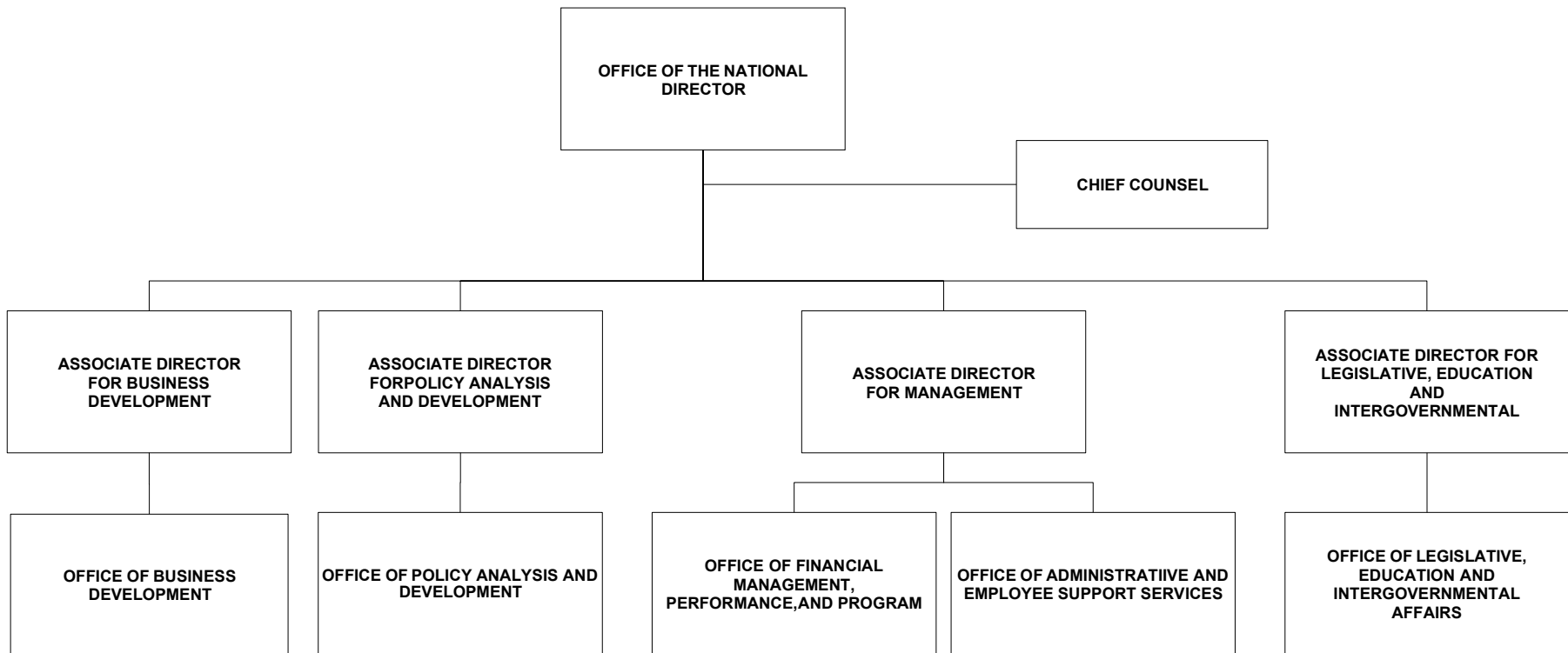
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**DEPARTMENT OF COMMERCE
MINORITY BUSINESS DEVELOPMENT AGENCY
Budget Estimates, Fiscal Year 2023
Congressional Submission
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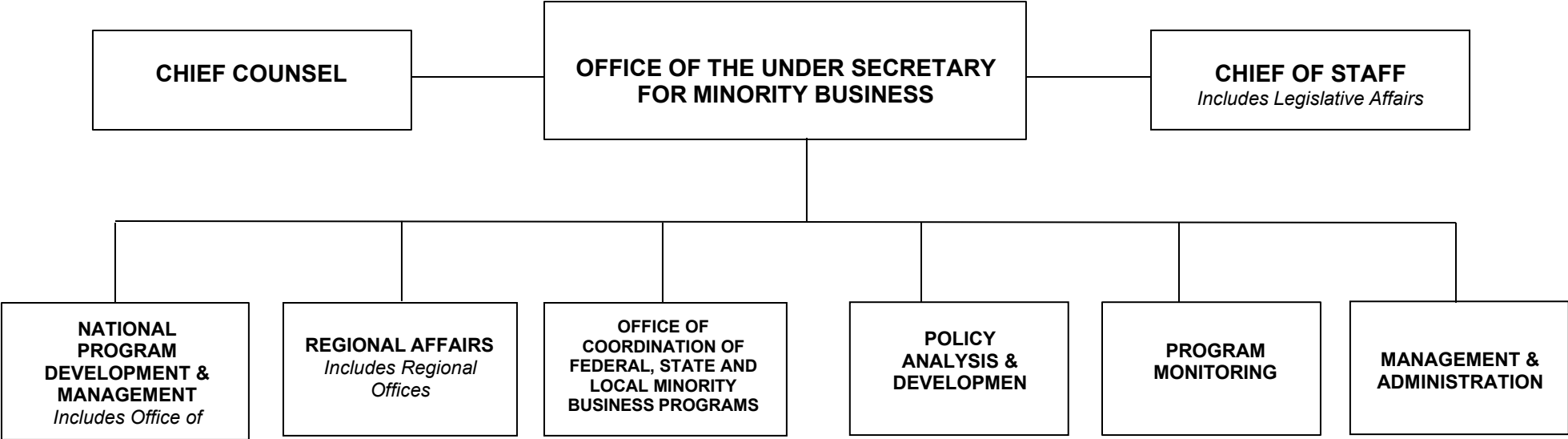
U.S. DEPARTMENT OF COMMERCE MINORITY BUSINESS DEVELOPMENT AGENCY Organization Chart

CURRENT



U.S. DEPARTMENT OF COMMERCE
MINORITY BUSINESS DEVELOPMENT
AGENCY
Organization Chart

PROPOSED



**Department of Commerce
Minority Business Development Agency
(MBDA) Budget Estimate, Fiscal Year 2023
Executive Summary**

The FY 2023 MBDA Budget Request totals \$110 million and 134 positions. The Budget provides resources to implement the Minority Business Development Act of 2021 (P.L. 117-58, "MBDA Act"), which codified MBDA as a permanent agency and authorized several new activities to support minority business enterprises (MBEs). Furthermore, the Budget supports the elevation of MBDA to an Under Secretary level organization, realigning the bureau's current structure with the responsibilities authorized in the MBDA Act and building capacity throughout the organization. This new structure is consistent with other Commerce bureaus. MBDA will continue to identify and address, social and economic disadvantages which have prevented minority entrepreneurs from realizing their full potential for success in the global marketplace. The Budget provides the resources necessary to support a nationwide network of MBDA Business Centers, Specialty Centers, projects, and initiatives to ensure minority entrepreneurs have access to the resources needed to create jobs and drive the Nation's prosperity.

Vision Statement

Economic prosperity for all American business enterprises.

Performance:

For current Government Performance and Results Act (GPRA) targets, please see the Annual Performance Plan and Report.

Inflationary Adjustments

MBDA's FY 2023 Base includes a total of \$50 thousand and 0 positions to account for the full funding requirement for inflationary adjustments to current programs for MBDA activities. This includes the estimated FY 2022 and FY 2023 pay raise, as well as inflationary increases for labor and non-labor activities, including benefits, service contracts, utilities, and rent charges from the General Services Administration (GSA).

Program Change:

Build Capacity

The Budget requests an increase of **\$29.7 million** and **58 FTE/78 positions** for capacity building. Of this amount, **\$8 million** will support opening two Regional Offices to expand the reach of the Agency by engaging in close collaboration with MBDA's national network of business centers, programs, and initiatives. In addition, the Regional Offices will coordinate with stakeholders, including MBE clients as well as local (municipalities), state, regional, and federal government entities. To determine the location of new Regional Offices, MBDA will use a data-driven approach to determine optimal locations that will best serve the breadth of MBEs and maximize effectiveness. The Regional Offices will serve as the principal linkage to MBDA headquarters and ensure that strategic goals and priorities are implemented and executed with efficiency and effectiveness.

In addition, the Budget requests an increase of **\$5.4 million** to further research and policy in areas outlined in the MBDA Act. This funding will enable MBDA to grow its research, data, evaluation, and policy capabilities needed to establish the organization as the pre-eminent government resource on issues concerning minority businesses. MBDA will also invest funding for new research initiatives to expand transparency and reporting on MBEs' access to capital, contracts, and markets. These initiatives will include targeted surveys and reports, including research focused on how MBEs can meet gaps in the U.S. supply chain, opportunities for providing alternative financing solutions to MBEs, and efforts to provide services to MBEs located in states that lack a MBDA Business Center. The research funding will also facilitate the Agency's ability to access and commission comprehensive data sets from private sector partners and fund a MBDA-hosted Policy Summit to present and discuss data, research, and policy with industry and intergovernmental partners.

Finally, the Budget requests an increase of **\$16.3 million** to establish an Office of Coordination of Federal, State and Local Minority Business Programs to ensure the proper oversight of administrative actions; and coordinate efforts to reduce barriers to MBEs' access to capital, contracts, and markets. This office will include the Ombudsman function and will be responsible for resolving complaints and disputes, evaluating, inquiring, and advocating for MBE procurement opportunities, across all federal contracting, and compiling an MBE and contracting complaint registry. This staff will convene and consult with other Federal agencies to coordinate efforts in support of MBEs' interests, in alignment with MBDA's responsibilities as outlined in the MBDA Act.

