U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

# U.S. Small Business Administration Office of International Trade

**STATE TRADE EXPANSION PROGRAM FY 2018**

# (09/30/2018 – 09/29/2020)

**Funding Opportunity Announcement No.**

**OIT-STEP-2018-02**

The purpose of this Funding Opportunity Announcement is to invite proposals for funding from eligible state entities interested in and capable of providing assistance and guidance to eligible small business concerns to increase the number of such firms that export and the value of small business exports. Given that this is an extension of OIT-STEP-2018-02, which had a closing date of May 16, 2018, the SBA will be accepting applications only from Alaska, District of Columbia, Florida, Georgia, Illinois, Indiana, Mariana Islands, New Mexico, Oklahoma, South Dakota, Wyoming, and U.S. Virgin Islands.

# Opening Date: June 26, 2018

**Closing Date: July 6, 2018**

Proposals responding to this Funding Opportunity Announcement must be posted to Grants.gov **by 11:59**

**p.m. Eastern Standard Time, July 6, 2018**. No other method of submission will be permitted. Proposals submitted after the stipulated deadline will be rejected without being evaluated.

# Table of Contents

|  |  |  |
| --- | --- | --- |
| Section | Subject |  |
| 1.0 | **Funding Opportunity Information** | 3 |
| 1.1 | Program Overview | 3 |
| 1.2 | Introduction | 5 |
| 1.3 | Background | 5 |
| 1.4 | Purpose and Allowable Statutory Activities | 6 |
| 1.5 | Collaboration and Leveraging of Resources | 8 |
| 1.6 | SBA Roles and Responsibilities | 9 |
| 1.7 | Changes or Cancellation | 10 |
| 2.0 | **Award Information** | 10 |
| 2.1 | Estimated Funding | 10 |
| 2.2 | Expected Number of Awards | 10 |
| 2.3 | Period of Performance/Budget Periods | 10 |
| 2.4 | Funding Information | 10 |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

|  |  |  |
| --- | --- | --- |
| 2.5 | Funding Instrument | 10 |
| 2.6 | Matching Requirement | 10 |
| 2.7 | Program Income | 11 |
| 3.0 | **Eligibility Information** | 11 |
| 3.1 | Eligible Non-Federal Entity | 11 |
| 3.2 | Ineligible Non-Federal Entity | 12 |
| 4.0 | **Application and Submission Information** | 12 |
| 4.1 | General | 12 |
| 4.2 | Application Instructions | 13 |
| 4.3 | Submission Instructions | 24 |
| 4.4 | Required Proposal Submission Date | 27 |
| 5.0 | **Application Review Information** | 28 |
| 5.1 | General | 28 |
| 5.2 | Evaluation Criteria | 28 |
| 5.3 | Merit-based Review and Selection Process | 32 |
| 6.0 | **Award Administration Information** | 32 |
| 6.1 | Award Notification | 32 |
| 6.2 | Administrative and National Policy Requirements | 33 |
| 6.3 | STEP Financial Requirements | 33 |
| 6.4 | Reporting Requirements | 34 |
| 7.0 | **Agency Contacts** | 35 |
| 7.1 | State Trade Expansion Program Point of Contact | 35 |
| 7.2 | Financial/Awards Management Point of Contact | 35 |
| 7.3 | Grants.gov Technical Support | 35 |
| 8.0 | **Other Information** | 35 |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

|  |  |  |
| --- | --- | --- |
| 8.1 | Definitions | 35 |
| 8.2 | Key Policies | 38 |

# Funding Opportunity Information

* 1. Program Overview
     1. Federal Agency Name

U.S. Small Business Administration (SBA)

* + 1. Funding Opportunity Title

State Trade Expansion Program (STEP)

* + 1. Announcement Type Initial
    2. Funding Opportunity Number:

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + 1. CDFA Number 59.061
    2. Closing Date for Submissions:

July 6, 2018 11:59 PM Eastern Standard

* + 1. Authority

15 U.S.C. § 649(l)

* + 1. Duration of Authority: Permanent
    2. Funding Instrument: Grant
    3. Funding:

Funding is for a two year period of performance.

* + 1. Award Amount/Funding Range:

The projected amount of STEP funding in FY 2018 may be $18,000,000 subject to available funding. Applicants can apply for awards ranging from $100,000 (minimum) to $900,000 (maximum).

Per the statutory authority above, an Applicant eligible for this funding opportunity must be

a “State,” defined as all of the United States, the District of Columbia, the Commonwealth

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

of Puerto Rico, the U.S. Virgin Islands, Guam, Commonwealth of Northern Mariana Islands, or American Samoa. Given that this is an extension of OIT-STEP-2018-02, which had a closing date of May 16, 2018, the SBA will be accepting applications only from Alaska, District of Columbia, Florida, Georgia, Illinois, Indiana, Mariana Islands, New Mexico, Oklahoma, South Dakota, Wyoming, and U.S. Virgin Islands.

Based upon the latest data available from the U.S. Department of Commerce, the 10 States with the highest number of small business exporters shall receive no more than 40 percent of the total Federal fiscal year appropriation. For purposes of this Funding Opportunity Announcement, these states are: California, Florida, Georgia, Illinois, Michigan, New Jersey, New York, Ohio, Pennsylvania, and Texas.

The Federal share of project cost for a State that has a high export volume will be 65%. For purposes of this Funding Opportunity Announcement, these states are: Texas, California, and Washington. Refer to Section 2.6 Matching Requirement for calculation of required match.

The Federal share of project cost for a State that does not have a high export volume will be 75%. Refer to Section 2.6 Matching Requirement for calculation of required match.

The State must match the remainder of project cost. The match must be comprised of not less than 50% cash and not more than 50% of in-kind contributions. Staff salary/fringe costs provided by an Applicant will be considered as a cash contribution. Matching funds may not be derived from any Federal program or Program Income.

If an insular area Applicant is an agency or instrumentality of the area’s government, pursuant to 48 U.S.C. § 1469a, SBA will waive up to $200,000 of the matching funds requirement if a STEP award is made to American Samoa, Guam, the U.S. Virgin Islands, or the Commonwealth of Northern Mariana Islands. If an insular area Applicant is not an

agency or instrumentality of the area’s government , the full matching funds requirement applies.

* + 1. Project Duration:

All awards will be made for a 24 month period.

* + 1. Project Starting Date:

Awardees must accept their Grant by complying with special terms and conditions (if any), signing and returning the Notice of Award, and starting program activities within 30 calendar days of the start date of the Project Period. Failure to comply with these requirements may result in the loss of award.

* + 1. Proposal Evaluation:

An initial screening for eligibility (in accordance with Section 3.1) will be conducted by the program office. Proposals will be reviewed for sufficiency and quality as detailed in Sections 4 and 5. SBA may ask Applicant for clarification of technical proposal and cost aspects of proposals.

* + 1. Agency Programmatic Point of Contact:

James Parker, Acting Director, State Trade Expansion Program, U.S. Small Business Administration, Office of International Trade

The SBA will provide no answers to any questions, except for those included at the end of this document.

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* 1. Introduction

The Trade Facilitation and Trade Enforcement Act of 2015 (HR 644), signed into law on February 24, 2016, made the State Trade Expansion Program a permanent provision of the Small Business Act to make grants to States, and the equivalent thereof, to carry out projects that help develop exports by eligible small business concerns (ESBCs). The objective of STEP is to increase the number of US small businesses that export, to increase the dollar value of exports, and new export opportunities.

* 1. Background

Since its inception in 1953, SBA has served to aid, counsel, assist and protect the interests of small businesses. SBA offers a wealth of financial support, resources and services to small businesses through an array of loan, contract, and grant opportunities. The Agency also plays a critical role in business counseling and training to small businesses and nascent entrepreneurs. The primary purpose is to promote growth, expansion, innovation, increased productivity and management improvement.

The mission of SBA’s Office of International Trade, which bears responsibility for administering the State Trade Expansion Program, is to build the capacity of current and future small business exporters to compete in the global marketplace through capital, counseling, and the advancement of commercial interests at home and abroad.

* 1. Purpose and Allowable Statutory Activities

The underlying premise of the STEP is to supplement Non-Federal entities funds for export activities, not to substitute Federal funds to cover costs Applicants would normally or otherwise cover. Per 2 C.F.R. Section 200.408, Non-Federal entities’ proposed use of Federal funds for the STEP will be limited to the below statutory uses of funds that directly benefit ESBCs to become an exporter and/or increase their export sales. Eligible organizations (as defined in Section 3.1) may apply to SBA for grants under this Announcement to fund proposed activities from the following list of allowable activities to carry out export development projects that assist ESBCs:

|  |  |
| --- | --- |
| **Allowable Statutory Activities** | **Guidance** |
| 1. Participation in foreign trade missions | For the purposes of STEP, a foreign trade mission is defined as travel to a foreign country by ‘eligible small business concerns’ that will enable them to explore or expand international business opportunities. As a result of ESBCs participating in foreign trade missions with STEP funds, they are expected to yield tangible outcomes; such as, seeking out potential buyers, and increasing export sales volume. One to two staff proportional to the number of ESBCs participating in mission is expected to provide direct support to them in achieving these outcomes. |
| 2. Subscription to services provided by the Department of Commerce | STEP grant recipients may elect to utilize the services available from the U.S. Commercial Service to assist ‘eligible small business concerns’ with entering or expanding their markets; such as, choosing the best market for their products or services; evaluating prospective foreign business partners; increasing market potential; and gold key matchmaking services. |
| 3. Payment of website fees | This activity pertains to translation of websites into foreign languages, localization for foreign markets, and search engine optimization. |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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| 4. Design of marketing media | STEP defines marketing media as the ability to promote an eligible small business concern’s product or service to strengthen their export sales potential, ability to reach target audiences, and/or expand export market opportunities using any of the following:   * brochures * social media platforms * websites * billboards * newspapers * branding and advertising * posters * advertisements in international magazines * other appropriate media approved in advance by SBA STEP |
| 5. Trade show exhibition | Trade shows, defined by STEP, as an exhibition for ‘eligible small business concerns’ to showcase and demonstrate their products and services. This includes foreign trade shows appropriate for ESBC export development and domestic trade shows, according to the domestic trade show policy (as specified in Section 8.2.6). |
| 6. Participation in export training workshops | Training workshops and education courses that are offered to recipients of STEP funds must have a direct benefit to, and assist, eligible small business concern(s) with gaining credible knowledge of export policies, regulations, and/or best practices. Ideally, training should be part of a “pipeline” approach that leads to assisting a first time or ‘novice’ exporter to become an ‘experienced’ exporter.  Outcomes; such as, export plans, strategies, and best practices handouts should be deliverables.  Export certification or training workshops offered by SBA Resource Programs; such as, SBDCs, Women Business Centers and SCORE are encouraged. Additional examples include: ExporTech, a structured program that assist companies going to market and with executing strategic export plans. |
| 7. Reverse trade mission | Reverse trade missions are defined as bringing foreign buyers to the United States to meet with potential suppliers of U.S. manufactured goods and services. Proposals for this activity are limited to costs borne directly by ESBCs to participate in a reverse trade mission and paid for by a STEP Awardee which directly benefit ESBCs (e.g., meeting space, audio/visual support). Payment of any costs associated with travel (transportation, lodging, etc.) of foreign buyers is not allowed. |
| 8. Procurement of consultancy services | This activity is only allowable after consultation with the Department of Commerce to avoid duplication of services. |
| 9. Other export initiatives | The ‘other’ export initiatives must be determined appropriate by SBA’s |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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|  | Associate Administrator (or the Deputy Associate Administrator) of the Office of International Trade and cannot duplicate the services available from SBA, SBA resource partners, or other applicable Federal trade agencies. For example, foreign market sales trips have been determined as an appropriate use of STEP funds. Inclusion of this use would be indicted as an item 9. |

**STEP Priorities:** To demonstrate the full impact of STEP, the program’s emphasis this year will be on determining the extent to which non-Federal entities achieve the program’s statutory objectives through the institution of performance measures and assessing their results (or outcomes).

Therefore, each non-Federal entity is expected to design a proposal that outlines clearly defined and focused milestone goals with supporting activities that can be achieved over a two year award period in sync with the key performance measures outlined below.

# Key Performance Measures:

1. To increase the number of eligible small business concerns in the State that export
2. To increase the value of exports by eligible small business concerns in the State
3. To increase the number of eligible small business concerns exploring significant new trade opportunities

# Direct Support to Eligible Small Business Concerns:

Federal funds must directly support development of new ESBC exporters and ESBC export market expansion firms. Any proposed activities that are not drawn from the list of nine allowable statutory activities (e.g., national/regional association dues, passport/visa fees) will not be approved.

Applicants must reflect in their Technical Proposal and Budget Narrative the use of at least 85 percent of their proposed Federal award for the purpose of providing direct benefit to ESBCs, drawn from the list of allowable statutory activities. An application with less than 85 percent will be

considered “not responsive” to the Funding Opportunity Announcement requirements and will not

be evaluated. Proposed costs that directly benefit ESBCs are composed of:

1. Costs directly borne by an ESBC to participate in an approved export activity as part of a trade expansion program;
2. Approved travel by state STEP personnel listed on the A-10 form and with the funding designated on the SF 424A to develop the pipeline of ESBCs and to assist ESBCs on trade missions and shows; and,
3. Approved contract services that directly support ESBCs (e.g., interpreters that are engaged in meetings between ESBCs and foreign buyers, companies engaged in ESBC website development, and providers of export training).

