



# HP Microenterprise Development Program

2007 Request for Proposals

United States and Puerto Rico



## Introduction and goals

Microenterprises, the smallest of small businesses, are the fastest-growing businesses and the biggest source of new jobs globally. Microenterprise development is a strategy that helps low-income people start or expand very small businesses.

Many underserved communities in the U.S. have adopted microenterprise development as part of their economic development strategies with the goals of poverty alleviation, job creation and economic growth.

While an increasing number of low-income entrepreneurs are moving toward self-sufficiency, few are using technology effectively to accelerate their business. In addition, microenterprise development agencies operating in underserved communities are trailing in the use and application of technology to serve their microenterprise clients.

Supporting the growth of microenterprise development agencies is an important step to supporting the growth and success of microenterprises. Microenterprise development agencies and programs provide start-up assistance, business training, access to capital and advice to entrepreneurs and very small businesses in low-income communities. There is a growing need for the services of microenterprise development programs.

### **HP U.S. Microenterprise Development Program**

The 2007 HP U.S. Microenterprise Development Program is designed to support the growth of microenterprises in underserved communities in the U.S., including Puerto Rico. Through this program HP seeks to advance the use of technology in microenterprise development programs in order to improve the efficiency, effectiveness and sustainability of microenterprises. HP's investments will focus on helping microenterprise development organizations provide

technology access for microentrepreneurs and on training for microentrepreneurs in the use of technology to build and grow their businesses.

In 2007, HP will grant awards to up to 40 nonprofit microenterprise development agencies and programs and higher education institutions. The value of the grant award to each organization will be approximately \$56,000.

A successful application for this grant includes:

- A description of a well-thought-out technology vision for the organization
- Evidence of successful history of providing microenterprise services to clients
- A detailed description of how the HP grant award will be used to train clients to use technology to improve their microenterprises
- A description of how the program will document and encourage usage of the equipment with a focus on expansion of equipment usage over a specified time frame
- A plan to measure technology and entrepreneurial knowledge gained after use of the equipment
- Evidence that the HP-awarded technology can be supported by the technology infrastructure of the nonprofit organization/institution
- Demographics that show that the organization serves an underserved population
- Demonstration that the organization has strong support from the community

HP will accept grant proposals beginning on Tuesday, May 8, 2007. Proposals must be submitted online via a web-based grant application system accessed via the HP U.S.

Microenterprise Development Program website at [www.hp.com/go/hpmicroenterprise](http://www.hp.com/go/hpmicroenterprise) no later than 5 p.m. Pacific time on **Tuesday, June 5, 2007**.

## Description of the grant award

The 2007 HP U.S. Microenterprise Development Program grant award includes several elements.

Each organization will receive:

- Five HP wireless Tablet PCs with flat panel monitors
- Fifteen HP wireless notebook computers
- An HP 20-unit notebook PC cart
- An HP desktop PC with flat panel monitor
- An HP digital camera
- An HP all-in-one printer/scanner/copier/fax
- An HP LaserJet printer
- A wireless access-point router
- A digital projector
- A \$20,000 cash grant to be used toward the purchase of relevant software, equipment configuration and expenses related to technology installation and support
- The HP-sponsored small business technology training curriculum: "Smart Technology for a Smarter Business":  
[www.smarterseminars.org/english/default.htm](http://www.smarterseminars.org/english/default.htm)

In addition to the technology and cash award, HP is partnering with the Association of Enterprise Opportunity (AEO) ([www.microenterpriseworks.org/](http://www.microenterpriseworks.org/)) to provide support and development opportunities to grant recipient organizations:

- Inclusion in a learning community of HP Microenterprise Development Program grant recipients, facilitated by AEO.
- Attendance at an HP Microenterprise Development Program grant recipient symposium and the AEO annual conference, to be held jointly in the spring of 2008, to share learnings and address common challenges. Registration fees and travel and lodging assistance will be included for one participant from each grant recipient organization.