Expand Grant Programs

MBDA is requesting an increase of **\$32.2 million and 5 FTE/6 positions** to establish a Rural Business Center Program and expand the flagship Business Center Program. **\$20.2 million** will support a network of approximately 25 Rural Business Centers. The Rural Business Center Program will address the specific needs of rural Minority Business Enterprises (RMBEs). The MBDA Rural Business Centers will provide technical assistance, capacity building and business development services to RMBEs in all maturity stages.

Additionally, MBDA seeks to expand the flagship Business Center Program footprint across the U.S. and territories with the goal of establishing a Business Centers in every state. **\$12 million** will support the expansion of the flagship Business Center Program. MBDA anticipates awarding approximately 23 new Business Centers in FY 2023. This increase will afford MBE's the vital resources to assist with establishing, stabilizing, and growing domestically and internationally. Additional MBCs will also enable greater connectivity between new and existing Centers to collaborate on regional issues and coordinate community outreach and advocacy.

**Department of Commerce
 Minority Business Development Agency
 FY 2023 PROGRAM INCREASES / DECREASES / TERMINATIONS**
 (Dollar amounts in thousands)

Increases

Page No.	Appropriation	Budget Program	Title of Increase/Decrease	Positions	Budget Authority
	MBDA - 24 Minority Business Development	Building Capacity	Increase	78	29,713
	MBDA - 25 Minority Business Development	Expand Grants Program	Increase	6	32,237
Total, Increases				84	61,950

Decreases

Page No.	Appropriation	Budget Program	Title of Increase/Decrease	Positions	Budget Authority
	N/A	N/A	N/A	0	0
Total, Decreases				0	0

Terminations

Page No.	Appropriation	Budget Program	Title of Increase/Decrease	Positions	Budget Authority
	N/A	N/A	N/A	0	0
Total, Terminations				0	0

**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 SUMMARY OF RESOURCE REQUIREMENTS**
 (Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
Appropriation Available, 2022	50	50	48,000	48,000
2023 Adjustments to Base				
plus: Adjustments to base	0	0	50	50
FY 2023 Base	50	50	48,050	48,050
plus: 2023 Program Change	84	63	61,950	61,950
FY 2023 Estimate	134	113	110,000	110,000

Comparison by activity/subactivity		2021 Actual		2022 Annualized CR		2023 Base		2023 Estimate		Increase / (Decrease) Over 2023 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Minority Business Development	Pos/BA	50	48,000	50	48,000	50	48,050	134	110,000	84	61,950
	FTE/Obl.	38	47,690	50	48,000	50	48,050	113	110,000	63	61,950
TOTALS											
	Pos/BA	50	48,000	50	48,000	50	48,050	134	110,000	84	61,950
	FTE/Obl.	38	47,690	50	48,000	50	48,050	113	110,000	63	61,950

Adjustments to Obligations

Recoveries and Refunds

Unobligated Balance, start of year

0

Unobligated Balance, end of year

310

Appropriatio	48,000	48,000	48,050	110,000	84	61,950
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**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 SUMMARY OF FINANCING**
 (Dollar amounts in thousands)

	2021 Actual	2022 Annualized CR	2023 Base	2023 Estimate	Increase / (Decrease) Over 2023 Base
Total Obligations	47,690	48,000	48,050	110,000	61,950
Offsetting collections from:					
Federal Funds	0	0	0	0	0
Trust funds	0	0	0	0	0
Non-Federal sources	0	0	0	0	0
Recoveries	0	0	0	0	0
Unobligated balance direct, start of year	0	0	0	0	0
Unobligated balance transferred	0	0	0	0	0
Unobligated balance direct, end of year	310	0	0	0	0
Unobligated balance expiring	0	0	0	0	0
Budget Authority	48,000	48,000	48,050	110,000	61,950
Financing:					
Transferred from other accounts (-)	0	0	0	0	0
Transferred to other accounts (+)	0	0	0	0	0
Appropriation	48,000	48,000	48,050	110,000	61,950

Department of Commerce
Minority Business Development Agency
Minority Business Development
ADJUSTMENTS TO BASE
(Dollars in thousands)

	<u>Positions</u>	<u>Amount</u>
Other Changes:		
2022 Pay raise		72
2023 Pay raise	0	330
Awards		0
Full-year cost in 2023 of positions financed for part-year in 2022	0	0
Change in compensable days		(37)
Civil Service Retirement System (CSRS)		0
Federal Employees Retirement System (FERS)		(6)
Thrift Savings Plan (TSP)		(10)
Federal Insurance Contribution Act (FICA) - OASDI		1
Health insurance		0
Employees Compensation Fund		0
Travel:		
Mileage		0
Per diem		0
Rental payments to GSA		190
GSA Furniture and IT Program (FIT)		(1)
Postage		0
Working Capital Fund, Department Management		(591)
Workers Compensation		17
National Archives and Records Administration (NARA)		0
General Pricing Level Adjustment		71
Continuous Diagnostics and Mitigation Charges		3
Enterprise Services		10
Telecommunications Services - Enterprise Infrastructure Services (EIS)		0
HCHB Utilities		0
Commerce Business System (CBS)		0
Federal Protective Service		0
Other changes unique to Minority Business Development Agency		0
Subtotal, other changes	<u>0</u>	<u>50</u>
Total, adjustments to base	<u>0</u>	<u>50</u>

**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS**
 (Dollar amounts in thousands)

Activity: Minority Business Development

Line item		2020 Actual		2021 Actual		2022 Annualized CR		2023 Base		2023 Estimate		Increase / (Decrease)Over 2023 Base Personnel	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Minority Business Development	Pos/BA	50	39,00	50	48,00	50	48,00	50	48,05	50	110,00	84	61,95
	FTE/Obl.	40	0	38	0	50	0	50	0	50	0	63	0
Direct Obligations	Pos/BA	50	39,00	50	48,00	50	48,00	50	48,05	50	110,00	84	61,95
	FTE/Obl.	40	0	38	0	50	0	50	0	50	0	63	0

Department of Commerce
Minority Business Development Agency
Minority Business Development
JUSTIFICATION OF PROGRAM AND PERFORMANCE
(Dollar amounts in thousands)

Activity Minority Business Development

Goal Statement

The goal of Minority Business Development Agency (MBDA) is to promote the growth and global competitiveness of minority-owned businesses through the mobilization and advancement of public and private sector programs, policy, and research.

Base Programs

In FY 2021, MBDA focused on assisting all minority businesses to survive and recover from the effects of the COVID-19 Pandemic and ensure equity for minority entrepreneurs by advancing opportunities across the Federal Government. MBDA strived to create stronger and more resilient minority businesses of various sizes. Our strategic focus remained to maximize job creation/retention, foster growth and global competitiveness, promote innovation and support for minority-owned businesses. MBDA deployed 28 Coronavirus Response and Relief awards for funds in the amount of \$18M. The awards began on July 1, 2021 and continue through June 2022. The awards were issued through our existing network of MBDA Business Centers (MBC) to continue assisting Minority Business Enterprises (MBEs) with recovery from the pandemic.

Also in 2021, the MBDA Business Center (MBC) and Specialty Center programs were redesigned to solicit innovative solutions that address existing business and socio-economics environments. The new five-year awards of funding expands MBC bandwidth to serve more minority firms into states that do not currently have MBDA programs. The program changes included lowering the threshold for service eligibility from \$1M+ in revenues to firms grossing a minimum of \$500K, increasing the annual grant amount across all locations, and adding new locations growing the network from 27 locations to 35 locations. MBDA updated several metrics and goals to ensure capacity building was a key program driver to increase access to contracting and financing opportunities. Finally, the non-federal share, traditionally required for applicants to be eligible for the program, were waived for the first two years of operation in recognition of the impacts of COVID-19. The new MBC and specialty center awards began July 2021. The previous five-year programs expired June 30, 2021.

MBDA will continue administering, managing, and implementing competitively awarded cooperative grant programs to support MBEs through its nationwide network of MBCs and Specialty Centers. MBDA's partners include state and local governments, tribal entities, and universities, including minority- serving institutions, and for-profit entities. The annual award for MBCs and specialty centers range from \$375,000 to \$500,000. The COVID-19 Pandemic has had a disproportionate effect on minority businesses nationwide. Research indicates at the onset of the Pandemic (February through April 2020) the number of active African-American-owned businesses dropped 41 percent, Latino business ownership fell by 32 percent, and Asian business ownership dropped by 26 percent, compared to a 17 percent decline for

white business owners.¹ Subsequently, MBDA's focus shifted to assisting minority firms to survive, thrive and grow.

The new programs employed a logic model that measures job creation and retention as its highest impact, supported by specific outcomes to measure minority assistance results including gross revenues generated; value of financing, capital & bonding; percent of clients that increase profits; value of capacity investments. In addition, outputs are measured including number of service engagements with minority businesses.

Access to Capital and Finance Management

By far, the most important aspect of developing a business, and often the most difficult to achieve, is access to capital and financial management. MBC business advisors offer extensive experience in commercial lending and banking, financial, credit and risk analysis and general finance counseling. Whether it's securing working capital from a lender, applying for a Small Business Administration (SBA) loan, securing bonding, angel investors or private equity, the MBC will help their clients prepare a package with the goal of obtaining funding.