Applicants may propose efforts that comprise financial assistance awards (e.g., vouchers, stipends) for reimbursements to STEP Clients for participation in approved export activities.

# Promote Trade Expansion to Small Business Communities:

Applicants are encouraged to promote trade expansion to a broad range of small businesses, to include the following four small business communities (as defined in Section 8.1 of this Announcement):

1. Owned and controlled by socially and economically disadvantaged individuals;
2. Owned and controlled by women;

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

1. Owned and controlled by veterans and/or service-connected disabled veterans; and/or,
2. Rural small businesses.

Applicants who receive a STEP award must collect these small business attributes for required reporting during the performance period.

* 1. Collaboration and Leveraging of Resources

Non-Federal entities selected for awards under this Announcement are strongly expected to leverage SBA funding by working in conjunction with SBA’s District Offices, U.S. Export Assistance Center trade finance specialists and SBA’s resource partners such as Small Business Development Centers (SBDC), SCORE, Women’s Business Centers, Veterans Business Outreach Centers, Small Business Investment Companies, Certified Development Companies, SBA lenders. SBA is particularly interested in demonstrated collaboration with Federal agencies (such as, U.S. Commercial Service) and other Federal, state, local and tribal government export development programs and activities provided by institutions of higher education (colleges & universities), trade and vocational schools or private organizations such as; chambers of commerce, trade and industry groups and associations.

Examples of working in conjunction include joint planning, coordination, or execution of export activities between the Applicant and the above entities.

* 1. SBA Roles and Responsibilities

STEP is the statutory responsibility of the Associate Administrator, Office of International Trade. For assigned STEP non-Federal entities, the Director of STEP:

1. Establishes program policy, planning, review, coordination, and evaluation;
2. In collaboration with the Office of Grants Management, manages STEP grants in accordance with a competitive merit-based review process;
3. Directs program management and monitoring activities executed by SBA Program Managers and other agency resources;
4. Ensures effective use of program funds; and,
5. Resolves issues, problems, and/or disputes.

For assigned STEP non-Federal entities, the Program Manager:

1. Has the delegated authority for full programmatic execution of the program;
2. Serves as the Grants Officer’s Technical Representative (GOTR);
3. Serves as liaison between the Office of International Trade and their assigned STEP non- Federal entities;
4. Maintains communication with the District International Trade Officer;
5. Receives copies of all official project documents and maintains project files containing copies of the applications, proposals, budgets, notices of award, web-site information, client follow-up plans, financial, statistical and narrative reports, correspondence, modification requests, payment requests, notes, etc.; and,
6. Recommends or denies requests for programmatic and budgetary changes to awards and requests for advance of Federal funds and reimbursement of expenditures to the Grants Management Officer.

For assigned STEP Award non-Federal entities, the Grants Management Officer, Office of Grants Management:

1. Has full responsibility for financial management of grants;

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

1. Is responsible for issuance of the notices of award, terms and conditions, and approval of programmatic and budgetary modifications; and,
2. Reviews and approves all requests for advance of Federal funds and reimbursement of expenditures incurred under the grant.

For assigned STEP non-Federal entities, the District International Trade Officer, SBA District Offices:

1. Serves as SBA’s local point of contact for coordination of the non-Federal entities efforts and activities with other SBA resource partners;
2. Assists STEP non-Federal entities with activity eligibility of prospective small business concerns; and
3. Acts as advocate for the non-Federal entities STEP project within the district, referring clients to the non-Federal entities project, and helping other SBA personnel and resource partners understand which of their clients are best served by referral to the project.

For assigned STEP non-Federal entities, the Trade Finance Specialist, U.S. Export Assistance Center:

1. Has lead area responsibility for providing support and assistance regarding SBA’s export- focused loan programs; and,
2. Guides the non-Federal entity, as necessary, in identifying sources of export-related financial assistance that may be appropriate for STEP Client needs.
   1. Changes or Cancellation

SBA reserves the right to amend or cancel this Announcement, in whole or in part, at the Agency’s discretion. Should SBA make material changes to this Announcement, the Agency will extend the Closing Date as necessary to afford Applicants sufficient opportunity to address such changes.

# 2.0 Award Information

* 1. Estimated Funding

SBA may issue $18,000,000 in awards under this Announcement.

The minimum award amount is $100,000 and the maximum award amount that can be proposed for this Funding Opportunity Announcement by any non-Federal entity is $900,000.

* 1. Expected Number of Awards

SBA anticipates awarding as many grants as possible subject to available funding for proposed activities and requested amounts.

* 1. Period of Performance/Budget Periods

All non-Federal entities period of performance for this two-year award is September 30, 2018 –

September 29, 2020.

* 1. Funding Information

In accordance with 2 C.F.R. Section 200.408, allowability of costs is restricted to the statutory export activities, specified in Section 1.4 above.

Page | 9

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

In addition, all costs proposed in an non-Federal entity’s budget must meet the tests of reasonableness, necessary, allowability, and allocability set forth in the applicable Office of Management and Budget (OMB) cost principles. SBA will not reimburse non-Federal entity for their proposal preparation costs, and pre-award costs are not allowable for STEP awards under 2 C.F.R. §

200.458. Only prepaid expenses by eligible small business concerns are allowed for approved trade shows in accordance with 2 C.F.R. § 200.405(a)(1)that are reasonable, necessary, allowable and allocable costs under approved STEP FY 2018 awards.

Funds provided under STEP must be used solely for the purposes stipulated in this Announcement and the Notice of Award for this performance period and may not be commingled with any other monies or transfer of funds from one award to another.

* 1. Funding Instrument

The funding instrument used will be a Grant.

* 1. Matching Requirement
     1. The Federal share of project cost for states that have high export volumes will be 65% and State matching funds required will be 35% of the sum of the Federal award. High export volume was determined based upon U.S. Census Bureau export data by state. This means that for every $1 of Federal funds proposed, these Recipients must provide $.53846 in match. For purposes of this Funding Opportunity Announcement, the high export volume States are: Texas, California and Washington.
     2. The Federal share of project cost for States that do not have high export volume will be 75% and State matching funds required will be 25% of the sum of the Federal award and Recipient match amount. This means that for every $1 of Federal funds proposed, these Recipients must provide $.333333 in match.
     3. If an insular area non-Federal entity is an agency or instrumentality of the area’s government, pursuant to 48 U.S.C. § 1469a, SBA will waive up to $200,000 of the matching funds required if a STEP award is made to American Samoa, Guam, the U.S. Virgin Islands, or the Commonwealth of Northern Mariana Islands. If the insular area non-Federal entity is not an agency or instrumentality of the area’s government, the full matching funds requirement applies.
     4. Matching funds must be comprised of not less than 50% cash and not more than 50% of indirect and in-kind contributions. Matching funds may not be derived from any Federal program. Non-Federal entity personnel salary and fringe proposed as match will be counted as cash.
     5. Non-Federal entities may not use program income for the purpose of meeting their match.
  2. Program Income (reference 13 CFR 143.25, 2 CFR 200.80, 2 CFR 200.307)

Program income is gross income from fees or any other monies collected by a STEP non-Federal entity or a partner entity from a STEP eligible small business concern. For STEP, Program Income must be:

* + 1. Included in the applicant-proposed and SBA-approved budget,
    2. Accounted for separately from other Federal and Non-Federal monies,
    3. Added to the approved STEP Federal award amount, and

Page | 10

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + 1. Used to directly benefit STEP ESBCs for activities approved by the assigned SBA STEP Program Manager.

Fees paid by a STEP ESBC directly to a recognized provider of export services are not Program Income. The provider can be an independent entity (e.g., Dept. of Commerce, trade show organizer, export trainer). The entity can be under contract to a STEP non-Federal entity to provide export related services.

Program income may not be used for the purpose of meeting match requirement and may not be used to support salaries of personnel associated with the project.

When Applicant intends to serve solely as a fiscal agent and simply receive monies from ESBCs and then provide 100% of the collected costs to third party for services for those ESBCs, rather than using the monies to recoup costs the Applicant has already paid, this approach can be requested, approved and not considered Program Income.

* 1. Eligibility Information
  2. Eligible Non-Federal Entity

Given that this is an extension of OIT-STEP-2018-02, which had a closing date of May 16, 2018, the SBA will be accepting applications only from Alaska, District of Columbia, Florida, Georgia, Illinois, Indiana, Mariana Islands, New Mexico, Oklahoma, South Dakota, Wyoming, and U.S. Virgin Islands.

The Trade Facilitation and Trade Enforcement Act of 2015 provides that STEP grants may be awarded only to “States,” meaning any of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, the Commonwealth of Northern Mariana Islands, and American Samoa. Therefore, only non-Federal entities that meet this definition are eligible for an award under this Funding Opportunity Announcement.

For purposes of this Funding Opportunity Announcement, the term “eligible non-Federal entity” means a State agency or other entity that, prior to the date of application for this Announcement, has been officially designated by the State Governor, or equivalent thereof (e.g., Mayor of the District of Columbia), as the sole applicant and lead entity for conducting the State’s trade and export activities .

* + 1. The organizational structure of the State’s designated international trade arm must show an official agency relationship with State government, and the State must provide financial backing in meeting the required match amount and show support for program activities.
    2. Only those proposals accompanied by the written designation of the State Governor, or his/her designee, may submit an application for evaluation and funding consideration.
    3. Should the Governor, or equivalent thereof, assign to a designee the signatory responsibility for the designation letter, the designation letter must include an acknowledgement that the Governor, or his/her equivalent, has authorized the designee to sign the letter on his/her behalf.
    4. For insular areas, the equivalent of a State Governor is the appropriate signatory.
  1. Ineligible Non-Federal Entity

The following organizations will automatically be considered ineligible and their applications will be rejected without being evaluated:

* + 1. Any organization that has not been officially designated by a State Governor as the sole applicant and lead entity for conducting the State’s trade and export activities (See Section

3.1 Eligible non-Federal entity, above.);

* + 1. Any organization that owes an outstanding and unresolved financial obligation to the Federal government;

Page | 11

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + 1. Any organization that is currently suspended, debarred or otherwise prohibited from receiving awards of contracts, grants, or cooperative agreements from the Federal government;
    2. Any organization with an outstanding and unresolved material deficiency reported under the requirements of the Single Audit Act or OMB Circular A-133 within the past three years;
    3. Any organization that has had a STEP grant or cooperative agreement involuntarily terminated or non-renewed by SBA for cause within the past one year;
    4. Any organization that has filed for bankruptcy within the past five years;
    5. Any organization that proposes to serve as a pass-through and permits another organization to manage the day-to-day operations of the project; and/or
    6. Any organization that was convicted, or had an officer or agent acting on its behalf convicted, of a felony criminal violation under any Federal law within the past two years.

# 4.0. Application and Submission Information

* 1. General
     1. A State may submit only one proposal in response to this Funding Opportunity Announcement.
     2. Any additional applications from a State will automatically be rejected without being evaluated. (Only the latest application successfully submitted by an eligible non-Federal entity to Grants.gov will be screened for potential evaluation for an award.)
     3. Non-Federal entities must round all monetary values to the nearest whole dollar in all budgetary and financial application document submissions.
  2. Application Instructions

All applications successfully submitted to SBA via Grants.gov will undergo a screening process, consisting of a review for Applicant eligibility and application completeness. Applications will be rejected without further evaluation if they are submitted by ineligible entities or they are non- responsive to the requirements of this Funding Opportunity Announcement.

For Applicant convenience, a technical proposal template and application checklist is provided to ensure the elements of the application package follow the order listed in the Funding Opportunity Announcement. In addition, the required application forms and letters with some samples of completed forms are available on the STEP webpage at [www.sba.gov/step.](http://www.sba.gov/step)

The following documents are completed as part of the electronic application form on Grants.gov:

* + 1. SF-424, Application Federal Assistance,
    2. SF-424A, Budget Information,
    3. SF-LLL, Disclosure of Lobbing, and
    4. SF-424B, Budget Information (Non-Construction). Please submit these documents as pdf copies as well.

All documents must be submitted as separate attachments due to new Grants.gov workspace

requirements. Documents can’t be bundled together.

Please attach the following attachments separately using the exact name and standard order outlined below. The Applicant elements should be named with the Attachment number [#], Applicant’s State abbreviation (do not spell out state name), and name of document (identified in the left hand side of chart below).

