

Entrepreneurship in the MENA Region Program Announcement

Clarifications and Responses to Questions

1. We are an Israeli non-profit with a branch in the USA (with a 501c(3) and an EIN number). What does this mean in regards to our application and registering for SAM? Do we apply as the Israeli non-profit? Do we register with SAM as the Israeli or US entity? If I understood the pre-submission checklist correctly, "Foreign-based applicants are not required to be registered with SAM to submit an application". Does that mean we can wait with SAM?

The branch (Israeli or US) that is submitting an application should be the one registered in SAM.gov. Information about SAM.gov and useful guides for setting up a new account can be found at: <http://statebuy.state.gov/fa/Pages/SAMInfo.aspx>. The Uniform Guidance, 2 CFR 200, states that all applicants must have an active SAM.gov registration at the time of application. However, we are willing to waive this requirement for foreign organizations for this announcement, provided that the organization is registered at the time of the award. SAM registration is not dependent on a particular announcement, all potential applicants are required to register in SAM prior to applying for a particular announcement.

2. Page 19 of the RFA requires that all subawardees who receive funds of \$25,000 or more are required to have a DUNS number and maintain an active SAM.gov account with current information. Does this provision also apply to vendors who receive funds in excess of \$25,000 or to contractual elements in excess of \$25,000 that are provided as in-kind cost share?

No, this provision does not apply to vendors who receive funds in excess of \$25,000. Please refer to 2 CFR 200.92 for additional clarifying information.

3. In appendix 5 (page 9) the instructions say that inclusion of indirect costs in the budget require a NICRA, otherwise they must be charged directly and justified in detail. The updated federal regulations in 2 CFR 200.414 indicate that "*any non-Federal entity that has never received a negotiated indirect cost rate...may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely.*" May we use this de minimis 10% rate in accordance with the updated federal regulations governing cooperative agreements?

Applicants that do not have nor never previously had a NICRA may use the 10% de minimis rate.

4. We are a small company looking to regionally expand to some of the territories focused on in this grant. At this stage, we only have a partnership with two organizations based in two of these territories. As part of the project, we would be looking to grow such partnerships. Is this a barrier to submitting an application?

No, this is not a barrier to submitting an application.

5. Application Filing Name - Does this box simply require the name of our organization?

Yes, please write down the legal name of your organization.

6. Applicant Organization Information - If we cannot answer yes to some or all of the questions on accounts and business management systems, is this a barrier to our submitting an application or simply less appropriate for a non-US company?

No, it is not a barrier to submitting an application. However, the Applicant Organizational Information template should be filled out in its entirety. Please note that the response "Not Applicable," or "N/A," is generally not acceptable. Instead, a sufficient explanation should be provided to explain why an item is not applicable.

7. Within our organization we are all volunteers and not paid employees. How does this affect our application and should we describe ourselves (including managing-shareholders) as employees nonetheless?

Volunteers rather than paid staff at an organization will not affect the application. The applicant should describe themselves appropriately with the responsibilities for determined role. The proposal budget should reflect the volunteers under personnel with the appropriate column for federal and cost-share completed as necessary. Please refer to Appendix 5, page 10.

8. Matching - Cost Share - We cannot envisage having any cost share or matching arrangements as we are a for-profit social enterprise, currently not funded by any other private grants or government funding. Do profits from other projects outside of the target territories or shareholder funds count for cost -sharing?

Funds from Non-Federal (e.g. non-U.S. Government) resources that will be used to support the project would be considered cost-share and therefore can be included in the budget proposal.

9. Budget Narrative: *Cost Category Guidelines 2. Fringe Benefits - Health Insurance, Pension Plans, etc* - Again, as volunteers based in a country where such benefits are purchased on an individual basis, what if any of these are not relevant to our disclosure?

If the organization does not request the federal award to support fringe benefit costs, the applicant should indicate this by indicating “0” on the budget for this category. Funds from Non-Federal (e.g. non-U.S. Government) resources that will be used to support the project would be considered cost-share and therefore can be included in the budget proposal.

10. Section *f line 22 - Indirect Charges and Indirect Rates*. Could you please explain this concept?

Please refer to 2 CFR 200.56, 2 CFR 200.57, and 2 CFR 200.414.

11. Is there a sample document for the Project Narrative and/or the Sustainability Plan?

There is no template for the Project Narrative or the Sustainability Plan.

12. For the purpose of RMP - What are NEA Grant goals?

Please refer to page 5 of the Notice of Funding Opportunity.

13. We need some clarification regarding the following statement: “tangible and sustained results with respect to entrepreneur recruitment, start-up, and expansion”. What does entrepreneur recruitment mean?

Entrepreneur recruitment means finding people who are more likely than others to become an entrepreneur. An entrepreneur is someone who creates a new enterprise. If, by the end of the program, a number of recruits have become entrepreneurs, then that would be a tangible success. This is just in the case of the initial stage of the lifecycle. If the program is for a different part of the lifecycle, then recruiting entrepreneurs is exactly what it means. Find and recruit entrepreneurs (someone who has created a new enterprise) for the program.

14. Page 5 of the NOFO states: “*Grant Recipients, under the guidance of the Department of State, will: Identify gaps or barriers in the entrepreneurship lifecycle and provide a targeted program for addressing these gaps. The entrepreneurship lifecycle encompasses many kinds of activities from initial seeding to expansion. These activities could address capital acquirement, startup expansion, and regulatory barriers.*” Does “start-up expansion” mean the project should focus on already existing mini or micro-enterprises that should be helped to grow to become SMEs or does the term also including new start-ups, that is, creation of new start-ups?

Projects can focus on either area or both.

15. Can NEA/AC provide a definition for the term “civil society organization” as referenced on page 8 of the solicitation? Are universities included in this definition?

Civil society organizations do not include universities. However, private institutions of higher education as well as public or state institutions of higher education – and therefore universities – are eligible to apply.

16. On page 8 of the solicitation, it is noted that “*International non-governmental organizations with principal bases of operations outside the Middle East and North Africa are also encouraged to apply, but the percentage of total budget actually spent in the region through local partners will be among the elements of evaluation of this competition.*” Can NEA/AC provide additional clarity regarding this evaluation criteria in terms of:

- a) Does the bureau have a preferred ratio of how the budget should be split between local partners and the international non-governmental organization?

No, the bureau does not have a preferred ratio of how the budget is split.

- b) Are funds allocated directly to program participants a part of this evaluation, or is NEA/AC looking specifically at how funding is split between the international NGO and local partner implementers?

No, funds are not allocated directly to program participants and yes, NEA/AC is looking at how funding is split between the NGO and its local partner implementers.