Access to Contracts

MBC business development specialists provide procurement assistance to help minority-owned firms do business with private corporations, as well as federal, state, and local governments. MBCs provide identification of procurement opportunities, solicitation analysis, bid and proposal preparation, research contract award histories, post award contract administration and certifications assistance.

Access to Markets

Increasing market share through the identification of new markets or increasing client customer base in an existing market is a goal for each of the MBCs. Services include private and public sector procurement assistance, teaming, joint ventures, supply chain management, and specialized certification assistance including 8(a), MBE, as well as Small Disadvantaged Business. The MBCs also assist with market research, market plan development and marketing communications.

Global Business Development

For decades, MBDA has supported expanded trade through the provision of products and services offered by minority businesses. The importance of minority owned businesses as a key component of U.S. international trade has never been greater. Minority owned firms are uniquely qualified to enter global markets. They are twice as likely to export and three times as likely to already have international operations as their non-minority counterparts and six times as likely to transact business in a language other than English. These operational factors strategically position MBEs to export.²

MBDA's strategic focus is to maximize domestic and global competitiveness of MBEs resulting in American jobs, increased innovation, exports, advanced manufacturing, and entrepreneurship.

MBDA supports departmental and administration priorities through Broad Agency Announcements (BAAs). BAAs are proof of

¹ Rob Fairlie, PhD see <https://news.ucsc.edu/2021/02/fairlie-house-testimony.html>

² Sharon T. Freeman, Ph.D., "Minority Exporters: Characteristics and Strategies for New Business and Expansion" U.S. Department of Commerce, Minority Business Development Agency, (2015)

concept that support and complement Department of Commerce initiatives. The BAAs offer opportunities for entities to propose innovative solutions that address specific challenges experienced by MBEs. The BAAs also serve as pilot models for later consideration as possible programs. For example, in FY2021 one of the most popular competitions has been the American Indian, Alaska Native, and Native Hawaiian (AIANNH) BAAs. With 574 Federally recognized tribes that have different needs and priorities, the AIANNH BAAs addresses the unique concerns at the tribal level while supporting Native American businesses growth.

MBDA also serves as a pre-eminent policy and advocacy research authority for MBEs in the U.S. government. MBDA will continue operating as a policy and advocacy organization for minority businesses across the U.S. through the commission and origination of research and data analysis.

Statement of Operating Objectives

Policy and Research

MBDA's goal is to secure increased participation and prosperity for MBEs in the U.S economy. Complementing the Agency's core program of providing management and technical assistance to MBEs through a network of business centers and innovative projects, MBDA will operate as a data-driven, policy-focused agency aimed at shaping and impacting Federal programs to increase MBE access to contracts, capital, services, and opportunities. MBDA implements a policy, research and data agenda to identify regulatory, program and policy obstacles, economic conditions, market trends, and opportunities that foster the growth and global competitiveness of the next generation of MBEs. MBDA adheres to the Foundations for Evidence-Based Policymaking Act of 2018 and has developed a preliminary learning agenda on research that would assist in the economic recovery of MBEs from the COVID-19 crisis.

In FY2021, MBDA released three research publications and fact sheets about MBEs. The fact sheets aggregated minority employer and non-employer data developed in coordination with the US Census Bureau. MBDA completed preliminary estimates on the impact of COVID-19 on MBEs and shared highlights of the estimates during the 2021 Minority Enterprise Development Week. MBDA also released a paper describing an improvement to the methodology used to estimate entrepreneurial parity. In support of being a data and research clearinghouse about MBEs, MBDA updated its website to create a more user-friendly section focused on research and data, including recent and archived MBDA research publications. Data fact sheets, tables, and charts are available to the public including the ability to download the data for public use. MBDA also linked other minority business-relevant reports and data from other federal agencies and partners.

In FY 2022, as part of the Agency's Learning Agenda, MBDA will explore: (a) What is the role of cash-on-hand and access to capital in affecting minority business enterprises' (MBE) resiliency; (b) How effective was CARES programming in increasing MBE resiliency; and (c) What are the lessons learned from COVID19 recovery programming regarding MBE resiliency? MBDA will use a formative

evaluation study for measuring and developing measures of resiliency followed by an impact study using quasi- experimental design to assess the effect of CARES programming. Resiliency is defined as the firm’s ability to survive and stay in business during economic downturns (i.e., COVID-19). MBDA will use pre-COVID data to determine typical measures for cash-on-hand, access to capital and survival rates that account for industry sector / ethnic and racial group / geographic location. MBDA anticipates engaging and leveraging existing resources to support the completion of the Learning Agenda including the US Census Bureau, GSA Office of Evaluation Services, and Intergovernmental Personnel Agreement (IPA) for certain academic work. MBDA will also continue its efforts to build data skills among its workforce and further its data maturity model as required under the Evidence Act and the Federal Data Strategy.

Digital Engagement

In FY 2021, MBDA developed its first ever artificial intelligence/machine learning capable conversational Chatbot. The Chatbot serves as MBDA’s virtual center platform allowing minority businesses to receive first-tier service, regardless of size of firm, day of week or time of day. The Chatbot is anticipated to be launched in FY2022 upon completion of the Authority to Operate. The Chatbot will be accessible via MBDA’s website. It features simple activation, five assistance categories, user driven navigation, first-tier MBE assessment, MBE service referral to MBDA programs, frequently asked questions and answers. Moreover, the Chatbot has advanced technology that is able to learn user utterances in order to provide relevant information and referrals to MBEs.

		<u>Explanation and Justification</u>					
		2021 Enacted		2022 Annualized CR		2023 Base	
Minority Business Development		Personnel	Amount	Personnel	Amount	Personnel	Amount
	Pos/BA	50	48,000	50	48,000	50	48,050
	FTE/Obl.	50	48,000	50	48,000	50	48,050

Currently, MBDA's Business Center Program is the primary delivery system of MBDA's services to the minority business community. MBDA delivered services to MBEs through a network of Minority Business Centers (MBCs) and Specialty Centers, which positioned MBEs to perform in high-growth industries, emerging markets, and corporate supply chains. MBDA programs, including MBCs, helped MBEs secure an annual average of \$3.5 billion worth of contracts and financings in FY2021. MBDA's programmatic facilitation of these contracts and financings contributed to MBEs creating and retaining roughly 13,743 American jobs.

The U.S. needs strong minority-owned firms to achieve maximum economic growth for the nation. Minority-owned firms are an engine of employment growth and economic expansion. MBDA acts as a catalyst to build minority-owned firms of size, scale and capacity. However, the MBC program is only able to serve a fraction of the 9.2 million MBEs due to its high-touch service model. MBCs rely on expert consultants that predominantly serve clients at a time. While the MBC model regularly generated a high volume of economic impact, it had a limited operational bandwidth and a low overall volume of clients served annually. Alternatively, the COVID Relief Funds issued to MBCs and Specialty Centers provide funding to support expanded reach to more minority businesses using virtual touch points, online training sessions, assistance, referrals and information. MBDA's FY2022 digital engagement plan will include tracking the number of MBEs reached and served.

Cooperative Agreements and Grants

In FY 2021, MBDA competed 35 business center awards and 9 specialty center awards. MBDA expanded its geographic footprint in FY2021 and opened new business centers in New Jersey, Virginia, North Carolina, Massachusetts, Ohio, Oklahoma, Louisiana, Alabama and Mississippi. The Business Center program is a 5-year award program that will continue through 2026. All MBCs and some specialty center(s) received one-year awards under the Coronavirus Response and Relief funding in FY2021 to serve all minority businesses impacted by COVID-19. MBDA funded specialty centers that provide targeted assistance to minority manufacturers to increase the number of "Made in America" products that can be sold domestically and globally (MBDA Advanced Manufacturing Centers); provide technical assistance and business development services to generate increased financing, contract opportunities, and greater access to new and global markets for minority business enterprises (MBDA Export Centers); and provide access to Federal procurement officials and prime contractors throughout the region (MBDA Federal Procurement Center).

In FY2021, MBDA awarded 29 Broad Agency Announcements (BAAs) that support and complement Department of Commerce initiatives. The BAAs offered opportunities for entities to propose innovative solutions that address specific challenges experienced by MBEs. The BAAs also serve as proof of concept models for later consideration as possible programs. MBDA continued its efforts supporting the American Indian, Alaska Natives, Native Hawaiian (AIANNH) businesses through BAA projects.