**For example: [1] [State abbreviation] Cover Letter.** Applications must upload the following elements as attachments in Grants.gov:

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

|  |  |
| --- | --- |
| **File name and Format structure** | **Required Application Elements** |
| Attachment [1] [State abbreviation] **Cover Letter** *Signed*  *Pdf format* | **Cover Letter – *Maximum 1 page***  The first element of the application must be a cover letter containing a summary of each non-Federal entity’s key proposed export activities, which will be sent to Congress and appear on the SBA’s STEP webpage. Submit the Cover Letter electronically in pdf format. The cover letter is not counted in the 10 page requirement and must be one page. Include the following information:   1. Non-Federal entities name and address (which must match the Governor’s   Letter of designation);   1. Non-Federal entities website address; 2. Non-Federal entities STEP webpage, if already extant; 3. Name, telephone number, fax number, and email address of the non-Federal entities designated point of contact (the Authorized Organizational Representative); 4. Dollar amount of Federal assistance being requested; 5. A one paragraph summary (110-125 words) of the proposed export activities supporting the proposed milestone goals. Use the following language to start this requirement:   The (fill in State name) will use STEP award funds to support export development for eligible small business concerns to include (insert the proposed export activities). |
| Attachment [2] [State abbreviation]  **Proposed Plan: Performance Measures & Outcomes**  *Excel format* | **Proposed Plan: Performance Measures & Outcomes**  Non-Federal entities will be responsible for preparing a **Proposed Plan** including, **Performance Measures and Outcomes** in an excel spreadsheet (‘Instructions’ on how to complete proposed plan will be on <https://www.sba.gov/STEP>website). The Proposed Plan serves as the data blueprint to measure the extent to which the STEP grant recipient achieves program activities and the results (outcomes) of those measures. If awarded a grant, the grant recipient will be assigned a STEP Program Manager who is responsible for reviewing and approving your plan. Upon approval, the spreadsheet will be converted into a full Performance Progress Report and returned to you. Grant recipients will be required to report performance measures achieved, activities completed, and measurable results on a quarterly basis for the full two year award period. SBA will collect, analyze and utilize this data to evaluate the program’s overall success.  Client data will be classified confidential. |
| Attachment [3] | **Technical Proposal *template Maximum 10 pages*** |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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| [State abbreviation]  **Technical Proposal**  *Word format* | To expedite the proposal review process, Applicants must submit Technical Proposal using the template provided on <https://www.sba.gov/STEP> website. The proposal elements must be in the same order as the evaluation criteria in Section 5.2 of the Funding Opportunity Announcement. The proposal may not exceed 10 pages excluding title page and cover page) of double spaced text using 8 ½ x 11 inch paper. A minimum Times New Roman 12 point font is required. Only 10 pages will be reviewed and evaluated. Any additional pages submitted other than the 10 pages will be eliminated without consultation of applicant and will not be reviewed.  Non-Federal entities do NOT need to address every allowable statutory export activity (identified in Section 1.4). Non-Federal entities are strongly encouraged to prepare focused proposals including, performance measures and supporting activities that can realistically be achieved within the 24 month award period.   1. **Introduction** - Start the Technical Proposal with an ‘**Introduction**’ section on page one (not on the title page) that summarizes in no more than one (1) paragraph, your organization’s requested Federal and Non-Federal award amount, targeted number of eligible small business concerns, brief description of proposed statutory activities that will be achieved with STEP funds in FY 2018, the total expected export sales, and anticipated return on investment that is realistic and achievable. 2. **Organizational Competency** - In an estimated 1-2 pages, labeled with the   main heading ‘**Organizational Competency**’, this section includes:   * + Program management - The proper management capability to execute STEP activities including, overseeing contracts (if any, is used) to support the proposed STEP project; and ii) the sufficient facilities and locations to conduct the proposed export activities;   + Key Personnel – The level of knowledge and experience of key personnel especially the STEP Project Director (must be at least 50% of his/her time throughout the performance period) in both administering a Federal award and executing the proposed export activities;   + Exporting Experience– The organizational capability to achieve success in the past and/or present to increase the number of small business exporters, export sales, and new export opportunities.  1. **Project Design: Performance Measures, Outcomes & Collaboration to Directly Benefit ESBCs** – In an estimated 1-6 pages, labeled with the main heading ‘**Performance Measures, Outcomes & Collaboration to Directly Benefit ESBCs’** this section should demonstrate how credible and impactful the non-Federal entities organization can leverage partnerships to produce new small business exporters, increase ESBCs export sales, and expand significant new export opportunities; as well as, promote export services to a broad range of small business communities.    * Performance Measure #1 – To increase the number of eligible small business concerns in the State that export    * Performance Measure #2 –- To increase the value of exports by eligible small business concerns in the State    * Performance Measure #3 – To increase the number of eligible small |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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|  | business concerns exploring significant new trade opportunities  Additional performance measures that will be reported to STEP but do not have a goal requirement are following:   * Increase number of small business communities; * Increase in job creation/job retention stemming from ESBCs participation in export activities.   iv. **Financial Assistance Plan** - In an estimated 1 page, labeled with the main heading ‘Financial Assistance Plan’, this section must outline the eight elements (detailed in Section 5.2.3) for ESBCs seeking assistance with award funds.  *v.* **Data Collection & Measurement of Outcomes** - In an estimated 1 page, labeled with the main heading ‘**Data Collection and Measurement of Outcomes’**, this section must address the required data collection elements identified in Section 5.2.4 (and listed in technical proposal template); and, the quality of Applicant’s ability to quantitatively measure progress towards achieving proposed outcomes. STEP’s proven results are measured by an increase in the number of firms, an increase in the value of ‘actual’ export sales, and an increase in new export trade opportunities. *Refer to Technical Proposal template for more details.*  Applicants are encouraged to discuss the benefit that can be realized to Your state’s economy as a result of job created and/or job retained stemming from ESBCs participation in export activity. Non-Federal entities shall include a question on your STEP Application to capture the number of jobs created/retained completed by the client to collect this data. |
|  | **Budget Information**  *Each Applicant must provide budget information according to the specific instructions for each item.*  ***Submit budget information documents separately, in the following order, with the file name labeled as follows:*** |
| Attachment [4] [State abbreviation] **SF 424**  *Online and Pdf format* | **Standard Form (SF) 424, Application for Federal Assistance**. SF 424, Application for Federal Assistance. This standardized form requires basic information about your organization. The STEP Project Director must be listed in block 8f on the SF 424, not a grant writer or any other contact person, since this is where SBA obtains the contact information to generate the Notice of Award (NOA) for acceptance of grant. Pertinent information regarding this announcement and all programmatic matters will also need to be provided to the STEP Project Director listed here. |
| Attachment [5] [State abbreviation] **SF 424A**  *Online and Pdf format* | **SF-424A, Budget Information (Non-Construction Programs)** - this form requires an estimate of the Applicant's total cost of executing STEP activities described in the technical proposal.   1. Do not show non-Federal funds overmatch. Include only Applicant staff travel   in the “Travel” cost category and ESBC travel in the “Other” cost category;   1. For Section A, fill in columns (a) with ‘STEP’, (b) with 59.061, and appropriate total amounts in (e), (f), and (g); 2. For Section B, label column (1) ‘Federal’, label column (2) with exact ‘Non- Federal’ (Cash) match, label column (3) with any ‘Non-Federal’ (In-kind) |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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|  | contribution (from Applicant or a third party). The ‘Total’ Federal and Non- Federal amount is in column (5);  d. For Section C, (Non-Federal Resources): Only complete columns 8(a) Grant Program with ‘STEP’, column (b) Applicant (combined Cash/In-kind, if applicable), and column (e) Totals; and;  e. Prepare SF424A, Section D to match Approved Plan expenditures by quarter. In other words, the ‘forecasted cash needs’ for the two years, Federal amount (line 13) and non-Federal amount (line 14) must match the activity expenditure amounts on your proposed plan by quarter. Line 15, the total amount of expenditures you proposed in your Federal and Non-Federal budget and approved plan for all activities must be the same each quarter; Do not merely divide the total amount by eight (quarters). They should match the technical proposal and proposed plan exactly. They should match the technical proposal and proposed plan exactly for proposed activities and requested amounts. |
| Attachment [6] [State abbreviation] **A10 – A12**  *Pdf format* | **Attachments A-10 through A-12 (Budget Detail Worksheets)**   1. Non-Federal entity STEP Project Director must devote at least 50% of his/her time at all times to the STEP project (ensure “STEP Project Director” is applied to one Applicant staff member); 2. On the A-10, identify all personnel who will be funded by Federal and Non- Federal amounts or who will support the STEP project without project funding (follow the sample shown on the A-9 ‘Supplementary Instructions’ for personnel calculations; do not include the A-9 instruction page in the application package); 3. All totals on the A-10 through A-12 must match the totals on the SF-424; 4. All subtotals and totals on the A-10 through A-12 must match all dollar amounts reflected on SF-424A; and,   e. Non-Federal entities may substitute its own forms or spreadsheets in place of the A-10 through A-12, provided these alternate forms include all the same cost elements and columns in the same order as the A-10 through A-12. |
| Attachment [7] [State abbreviation] **Budget Narrative** *Pdf format* | **Budget Narrative**   1. Provide a detailed explanation of the components of each budget cost category listed in the SF-424A; 2. Explain how each cost component directly benefits ESBCs;   c. Indicate which cost category (item and dollar amount) comprises the proposed Non-activity Federal Expense that was entered in the yellow highlighted section at the bottom row (P 21) in the Proposed Plan. |
| Attachment [8] [State abbreviation]  **Match Certification**  *Pdf format* | **Match Certification**   1. Provide a match certification letter that reflects the Applicant’s match   components composed of the following elements:   * + match dollar amount   + type of match (cash, indirect expense, or in-kind)   + description   A sample match certification letter is included in the Application Forms Package |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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|  | located on the SBA STEP webpage: [www.sba.gov/STEP](http://www.sba.gov/STEP)  b. Include as attachments any commitment letter(s) from sources which the Applicant intends to obtain in-kind matching funds. |
| Attachment [9] [State abbreviation] **Commitment letter** *Pdf format* | **Commitment letter(s)** from sources which the non-Federal entity intends to obtain in- kind matching funds *(if applicable).* |
| **4.2.4** | **Certification Forms and Assurances**  *Each Applicant must provide budget information according to the specific instructions for each item.* ***Submit certification and assurances forms separately in the following order, with the file name labeled as follows:*** |
| Attachment [10] [State abbreviation]  **SBA Form 1623**  **Certification**  *Pdf format* | **SBA Form 1623 Certification Regarding Debarment, Suspension and Other Responsibility Matters** (a handwritten signature (not electronic) is required for this form) |
| Attachment [11] [State abbreviation]  **SF-LLL**  **Disclosure**  *Pdf format* | **SF-LLL, Disclosure of Lobbying Activities** (signed) - this form request disclosure of any lobbying activities pursuant to 31 U.S.C. 1352.  If there is nothing to disclose in blocks 10a-b, only blocks 1-9 need be completed. The form must be signed by hand (not electronically) and dated in block 11. Federal funds under this award may not be used for lobbying activities. |
| Attachment [12] [State abbreviation]  **SF-3881 ACH**  **Payment Form**  *Pdf format* | **SF-3881 ACH Vendor/Miscellaneous Payment Enrollment Form** (signed)  Applicant must complete the Payee Information and Financial Institution sections only. The Agency Information section will be completed by SBA. |
| Attachment [13] [State abbreviation] | **SF-424B Assurances for Non-Construction Programs** (signed) – this form is required to certify that the organization will comply with all applicable requirements of the Federal laws, executive orders, regulations, and policies governing the grant program. A handwritten signature (not electronic) is required for this form. |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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| **SF-424B**  **Assurances**  *Signed Pdf format* |  |
| Attachment [14] [State abbreviation]  **CFO Certification letter**  *Signed Pdf format* | **Chief Financial Officer (CFO) Certification letter** - verifies that the Applicant has an established organizational infrastructure with an internal financial management system that meets OMB cost principles (2 C.F.R. 200.302). The certification letter must be on letterhead, signed and dated by the CFO, or equivalent thereof, holding analogous responsibilities, and having analogous expertise.  A sample CFO Certification letter is included in the Application Forms Package located on the SBA STEP webpage: [www.sba.gov/STEP](http://www.sba.gov/STEP) |
| Attachment [15] [State abbreviation]  **Governor Designation Letter**  *Signed Pdf format* | **Designation Letter** - Governor’s letter, or equivalent thereof (e.g., Mayor of the District of Columbia), designating the Applicant as the State’s sole applicant and lead entity for conducting the State’s trade and export activities.   * Address letter to:   Mr. Eugene Cornelius, Deputy Associate Administrator Office of International trade  409 3rd Street, S.W. Washington, D.C. 20416   * For insular areas, the Governor, or equivalent must state that the Applicant is an   agency or instrumentality of the area’s to receive the waiver of matching funds. |
| Attachment [16] [State abbreviation]  **Consultation Letter**  *Pdf format* | **Consultation Letter** – This is a letter documenting consultation with the applicable trade agencies of the Federal Government on the export activities and contract services the non-Federal entity proposes to carry out using a STEP award to reduce duplication with existing Federal services. At a minimum, non-Federal entities must consult with:   1. The SBA District Office serving the non-Federal entities State (or the District Office that serves the non-Federal entities State capital or is located nearest to the non-Federal entities office for States with multiple SBA District Offices); and, 2. The Department of Commerce US Commercial Service US Export Assistance Center (USEAC) serving the non-Federal entity State capitol or located nearest to the non-Federal entities office for States with multiple USEACs. 3. American Samoa, the Commonwealth of Northern Mariana Islands, and Guam should consult with the SBA District Office and the USEAC located in Hawaii.   Use the Consultation template letter for this purpose, which is available in the Application Forms Package located on the SBA STEP webpage: [www.sba.gov/STEP.](http://www.sba.gov/STEP) |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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|  | **Organizational Management**  *Each Applicant must provide budget information according to the specific instructions for each item.* ***Submit organizational management documents separately in the following order, with the file name labeled as follows:*** |
| Attachment [17] [State abbreviation]  **Organizational Chart**  *Pdf format* | **Organizational chart(s)** included as a separate attachment identifying the non-Federal entities (including, STEP Project Director and all key and other personnel) listed on the SF-424A and A-10. Include the chart as a separate submission. Do NOT include Organizational chart in technical proposal. |
| Attachment [18] [State abbreviation]  **List of facilities and locations**  *Pdf format* | **List of Applicant facilities and locations** used to:  1. Manage the proposed STEP project,  2. Conduct proposed STEP activities. |
| Attachment [19] [State abbreviation] **Board of Directors** *Pdf format* | **List members of Board of Directors** (if applicable) |
| Attachment [20] [State abbreviation]  **Resumes and Position Descriptions**  *Pdf format* | **Résumés and position descriptions** for ALL key personnel (including vacant positions) supporting the STEP project.   1. Résumé of STEP Project Director should reflect knowledge and experience with both administering a Federal award and executing the proposed export activities; 2. Other résumés must reflect experience and education relevant to the proposed STEP project; 3. Résumés and position descriptions for board members, contractors, and consultants need not be submitted unless they are also key personnel.   Résumés may not be more than one page in length. |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