The total value of the award to each organization selected will be approximately \$56,000.

## Eligibility requirements

An eligible applicant is a nonprofit agency that meets **all** of the following requirements:

- Operates as a 501(c)(3) tax-exempt organization or higher education institution.  
NOTE: government agencies, civic organizations (including chambers of commerce), churches, member agencies and collaboratives are not eligible
- Provides microenterprise development programs and services as a primary part of its mission
  - Microenterprise development services assist individuals in starting or expanding very small businesses. These services include training on how to operate a microenterprise, technical assistance and access to capital. Services may also include specialized business management assistance such as access to markets and asset development services like Individual Development Accounts (IDAs). (See [www.microenterpriseworks.org/](http://www.microenterpriseworks.org/) for more information about microenterprise development.)
  - A microenterprise is a business with five or fewer employees that requires \$35,000 or less in start up capital and that does not have access to the traditional commercial banking sector
- Has been providing microenterprise development services for at least three years
- Provides a substantial portion of its services to residents in an underserved community in the U.S. (including Puerto Rico)
  - An underserved community is defined as one facing geographic, technological and/or economic barriers to achieving a desired community vision; barriers may also include linguistic, cultural and/or physical barriers (similar references include low-income communities, underutilized business zones, economically distressed areas).
- Provides either direct lending to clients or indirectly provides lending through collaboration and linkages with other organizations
- Has a local area network installed in the facility, with at least one data port and two electrical outlets available in the room that will house this project
- Is able to maintain technology solutions and has some technical infrastructure
- Did not receive grant funding from HP in 2003, 2004, 2005 or 2006
- Has accepted HP's Grant Terms and Conditions (provided during the application process). You can access the Grant Terms and Conditions at the HP Microenterprise Development Program website: [www.hp.com/go/hpmicroenterprise](http://www.hp.com/go/hpmicroenterprise)

## Review criteria

Criteria to be used to evaluate the proposals:

- Demonstrates a thoughtful and innovative technology vision and plan that includes:
  - A plan for technology infrastructure to build capacity to serve clients
  - A proposed plan for training clients to effectively use technology to support their microenterprises
  - Innovative uses of technology
- Demonstrates a capacity to execute and support the project through:
  - Leadership, including a demonstrated track record in providing a significant level of microenterprise services to clients
  - Organizational resources to ensure sustainability of both client technology training and any agency technology infrastructure
- Demonstrates a breadth and diversity of partnerships and support within the community including:
  - Involvement of local, regional and/or federal public officials
  - Involvement of higher education institutions
  - Involvement of local community and economic development agencies
  - Diversity of clients within the community served by the agency

## Grant recipient commitment

In accepting the HP Microenterprise Development Program grant, recipients agree to do the following:

- Integrate the HP-donated technology into the microenterprise development training program of the agency
- Use the cash portion of the grant to help with purchase of software required for the microenterprise development technology training program and to help cover the cost of technology and software installation and ongoing technology support
- Ensure the ongoing maintenance of the HP-donated technology
- Provide periodic updates on the progress of the project for up to 18 months after the grant has been delivered. Data reported will include:
  - Number of clients utilizing the HP technology
  - Number of clients enrolled in training using the HP technology
  - Number and percent completing training
  - Percentage of clients rating the course 4 or above on a scale of 1–5, in terms of satisfaction
  - Number and description of participant recommendations adapted by the agency
  - Number and percent of clients receiving technical assistance or counseling
  - Total and average number of hours of counseling offered
  - Description of effective and ineffective recruitment efforts
  - Description of effective and ineffective training material adoption and of training, counseling, follow-up service and lending strategies
  - Details of positive impact of grant on technology training program
  - Percentage of microenterprise owners reporting that training has improved effectiveness, efficiency and financial success of their businesses