Highlights of the BAAs include (in alpha order):

- Access to Capital: MBE Equity Multiplier – The MBE Equity Multiplier Project aims to create a more diverse economy and drive economic prosperity for founders of color. This program supports competitive proposals that seek to support entrepreneurship and accelerate MBE growth nationally via technical assistance for equity investment. Competitive proposals outline how the project strengthens economic competitiveness through increasing the flow of equity capital to minority communities and leverage the strengths of partnerships to help create new enterprises, commercialize technology, and create jobs.
- American Indian, Alaska Native, and Native Hawaiian Project (AIANNH) – Funding to businesses to encourage new activities, education, outreach, innovative projects that are not addressed through other MBDA programs. This program is seeking to impact one or more core needs for AIANNH entities and businesses. Although AIANNH’s experience a range of common needs that impede growth, MBDA has identified three areas that are consistently identified as top needs through the recently held MBDA Tribal Consultations. These core needs are: (1) Innovation and Entrepreneurship (business training, access to Capital, incubators, accelerators, Federal Program coaching); Strategic Planning (fostering, developing and/or implementing entrepreneurial and economic development); and Transformative Projects (support for MBEs involved in infrastructure focused public-private partnerships, and broadband).
- Entrepreneurship Education Program for Formerly Incarcerated Persons – Funding innovative project(s) to support formerly incarcerated individuals with entrepreneurship assistance including (but not limited to): (1) Educational programs and workshops; (2) Entrepreneurial training; and (3) Coaching assistance.
- Enterprising Women of Color Initiative – Funding innovative project(s) to support minority women entrepreneurs to build their businesses, secure contracts and capital, and increase employment opportunities.
- HBCU/HSI/TCU/AIANNH Pilot - In FY 2021, *in accordance with Division B-Commerce, Justice, Science, and Related Agencies Appropriations Act, 2021*, MBDA awarded 4 awards in the amount of \$1,202,845 for the Historical Black Colleges and Universities (HBCU)/HSI Entrepreneurship Pilot as described in the House report and to include Tribal Colleges and Universities and Native Hawaiian Serving Institutions. The Pilot programs represent a three- year efforts cycle. The first year, the grantee provides the concept for the program and in the second year (FY 2022), executes its mission. After the second and third year, MBDA will evaluate the effectiveness of the program to determine if it should be expanded in subsequent years. These entities are to propose innovative projects to address the needs of specific challenges.
- Inner City Innovation Hub Projects – Designed to assist MBEs with adopting and integrating new technologies for their businesses to support the digital transformation of communities suffering from urban decline; and to build clusters of leading innovators, technology entrepreneurs, and investors to foster minority entrepreneurship and facilitate deal-making.

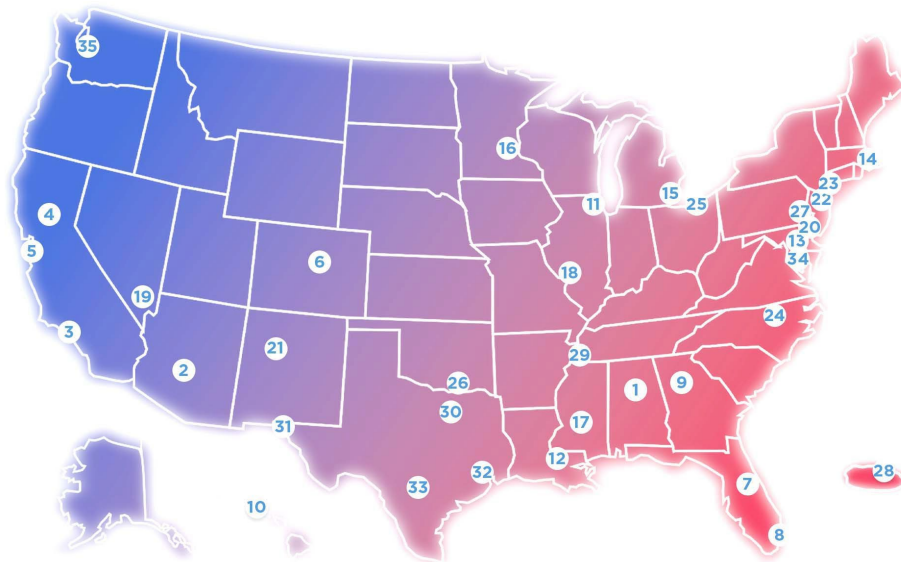
The following table and maps reflect the current MBDA national network..

Count	Center Type	City	State
1	MBDA Business Center	Birmingham	Alabama
2	MBDA Business Center	Phoenix	Arizona
3	MBDA Business Center	Los Angeles	California
4	MBDA Business Center	Sacramento	California
5	MBDA Business Center	San Jose	California
6	MBDA Business Center	Centennial	Colorado
7	MBDA Business Center	Miami	Florida
8	MBDA Business Center	Orlando	Florida
9	MBDA Business Center	Atlanta	Georgia
10	MBDA Business Center	Honolulu	Hawaii
11	MBDA Business Center	Elgin	Illinois
12	MBDA Business Center	Baton Rouge	Louisiana
13	MBDA Business Center	Baltimore	Maryland
14	MBDA Business Center	Boston	Massachusetts
15	MBDA Business Center	Detroit	Michigan
16	MBDA Business Center	Minneapolis	Minnesota
17	MBDA Business Center	Jackson	Mississippi
18	MBDA Business Center	St. Louis	Missouri
19	MBDA Business Center	Las Vegas	Nevada
20	MBDA Business Center	Camden	New Jersey
21	MBDA Business Center	Albuquerque	New Mexico
22	MBDA Business Center	Brooklyn	New York
23	MBDA Business Center	New York	New York
24	MBDA Business Center	Durham	North Carolina
25	MBDA Business Center	Cleveland	Ohio
26	MBDA Business Center	Durant	Oklahoma

Count	Center Type	City	State
27	MBDA Business Center	Philadelphia	Pennsylvania
28	MBDA Business Center	San Juan	Puerto Rico
29	MBDA Business Center	Memphis	Tennessee
30	MBDA Business Center	Dallas	Texas
31	MBDA Business Center	El Paso	Texas
32	MBDA Business Center	Houston	Texas
33	MBDA Business Center	San Antonio	Texas
34	MBDA Business Center	Alexandria	Virginia
35	MBDA Business Center	Tacoma	Washington
1	Advanced Manufacturing	East Hartford	Connecticut
2	Advanced Manufacturing	Louisville	Kentucky
3	Advanced Manufacturing	Baltimore	Maryland
4	Advanced Manufacturing	San Antonio	Texas
5	Export Center	Mesa	Arizona
6	Export Center	Miami	Florida
7	Export Center	Houston	Texas
8	Export Center	San Antonio	Texas
9	Federal Procurement	Washington	District of Columbia
1	AIANNH Cook Inlet Tribal Council, Inc	Anchorage	Alaska
2	AIANNH National Center for American Indian Enterprise Development	Mesa	Arizona
3	AIANNH Arizona Hispanic Chamber of Commerce	Phoenix	Arizona
4	AIANNH Asian, Inc	San Francisco	California
5	AIANNH Sault Ste. Marie Tribe of Chippewa Indians	Marie	Michigan
6	AIANNH Native American Development Corporation	Billings	Montana
7	AIANNH Salish Kootenai College	Pablo	Montana

Count	Center Type	City	State
8	AIANNH Southwest Business Development Consultants, LLC	Albuquerque	New Mexico
9	AIANNH Regents of New Mexico State University	Las Cruces	New Mexico
10	AIANNH Rural Enterprises of Oklahoma, Inc.	Durant	Oklahoma
11	AIANNH ONABEN	Tulsa	Oklahoma
12	AIANNH Oregon Native American Chamber	Portland	Oregon
13	AIANNH South Puget Intertribal Planning	Shelton	Washington
1	Entrepreneurship Education for Formerly Incarcerated Persons The Dannon Project	Birmingham	Alabama
2	Entrepreneurship Education for Formerly Incarcerated Persons Defy Ventures	Los Angeles	California
3	Entrepreneurship Education for Formerly Incarcerated Persons Morgan State University	Baltimore	Maryland
4	Entrepreneurship Education for Formerly Incarcerated Persons Desa Inc	Columbia	South Carolina
1	Enterprising Women of Color MP Services, LLC	Washington	District of Columbia
2	Enterprising Women of Color Washington Area Community Investment Fund, Inc	Washington	District of Columbia
3	Enterprising Women of Color Operations Hope	Atlanta	Georgia
4	Enterprising Women of Color Young Women's Christian Association of OAHU	Honolulu	Hawaii
5	Enterprising Women of Color Women's Business Enterprise Council South	Metairie	Louisiana
1	Inner City Innovation Hub Georgia Tech Research Corporation	Atlanta	Georgia
2	Inner City Innovation Hub William Marsh Rice University	Houston	Texas
1	Hispanic Serving Institution Miami Dade College	Miami	Florida
2	Historical Black College/University Savannah State University	Savannah	Georgia
3	Native Hawaiian Serving Institution University of Hawaii	Honolulu	Hawaii

Count	Center Type	City	State
4	Tribal College and University Salish Kootenai College	Pablo	Montana

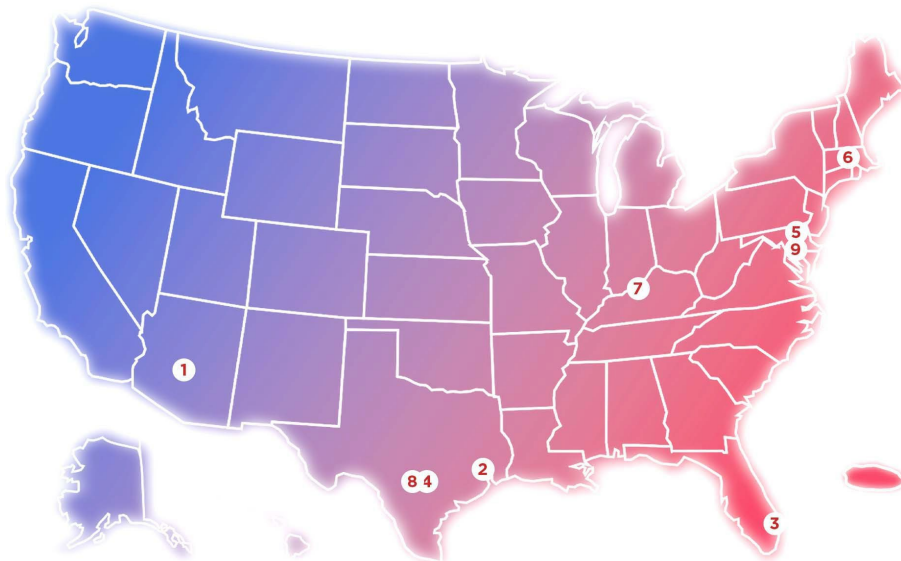


- ALABAMA**
1 Alabama MBDA Business Center
- ARIZONA**
2 Arizona MBDA Business Center
- CALIFORNIA**
3 Los Angeles MBDA Business Center
4 Sacramento MBDA Business Center
5 San Jose MBDA Business Center
- DENVER**
6 Denver MBDA Business Center
- FLORIDA**
7 Orlando MBDA Business Center
8 Miami MBDA Business Center
- GEORGIA**
9 Georgia MBDA Business Center
- HAWAII**
10 Hawaii MBDA Business Center