|  |  |
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| Attachment [21] [State abbreviation]  **List of Contractual and Consulting**  *Pdf format* | **List of Contractual and Consulting Agreements** - List of all extant or anticipated contractual and consulting agreements that ***directly support*** the Applicant’s proposed export activities which must include:   1. Contract provider name or TBD if contractor is anticipated; 2. Manner in which the provider was or will be selected (i.e., competitively or sole source); 3. Summary of support provided; 4. Actual or estimated contract cost to support the proposed STEP activities; 5. Identity of the employee or official of the Applicant organization who will be responsible for overseeing the agreements; and, 6. Description of oversight process.   Non-Federal entity may follow their own procurement policies and procedures when contracting with Project Funds, but must comply with the requirements of 2 C.F.R. §§ 200.317-200.326. The following additional rules apply to contracts involving $3,500 or less in Project Funds:   1. Do not submit copies of the proposed contracts for approval before executing them. 2. The contracts are not required to be awarded via competition if the non-Federal entity considers their prices to be reasonable.   Note: For some organizations (i.e., institutions of higher education), the base threshold has increased from $3,500 to $10,000.  The following additional rules apply to contracts between $3,501 and $150,000 in Project Funds:   1. Non-Federal entity does not need to submit copies of the proposed contracts for approval before executing them. 2. Non-Federal entity must obtain price quotes (either orally or in writing) from at least three qualified sources and inform SBA of these quotes in the corresponding payment requests/financial reports. 3. If non-Federal entity does not choose to go with the lowest price quote, the non-Federal entity must explain why.   The following additional rules apply to contracts involving more than $150,000 in Project Funds:  a. Non-Federal entity must submit copies of the proposed contracts for approval before executing the contract.  b. The contracts must be awarded via competition. Non-competitive contracting at this level is only allowed if Applicant can demonstrate to SBA’s satisfaction either: (i) there is only one possible source for a particular good or service or (ii) there is an emergency involving the risk of imminent damage to property or injury to people. If non-Federal entity does not propose any contract support for this award, include this attachment marked “N/A.” |
| Attachment [22] [State abbreviation] | **List of contracts** that the non-Federal entity proposes to charge against the project as a *direct cost* or to meet matching funds requirement that will be outside the indirect cost rate agreement (e.g., a facilities lease). |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

|  |  |
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| **List of Contracts**  *Pdf format* | 1. Contract provider/lessor name 2. Summary of support provided 3. Actual or estimated contract cost   If Applicant does not propose such charges for this award, include this attachment  marked “N/A.” |
|  | **Financial Management**  *Each Applicant must provide financial management information according to the specific instructions for each item.* ***Submit financial management documents separately in the following order, with the file name labeled as follows:*** |
| Attachment [23] [State abbreviation]  **IRS Tax ID**  *Pdf format* | **Tax identification documentation** issued by the Internal Revenue Service (IRS). The form must be on official IRS letterhead. Do NOT submit W-9; it is not acceptable and will be rejected.  A sample Tax Identification form is included in the Application Forms Package located on the SBA STEP webpage: [www.sba.gov/STEP](http://www.sba.gov/STEP) |
| Attachment [24] [State abbreviation]  **Cost Policy**  *Pdf format* | **Cost Policy Statement** - This statement must describe non-Federal entities general accounting policies and a description of their cost allocation methodology (how each type of proposed cost is allocated: direct, indirect, or match). This policy must be signed by the Chief Financial Officer (or equivalent thereof, holding analogous responsibilities, and having analogous expertise). |
| Attachment [25] [State abbreviation]  **A-133 Audit Report**  *Pdf format* | **A-133 Audit Report** - Attach the most recent A-133 audit report. If the non-Federal entity is not subject to the requirements of the Single Audit Act, non-Federal entity must instead submit a copy of its most recently audited financial statement and the CPA opinion of this audit (e.g., unqualified, qualified, adverse, etc.)  Note: if the non-Federal entities A-133 or most recent financial statement audit is large, provide a blank page with website link and instruction on where to locate the audit. |
| Attachment [26] [State abbreviation] **ICRA**  *Pdf format* | **Indirect Cost Rate Agreement or extension letter** (if applicable) - For non-Federal entities that include indirect costs, provide a current, executed Indirect Cost Rate Agreement from the cognizant Federal agency or a letter from the non-Federal entities cognizant Federal agency approving an extension of a previous indirect cost rate for a period of time that covers the period of performance for this award. If the non-Federal entity does not propose such charges for this award, include this attachment marked “N/A.” |
| Attachment [27] [State abbreviation]  **Drug free** | **Drug-free Workplace Agreement** - This agreement requires the non-Federal entity to certify that the organization will provide a drug-free workplace by adhering to certain conditions. |

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

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| **Agreement**  *Pdf format* |  |
|  | **Data Collection**  *Each Applicant must provide data collection information according to the specific instructions for each item.* ***Submit data collection documents separately in the following order, with the file name labeled as follows: Attachment [10] [State abbreviation] Data Collection*** |
| Attachment [28] [State abbreviation] **Data Collection** *Pdf format* | **Data Collection Instrument** - Copy of non-Federal entities data collection instrument (DCI) used to collect data from STEP Clients on the results of STEP activities that clearly indicate, at a minimum, the criteria outlined in Section 5.2. Note: A signature and date for STEP clients should be included on this form. Electronic signatures are acceptable for online applications. |
| Attachment [29] [State Abbreviation]  **STEP Client Application**  *Pdf format* | **STEP Client Application** - Copy of non-Federal entities application form used by small businesses applying to become STEP Clients.  A statement on the application by the client that conveys their certification of the reported data. For example, “I hereby certify that all information provided in this document, as well as any accompanying documents, are true and complete;”  Note: A signature and date for STEP clients should be included on this form. Electronic signatures are acceptable for online applications. |
| Attachment [30] [State abbreviation]  **Client Self Representation** *Pdf format* | **STEP Client Self-Representation form** - Copy of the STEP Client Self-Representation as an Eligible Small Business Concern form used by the Applicant. |

* 1. Submission Instructions

This section provides the application submission and receipt instructions for the U.S. Small Business Administration, Office of International Trade, State Trade Expansion Program applications. Please read the following instructions carefully and completely.

# Electronic Delivery

SBA is participating in the Grants.gov initiative to provide the grant community with a single site to find and apply for grant funding opportunities. Applicants must submit their applications online through Grants.gov.

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

# How to Register to Apply through Grants.gov

* 1. Instructions:

Read the instructions below about registering to apply for STEP funds. Applicants should read the registration instructions carefully and prepare the information requested before beginning the registration process. Reviewing and assembling the required information before beginning the registration process will alleviate last- minute searches for required information.

Organizations must have a Data Universal Numbering System (DUNS) number, active System for Award Management (SAM) registration, and Grants.gov account to apply for grants. If individual applicants are eligible to apply for this funding opportunity, then you may begin with step 3, Create a Grants.gov Account, listed below.

Creating a Grants.gov account can be completed online in minutes, but DUNS and SAM registrations may take several weeks. Therefore, an organization's registration should be done in sufficient time to ensure it does not impact the entity's ability to meet required application submission deadlines.

Complete organization instructions can be found on Grants.gov here: <https://www.grants.gov/web/grants/applicants/organization-registration.html>

* + 1. Obtain a DUNS Number: All entities applying for funding, including renewal funding, must have a DUNS Number from Dun & Bradstreet (D&B). Applicants must enter the DUNS Number in the data entry field labeled "Organizational DUNS" on the SF-424 form. For more detailed instructions for obtaining a DUNS Number, refer to: [https://www.grants.gov/web/grants/applicants/organization-](https://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html) [registration/step-1-obtain-duns-number.html](https://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html)
    2. Register with SAM: All organizations applying online through Grants.gov must register with the System for Award Management (SAM). Failure to register with SAM will prevent your organization from applying through Grants.gov. SAM registration must be renewed annually. For more detailed instructions for registering with SAM, refer to: [https://www.grants.gov/web/grants/applicants/organization-](https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html) [registration/step-2-register-with-sam.html](https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html)
    3. Create a Grants.gov Account: The next step is to register an account with Grants.gov. Follow the on-screen instructions or refer to the detailed instructions here: <https://www.grants.gov/web/grants/applicants/registration.html>
    4. Add a Profile to a Grants.gov Account: A profile in Grants.gov corresponds to a single applicant organization the user represents (i.e., an applicant) or an individual applicant. If you work for or consult with multiple organizations and have a profile for each, you may log in to one Grants.gov account to access all of your grant applications. To add an

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

organizational profile to your Grants.gov account, enter the DUNS Number for the organization in the DUNS field while adding a profile. For more detailed instructions about creating a profile on Grants.gov, refer to: [https://www.grants.gov/web/grants/applicants/registration/add-](https://www.grants.gov/web/grants/applicants/registration/add-profile.html) [profile.html](https://www.grants.gov/web/grants/applicants/registration/add-profile.html)

* + 1. EBiz POC Authorized Profile Roles: After you register with Grants.gov and create an Organization Applicant Profile, the organization applicant's request for Grants.gov roles and access is sent to the EBiz POC. The EBiz POC will then log in to Grants.gov and authorize the appropriate roles, which may include the AOR role, thereby giving you permission to complete and submit applications on behalf of the organization. You will be able to submit your application online any time after you have been assigned the AOR role. For more detailed instructions about creating a profile on Grants.gov, refer to: [https://www.grants.gov/web/grants/applicants/registration/authorize-](https://www.grants.gov/web/grants/applicants/registration/authorize-roles.html) [roles.html](https://www.grants.gov/web/grants/applicants/registration/authorize-roles.html)
    2. Track Role Status: To track your role request, refer to: [https://www.grants.gov/web/grants/applicants/registration/track-role-](https://www.grants.gov/web/grants/applicants/registration/track-role-status.html) [status.html](https://www.grants.gov/web/grants/applicants/registration/track-role-status.html)
  1. Electronic Signature:

When applications are submitted through Grants.gov, the name of the organization applicant with the AOR role that submitted the application is inserted into the signature line of the application, serving as the electronic signature. The EBiz POC **must** authorize people who are able to make legally binding commitments on behalf of the organization as a user with the AOR role; **this step is often missed and it is crucial for valid and timely submissions.**

# How to Submit an Application to SBA via Grants.gov

Grants.gov applicants must apply online using Workspace. Workspace is a shared, online environment where members of a grant team may simultaneously access and edit different web forms within an application. For each Funding Opportunity Announcement (FOA), you can create individual instances of a workspace.

Below is an overview of applying on Grants.gov. For access to complete instructions on how to apply for opportunities, refer to: <https://www.grants.gov/web/grants/applicants/workspace-overview.html>

* 1. Create a Workspace:

Creating a workspace allows you to complete it online and route it through your organization for review before submitting.

* 1. Complete a Workspace:

Add participants to the workspace to work on the application together, complete all the required forms online or by downloading PDF versions, and check for errors before submission. The Workspace progress bar will display

Page | 24

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

the state of your application process as you apply. As you apply using Workspace, you may click the blue question mark icon near the upper-right corner of each page to access context-sensitive help.

* + 1. Adobe Reader:

If you decide not to apply by filling out web forms you can download individual PDF forms in Workspace. The individual PDF forms can be downloaded and saved to your local device storage, network drive(s), or external drives, then accessed through Adobe Reader.

