



## NJ DEPARTMENT OF STATE OFFICE OF FAITH-BASED INITIATIVES GRANT PROGRAM

### **SOCIAL ENTREPRENEUR AND ENTERPRISE DEVELOPMENT (SE<sup>2</sup>D) PROJECT**

To download the grant guidelines, click this link: <https://www.state.nj.us/state/ofbi.shtml>

The mission of the New Jersey Office of Faith Based Initiatives (OFBI) is to eliminate barriers to funding and other resource opportunities, create greater access for partnership and enhance the capacity of faith and community-based organizations (FBCOs) to create and implement innovative approaches that are designed for community and economic transformation.

The NJOFBI will partner with faith and community-based organizations to implement strategies that address social issues in new and exciting ways. More than ever nonprofit leaders need to be entrepreneurs. The job of operating a nonprofit organization has become increasingly complicated. Nonprofit leaders face government funding cuts and rising demands for performance and serious questions about the effectiveness and appropriateness of traditional charitable remedies for social problems. These changes pose both opportunities and challenges.

The underlying focus of the SE<sup>2</sup>D Project is to support Faith and Community Based Organizations (FBCOs) to develop and launch social enterprise ventures that employ earned income strategies to directly address social needs through goods and services.

### **Grant Awards are Subject to the Availability of Funding** **Application Due Date: May 26, 2022 @ 4:59PM**

The SE<sup>2</sup>D program is competitive and it is two tiered. An organization must participate in both tiers to be considered for funding:

**Tier 1:** Submit the application on SAGE

The maximum score that any one organization can receive for the application is 70. If the written application scores 39 or below it will not be considered for **Tier 2**

**Tier 2:** Pitch

The maximum score that any one organization can receive for the pitch is 30.

In order to be considered for funding the combination of the written application score and the pitch score cannot be 69 or lower.

### Eligibility Criteria:

Applicant must:

- ◆ Applicants must be a non-profit Faith and/or Community-Based Organization serving low-income residents;
- ◆ Applicants must be tax-exempt by determination of the Internal Revenue Service in accordance with Section 501(c)(3) and upload their IRS Determination Letter that states that the organization is created for charitable purposes and not for religious purposes;
- ◆ Applicants must be registered with the NJ Division of Consumer Affairs and have a valid Charity Registration Number and be **IN COMPLIANCE** with the New Jersey Division of Consumer Affairs, Charitable Registration and Investigation Section
- ◆ Be registered with the NJ Department of Treasury - Division of Revenue and Enterprise Services and must have a valid Business Revenue Number;
- ◆ Be **IN GOOD STANDING** with the Department of Treasury - Business Service Center
- ◆ Applicants must have their Certificate of Incorporation.

### Ineligible Applicants:

- ◆ Houses of Worship;
- ◆ Public/Private/Charter Schools and School Districts;
- ◆ Colleges/Universities;

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#### Category Descriptions:

Service Category	Maximum Request	Total Funding Available
<b>SE<sup>2</sup>D Growth</b>	<b>\$25,000</b>	<b>\$50,000</b>
<b>SE<sup>2</sup>D Start-up</b>	<b>\$15,000</b>	<b>\$105,000</b>

**SE<sup>2</sup>D Growth** will provide capital formation investments (grants) to existing SEVs with the intent to leverage the SE<sup>2</sup>D Projects capital investment with other private investments designed to grow and eventually scale the enterprise.

#### **SE<sup>2</sup>D Project I**

- **Must provide a 50 in-kind match based on the requested funding amount.**
- SEV must be beyond the prototype and testing phase and must be at the growth phase;
- They must have been in operation for at least 1 – 3 years;
- Currently generates revenue;
- Participate in mandatory capacity building entrepreneur training;
  - The cost for the business plan development training will be incorporated into the SE<sup>2</sup>D Project budget at \$700 per organization.