- ILLINOIS**
11 Illinois MBDA Business Center
- LOUISIANA**
12 Louisiana MBDA Business Center
- MARYLAND**
13 Maryland MBDA Business Center
- MASSACHUSETTS**
14 Massachusetts MBDA Business Center
- MICHIGAN**
15 Michigan MBDA Business Center
- MINNESOTA**
16 Minneapolis MBDA Business Center
- MISSISSIPPI**
17 Mississippi MBDA Business Center

- MISSOURI**
18 Missouri MBDA Business Center
- NEVADA**
19 Nevada MBDA Business Center
- NEW JERSEY**
20 New Jersey MBDA Business Center
- NEW MEXICO**
21 New Mexico MBDA Business Center
- NEW YORK**
22 Brooklyn MBDA Business Center
23 Manhattan MBDA Business Center
- NORTH CAROLINA**
24 North Carolina MBDA Business Center
- OHIO**
25 Ohio MBDA Business Center

- OKLAHOMA**
26 Oklahoma MBDA Business Center
- PENNSYLVANIA**
27 Pennsylvania MBDA Business Center
- PUERTO RICO**
28 Puerto Rico MBDA Business Center
- TENNESSEE**
29 Tennessee MBDA Business Center
- TEXAS**
30 Dallas Fort Worth MBDA Business Center
31 El Paso MBDA Business Center
32 Houston MBDA Business Center
33 San Antonio MBDA Business Center
- VIRGINIA**
34 Virginia MBDA Business Center
- WASHINGTON**
35 Washington MBDA Business Center



EXPORT CENTERS

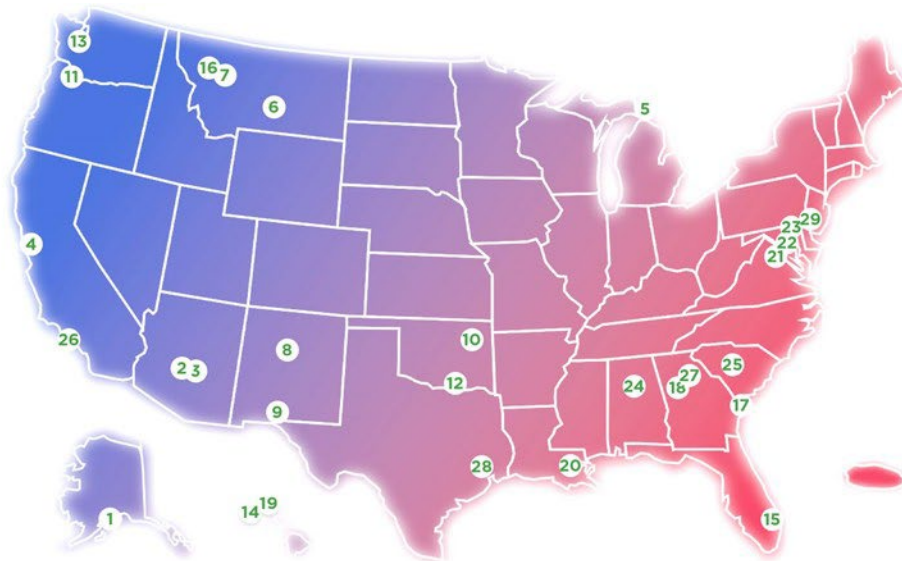
- 1 Arizona MBDA Export Center
- 2 Houston MBDA Export Center
- 3 Miami MBDA Export Center
- 4 San Antonio MBDA Export Center

ADVANCED MANUFACTURING CENTER

- 5 Baltimore MBDA Advanced Manufacturing Center
- 6 Connecticut MBDA Advanced Manufacturing Center
- 7 Kentucky MBDA Advanced Manufacturing Center
- 8 San Antonio MBDA Advanced Manufacturing Center

FEDERAL PROCUREMENT CENTER PROJECT

- 9 Washington DC Federal Procurement Center Project



AMERICAN INDIAN ALASKA NATIVE / NATIVE HAWAIIAN PROJECTS

- 1 Alaska | Cook Inlet Tribal Council, Inc
- 2 Arizona - Western Area | Arizona Hispanic Chamber of Commerce
- 3 Arizona - Western Area | National Center for American Indian Enterprise Development
- 4 California | Asian, Inc.
- 5 Michigan - Midwest Area | Sault Ste. Marie Tribe of Chippewa Indians
- 6 Montana - Rocky Mountain Area | Native American Development Corporation
- 7 Montana - Rocky Mountain Area | Salish Kootenai College
- 8 New Mexico: Southwest Area | Southwest Business Development Consultants, LLC
- 9 New Mexico: Southwest Area | Regents of New Mexico State University
- 10 Oklahoma - Southern Plains Area | Oregon Native American Business and Entrepreneurial Network
- 11 Oregon - Northwest Area | Oregon Native American Chamber
- 12 Southern Plains Area | Rural Enterprise of Oklahoma, Inc
- 13 Washington State - Northwest Area | South Puget Intertribal Planning

MINORITY COLLEGES AND UNIVERSITIES

- 14 Honolulu | Native Hawaiian Serving Institution
- 15 Miami | Hispanic Serving Institution
- 16 Pablo | Tribal Colleges and University
- 17 Savannah | Historically Black Colleges and Universities

ENTERPRISING WOMEN OF COLOR CENTERS

- 18 Atlanta | Operations Hope
- 19 Honolulu | Young Women's Christian Association of Oahu
- 20 Metarie | Women's Business Enterprise Council South
- 21 Washington DC | MP Services, LLC
- 22 Washington DC | Washington Area Community Investment Fund Inc.

ENTREPRENEURSHIP EDUCATION FOR FORMERLY INCARCERATED PERSONS PROJECTS

- 23 Baltimore | Morgan State University
- 24 Birmingham | The Dannon Project
- 25 Columbia, SC | DESA, Inc
- 26 Los Angeles | Defy Ventures

INNER CITY INNOVATION HUBS

- 27 Atlanta | Georgia Tech Research Corporation
- 28 Houston | William Marsh Ric University

MBE EQUITY MULTIPLIER PROJECT

- 29 Pennsylvania | The Enterprise Center

**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 PROGRAM CHANGES FOR FY 2023
 (Dollars in thousands)**

		2023 Base		2023 Estimate		Increase (Decrease) Over 2023 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount
		Minority Business Development	Pos/BA	50	48,050	134	110,000
	FTE/Obl.	50	48,050	113	110,000	63	61,950

Program change: Building Capacity (+\$29.7 million, 58 FTE/78Positions)

MBDA is requesting an increase of **\$29.7M** and **58 FTE/78** positions to stand up Regional Offices and transform the Agency's enabling capabilities. **\$8M** will support standing up two Regional Offices to establish and maintain public-private sector partnership and provide targeted support to MBDA's grant-based programs. MBDA is mandated by the MBDA Act to establish Regional Offices to expand the reach of the Agency by engaging in closer collaboration with its national network of business centers, programs, and initiatives. In addition, the Regional Offices support coordination with its regional stakeholders, including local (municipalities), state, regional, and federal, MBE clients, and promoting business continuity and preparedness for MBEs. MBDA is also requesting **\$5.4M** to further research and policy in areas outlined in the MBDA Act; advance community building, outreach, and advocacy; and **\$16.3M** to enhance the Agency's management capabilities to coordinate programs across the federal government, effectively work with DOC and other federal agencies to evaluate and reduce barriers to procurement opportunities and increase racial equity in federal lending programs. MBDA will scale up its operations, human capital resources, and make greater impact to local economies and the fastest growing business segment of the U.S. It will have greater alignment with its co-operative partners, and key public and private sector stakeholders. This expansion will also allow MBDA to foster and advocate more strategically on national priorities.

Performance Measures	2023 ¹	2024	2025	2026 ^{2,3}	2027
MBEs Reached	234,000	272,000	283,000	243,000	TB
MBE Clients Served	4,800	13,400	14,400	12,700	D
Economic Benefit to MBEs	\$3.1	\$4.8	\$4.9	\$4.3	TB
Jobs Created / Retained	B	B	B	B	D
Research Papers & Data/Fact Sheets	11,30	16,80	17,40	15,10	TB

¹ FY 2023: MBDA anticipates awarding up to 23 new business centers and up to 25 of Rural Business Centers. Historically new Business Centers perform approximately 85% in the first year.

² FY 2026: Based on historic data in the last year of the period of performance, business centers/specialty centers performance is approximately 85% in the final year of the award.