NOTE: Visit the Adobe Software Compatibility page on Grants.gov to download the appropriate version of the software at: [https://www.grants.gov/web/grants/applicants/adobe-software-](https://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html) [compatibility.html](https://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html)

* + 1. Mandatory Fields in Forms:

In the forms, you will note fields marked with an asterisk and a different background color. These fields are mandatory fields that must be completed to successfully submit your application.

* + 1. Complete SF-424 Fields First:

The forms are designed to fill in common required fields across other forms, such as the applicant name, address, and DUNS Number. Once it is completed, the information will transfer to the other forms.

* 1. Submit a Workspace:

An application may be submitted through workspace by clicking the Sign and Submit button on the Manage Workspace page, under the Forms tab.

Grants.gov recommends submitting your application package at least 24-48 hours prior to the close date to provide you with time to correct any potential technical issues that may disrupt the application submission.

* 1. Track a Workspace Submission:

After successfully submitting a workspace application, a Grants.gov Tracking Number (GRANTXXXXXXXX) is automatically assigned to the application. The number will be listed on the confirmation page that is generated after submission. Using the tracking number, access the Track My Application page under the Applicants tab or the Details tab in the submitted workspace.

For additional training resources, including video tutorials, refer to: <https://www.grants.gov/web/grants/applicants/applicant-training.html>

*Applicant Support*: Grants.gov provides applicants 24/7 support via the toll-free number 1-800-518-4726 and email at [support@grants.gov.](mailto:support@grants.gov) For questions related to the specific grant opportunity, contact the number listed in the application package of the grant you are applying for.

Page | 25

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

If you are experiencing difficulties with your submission, it is best to call the Grants.gov Support Center and get a ticket number. The Support Center ticket number will assist the SBA with tracking your issue and understanding background information on the issue.

# Timely Receipt Requirements and Proof of Timely Submission

* 1. *Online Submission.*

All applications must be received by [11:59 p.m.] Eastern Standard Time on

July 6, 2018. Proof of timely submission is automatically recorded by Grants.gov. An electronic date/time stamp is generated within the system when the application is successfully received by Grants.gov. The applicant with the AOR role who submitted the application will receive an acknowledgement of receipt and a tracking number (GRANTXXXXXXXX) from Grants.gov with the successful transmission of their application. This applicant with the AOR role will also receive the official date/time stamp and Grants.gov tracking number in an email serving as proof of their timely submission.

When SBA successfully retrieves the application from Grants.gov, and acknowledges the download of submissions, Grants.gov will provide an electronic acknowledgment of receipt of the application to the email address of the applicant with the AOR role who submitted the application. Again, proof of timely submission shall be the official date and time that Grants.gov receives your application. Applications received by Grants.gov after the established due date for the program will be considered late and will not be considered for funding by SBA.

Applicants using slow internet, such as dial-up connections, should be aware that transmission can take some time before Grants.gov receives your application. Again, Grants.gov will provide either an error or a successfully received transmission in the form of an email sent to the applicant with the AOR role attempting to submit the application. The Grants.gov Support Center reports that some applicants end the transmission because they think that nothing is occurring during the transmission process. Please be patient and give the system time to process the application.

* 1. Required Proposal Submission Date

**Each non-Federal entity is required to submit its proposal electronically via** [**www.grants.gov**](http://www.grants.gov/) **no later than 11:59 p.m. Eastern Standard Time on July 6, 2018.** Because of the pre-conditions for submitting applications via Grants.gov and the potential for encountering technical difficulties in using that site, non-Federal entities are strongly encouraged to log on to grants.gov and review the submission instructions early. **DO NOT WAIT UNTIL THE CLOSING DATE TO BEGIN THE SUBMISSION PROCESS**. Non-Federal

entities bear sole responsibility for ensuring their proposals are submitted and received before the closing date.

SBA will consider the date and time stamp on the validation generated by Grants.gov as the official submission time. A proposal that is not received by Grants.gov before the closing date of this Funding Opportunity Announcement will be rejected without being evaluated, unless the non-Federal entity can clearly demonstrate through documentation obtained from Grants.gov that it attempted to submit its proposal in a timely manner but was unable to do so solely

Page | 26

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

because of Grants.gov system issues. Additionally, SBA will not accept any changes, additions, revisions, or deletions to applications made after the application closing date, unless requested by the SBA.

Non-Federal entities should save and print written proof of an electronic submission made at Grants.gov. If problems occur while using Grants.gov, the applicant is advised to (i) print any error message received; and (ii) contact Grants.gov for immediate assistance. **Applicants may obtain advice and assistance with the Grants.gov submission process by visiting** [**http://www.grants.gov/web/grants/applicants.html**](http://www.grants.gov/web/grants/applicants.html) **or by calling 1-800-518-4726.**

# Application Review Information

* 1. General

The entire application package, comprised of the Technical Proposal (using required template format), and all additional attachments, will be evaluated on its comprehensiveness, completeness, and overall quality.

All applications successfully submitted to SBA via Grants.gov will undergo a screening process, consisting of a review for eligibility and application completeness. Applications will be rejected without further evaluation if they are submitted by ineligible entities or they are non-responsive to the requirements of this Funding Opportunity Announcement.

* 1. Evaluation Criteria

All timely and materially complete applications received from eligible non-Federal entities will be evaluated in accordance with the criteria listed below. Evaluation of applications will result in the possibility of a grant in accordance with a merit-based review process. This will be achieved using a Tier I and Tier II process.

Tier I, will consist of an evaluation, by an independent peer review panel, of four criteria (criteria

#1-4), outlined below, totaling 80 points:

* + 1. Organizational Competency (15 points),
    2. Project Design: Performance Measures, Outcomes and Collaboration (40 points),
    3. Financial Assistance Plan (15 points), and
    4. Data Collection and Measurement of Outcomes (10 points).

Tier II, will consist of an evaluation by SBA Office of International Trade staff, of one criteria (criteria #5): Financial Management and Past Performance *(20 Points).*

# Tier I Evaluation

**Criteria # 1 - Organizational Competency *(15 points)***

Non-Federal entities must demonstrate they will devote a project team that will ensure proper direction, management and timely completion of the proposed project. Based upon the Technical Proposal, the Organizational Chart, budget information, résumés and position descriptions, the non-Federal entities project team will be evaluated on:

1. Program Management and Oversight (5 points):
   * The level of management oversight over contracts, if any is used to support the proposed STEP project;

Page | 27

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + The facilities and locations that will be used to manage and conduct the proposed export activities.

1. Key Personnel (5 points) – The level of knowledge and experience of key personnel especially the STEP Project Director (must be at least 50% of his/her time at all times in both administering a Federal award and executing the proposed export activities;
2. Exporting Experience (5 points) – The organizational capability to achieve success in the past and/or present to increase the number of small business exporters, export sales, and new export opportunities.

**Criteria # 2 - Project Design: Performance Measures, Outcomes & Collaboration to Directly Benefit ESBCs *(40 Points)*** - The non-Federal entities will be evaluated based on its performance measures and outcomes contained in the Technical Proposal template, and accompanying Proposed Plan (excel spreadsheet). The project design should be very clear, concise and focused (based on a careful assessment of top priorities, key export industries and markets) of the non-Federal entities’ state, territory or commonwealth. It must address credible and impactful outcomes pertaining to the program’s objectives which are: to increase the number of ESBC exporters, export sales volume, and significant new trade opportunities through collaborative efforts. The following components must be included in your Technical proposal template.

1. **Performance Measures & Outcomes** - Based on previous STEP and/or other export experiences, non-Federal entities will be evaluated on their capability and experience with developing credible and impactful performance measures and outcomes that are commensurate with statutory requirements.
2. Directly Benefit ESBCs – The proposal must demonstrate non-Federal entities capacity to recruit, prepare and assist new small business exporters. Eighty-five percent (85%) of the proposed Federal award is the minimum percentage required to directly benefit ESBC export activities;
   1. Building a pipeline and developing small businesses into new exporters (e.g., recruiting, preparing, and assisting NTEs participate in export activities);
   2. Building a pipeline of existing small business exporters and expanding their markets (e.g., recruiting, preparing, and assisting MEs participation in export activities); and,
   3. Promoting export development opportunities to a broad range of small businesses, to include the following small business communities:
      * Owned and controlled by socially and economically disadvantaged individuals;
      * Owned and controlled by women;
      * Owned and controlled by veterans and/or service- connected disabled veterans; and/or,
      * Rural small businesses.
3. Collaboration - Non-Federal entities are expected to establish and leverage collaborative partnerships with relevant organizations to accomplish the proposed performance measures and supporting export activities. Based on information contained in the Technical Proposal, Non-Federal entities will be evaluated on how

Page | 28

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

well they will collaborate on proposed export activities with each of their identified partners, drawn from the following entities:

* 1. SBA’s District Offices, U.S. Export Assistance Center’s trade finance specialists and SBA’s resource partners such as Small Business Development Centers (SBDC), SCORE, Women’s Business Centers, Veterans Business Outreach Centers, Small Business Investment Companies, Certified Development Companies, SBA lenders, and other SBA award recipients;
  2. Other Federal, State, local and tribal government agencies. SBA is particularly interested in the demonstrated-collaboration with the U.S. Commercial Service;
  3. institutions of higher education (colleges & universities), trade and vocational schools; and
  4. Private organizations, such as Chambers of Commerce and trade and industry groups and associations.

**Criteria #3 - Financial Assistance Plan *(15 Points)***

Non-Federal entities Financial Assistance Plan should address criteria and policies for the following elements. This Plan must conform to the STEP parameters as described below. Non- Federal entities may not build in discretion to use STEP funds for other purposes not approved by SBA.

1. **Application Process:** Non-Federal entities application process for eligible small business concerns seeking STEP assistance including the following:
   1. Criteria and selection process to become a STEP client;
   2. Organization and title of the selection panel or committee members (SBA employees cannot be members).
2. **Internal Controls**: The non-Federal entities financial management structure and systems – a clearly defined and documented internal control process that will ensure compliance related to the *timely* and *reasonable* expenditure of Federal funds.
   1. A specific response time (such as, 30-45 days) for issuing financial assistance awards to STEP clients, processing payments, and submitting reimbursement request in order to expend STEP funds in a timely manner must be outlined.
   2. The non-Federal entities’ process for ensuring that STEP funding is spread out to allow a multiplicity of ESBC participation and encouraging support to new STEP clients.

Non-Federal entities are strongly encouraged to develop requirements for ‘building the pipeline’ so that companies can ‘graduate’ from the program after a reasonable duration and amount of funding. STEP clients should not become dependent on receiving Federal STEP funds.

1. **Threshold Amounts**: Non-Federal entities ability to develop reasonable thresholds for ESBC reimbursement and participation in STEP activities. This includes: thresholds to define the total amount of Federal funding assistance STEP client may apply for and the total number of export

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

activities they are eligible to participate in during the two year period of performance.

* 1. Maximum dollar amount of financial assistance available to a STEP client.
  2. Total number of activities that a STEP client can participate in during the STEP award performance period.

***Participation Threshold Table***

|  |  |  |
| --- | --- | --- |
|  | Total amount of Federal funding assistance to STEP clients | Total number of export activities STEP clients are eligible to participate in |
| Participation Period |  |  |

Note: The thresholds for participating ESBCs in non-Federal entities proposals will be reviewed for *reasonablene*ss to ensure the program meets the objective of the Trade Facilitation and Trade Enforcement Act of 2015.

# Criteria #4 - Data Collection and Measurement of Outcomes *(10 Points)*

Based on information contained in the Technical Proposal and their submitted client Data Collection Instrument (DCI), non-Federal entities will be evaluated on whether the following required DCI elements are present and clear:

1. STEP Client’s level of export experience (“market expansion” or “new-to-export” as defined in 8.1.10 and 8.1.11 respectively) on the DCI and on the STEP client application;
2. Actual export sales amount resulting from a completed activity;
3. Projected export sales amount resulting from a completed activity within the following 12 to 18 months;
4. A statement on the DCI by the client that conveys their certification of the reported data. For example, “I hereby certify that all information provided in this document, as well as any accompanying documents, are true and complete;”
5. Number of times results data will be collected during the award year on the DCI and in the Technical Proposal;
6. Number of jobs created/retained stemming from ESBCs participation in export activity to specific countries and industries to the extent it is possible to collect; and,
7. Non-Federal entities instrument used to collect and record data (e.g., web-based, paper form, email, phone call) on the DCI and in the Technical Proposal. Electronic signatures may be obtained from STEP clients.

# Tier II Evaluation

**Criteria #5 - Financial Management and Past Performance *(20 Points)***

Tier II will consist of the SBA Office of International Trade’s evaluation of accumulated past financial management and performance data of non-Federal entities with previous STEP awards or, financial and performance data in the application of non-Federal entities that have not had a STEP award prior to year 6 (FY 2015): in such case, SBA reserves the right for points to be evaluated proportionately to encourage full participation of awardees.

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

Per 2 CFR §§ 200.205-200.207, a risk assessment of each non-Federal entity will be completed (during Tier II) and reflects the increasing emphasis on accountability and mitigating the risks associated with use of Federal funds. Results of a risk assessment may preclude the awarding of a grant or the imposition of special terms and conditions.