- Percentage of microenterprise owners reporting that training has improved their personal financial situation
- Evidence that the benefits of the HP grant have had some positive impact on the community
- Participate in an HP-sponsored grant recipient symposium and the AEO conference, to be held jointly in the spring of 2008, to share learnings, address common challenges and provide information that will serve to educate and inform the microenterprise development industry. (HP will assist with registration fees and travel expenses associated with these events for one participant from each grant recipient organization.)
- Participate in regularly scheduled conference calls
- Obtain HP's approval related to external communication about the grant
- Abide by HP's Grant Terms and Conditions that were accepted during the application process. You can access the Grant Terms and Conditions via the HP Microenterprise Development Program website:  
[www.hp.com/go/hpmicroenterprise](http://www.hp.com/go/hpmicroenterprise)

## Submitting your proposal

Further information regarding the format and process for submitting your proposal, as well as a set of FAQs, can be found at the HP Microenterprise Development Program website at [www.hp.com/go/hpmicroenterprise](http://www.hp.com/go/hpmicroenterprise).

HP will accept applications online beginning on Tuesday, May 8, 2007.

If you feel you meet the eligibility requirements and are willing and able to fulfill the grant recipient commitments associated with this grant, please respond to this Request for Proposals (RFP) by entering answers to the following questions in an online grant application system at the HP Microenterprise Development Program website at [www.hp.com/go/hpmicroenterprise](http://www.hp.com/go/hpmicroenterprise) by **5 p.m. Pacific time, Tuesday, June 5, 2007**.

On the online application you will be asked to enter responses directly into fields in the order shown. You may want to first compose your responses to these questions in a text file, then cut and paste the responses into the corresponding fields of the online grant application.

## Required elements of your proposal

### Project description

1. In an executive summary (no more than 500 words) describe the agency's plan for using the HP grant award to create/expand a technology access and training program for clients.
2. Describe the physical space that the agency will make available for this project, including square footage. Include the number of data ports and number of electrical outlets. Also provide information about the local area network.
3. How will this project build the capacity of microenterprises in the community and transform the way they do business?
4. How will results be measured to determine the following:
  - The impact of the project on microenterprise clients?
  - The impact of the overall project on the local community?

### **Project team**

5. Provide complete contact information for the microenterprise development agency, including a primary and a secondary contact; the information for both contacts should include name, title, full mailing address, phone number, e-mail address, fax number and voice mail number, if different from phone number.

### **Organization information**

6. Provide an equipment delivery address, including a contact name, telephone and fax numbers, and an e-mail address for the delivery contact. A physical address is needed to deliver HP equipment (no P.O. boxes, please).
7. Provide the full name of the agency, the full mailing address, the website and the county/counties) in which clients reside.
8. Provide the agency's Federal Tax Payer ID number. This is a 9-digit number formatted XX-XXXXXXX.
9. Indicate your organization's nonprofit tax designation (e.g., 501(c)(3))
10. Indicate whether your organization is a standalone microenterprise development agency or a program operated by a multifunction organization.
11. Provide the date your microenterprise development program started.
12. Provide your organization's total budget.
13. Indicate what amount of your budget is specifically for microenterprise development.
14. Indicate the number of paid FTEs providing microenterprise development services at your organization.
15. Describe the agency's mission.
16. Describe the services the agency provides to microenterprises in the categories of training, technical assistance and lending.
  - If the agency primarily provides training and technical assistance and does not directly provide lending, describe the referral relationship(s) through which the agency clients receive access to capital.
17. If your agency is currently providing technology training and technical assistance to clients, briefly describe that training and indicate whether the training was developed by your agency or an external provider.
18. List the agency's major accomplishments regarding microenterprise development during the years 2004, 2005 and 2006.
19. Provide a list of the agency board of directors and their affiliation.

Note: A copy of the last fiscal audit of the agency may be requested if the organization is selected as a finalist. Please do not submit one unless requested.

### **Technology vision**

20. What is the technology vision for the agency?
21. Does the agency have a technology plan? If so, what are the short- and medium-term goals?
22. How will the technology plan be sustained over the long term?

