Build to Scale

U.S. Economic Development Administration

FY2024 COMMITMENTS GUIDE
(Updated September 30, 2024)

It takes more than federal investment for a region to develop a successful entrepreneurial ecosystem. As part of the FY2024 Build to Scale (B2S) competition, applicants are tasked with demonstrating that regional stakeholders – in addition to the lead applicant / co-applicants – are also aligned and committed to developing a successful ecosystem.

Consistent with the FY2024 B2S Notice of Funding Opportunity (NOFO) application evaluation criteria E.1.d at p. 12-13, Commitments, B2S applicants must secure and compile a portfolio of commitments aligned with their proposal. These commitments will then be assessed "on the commitments' relevance to and alignment with the project and the region's strategy, the magnitude or significance of the commitments, and their expected and likely impacts."

In evaluating proposals against this criterion, EDA will consider questions such as—

- How specific, timely, and relevant are the commitments that the region's partners across organizational types and sectors (e.g., public, private, nonprofit, labor, etc.) have made?
- How strongly is the private sector engaged, how many quality firms are participating, and is their engagement and participation aligned with and key to the underlying strategy?
- How much additional investment will the project attract and crowd in?
- What are the nature (for-profit, patient, first-loss, philanthropic, etc.) and magnitude of the intended impacts of the commitments, and how likely will these commitments result in those impacts?

With this evaluation criterion, EDA is not just asking for 'support,' but for genuine 'commitments' – actions that a stakeholder will pursue to support a B2S applicant and the larger entrepreneurial ecosystem – to be made alongside the applicant's funding request.

B2S applicants are encouraged to reach out to stakeholders across their regional ecosystems to secure meaningful commitments from a range of stakeholders including but not limited to governments, private-sector entities, nonprofits, philanthropies, educational/research institutions, and other organizations.

The guidance below is intended to help B2S applicants to secure and document commitments as part of their application package.

COMMITMENTS

Applicants should coordinate with regional stakeholders early in the application process in order to develop a portfolio of aligned investment and policy commitments.

"Investment and policy commitments" are actions taken by regional stakeholders (individuals, organizations, or other entities) to meaningfully complement the outcomes of potential EDA funding. Commitments can come in a variety of forms and should fit the needs and assets of a region or community. Strong commitments do not need to be financial commitments; they can include policy or programmatic actions and/or new partnerships.

Commitments should be new/additive, timely, targeted, measurable, and meaningful.

    a. **New/Additive**: A commitment should relate to activities that are new/additive, project-specific, and would not have necessarily happened absent the activities proposed as part of this B2S application. An organization committing financial, programmatic, or operational support for a project, policy change, or investment should articulate how the commitment will complement and maximize the impact of an EDA investment.

    b. **Timely**: Commitments should be timebound with a clear start date. A strong commitment will have a well-defined and realistic timeframe for planned activities.

    c. **Targeted**: Commitments should be specific and have clear, well-defined activities, objectives, and realistic projected outcomes. A strong commitment will have clear ownership and a level of detail that builds trust in its execution.

    d. **Measurable**: Commitments should have clear outcome metrics that can be measured with available information to provide accountability on the execution of the commitment.

    e. **Meaningful**: Most importantly, commitments should enhance the success of the ecosystem as informed by regional stakeholders. The commitments' goals should be ambitious and achievable.

Pages 4-7 of the "Phase 2 Supplemental Guidance on Investment and Policy Commitments" document, released in conjunction with the Tech Hubs Phase 2 NOFO, list sample commitments to consider securing. These sample commitments are illustrative only; B2S applicants are not required to replicate any of these sample commitments, and applicants are encouraged to consider commitments outside of that list as well.

COMMITMENT LETTERS

Applicants should submit commitment letters, each signed by the entity making the commitment, that detail each commitment or set of commitments secured from that entity.

Those commitment letters should include answers to the following questions:

1. What is the name of the entity? What type of entity are they?
2. What are the specific actions or activities that will be taken as part of this specific commitment?
       a. If there is a dollar value associated with this commitment, please list that dollar value.
       b. If the commitment is in-kind, please explain how the valuation was calculated.
3. Who is responsible for ensuring the commitment is met? Please include their name (if staffed) and job title.
4. What are the specific metrics of success for this commitment? Note not all commitments will have a quantifiable number, but all should have a clearly articulated goal.
5. When will the commitment be completed? What, if any, immediate steps were taken during the B2S application period to begin to make progress towards this timeline?
6. Is this commitment a new activity or a continuation of a previous effort? If a continuation, how does this work differ from the status quo?

Please upload these to your application package in EDGE under the 'Letters of Support' folder.

COMMITMENTS INDEX

Applicants should submit a single Commitments Index summarizing all commitments in one excel file. The Commitments Index is intended to serve as a directory that organizes and summarizes the commitment letters.

The Commitments Index asks for:

1. **Entity Name**: The name of the organization providing the commitment and whose signature is on the letter.
2. **Entity Type**: Provide a brief description of the type of organization. You can select from dropdown options.
3. **Commitment Category**: Select if the commitment is a policy commitment or an investment. Policy commitments may include institutional or policy changes or updates to structures, procedures, or systems that will support growth of an innovation economy in the region. They might also include public or promotional programming or technical assistance related to an innovation ecosystem and its companies. Investment commitments may be in-kind or cash.
4. **Commitment Type**: If the commitment is a financial investment, select either in-kind or cash. If the commitment is not a financial commitment, you may select 'not applicable.'
5. **Commitment Value**: If no valuation can be provided, you may leave this blank. Please ensure the valuation listed in the index aligns with the amount provided in the letter.
6. **Counted Towards Match**: Note either yes or no if the commitment is submitted as part of the match requirement. Refer to Appendix B.6.b.ii.C at p. 25 in the FY2024 B2S NOFO for additional information on match requirements. Matching share greater than 1:1 requirement will be accepted but is not necessary to qualify for funding. If the commitment is submitted above and beyond the match requirement, select no.
7. **Contribution to Ecosystem**: If the commitment is new, select "new commitment to ecosystem." Examples of this may include cash investments or in-kind consulting time for a new program. If the commitment is part of an ongoing effort but will enhance, expand, or update a program, select "updated ecosystem asset." An example of this may include in-kind lab equipment to an existing program that will enable expanded reach.
8. **Short Description**: Provide 1-2 summary sentence highlighting key points from the letter.

Please upload this Commitments Index to your application package in EDGE under the 'Letter of Support' or 'other' folder.

Click here for the Commitments Index template.