As required by 2 C.F.R. § 200.205(b), based on information contained in the Technical Proposal and the required attachments, non-Federal entities will be evaluated on the following risk factors associated with their:

* + Financial management compliance (adherence to STEP financial examination, audit findings);
  + Internal controls (defined as ability to achieve reliable accounting and financial reporting) and associated risks with reasonable expenditure of Federal funds;
  + Demonstrated ability or likelihood of success to achieve program participation measures and associated risks with adherence to statutory requirements.

Non-Federal entities will be evaluated in Tier II on the following elements:

1. **Financial Management (5 points):** Evaluation of non-Federal entities implementation of recommendations received from an SBA examination (if any) of their previous STEP project financial management, audit findings, financial management of their most recently completed STEP award.
2. **Internal Controls (5 points):** The non-Federal entity's internal controls (defined as ability to achieve reliable accounting and financial reporting) based on the extent to which Federal funds under the most recently completed award was utilized, financial management compliance, and mitigation of any associated risks with executing STEP project.
3. Program Participation Measures (10 points): History of performance with prior STEP awards, if any, pertaining to measurable outcomes to include:,
   1. the number of ESBCs that received STEP assistance (5 points); and,
   2. the difference between planned return on investment and actual return on investment (5 points).
   3. Merit-based Review and Selection Process

Non-Federal entities that are not rejected by grants.gov or SBA’s initial screening process will be scored on the basis of how well they meet the evaluation criteria outlined above. These applications will be evaluated by panelists in both an individual and panel format and the results from the panels will be normalized. The panelists will be drawn from the SBA and other Federal agencies. The maximum score any application can receive is 100 points (up to 80 possible points in Tier I and up to 20 possible points in Tier II). SBA will set the competitive range for applications and set a threshold score, below which applications will not be funded, once applications have been received and evaluated. Therefore, Applicants are encouraged to design proposals and complete their applications to address each of the evaluation criteria listed above as thoroughly as possible.

# 6.0 Award Administration Information

* 1. Award Notification

All non-Federal entities selected for an award and non-Federal entities not selected for an award will receive written notification. **There will be no debriefing process for unsuccessful non-Federal entities.**

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* 1. Administrative and National Policy Requirements

All successful non-Federal entities will be required to comply with the requirements set forth in 2

C.F.R. Part 200 and OMB Circular A-133 (as applicable); the Assurances for Non-Construction Programs (SF-424B); and the terms and conditions set forth in their Notices of Award.

The non-Federal entity must permit personnel from SBA’s Office of Inspector General (OIG), other SBA personnel involved in the examination and oversight of STEP Recipients, and/or their designated agents, unrestricted access to review and make copies of all products, materials, and data, including those prepared or stored electronically.

In addition, SBA may, from time to time, advise non-Federal entities of awards made under this Announcement of new legal requirements and/or policy initiatives with which they must agree to comply.

* 1. STEP Financial Requirements

Non-Federal entity proposals are not permitted to include costs associated with any of the following items or activities:

* + 1. Transactions with suspended or debarred entities, as discussed in Part III(B)(2) below;
    2. Construction or renovation of facilities or acquisition of real estate;
    3. Litigation, whether civil, criminal, or administrative;
    4. Providing matching contributions to any other Federal awards;
    5. Meals, lodging, per diem, or other subsistence expenses associated with local travel (however, Project Funds may be used to pay transportation expenses for local travel). Local travel is any travel conducted entirely within a 50-mile radius of Your organization’s address of record;
    6. Travel by elected officials; and
    7. Conference and registration fees, national and regional association dues, travel to association events.

The underlying premise of the STEP is to supplement the non-Federal entity with funds for export activities, not to substitute Federal funds for costs non-Federal entities would normally or otherwise cover. Per 2 C.F.R. Section 200.408, use of Federal funds for the STEP is limited to the STEP statutory uses of funds. Proposed use of Federal funds not directly supporting development of new exporters and increasing export sales will not be approved (e.g., national/regional association dues, travel to association events).

With regard to foreign travel and other costs incurred by STEP ESBCs, the following costs are allowable:

* + - 1. Airfare (consistent with Fly America Act guidelines);
      2. Ground transportation fees;
      3. Baggage fees;
      4. Parking fees;
      5. Meals and lodging (based on GSA/Department of State per diem rates);
      6. Registration fees and booth space for trade shows;
      7. Trade mission fees;
      8. Currency exchange fees;
      9. Other associated and allowable travel expenses;
      10. Fees for shipping sample products (capped at $2,000);

Page | 32

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + - 1. Cost of compliance testing an existing product for entry into an export market (capped at $3,000);
      2. Export research tool subscription used to assist STEP Clients with market research (capped at $1,000 per award year) is allowable as a direct benefit to ESBCs;
      3. Website translation into foreign language, search engine optimization, and localization services (capped at $3,000);
      4. Design of marketing media (capped at $3,000).

**Staff Foreign/Domestic Travel -** STEP supported travel costs incurred by non-Federal entities are limited to non-Federal entity staff that directly support the proposed STEP project who are listed on the A-10 form.

The following costs of STEP ESBC and Applicants are NOT allowable:

1. Passport or visa costs;
2. Immunizations;
3. Expenses related to entertaining current or prospective clients or government officials;
4. New product development or alteration of existing products;
5. Cellphones and cellphone charges;
6. Television and radio production;
7. Efforts to create or augment marketing and advertising campaigns to draw international visitors to a State;
8. Cost associated with CE mark;
9. Cost for development and/or design of a website for a company; and
10. Cost for enhancement and/or development of an existing company’s product.
    1. Reporting Requirements

All non-Federal entities are required to submit the reports identified below. SBA may withhold payment if reports are not received or are deemed inadequate. Failure to report in a timely manner will also be weighed against future applications for award funding from the same organization and the exercise of any option periods. The reports, or portions thereof, provided by the non-Federal entity may be made public. In addition, SBA reserves the right to require non-Federal entities to post these reports on their web sites.

*Financial Reports*

Non-Federal entities will be required to submit quarterly financial reports to SBA using the form SF- 425, Federal Financial Report (FFR) within 30 days of the completion of the first seven quarters and within 90 days of the completion of the eighth and final quarter of the period of performance. Non- Federal entities are encouraged to submit final quarter reports prior to the end of the allowed 90 days.

*Performance Reports*

Non-Federal entities will be required to submit quarterly performance reports to SBA using the SF- PPR, Performance Progress Report (PPR) within 30 days of the completion of each of the first seven quarters and within 90 days of the completion of the eighth quarter of the performance period. Non-

Page | 33

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

Federal entities are encouraged to submit final quarter reports prior to the end of the allowed 90 days.

Summary of Participation Measurements: The Non-Federal entity should submit along with its PPR, a one paragraph summary of activities that highlights program accomplishments in year one (Quarter

4) and **FINAL** year two (Quarter 8); such as, total Federal funds expended, total number of ESBCs supported, return on investment, best practices, and how the STEP funds assisted small businesses explore significant new trade opportunities. SBA will provide guidance and revise reporting requirements for the performance period, as needed, to better track progress and actual results.

*Report Submission*

Reports must be submitted electronically via e-mail to the assigned GOTR.

# 7.0

*7.1*

*7.2*

*7.3*

# 8.0

8.1.

# Agency Contacts

*State Trade Expansion Program Point of Contact*

The SBA will provide no answers to any questions, except for those included at the end of this document.

*Financial/Awards Management Point of Contact*

The SBA will provide no answers to any questions, except for those included at the end of this document.

*Grants.gov Technical Support*

For technical support with filing an electronic application in response to this Funding Opportunity Announcement, contact the Grants.gov help desk at 1-800-518-4726 or [support@grants.gov.](mailto:support@grants.gov)

# Other Information

*Definitions*

The following definitions apply to awards made under this Funding Opportunity Announcement:

* + 1. *Budget Period*

The 24-month period during which expenditure obligations will be incurred by the non-Federal entity of an award under this Funding Opportunity Announcement. For the purposes of this Funding Opportunity Announcement, the budget period will be from September 30, 2018 to September 29, 2020 or as stipulated in the Notice of Award.

* + 1. *Cost Policy Statement*

A document describing non-Federal entities general accounting policies and a description of their cost allocation methodology (how each type of proposed cost is allocated: direct, indirect, or match). This policy must be signed by an authorized official.

Page | 34

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + 1. *Counseling*

Services provided one-on-one to an individual and/or business that are delivered in person (face-to- face), on the telephone, or electronically and which are:

* + - 1. Substantive in nature and concern the formation, management, financing, and/or operation of a small business enterprise; AND
      2. Specific to the needs of the business or individual.
    1. *Eligible Applicant*

A State agency that has been officially designated by a State Governor (or equivalent) as the sole applicant and lead entity for conducting the State’s trade and export activities, and that such designation occurred prior to the date of application submission for an award under the State Trade Expansion Program.

* + 1. *Eligible Small Business Concern*

A company/firm that meets and adheres to the following criteria:

* + - 1. Is organized or incorporated in the United States;
      2. Is operating in the United States;
      3. Size standard requirements:
         1. The applicable industry-based small business size standard established under section 3 of the Small Business Act; or
         2. The alternate size standard applicable to the program under section 7(a) of the Small Business Act and the loan programs under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.);
         3. The U.S. Small Business Administration (SBA) size standards are found at 13 C.F.R. Part 121. Use the following sba.gov link for information on size standards for your business ([https://www.sba.gov/category/navigation-](https://www.sba.gov/category/navigation-structure/contracting/contracting-officials/small-business-size-standards) [structure/contracting/contracting-officials//small-business-size-standards](https://www.sba.gov/category/navigation-structure/contracting/contracting-officials/small-business-size-standards));
      4. Has been in business for not less than 1 year, as of the date on which assistance using a grant under this subsection commences; and,
      5. Has access to sufficient resources to bear the costs associated with trade, including the costs of packing, shipping, freight forwarding, and customs brokers.
    1. *Export Sales*

For the purposes of the STEP program, there are two types of sales that non-Federal entities will report data as defined below:

* + - 1. Actual export sales – payment received, signed contract, signed purchase order in hand from a foreign buyer for a product or service provided by a STEP Client.
      2. Projected export sales – estimate of sales of products and services made to foreign buyers over the 24 month (2 year period of performance) from the date of client reporting that is attributable to a STEP supported activity.
    1. *Financial Assistance Plan*

A non-Federal entities proposed plan of providing financial assistance awards to cover costs that eligible small business concerns would otherwise pay from their own funds.

Page | 35

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + 1. *Grant*

A federal grant is an award of financial assistance from a federal agency to a non-Federal entity to carry out a public purpose of support or stimulation authorized by a law of the United States.

* + 1. *Job Creation*

Job creation is the sum of all employment gains from expanding establishments from year to year including establishment startups. Note: the contribution of firm births can be measured by using the job creation from establishments with firm age equal to zero.

* + 1. *Market Expansion (ME)* are ESBCs who currently export to one or more markets and are seeking to:
       - Expand into new country market(s)
       - Expand into a new region or new segment or new product line within an existing market
    2. *New to Export (NTE)* are ESBCs with:
       - No export experience at all
       - Only “accidental” or “novice” exporting experience
       - No export experience within 24 months
    3. *Non-Federal Entity*

An eligible applicant, as defined at 8.1.6, that applies for funding under this Funding Opportunity Announcement.

* + 1. *Notice of Award*

The legal document, signed by both SBA and a non-Federal entity, that memorializes the award of funding under a Funding Opportunity Announcement and contains the specific terms and conditions that apply to the award.

* + 1. *Project Period*

The period of performance for an award made under this Funding Opportunity Announcement.

* + 1. *Small Business Communities (for the purposes of the STEP program) are defined as:*
       1. socially and economically disadvantaged individuals (set forth in 13 C.F.R
  1. and 104) who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities; whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged. The socially and economically disadvantage individual must own not less than 51 percent of the firm. These include:
     + Black Americans;
     + Hispanic Americans;
     + Native Americans (Alaska Natives, Native Hawaiians, or enrolled members of a Federally or State recognized Indian Tribe);

Page | 36

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + - Asian Pacific Americans (The complete list is available at 13 C.F.R 103); and
    - Subcontinent Asian Americans (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands or Nepal).
      1. small business concerns owned or controlled by women that are:
         1. not less than 51 percent unconditionally and directly owned and controlled by one or more women who are United States citizens; and
         2. a small business as defined in 13 C.F.R. part [121.](https://www.law.cornell.edu/cfr/text/13/121)
      2. rural small business concerns - an eligible small business concern located in a rural area, as defined at 26 USC 1393(2), Rural area. This includes any area that is outside of a metropolitan statistical area (MSA). MSAs have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration as measured by commuting ties. See OMB Bulletin No. 15-01 for a complete list of MSAs.
      3. veterans and/or service-connected disabled veterans – as defined at 38 CFR 3.1(d) and 13 CFR 125.8(g), SBC owned and controlled by service-disabled veterans, is a person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable, which is demonstrated on the DD Form 214 and who is:
         1. not less than 51 percent unconditionally and directly owned and controlled by one or more veterans who are United States citizens; and
         2. a small business as defined in 13 C.F.R. part [121.](https://www.law.cornell.edu/cfr/text/13/121)
    1. *State*

All of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, Commonwealth of Northern Mariana Islands, and American Samoa.