### **Organizational capacity**

23. Identify the organizational assets and strengths of the agency that can be built upon to make the project successful, e.g., project management, expertise in training and technical assistance.
24. Describe the specific resources that the agency will provide to the project, such as staff, additional funding, etc.

25. Identify major sources of support for the agency within the last two years, including, but not limited to, net income from services, for-profit ventures, private funding, federal funding, and state and local funding.
26. Describe the plan for how the agency will support/maintain the equipment it receives as part of the grant award.

#### **Clients served**

27. Indicate the number of clients your organization served in:
  - 2004
  - 2005
  - 2006
28. Of total clients served each year, number that were microenterprise clients (do not list in percentage):
  - In 2004
  - In 2005
  - In 2006
29. Indicate **percentage** of clients served in the following categories (answer must be represented as a percentage of 100):
  - Rural area
  - Urban area
  - Mixed geography
30. Indicate **percentage** of clients who are in the following categories (answer must be represented as a percentage of 100):
  - African American
  - Latino
  - Native American
  - Asian
  - Immigrant
  - Refugee
  - Other
31. Provide percentage of clients who have incomes at or below 150 percent of the federal poverty level as defined by the U.S Department of Health and Human Services.
32. If you are a lending organization, indicate the following:
  - Size of your loan pool
  - Of the total loan pool, how much is specifically microenterprise loans

#### **Services to microentrepreneurs**

33. Provide the number of microenterprise loans made in:
  - 2004
  - 2005
  - 2006
34. Describe the type of training and technical assistance your organization provides to microenterprise clients.

#### **Partnership and collaboration**

35. Identify the partners within the community that support and/or leverage the work of the agency and the people or groups served by those partners.
36. Describe the role the partners will play in this project.

### Technology infrastructure

37. Describe the current technology infrastructure in your organization.
38. Describe how your organization maintains/supports its current technology.

### Acceptance of the Grant Terms and Conditions

39. An authorized individual from the agency must accept HP's Grant Terms and Conditions at the time of the proposal submission. You may access HP's Grant Terms and Conditions at the HP Microenterprise Development Program website:

[www.hp.com/go/hpmicroenterprise](http://www.hp.com/go/hpmicroenterprise).

### Privacy Terms and Conditions

40. An authorized individual from the agency must indicate that they understand HP's data privacy policies and agree that the information the agency has provided may be used by HP to send you information related to this grant application and other HP Philanthropy-related programs. You may review HP's data privacy policies at <http://welcome.hp.com/country/us/en/privacy.html>.

## Deadline for submission

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## Notification of recipients

HP will make award announcements no later than Wednesday, July 11, 2007, and will post a list of organizations that have been funded at the HP Microenterprise Development Program website at [www.hp.com/go/hpmicroenterprise](http://www.hp.com/go/hpmicroenterprise).

## About HP

HP is committed to being a leader in global citizenship. We are proud of our efforts as global stewards, helping to reduce environmental impacts, raise standards in HP's global supply chain and increase access to information technology worldwide. We conduct our business with uncompromising integrity and strive to live up to every one of our commitments to our customers, partners, employees and shareholders. Furthermore, we believe that global citizenship is good business. We embrace our responsibility to society by being an economic, intellectual and social asset to each country and community in which we operate.

HP is a technology-solutions provider to consumers, businesses and institutions globally. The company's offerings span IT infrastructure, global services, business and home computing, and imaging and printing. For the four fiscal quarters ended Oct. 31, 2006, HP revenue totaled \$91.7 billion. More information about HP (NYSE, Nasdaq: HPQ) is available at [www.hp.com](http://www.hp.com).



## Further information

Visit the HP Microenterprise Development Program website at [www.hp.com/go/hpmicroenterprise](http://www.hp.com/go/hpmicroenterprise). If your questions are not addressed in the Frequently Asked Questions area, you are welcome to submit your own question.