**SE<sup>2</sup>D Start-up** will provide capacity-building capital to nonprofit organizations that are in the emergent stage of forming SEVs and require intensive training and technical assistance, business plan development and executive staff mentoring, in an effort to move them from idea creation phase to mission phase. **Mission phase is the prototyping and testing of their social value proposition based on the recognition of an opportunity.**

#### **SE<sup>2</sup>D Project II**

- **Must provide a 50 percent in-kind match based on the requested funding amount.**
- Must commit to attend mandatory capacity building entrepreneur training sessions;
  - Two-Day Social Entrepreneur Boot Camp (SEBC). SEBC is designed to immerse **SE<sup>2</sup>D Project II** participants in the theoretical understanding and practical application of what is an

SEV and what's its role in embracing business concepts and market forces for the creation of innovative approaches to address social issues;

- Participation by the organization's executive director, board president, board treasurer, and board secretary is mandatory.
- The business plan development training is designed to help **SE<sup>2</sup>D Project II** participants create compelling business plans that allow them to access working capital;
  - Participation by the organization's executive director, board president, board treasurer, and board secretary is mandatory
- The cost for both the boot camp and the business plan development training will be incorporated into the **SE<sup>2</sup>D** Project II budget at \$1,400 per organization.

**Program Procedures:**

Applications are submitted to the OFBI on the System for Administering Grants Electronically (SAGE) and reviewed by an outside independent panel. Recommendation for funding is based solely on the merit of the application. Award and denial letters are e-mailed to the appropriate organizations via the SAGE system.

**Funding period is from July 1, 2022 to June 30, 2023.**

## **APPLICATION REQUIREMENTS**

The proposal is to be submitted via the Department of State – System Administering Grants Electronically (SAGE) no later than **May 26, 2022 @ 4:59pm.**

**All applications must consist of and include the following items in order to be considered complete.**

**Applications missing requested information will be disqualified from review;  
Applications rating 69 percent or lower will not be considered for funding.**

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<b>Application Requirements and Rating Criteria</b>			
<b>Section</b>	<b>Limits</b>	<b>Description/Criteria</b>	<b>Maximum Rating</b>
Executive Summary	5,000 Characters	<ul style="list-style-type: none"> <li>• Indicate the title of the project. Indicate the amount that you are applying for and the purpose of the Social Enterprise Venture.</li> <li>• Assure that all clients receiving services are low- income and explain how you will verify their low- income status.</li> </ul>	<b>5 Points</b>
Statement of Collaboration	1,500 Character	<ul style="list-style-type: none"> <li>• Briefly indicate the role of each collaborating partner</li> </ul>	<b>N/A</b>
Social Enterprise Venture Concept	5,000 Characters	<ul style="list-style-type: none"> <li>• Provide a brief history of the organization and what prompted it to develop a social enterprise venture;</li> <li>• Explain in detail how the purpose of the venture aligns with the mission of the organization.</li> </ul>	<b>10 pts</b>
Description of Business, Product, Service	5,000 Characters	<ul style="list-style-type: none"> <li>• Describe in detail the product/service that will be brought to market;</li> <li>• Describe the strength of the industry and the venture’s competitors.</li> </ul>	<b>5 Points</b>
Social Opportunity Recognized	5,000 Characters	<ul style="list-style-type: none"> <li>• Describe the social issue that is being addressed;</li> <li>• How will the venture help the organization address the social issue;</li> <li>• What are the specific ways that make the approach a socially entrepreneurial approach?</li> </ul>	<b>10 Points</b>
Business & Social Goals and Objectives	5,000 Characters	<ul style="list-style-type: none"> <li>• Business goals and objectives;</li> <li>• Social goals and objectives;</li> <li>• Upload logic model under required appendices</li> </ul>	<b>10 Points</b>
Defining the Market	5,000 Characters	<ul style="list-style-type: none"> <li>• Indicate who comprises the market that is requesting that the social issue be addressed in the matter that the proposed social enterprise venture would address it;</li> </ul>	<b>10 Points</b>