* + 1. *Client*

An ‘eligible small business concern’ to which a non-Federal entity provides financial assistance awards and/or services, categorized as either new to export or market expansion (as defined in 8.1. and 8.1) pursuant to this Funding Opportunity Announcement.

* + 1. *STEP non-Federal entity or non-Federal entity*

A qualified organization to which an award is made under this Funding Opportunity Announcement.

* + 1. *Technical Assistance*

Counseling or training services provided to an individual and/or business in accordance with the terms of this Funding Opportunity Announcement and a STEP non-Federal entities’ Notice of Award.

Page | 37

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

* + 1. *Training*

A workshop, seminar or similar activity or event that: delivers a structured program of knowledge, information or experience on a business-related subject. The training must last for a minimum of one hour and include two or more individuals and/or businesses in attendance.

# Key Policies

* + 1. *Buy American and Hire American*

All STEP grant recipients and clients are subject to Executive Order 13788 of April 18, 2017 to monitor, enforce, and comply with, Buy American Laws, to the extent they apply to ensure the maximum utilization of goods, products, materials produced in the United States in order to promote economic growth, create good jobs at decent wages, strengthen our middle class, and support the American manufacturing and defense industrial bases; and Hire American requirements in order to create higher wages and employment rates for workers in the United States, and to protect their economic interests. Note: This is an abbreviation of law. Read the full details that can be found in the Federal Register, Vol. 82, No. 76, dated April 21, 2017.

* + 1. *Debarment*

SBA will not award STEP grants to suspended or debarred parties unless SBA grants an exception. 2 C.F.R. § 180.400(a), as adopted by 2 C.F.R. § 2700.10. Before signing a Notice of Award for the STEP award, a potential non-Federal entity must disclose whether they or any of the non-Federal entities principals are:

* + - 1. Presently excluded or disqualified;
      2. Convicted within the preceding three years of any of the offenses listed in 2

C.F.R. § 180(a)(essentially crimes and civil actions indicating a lack of present responsibility such as fraud, embezzlement, false claims, tax evasion and obstruction of justice);

* + - 1. Presently indicted for, or otherwise criminally or civilly charged with the commission of any offense listed in 2 C.F.R. § 180(a); or,
      2. Have had one or more public transactions (Federal, State or local) terminated within the preceding 3 years for cause or default.

Please note that SBA defines ‘principal’ at 2 C.F.R. §§ 180.995 and 2700.995. A principal is essentially an individual in a position to influence the awardee’s performance of the STEP Award. STEP non-Federal entities must review the definition of principal in order to ensure compliance with this requirement.

STEP non-Federal entities must include a term or condition in contracts and other arrangements used to support performance of the STEP Award, which requires signatories to those arrangements to comply with Subpart C of 2 C.F.R., Part 180.

* + 1. *Domestic Policy*

A strong emphasis of the Small Business Administration’s State Trade Expansion Program is assisting ESBCs, also known as STEP clients, to travel to new foreign markets to develop key contacts, establish distribution channels, and negotiate export sales in the market.

However, ESBCs that are new to exporting could discover their first international trade partners and make export sales at domestic trade shows that attract a strong international buyer attendance. In addition, experienced ESBCs seeking to expand their export markets and sales could make significant progress at a domestic trade show that serves as the premier international exhibition for their industry.

Page | 38

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

The current STEP authorizing statute allows use of STEP funding to support STEP clients who can effectively increase export sales by exhibiting at domestic trade shows. We must balance the risks of using Federal export development funds solely for domestic business development with the rewards of allowing STEP clients to exhibit at domestic trade shows which are appropriate for developing the export component of their businesses. Future domestic trade shows are eligible for STEP awardees to provide financial assistance to both New-to-Export and Market Expansion STEP clients when the following requirements are met:

1. Awardees will provide the annual schedule of IBP and IBP Select trade shows to all STEP clients who are considering or applying for domestic trade show assistance from STEP.
2. For each STEP client accepted for STEP financial assistance to exhibit at a domestic trade show, the Awardee will:
   1. Obtain from the STEP client its international strategy for exhibiting at a specific domestic trade show;
   2. Complete a justification statement that reflects the Awardee’s reasonable judgment that a domestic trade show is appropriate for the STEP client’s export development. Reasonable judgment may be based upon one or more factors, to include: a significant foreign buyer presence based upon prior years’ attendance data published by the trade show organizer, a known foreign buyer delegation attending a domestic trade show which is specifically relevant to a STEP client’s export development, a domestic trade show which serves as the premier international exhibition for a STEP client’s industry, et al.
3. After the event, Awardee will obtain from STEP client a list of matchmaking activities completed, if any, and the international leads (such as brokers, distributors, and buyers) contacted during the domestic trade show (the reasonable, necessary, allowable, and allocable costs of matchmaking services are eligible for STEP funding).
4. The Awardee will place the required documentation outlined in steps 2 through 3 in the STEP clients’ field and will maintain this documentation for three years after submission of the close out documentation for that award period of performance. This documentation will be subject to review by SBA or its agents at any time.

8.2.4. *Educational Services*

SBA has interpreted the intent of Trade Facilitation and Trade Enforcement Act of 2015 (HR 644) as to increase the number of small businesses engaged in exporting, and the value of exports of such firms, through delivery abroad of goods and services produced in the United States and sold outside the United States. Conceptually and practically, educational services and products are substantially produced in the United States, but they are also substantially delivered in the United States. For this reason, SBA has excluded education as an industrial sector eligible for assistance under STEP.

* + 1. *Fly America Act*

Codified at 14 C.F.R. Part 301-10.131-143, the Act requires that, generally, individuals whose travel is paid for with Federal award funds fly on U.S. Flag Air Carriers. Therefore, it is

Page | 39

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

applicable to travel by both STEP award recipients and STEP clients. However, there are several exceptions that enable travel on non-U.S. Flag Air Carriers.

* + - 1. If travel of a STEP non-Federal entity or STEP client is not paid for with Federal award funds, the Act is not applicable. That is, if the travel is paid out of State matching funds, by the STEP Client, or by a non-Federal third party, the act does not apply.
      2. If travel is to a destination for which an Open Skies Agreement has been negotiated, the Fly America Act is not applicable. Currently, Open Skies Agreements have been negotiated with the European Union, Austria, Switzerland, and Japan.
      3. There are a number of other narrower, more trip-specific exceptions that can be found in the regulation and require waiver approval by SBA as part of the travel request process.
    1. *Self-Representation as an eligible small business concern*

Trade Facilitation and Trade Enforcement Act of 2015 (HR 644), limits provision of services to ‘eligible small business concerns.’ (See definition at 8.1.7.) To ensure compliance with this requirement, firms receiving assistance under the STEP must self-represent themselves as such. This self-representation must be made by firms prior to provision of service by STEP non-Federal entities, and copies of such self-representations must become part of the non- Federal entities client records.

* + 1. *Tourism Policy*

STEP can support export of tourism services as long as the non-Federal entity can demonstrate that costs are allocable to specific U.S. ‘eligible small business concerns,’ and can document the outcomes associated with provision of such services. It should be noted that reporting of outcomes are required each quarter and such documentation could be reviewed as part of a programmatic or financial review. An example of tourism services not fundable includes efforts to create or augment marketing and advertising campaigns to draw international visitors to a State because it would be impossible to allocate appropriate shares of the associated costs to eligible small business concerns and it would be impossible to identify and track such sales by these concerns.

Page | 40

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

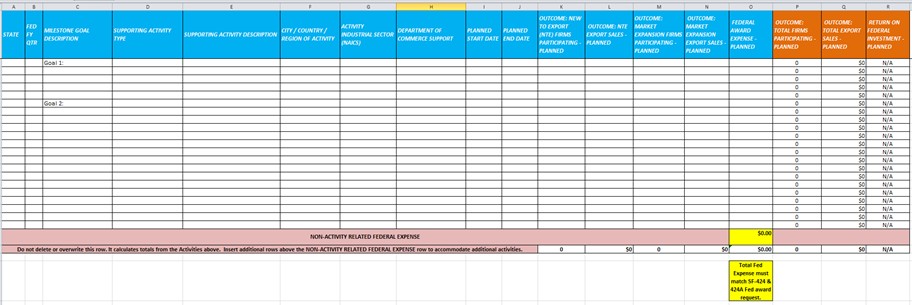
# PROPOSED PLAN: PERFORMANCE MEASURES & OUTCOMES

Non-Federal entities must complete and submit as part of their application an MS Excel format worksheet that contains detailed data elements for all proposed performance measures and supporting export activities (the template worksheet depicted below is provided on [www.grants.gov](http://www.grants.gov/) for Applicant use).

Each performance measure and supporting activity proposed in the Technical Proposal must be reflected in the Proposed Plan, and vice versa. List each performance measure followed by all supporting export activities consecutively, regardless for which quarter an activity is planned.

The total Federal award expense proposed in Proposed Plan must match the total Federal award proposed in the SF-424 and SF-424A.

# SAMPLE



Page | 41

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

Funding Opportunity Announcement No. OIT-STEP-2018-02

# TECHNICAL PROPOSAL TEMPLATE

Non-Federal entities must complete and submit as part of their application a Technical Proposal using the required template that meets the requirements of Section 4.2 and thoroughly addresses the evaluation criteria in Section 5. The Technical Proposal template is provided on [www.sba.gov/STEP.](http://www.sba.gov/STEP)

Page | 42

U.S. Small Business Administration Office of International Trade State Trade Expansion Program

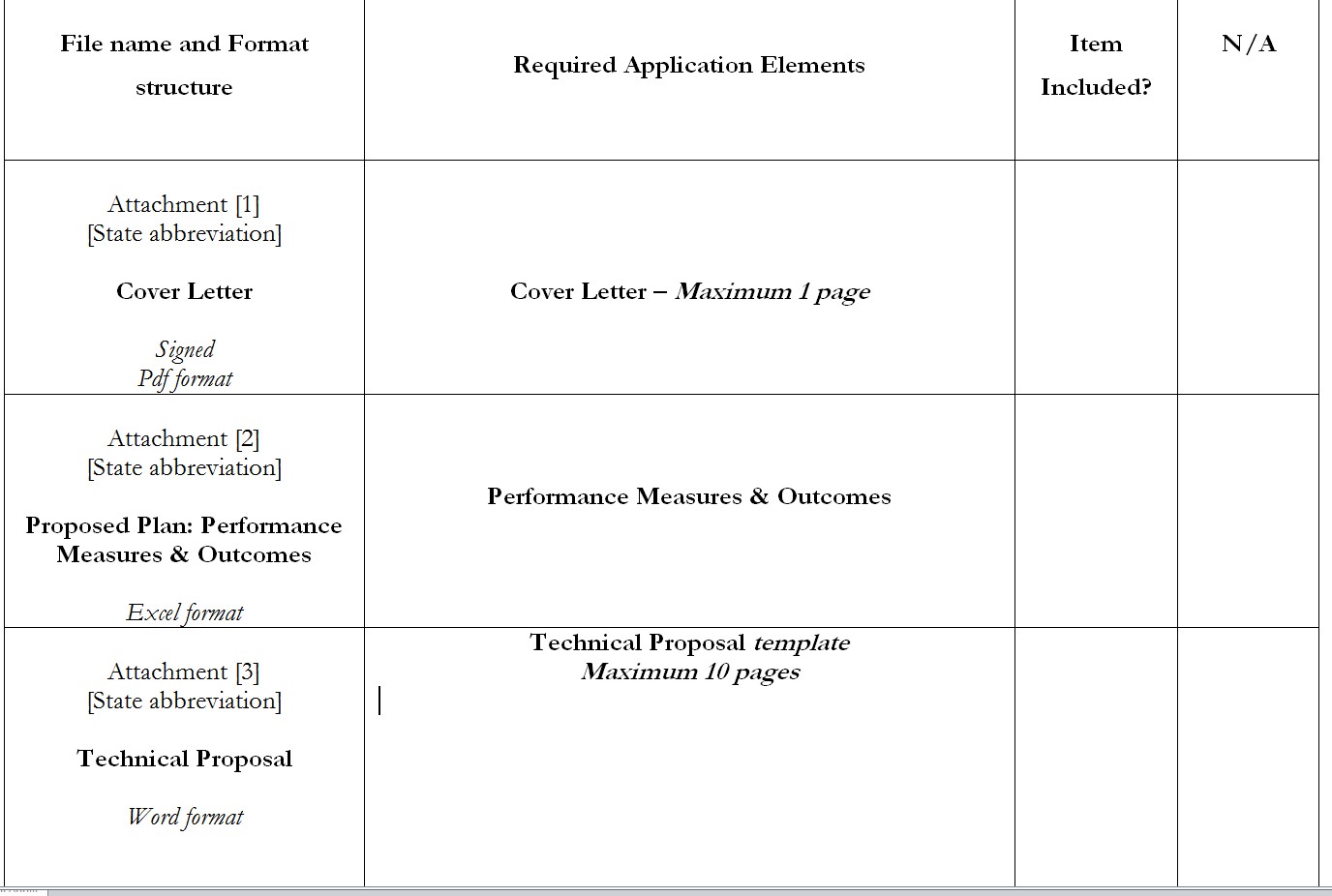
Funding Opportunity Announcement No. OIT-STEP-2018-02

# APPLICATION CHECKLIST

As a convenience for non-Federal entities, this Application Checklist is provided to help ensure STEP applications meet the content requirements specified in Sections 4 and 5 of this Funding Opportunity Announcement. Non-Federal entities are encouraged to ensure the elements of the application package follow the exact order listed in Section 4.2.