³ Business Centers will be recompeted in FY 2026, so new Performance Metrics will be reviewed for FY 2027

Program change: Expanded Grant Program (+\$32.2 million, 5 FTE/6 Positions)

MBDA is requesting an increase of \$32.2M and 5FTE/6 positions to establish a Rural Business Center Program and expand its Flagship Business Center Program. **\$20.2M** will support standing up a network of Rural Business Centers. The Rural Business Center Program will address the specific needs of rural Minority Business Enterprises (RMBEs). The new MBDA Rural Business Centers will provide technical assistance, capacity building and business development services to rural minority business enterprises, including enterprises from ideation to maturity stages. MBDA seeks to expand the Flagship Business Center (MBC) Program footprint across the U.S. and territories with the goal of establishing a nationwide network of Business Centers in every state. **\$12M** will support the expansion of the Flagship Business Center Program. This increase will afford MBE’s the vital resources to assist with establishing, stabilizing, and growing domestically and internationally. Additional MBCs will also enable greater connectivity between new and existing Centers to collaborate on regional issues and coordinate community outreach and advocacy.

Performance Measures	2023 ¹	2024	2025	2026 ^{2,3}	2027
MBEs Reached	234,000	272,000	283,000	243,000	TB
MBE Clients Served	4,800	13,400	14,400	12,700	D
Economic Benefit to MBEs	\$3.1	\$4.8	\$4.9	\$4.3	TB
Jobs Created / Retained	B	B	B	B	D
Research Papers & Data/Fact Sheets	11,30	16,80	17,40	15,10	TB

- 1. FY 2023: MBDA anticipates awarding up to 23 new business centers and up to 25 of Rural Business Centers. Historically new Business Centers perform approximately 85% in the first year.
- 2. FY 2026: Based on historic data in the last year of the period of performance, business centers/specialty centers performance is approximately 85% in the final year of the award.
- 3. Business Centers will be recompeted in FY 2026, so new Performance Metrics will be reviewed for FY 2027

**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 PROGRAM CHANGE PERSONNEL DETAIL**

Activity: Minority Business Development

Program Change: Building Capacity

Title	Grade	Number	Annual Salary	Total Salaries
Intergovernmental Coordination Director	SES	1	200,000	200,000
Intergovernmental Coordination Specialist	12/13	3	117,516	352,548
Intergovernmental Coordination Supervisor	14	1	138,866	138,866
Intergovernmental Specialist	12	1	98,827	98,827
IT Management Support Specialist	15	1	163,345	163,345
Intergovernmental Specialist	11	1	82,453	82,453
National Ombudsman Specialist	14	1	138,866	138,866
Facilities Management Specialist	12/13	2	117,516	235,032
Office of Policy Analysis and Development Director	SE	1	200,000	200,000
Chief Economist	S	1	138,866	138,866
Evaluation Specialist	1	1	117,516	117,516
Evaluation Specialist	4	1	98,827	98,827
Evaluation Specialist	13	1	82,453	82,453
Policy Analyst	12	1	82,453	82,453
Research Analyst	11	1	98,827	98,827
Research Analyst	9/11	1	82,453	82,453
Data Analyst	12	1	82,453	82,453
Administrative Assistant	11	1	68,146	68,146
Office of Public Engagement Director	11	1	200,000	200,000
Public Affairs and Strategic Alliances Supervisor	5/7/9	1	138,866	138,866
Legislative Affairs Specialist	SE	1	98,827	98,827
Senior Strategic Alliances Specialist	S	1	117,516	117,516
Legislative Affairs Specialist	1	1	82,453	82,453
Strategic Alliance Specialist	4	1	82,453	82,453

Public Affairs Specialist	11	2	82,453	164,906
Public Affairs Specialist	9	1	68,146	68,146
Office of the Under Secretary Senior Advisor	15	1	163,345	163,345
Executive Assistant	12/13	1	117,516	117,516
Scheduler	11/12/13	1	98,827	98,827
Director for Management	SE	1	200,000	200,000
Budget Analyst Supervisor	S	1	138,866	138,866
Budget Specialists	1	3	98,827	296,481
Management Analysts	4	1	98,827	98,827
Grants Management Lead	11/12	1	138,866	138,866
Grants Management Specialists	11/12	1	117,516	117,516
Grants Management Analysts	14	1	98,827	98,827
Grants Management Analysts	13	2	138,866	277,732
Grants Management Analysts	9/11/12	2	117,516	235,032
Grants Management Analysts	13/14	2	82,453	164,906
Grants Management Analysts	12/13	2	98,827	197,654
Acquisition Lead	9/11	1	138,866	138,866
Acquisition Analysts	11/12	1	82,453	82,453
Enterprise Risk Management Analyst	14	1	98,827	98,827
Senior Policy Analyst	7/9/11	2	163,345	326,690
Business Development Specialists	11/12	2	82,453	164,906
Business Development Specialists	15	2	117,516	235,032
Grants Management Director	9/11	1	200,000	200,000
Regional Director (Regional Offices)	12/13	1	200,000	200,000
Administrative Specialist (Regional Offices)	SE	2	98,827	197,654
Regional Senior Ombudsman (Regional Offices)	S	2	138,866	277,732
Regional External Affairs Liaison (Regional Offices)	SES	2	117,516	235,032
National Regional Affairs Director (HQ Office)	11/1	1	200,000	200,000
Regional Director (Regional Offices)	2	1	163,345	163,345
Regional Affairs Program Manager (HQ Office)	13/14	1	138,866	138,866
Program Specialists (HQ Office)	12/13	3	98,827	296,481
Policy Analysts (HQ Office)	SE	1	68,146	68,146
Program Analysts (HQ Office)	S	3	68,146	204,438
Budget Analyst	11/12	1	<u>98,827</u>	<u>98,827</u>

Total		78	9,086,788
Less lapse	25.00%	<u>-20</u>	<u>-2,271,697</u>
Total full-time permanent (FTE)		58	6,815,091
2023 Pay Adjustment (4.60%)	4.6%		<u>313,494</u>
			<u>7,128,585</u>

Personnel Data

Summary

Full-time Equivalent

Employment Full-time	58
permanent	<u>0</u>
Other than full-time permanent	58

Authorized Positions:

Full-time permanent	78
Other than full-time permanent	<u>0</u>
Total	78

Department of Commerce
Minority Business Development Agency
Minority Business Development
PROGRAM CHANGE BY OBJECT CLASS
(Dollar amounts in thousands)

Activity Minority Business Development

Program Change: Building Capacity

Object Class	2021 Actual	2022 Annualize dCR	2023 Base	2023 Estimate	2023 Increase / (Decrease
11 Personnel compensation					
11.1 Full-time permanent	5,362	5,362	5,764	12,893	7,129
11.3 Other than full-time permanent	0	0	0	0	0
<i>Subtotal 11-01 and 11-03</i>	<i>5,362</i>	<i>5,362</i>	<i>5,764</i>	<i>12,893</i>	<i>7,129</i>
11.5 Other personnel compensation	96	96	96	96	0
11.8 Special personnel services payments	0	0	0	0	0
11.9 Total personnel compensation	5,458	5,458	5,860	12,989	7,129
12.1 Civilian personnel benefits	1,944	1,944	1,910	4,226	2,316
13.0 Benefits for former personnel	0	0	0	0	0
21.0 Travel and transportation of persons	58	58	58	958	900
22.0 Transportation of things	8	8	8	408	400
23.1 Rental payments to GSA	939	939	1,129	2,729	1,600
23.2 Rental payments to others	0	0	0	0	0
23.3 Communications, utilities and miscellaneous	104	104	103	303	200
24.0 Printing and reproduction	14	14	14	14	0
25.1 Advisory and assistance services	463	463	463	463	0
25.2 Other services from non-federal sources	1,650	1,650	1,721	11,121	9,400
25.3 Other goods and services from Federal source	4,945	4,945	4,367	11,735	7,368
25.4 Operation and maintenance of facilities	0	0	0	0	0
25.7 Operation and maintenance of equipment	0	0	0	0	0
26.0 Supplies and materials	8	8	8	408	400
31.0 Equipment	400	409	409	409	0
32.0 Land and structures	0	0	0	0	0

Object Class	2021 Actual	2022 Annualize dCR	2023 Base	2023 Estimate	2023 Increase / (Decrease)
33.0 Investment loans	0	0	0	0	
41.0 Grants, subsidies and contributions	31,699	32,000	32,000	32,000	0
42.0 Insurance claims and indemnities	0	0	0	0	0
43.0 Interest and dividends	0	0	0	0	0
44.0 Refunds	0	0	0	0	0
99.9 Total Obligations	47,690	48,000	48,050	77,763	29,713

**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 PROGRAM CHANGE PERSONNEL DETAIL**

Activity: Minority Business Development
 Program Change: Expand Grants Program

<u>Title</u>		<u>Grade</u>	<u>Number</u>	<u>Annual Salary</u>	<u>Total Salaries</u>
Business Development Specialists		11/12	1	98,827	98,827
Business Development Specialists		11/12/13	2	117,516	235,032
Grants Management Specialists		12/13	3	117,516	352,548
Total			<u>6</u>		<u>686,407</u>
Less lapse	25.00%		<u>-1</u>		<u>-171,602</u>
Total full-time permanent (FTE)			5		514,805
2023 Pay Adjustment (4.60%)	4.6%				<u>23,681</u>
					<u>538,486</u>

Personnel Data

Summary

Full-time Equivalent

Employment Full-time permanent	5
Other than full-time permanent	<u>0</u>
	5

Authorized Positions:

Full-time permanent	6
Other than full-time permanent	<u>0</u>
Total	6

Department of Commerce
Minority Business Development Agency
Minority Business Development
PROGRAM CHANGE BY OBJECT CLASS
(Dollar amounts in thousands)