<b>Application Requirements and Rating Criteria</b>			
<b>Section</b>	<b>Limits</b>	<b>Description/Criteria</b>	<b>Maximum Rating</b>
		<ul style="list-style-type: none"> <li>Describe in detail the willingness of customers to pay for the services/product that's being brought to market;</li> <li>Describe in detail the willingness of clients to participate in the Social Enterprise Venture.</li> </ul>	
Organization and Management Team	5,000 Characters	<ul style="list-style-type: none"> <li>Key management personnel (biographies, key relevant skill sets as it supports the identified venture).</li> </ul>	<b>5 points</b>
Operations Plan	5,000 Characters	<ul style="list-style-type: none"> <li>Describe in detail the design of the social enterprise venture;</li> <li>Describe the manufacturing process (if applicable);</li> <li>Describe the physical facilities and equipment;</li> <li>Describe any regulatory and/or legal issues that must be addressed.</li> </ul>	<b>5 Points</b>
Budget	N/A	<ul style="list-style-type: none"> <li>Must complete budget forms in SAGE.</li> </ul>	<b>10 Points</b>
APPENDICES	N/A	<ul style="list-style-type: none"> <li>Logic Model</li> </ul>	
REQUIRED APPENDICES	N/A	<ul style="list-style-type: none"> <li>Board Resolution;</li> <li>2021 Sales and Revenue Spread Sheet <b>Growth Capital Grantees only;</b></li> <li>2022-2023 Projected Sales and Revenues <b>Startup and Growth Capital Grantees;</b></li> </ul>	
<b>Total</b>			<b>70 Possible Points</b>

### **Restrictions and Limitations**

#### **Nondiscrimination by Religious Organizations and Entities**

- Applicants agree that if provided funds from the New Jersey Department of State Office of Faith-based Initiatives, they will not discriminate against any employee or applicant for services or participation in the proposed program on the basis of religion, race, gender and/or physical disabilities.

#### **Recognition of Cultural Sensitivity**

- Applicants must assure that all programs are linguistically appropriate and culturally relevant to groups within the community. Appropriate accommodations for services will be developed and maintained for those individuals who are deprived of reasonable access to those services due to language barriers or ethnic and cultural differences. All programs and services *must* be reflective of the demographic needs of the community, while providing all people the opportunity to experience any and all available services irrespective of their ethnic or cultural heritage.

## **Reporting Requirements**

- All funding recipients are required to submit quarterly programmatic and fiscal. Schedules of due dates for reporting periods and program terms will be provided upon notification of preliminary approval of award. Funding recipients must adhere to a schedule determined by the New Jersey Department of State Office of Faith Based Initiatives

## **Training**

- All funding recipients are required to attend technical assistance and training sessions scheduled throughout the fiscal year as coordinated by the New Jersey Department of State Office of Faith-based Initiatives and/or its training intermediary
- Applications that fail to meet these requirements detailed in this Grant Guideline will not be reviewed and the application will be disqualified. All applicants will be notified by email regarding the outcome of their award.
- Grant awards may only be used to further the project that the organization has applied for. Paying for organized fundraising or solicitation, construction and purchase of real property, medical/health-related activities or items are ineligible costs and will not be approved.
- Funds may not be used to build an organization's capacity to provide programs or services that include inherently religious activities. If a recipient provides programs or services that include inherently religious activities, such activities must be separate in time or location from the programs or services that the organization is seeking to improve through this grant.
- Grantee's activities are governed by all applicable State laws and regulations and will be provided directly to individual faith-based and community organizations to develop impactful services.
- The New Jersey Department of State reserves the right to reject any and all proposals when circumstances indicate that it is in its best interest to do so including, but not limited to, loss of funding for the contract, insufficient infrastructure, the applicant's failure to provide adequate services, indication of misrepresentation of information and/or non-compliance with any existing State or Federal laws and regulations, contracts or procedures. Grantees applications document the applicant's readiness to implement the project.
- Selection and Notification of Award
- All applications are screened for eligibility and conformity with the specifications in the Grant Guidelines. Applications that fail to meet these requirements will not be reviewed and will be disqualified.
- Applicants are not pre-selected. All applications are rated by a panel of independent, objective reviewers according to the precise selection criteria specified in the Grant Guidelines.
- The independent committee reviewing and scoring applications will not include individuals employed by the organization, affiliated with the organization, organization's board members, contractors, training providers, providers of cost share or in-kind support, or any organization/individuals affiliated in any way with the organization.

## **Post Award Requirements**

- OFBI will monitor grantee compliance with grant requirements, in the event of non-compliance and request appropriate documentation. Should the grantee fail to comply with these requests, sanctions may be implemented up to and including the repayment of all funds associated with this grant award.
- Promptly Respond to Requests for Communication and Information
- Participate in all Required Events, Activities and Evaluations
- Comply with all OFBI Contracting, Fiscal Monitoring and Other Reporting Requirements