Activity Minority Business Development

Program Change: Expanded Grant Programs

Object Class	2021 Actual	2022 Annualize dCR	2023 Base	2023 Estimate	2023 Increase / (Decrease
11 Personnel compensation					
11.1 Full-time permanent	5,362	5,362	5,764	6,302	538
11.3 Other than full-time permanent	0	0	0	0	0
<i>Subtotal 11-01 and 11-03</i>	<i>5,362</i>	<i>5,362</i>	<i>5,764</i>	<i>6,302</i>	<i>538</i>
11.5 Other personnel compensation	96	96	96	96	0
11.8 Special personnel services payments	0	0	0	0	0
11.9 Total personnel compensation	5,458	5,458	5,860	6,398	538
12.1 Civilian personnel benefits	1,944	1,944	1,910	2,084	174
13.0 Benefits for former personnel	0	0	0	0	0
21.0 Travel and transportation of persons	58	58	58	58	0
22.0 Transportation of things	8	8	8	8	0
23.1 Rental payments to GSA	939	939	1,129	1,129	0
23.2 Rental payments to others	0	0	0	0	0
23.3 Communications, utilities and miscellaneous	104	104	103	103	0
24.0 Printing and reproduction	14	14	14	14	0
25.1 Advisory and assistance services	463	463	463	463	0
25.2 Other services from non-federal sources	1,650	1,650	1,721	1,721	0
25.3 Other goods and services from Federal source	4,945	4,945	4,367	4,892	525
25.4 Operation and maintenance of facilities	0	0	0	0	0
25.7 Operation and maintenance of equipment	0	0	0	0	0
26.0 Supplies and materials	8	8	8	8	0
31.0 Equipment	400	409	409	409	0
32.0 Land and structures	0	0	0	0	0

Object Class	2021 Actual	2022 Annualize dCR	2023 Base	2023 Estimate	2023 Increase / (Decrease)
33.0 Investment loans	0	0	0	0	
41.0 Grants, subsidies and contributions	31,699	32,000	32,000	63,000	0
42.0 Insurance claims and indemnities	0	0	0	0	31,000
43.0 Interest and dividends	0	0	0	0	0
44.0 Refunds	0	0	0	0	0
99.9 Total Obligations	47,690	48,000	48,050	80,287	32,237

Department of Commerce
Minority Business Development Agency
Minority Business Development
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Object Class	2021 Actual	2022 Annualize dCR	2023 Base	2023 Estimate	2023 Increase / (Decrease)
11 Personnel compensation					
11.1 Full-time permanent	5,362	5,362	5,764	13,431	7,667
11.3 Other than full-time permanent	0	0	0	0	0
<i>Subtotal 11-01 and 11-03</i>	<i>5,362</i>	<i>5,362</i>	<i>5,764</i>	<i>13,431</i>	<i>7,667</i>
11.5 Other personnel compensation	96	96	96	96	0
11.8 Special personnel services payments	0	0	0	0	0
11.9 Total personnel compensation	5,458	5,458	5,860	13,527	7,667
12.1 Civilian personnel benefits	1,944	1,944	1,910	4,402	2,492
13.0 Benefits for former personnel	0	0	0	0	0
21.0 Travel and transportation of persons	58	58	58	858	800
22.0 Transportation of things	8	8	8	208	200
23.1 Rental payments to GSA	939	939	1,129	2,879	1,750
23.2 Rental payments to others	0	0	0	0	0
23.3 Communications, utilities and miscellaneous	104	104	103	103	0
24.0 Printing and reproduction	14	14	14	14	0
25.1 Advisory and assistance services	463	463	463	463	0
25.2 Other services from non-federal sources	1,650	1,650	1,721	3,443	1,722
25.3 Other goods and services from Federal source	4,945	4,945	4,367	19,967	15,600
25.4 Operation and maintenance of facilities	0	0	0	0	0
25.7 Operation and maintenance of equipment	0	0	0	0	0
26.0 Supplies and materials	8	8	8	308	300
31.0 Equipment	400	409	409	828	419
32.0 Land and structures	0	0	0	0	0
33.0 Investment loans	0	0	0	0	0
41.0 Grants, subsidies and contributions	31,699	32,000	32,000	63,000	31,000

Object Class	2021 Actual	2022 Annualize dCR	2023 Base	2023 Estimate	2023 Increase / (Decrease
42.0 Insurance claims and indemnities	0	0	0	0)
43.0 Interest and dividends	0	0	0	0	0
44.0 Refunds	0	0	0	0	0
99.9 Total Obligations	47,690	48,000	48,050	110,000	61,950
Less, Prior Year Unobligated Balance					
Less, Prior Year Recoveries and Refunds					
Plus, Unobligated Balance, EOY					
Plus, Unobligated Balance, Expiring					
Total Budget Authority	47,690	48,000	48,050	110,000	61,950
<u>Personnel Data</u>					
<u>Full-time equivalent</u>					
<u>Employment</u> Full-time permanent	50	50	50	113	63
Other than full-time permanent	0	0	0	0	0
Total	50	50	50	113	63
<u>Authorized</u>					
<u>Positions</u> Full-time permanent	38	50	50	134	84
Other than full-time permanent	0	0	0	0	0
	38	50	50	134	84

**Department of Commerce
Minority Business Development Agency
Salaries and Expenses
JUSTIFICATION OF PROPOSED LANGUAGE CHANGES**

FY 2023

This language is proposed for administration of the Minority Business Development Agency.

SALARIES AND EXPENSES

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprises, as authorized by the Minority Business Development Act of 2021 (Division K of Public Law 117-58), \$110,000,000.

**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 ADVISORY AND ASSISTANCE SERVICES**

	2021 Actual	2022 Annualized CR	2023 Estimate
Consulting Services	0	0	1,000
Management and Professional Services	287	530	730
Special Studies and Analyses	176	285	285
Management and support services for research and development	0	0	0
TOTALS	463	815	2,015

MBDA contracts with external vendors for Advisory and Assistance Services to obtain support and advice for standing up new programs, to quickly fill short-term skills gaps, and obtain external advice on MBDA programs.

MBDA obtains specialized assistance in Management Services that are not required long-term, and therefore not an efficient use of a federal position. MBDA provides reports on its programs and uses Special Studied and Analyses to compile and complete the reports.

**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 AVERAGE GRADE AND SALARIES
 (Dollars in thousands)**

	2021 Actual	2022 Annualized CR	2023 Estimate
Average ES Salary	\$181,28	\$183,10	\$183,10
Average GS/GM Grade	12	12	12
Average GS/GM Salary	\$118,31	\$119,50	\$119,50

**Department of Commerce
 Minority Business Development Agency
 Minority Business Development
 IMPLEMENTATION STATUS OF GAO AND OIG RECOMMENDATIONS**

31 U.S.C. 720, as amended January 3, 2019, requires the head of a federal agency to submit a written statement of the actions taken or planned on Government Accountability Office (GAO) recommendations to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 180 calendar days after the date of the report.

The Good Accounting Obligation in Government Act (GAO-IG Act), passed on January 3, 2019, (P.L. 115-414) requires each agency to include, in its annual budget justification, a report that identifies each public recommendation issued by GAO and the agency's office of the inspector general (OIG) which has remained unimplemented for one year or more from the annual budget justification submission date. In addition, the Act requires a reconciliation between the agency records and the IGs' Semiannual Report to Congress (SAR).

Section 1. Recommendations for which action plans were finalized since the last appropriations request.

Not applicable.

Section 2. Implementation of GAO public recommendations issued no less than one year ago that are designated by GAO as 'Open' or 'Closed-Unimplemented.'

Open Recommendation(s) the Department has decided not to implement.

Not applicable.

Report Number	N/A
Report Title	N/A
Issue Date	N/A
Recommendation Number	N/A
Recommendation	N/A
Reason for the Decision not to Implement	N/A

Open Recommendation(s) the Department plans to implement.

Not applicable.

Report Number	N/A
Report Title	N/A
Issue Date	N/A
Recommendation Number	N/A
Recommendation	N/A
Target Implementation Date	N/A
Closure Request Pending with GAO (Yes/No)	N/A
Clear Budget Implications (Yes/No)	N/A

Section 3. Implementation of OIG public recommendations issued no less than one year for which Final Action has not been Taken or Action Not Recommended has been Taken

Not applicable.

Report Number	N/A
Report Title	N/A
Issue Date	N/A
Recommendation Number	N/A
Recommendation	N/A
Target Implementation Date	N/A
Reason No Final Action Taken or Action Not Recommended Taken	N/A
Closure Request Pending	N/A

Section 4. Discrepancies between this report and the semiannual reports submitted by the Commerce Office of Inspector General or reports submitted by the GAO

Not applicable.

Report Number	N/A
Report Title	N/A
Issue Date	N/A
Recommendation Number	N/A
Recommendation	N/A
Discrepancy	N/A

Reason for Discrepancy	N/A
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Minority Business Development APPR Backup

Overview of Accomplishments

In FY21, the Minority Business Development Agency (MBDA) competed and awarded a new five-year grants for the MBDA Business Center (MBC) and specialty center programs. The programs were redesigned to focus on business development and capacity building. MBDA expanded these programs to serve more minority businesses by changing service eligibility criteria of MBE with \$1M+ to \$500K in annual revenues. MBDA increased its footprint to expand its service delivery to minority businesses in areas not previously served. MBDA added new centers to the network going from 27 to 35 locations.

In FY 2021, MBDA is focused on assisting all minority businesses to survive and recover from the effects of the COVID-19 Pandemic and ensure equity for minority entrepreneurs by advancing across the Federal Government opportunities. MBDA strives to create stronger and more resilient minority businesses at various size levels. Our strategic focus is to maximize job creation/retention, foster growth and global competitiveness, promote innovation and support entrepreneurship with these firms. In FY 2021, MBDA deployed 28 Coronavirus Response and Relief awards for funds in the amount of \$18M with a start date of July 1, 2021, through our existing network of MBCs to continue assisting Minority Business Enterprises to recover from the pandemic. MBDA programs are designed to assist all minority businesses including new, start-up small firms to have access to needed resources.

MBDA completed the deployment of CARES Act program services through its existing MBDA Business Centers and Specialty Centers, and national minority chambers of commerce. MBDA assisted firms with financial applications resulting in 1,531 loans awarded and total value of \$28.9 million (including PPP, EIDL and disaster); 931,659 small and minority businesses served; 3,268 success stories; and 14,617 impacts in economically and rural distressed areas.

MBDA fully staffed its Office of Policy and Analysis and Development (OPAD) during the fiscal year. The role and function of this office complies with the Departmental priority to ensure alignment with the Foundations of Evidence-Based Policymaking Act of 2018 (P.L. 115-435). Under OPAD, MBDA generated data-driven, policy-focused information that shaped MBDA programs. It commissioned three reports in support of MBEs, developed two papers (entrepreneurial parity and COVID impact on MBEs) and six MBE fact sheets using Census NES-D and ABS data. It also participated in numerous working groups to further implement the Foundations for Evidence-Based Policymaking Act of 2018 and addresses challenges faced by minority businesses through MBDA's learning agenda.

MBDA is also focused on assisting all minority businesses to survive and recover from the effects of the COVID-19 Pandemic and ensure equity for minority entrepreneurs by advancing opportunities across the Federal Government. MBDA strives to create

stronger and more resilient minority businesses at various size levels. Our strategic focus is to maximize job creation and retention, foster growth and global competitiveness, and promote innovation and support entrepreneurship with minority businesses.

Analysis of Performance Indicators

MBEs Reached

1. Explanation of Trends – The performance target for MBEs reached will provide insight on the number of minority businesses that were touched and assisted as a direct result of MBDA’s programs and services.
2. Explanation of Targets for FY 22 and FY 23 – MBEs Reached will be based on the performance of the Business and Specialty Centers, BAAs, Coronavirus Relief Funds, MBDA Specialty Initiatives, and websites.
3. Progression of the Performance Indicators – The FY2020 actual base of 189,000 was used and increased by 19% for FY2022, representing approximately 1/2 of the anticipated program percentage increase. The progression of this performance indicator was increased by an additional 19% in FY2023.
4. MBDA will rely on data reported by its programs, initiatives, Chatbot, website and social media. The data will be recorded and shared with MBDA through a combination of MBDA’s Salesforce CRM system, data analytics and other field generated reports.

MBEs Clients Served

1. Explanation of Trends – The performance target is based on all MBEs consulted and assisted via high touch MBDA programs (i.e, Business and Specialty Centers).
2. Explanation of Targets for FY 22 and FY 23 – The baseline in FY2022 is based on 50% of the 18 new operators awarded in FY2021 unable to achieve performance.
3. Progression of the Performance Indicators – The progression and performance indicators are based on historical performance in the identification of the new FY2022 baseline.
4. MBDA will rely on data reported by its programs, initiatives, Chatbot, website and social media. The data will be recorded and shared with MBDA through a combination of MBDA’s Salesforce CRM system, data analytics and other field generated reports.

Economic Benefit to MBEs

1. Explanation of Trends – The Economic Benefit is based on dollar value of all financial/contractual transactions and increases in sales awards provided to MBEs via MBDA programs, services and resources.
2. Explanation of Targets for FY 22 and FY 23 – The Economic Benefit to MBEs is a new measure in FY2022 and includes dollar value of financing and procurements, also increase in gross revenue.
3. Progression of the Performance Indicators – The progression and performance indicators are based on historical performance in the identification of the new FY2022 baseline.
4. MBDA will rely on data reported by its programs and initiatives. The data will be recorded and shared with MBDA through a combination of MBDA's Salesforce CRM system and other field generated reports.

Jobs

1. Explanation of Trends – The performance target is based on all jobs created and retained by MBE clients served and MBEs reached.
2. Explanation of Targets for FY 22 and FY 23 – The Jobs created and retained baseline in FY2022 are based on 50% of the 19 new operators awarded in FY2021; performance contributions will not begin until FY2023 for new awards.
3. Progression of the Performance Indicators – The progression and performance indicators are based on historical performance in the identification of the new FY2022 baseline.
4. MBDA will rely on data reported by its programs and initiatives. The data will be recorded and shared with MBDA through a combination of MBDA's Salesforce CRM system and other field generated reports.

Strategic Objective	Indicator	FY 2021 Target	FY 2021 Estimated Actual	Status
2.3	Dollars leveraged (contracts and financings) through minority business manufacturing and export activity (Actual in millions of dollars)	\$624	\$605	Met
2.3	Number of jobs created through minority business manufacturing and export activity	1,325	1,946	Exceeded
2.3	Dollar Value of Contracts (in millions of dollars)	\$2,000	\$2,605	Exceeded
2.3	Dollar Value of Financing (Actual in millions of dollars)	\$1,000	\$900	Met
2.3	Jobs Created and Retained (Actual)	7,500	12,255	Exceeded
2.3	Policy Papers Related to Minority Businesses	3	3	Met

All Performance Indicators

The table below is an embedded excel file and can be duplicated for each indicator. Status is pre-calculated. Once actuals and targets are entered, the status cell will populate automatically.

Indicator	Minority Business Contracts and Financing Awarded (millions)						
Strategic Goal	Enhance Job Creation, Goal 2						
Objective	Strengthen Domestic Commerce and the U.S. Industrial Base, Objective 2.3						
Program Activity Name	Business Development						
Indicator Class	Discontinued						
Type	Intermediate Outcome						
Source	Salesforce CRM System						
Description	Dollars leveraged (contracts and financings) through minority business export activity as a result of supplemental Global Pathways and Advanced Manufacturing grants from MBDA that support U.S. exports and manufacturing						
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	624	624	624	624	624	624	Discontinued
Actual	737	1600	1200	624	727	605	
Status*	Exceeded	Exceeded	Exceeded	Met	Exceeded	Not Met	

*Status is defined as follows: Exceeded (over 100% of target); Met (90%-100% of target); Not Met (below 90% of target). Once actuals and targets are entered, the status cell should populate automatically.

Indicator	Minority Business Jobs Created / Retained						
Strategic Goal	Enhance Job Creation, Goal 2						
Objective	Strengthen Domestic Commerce and the U.S. Industrial Base, Objective 2.3						
Program Activity Name	Business Development						
Indicator Class	Discontinued						
Type	Intermediate Outcome						
Source	Salesforce CRM System						
Description	Number of jobs created through minority business manufacturing and export activity.						
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	1,325	1,325	1,325	1,325	1,377	1377	Discontinued
Actual	1,014	2,090	976	1,325	2,932	1,946	
Status*	Not Met	Exceeded	Not Met	Met	Exceeded	Exceeded	

Indicator	Dollar Value of Contracts						
Strategic Goal	Enhance Job Creation, Goal 2						
Objective	Strengthen Domestic Commerce and the U.S. Industrial Base, Objective 2.3						
Program Activity Name	Business Development						
Indicator Class	Discontinued						
Type	Intermediate Outcome						
Source	Salesforce CRM System						
Description	Dollar value of contracts resulting from clients served and direct client services by MBDA national network of Minority business centers. The business centers facilitate access to public and private sector procurement opportunities for minority business enterprises both domestically and internationally.						
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	2	2	2	2	2	2	Discontinued
Actual	1.9	2.9	3.4	2	7	2.6	
Status*	Met	Exceeded	Exceeded	Met	Exceeded	Exceeded	

Indicator	Dollar Value of Financings						
Strategic Goal	Enhance Job Creation, Goal 2						
Objective	Strengthen Domestic Commerce and the U.S. Industrial Base, Objective 2.3						
Program Activity Name	Business Development						
Indicator Class	Discontinued						
Type	Intermediate Outcome						
Source	Salesforce CRM System						
Description	Dollar value of financing resulting from clients served and direct client services by MBDA national network of Minority business centers. The business centers facilitate access to public and private sector procurement opportunities for minority business.						
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	1.0	1.0	1.0	1.0	1.0	1	Discontinued
Actual	1.4	4.9	1.2	1	1	900M	
Status*	Exceeded	Exceeded	Exceeded	Met	Met	Not Met	

Type	Intermediate Outcome						
Source	Salesforce CRM System						
Description	MBDA tracks job creation and job retention through its national network of Minority Business Centers, Advanced Manufacturing Centers, the Federal Procurement Center, and the American Indian, Alaska Native, Native Hawaiian Broad Agency Announcements.						
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	7,500	7,500	7,500	7,500	10,293	10293	Discontinued
Actual	15,797	18,555	19,473	7,500	27,317	12,255	
Status*	Exceeded	Exceeded	Exceeded	Met	Exceeded	Exceeded	

Indicator	Policy Papers Related to Minority Businesses						
Strategic Goal	Enhance Job Creation, Goal 2						
Objective	Strengthen Domestic Commerce and the U.S. Industrial Base, Objective 2.3						
Program Activity Name	Business Development						
Indicator Class	Discontinued						
Type	Intermediate Outcome						
Source	MacroDyn Group						
Description	The number of policy papers related to minority businesses.						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2020	FY 2021	FY 2022
Target					3	3	3
Actual					3	3	
Status*					Met	Met	