All extraneous material submitted will be ignored in evaluation of applications submitted under this Funding Opportunity Announcement.

# SAMPLE



Page | 43

**Questions and Answers (Q & A)** **In Response to OIT STEP-2018-02**

# With none of the required documents being combined in attachments this year, and the attachment form only allowing 15 attachments, what is the manner in which you would like us to include/attach the remaining required 15 attachments?

* 1. You should be using the grant.gov WORKSPACE to attach as many documents as you like.

# We noticed that the documents on the [https://www.sba.gov/STEP](https://na01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.sba.gov%2FSTEP&amp;data=02%7C01%7CSTEP%40SBA.gov%7C1f7e6dffddf24b12f07f08d59fbbcb92%7C3c89fd8a7f684667aa1541ebf2208961%7C1%7C0%7C636590551278674879&amp;sdata=Szweo1UM%2FzSW6j4bqx3YNREAoSBZKybpFfWmWUdPtW8%3D&amp;reserved=0) website are still FY17. Will there be updated documents and are there any big changes we should be aware of?

* 1. The FY 18 FOA, Instructions packet, template and all forms are presently on [www.sba.gov/STEP](http://www.sba.gov/STEP) and [https://www.sba.gov/document/support--state-trade-expansion-program-step-grant-](https://www.sba.gov/document/support--state-trade-expansion-program-step-grant-application-materials?123) [application-materials?123](https://www.sba.gov/document/support--state-trade-expansion-program-step-grant-application-materials?123) . There are no big changes to the documents.

# Is the performance period of 24 months the same as the expenditure period? Some of the wording made it unclear if all funds needed to be expended by FY18 with activities in the second year.

* 1. Yes, the performance period of 24 months is the same as the expenditure period (9-30-18 TO 9-29- 20). On the SF424A form you should include quarters 1 through 4 financial breakdowns in Section D. Include in your submission a second form with Section D for projections of quarters 5 through 8 expenditures. This will allow the forecast needs to be distributed over the two year period.

# For the two year performance period, can we turn in a one year budget and spend the grant money in two years?

* 1. It is a two year performance period for all awards. If you choose to expend funds in the first year you may BUT you are required to report on all 8 quarters of activity. Your activity & budget should match your anticipated quarterly proposal.

# Section C is the training workshop for only ESBC’s or the staff that will help assist the training workshops?

* 1. Training workshops expenses are for ESBCs. Keep in mind that you have an 85% of proposed Federal award as a minimum direct benefit to ESBC export activities.

# In the instructions packet, samples of the template forms can be found on the <https://www.sba.gov/offices/headquarters/oit/resources/14315>. This website only contains sample forms from 2017. When will the sample forms be release for the 2018 STEP Grant year?

* 1. The FY 18 FOA, Instructions packet, template and all forms are current on <https://www.sba.gov/offices/headquarters/oit/resources/14315>and [https://www.sba.gov/document/support--state-trade-expansion-program-step-grant-application- materials?123](https://www.sba.gov/document/support--state-trade-expansion-program-step-grant-application-materials?123) .

# When applying for SAM the instructions state that we must renew our registration annually. I tried to renew our state but we can’t renew until June 2018. Will this prevent my organization from applying through Grants.gov?

* 1. No, it will not prevent you from applying or being considered in this competition.

# The last required reporting for the 2019-2020 grant, is the final report due December 30, 2020? No additional reporting required in 2021?

* 1. The performance period is 2018-2020 grants (2 yrs.). The final report is due December 28, 2020.

# Q. Questions Page 6-7: A qualified activity listed does not include "compliance testing" as on page

1. **Assume compliance testing is an eligible activity.**
   1. Cost of compliance testing is on the top of page 34 as number xi.

# Qualified activities listed do not include "shipping" as on page 34. Is shipping only an eligible expense if in conjunction with an activity such as trade show or trade mission?

* 1. Cost of shipping is listed on the bottom of page 33 as number x. You are correct with eligible shipping expenses must be in conjunction with an activity.

# Design of Marketing Media - does this include (for brochures, etc.): a. Graphic design; b. Translation; and c. Localization?

* 1. Yes, it does include brochure design (a, b & c). It does not including the cost of printing.

# Design of Marketing Media - What is definition of "branding"? What is definition of "design"?

* 1. Branding is not a STEP activity. For the purpose of STEP, design is assistance for the look and functionality of written material and drawings of a website.

# Page 39, 8.2.3 #3: ESBCs can provide the number of international contacts made rather than a detailed list of the contacts, correct?

* 1. No, the ESBC must report detail information about contacts made during events.

# 8.2.1, Buy American; Hire American: What is our responsibility as a state?

* 1. Your responsibility is noted in 8.2.1 and Executive Order 13788 of April 18, 2017. You should promote Buy American and Hire American as an awardee of STEP and to your ESBC clients to do the same.

# Could you explain the difference between required application attachments #21 and #22?

* 1. Attachment #21 asks that you provide all necessary contract documentation based on noted threshold limits, if necessary.

Attachment #22 asks for a list of any contracts potentially used if you are granted an award.

# Would the A-11 document be considered the "budget narrative"?

* 1. The A-11 document is not considered the budget narrative. A-11 is Budget Detail Worksheet used to denoted anticipated expenditures by category. A budget narrative is a written detailed explanation of fund usage.

# Key Performance Measures: For each performance measure, could you provide the specific information used to measure? (I.e. #1: Total number of NTEs assisted during the funding opportunity)

* 1. Key Performance Measures listed on page #8 should be addressed in your Technical Proposal with a number that reflects intent to increase the specific measure.

# Per the announcement, templates for the STEP application are to be found on <https://www.sba.gov/offices/headquarters/oit/resources/14315>. However, they have not been posted yet. When will they be available? Will an extension be given due to delayed templates?

* 1. The new deadline date is 11:59 pm EST on May 16, 2018.

# Domestic Shows – will IBP and IBP Select trade shows be treated similarly to foreign shows, such that there will be no requirements for collections documents (strategy, justification statement, client list, matchmaking activities, etc.) since these shows are classified as international by “pre-screening international buyers to meet with US suppliers exhibiting at US trade shows” by the US Dept. of Commerce OR will they be treated similar to the requirements outline in the announcement for domestic shows?

* 1. IBP and IBP Select trade shows are treated just as an international trade show exhibition at the top of page #7 and in Section 8.2.6. The Awardee must collect information and/or documentation from all ESBC of activity and outcome for reporting purposes.

# How recent must documents (i.e. Drug Free Agreement, etc.) be signed? If documents are signed within the past year, and nothing has changed, is the document acceptable?

* 1. All documents must be signed by Awardee and ESBC within the performance period of STEP FY 18 (9-30-18 to 9-29-2020) for use of the approved expenses. No, past years forms are acceptable.

# I am confused again. Should the companies on the client list report only be the ones that have completed a STEP funded activity vs clients that have just gotten an award but not finished yet?

* 1. The Client Report is used for all ESBC that participated in a funded activity. The activity is not required to be finished to be listed. Completion of an activity or not is recorded on the PPR Milestone report. The number of clients on the Client Report should match the number of clients that participated on the PPR.

# Financial Assistance Plan: Makes reference to section 5.2.3 for the 8 elements, but nothing like that is listed there. Do you mean the table of 9 Allowable Statutory Activities listed on pages 6-7?

* 1. Yes, these are the 8 Allowable Statutory Activities with a 9th being an opportunity for you to suggest an activity for our approval**.**

# Q. Financial Assistance Plan

**iii. Threshold Amounts**

1. **Total number of** *activities* **that a STEP client can participate in during the STEP award performance period. (In the FY 2017 FOA it said “maximum number of Financial Assistance Awards available to a STEP client during the award performance period”).**

**We’d like to clarify the intent of** *activities* **under this heading. Are we to understand that this would pertain to our Performance Measure of the Financial Assistance Awards only?**

**The table on page 31 does not seem to make it only applicable to Financial Assistance Awards.**

* 1. Yes, it does include your Financial Assistance Awards. The STEP team would like to know the maximum amount of funds that an ESBC can receive during this STEP FY 18 year and the number of export activities that this same ESBC will be able to receive the funded amount. This will assist us in understanding your intent in increasing our key performance measures in FY18.

# Financial Management and Past Performance: Will we be submitting these details or will you be pulling them?

* 1. The STEP team will retrieve our files to see the past performance of your program.

# In the FY 2017 FOA it specifically said “No input required”. It does not say that this time, so we want to clarify if this is something you will manage or that we will need to pull our data and we’ll need to know how you would like that data to be.

* 1. All of your responses should be to FY 18 FOA. The STEP team will retrieve historical data from past STEP awards, if applicable.

# STEP FY 2018 Funding Opportunity Announcement indicates activities relating to advertising in newspaper and posters when designing marketing media is an allowable statutory activity. Is this a change from the last announcement? As of this current STEP Grant FY 2017, our understanding is that advertising activities are not allowable.

* 1. The new FOA FY18 allowable fees for advertising in newspapers and posters are permissible. This is new to the program.

# Regarding advertising, do full/half/quarter page ads in trade show magazines-which is different from a company’s paid directory listing – qualify under the advertising eligibility?

* 1. Yes, this does qualify for STEP funding under the advertising allowable cost section.

# As this is now a two year program, states will be requesting twice the funds. As Congress appropriated less money this year, and you will have requests for twice the funding, how will this work? SBA won’t have access to next year’s funding allocation for this award?

* 1. The program as changed to a 2 year program but the funding limit has not. The funding range is noted at the bottom of page 3 in Section 1.1.11. SBA will not know about new appropriations until the budget is approved for FY19.

# The next question is regarding Threshold amounts and number of times a company can participate in the STEP program. In XXXXXXXXX, we are a small state with a limited number of companies. Our businesses need our assistance in exporting. What does STEP feel is a “reasonable” number of

**times. Other agencies permit 5 years per country/market. I am seeking some guidance on this please.**

* 1. STEP is not advising the applicants on a “reasonable” amount of times. However, the STEP team would like to see what you feel is reasonable base on your state’s needs for their ESBCs population and the amount of requested funding.

# The cap on reimbursement for International Marketing Media at $3000 is this the TOTAL per ESBC for the whole 2 year period for International Marketing Media? Or is this the maximum award PER Intl Marketing Media *PROJECT* (and an ESBC could do more than one project within the 2 year period)

* 1. The capped amount is for the 2 year period of performance. The ESBC could take advantage of different STEP services. The State awardee should also focus on the key performance measures on page 7 in selection of ESBCs and services to be reimbursed using STEP funds.

# I did not see any mention of the requirement for ESBC’s to have “skin in the game” – is this no longer a requirement?

* 1. In the FOA FY18, you are still requiring the ESBCs to have “skin in the game”. The FY18 application should provide the percentage the state will pay and how much you are expecting the ESBC to contribute.

# Can you please the use of “stipends and vouchers” and how this differs from providing reimbursement of approved expenses?

* 1. The use of stipends and vouchers is the same as payment for activities that have occurred during the funding cycle/ period of performance. Stipends and Vouchers are used as financial assistance awards for ESBCs during the period of performance.

# Page 7 - STEP Priorities: Must the 2018-2020 STEP allocate funds for Allowable Statutory Activities over the 24-month period?

**Or, might XXXXXX continue its practice of distributing financial awards to qualifying ESBCs for 12 months but collect results throughout the 24 months?**

**Page 8 - Direct Support to Eligible Small Business Concerns: XXXXXXX collects data on firms from the referenced small business communities (i.e. Owned and controlled by socially and economically disadvantaged individuals; ii. Owned and controlled by women; iii. Owned and controlled by veterans and/or service-connected disabled veterans; and/or, iv. rural small businesses) by asking. Is this self- declaration acceptable?**

**General – Potential Program Announcement for 2019-2021: Noting the two year cycle of STEP programs, how should XXXXXX STEP budget its Cash Match for overlapping STEP programs. In other words, what is the likelihood of a 2019-2012 STEP program?**

* 1. The program has moved to a two tear program and yes, we request that you provide a 424A budget to support that time frame. However, if you feel you can carry out your program in 12 months please plan for that and use the 424A to display your budget to support those 12 months of activities. Yes, you are expected to report /collect results throughout the 24 months.

The question regarding ESBCs being considered disadvantage or not must be a part of your application process. The ESBC completes an application so self-declaration is acceptable. If you believe that some information is not correct based on your state’s information , you should communicate with the ESBC your findings.

All states should assume a 2-year period of performance. The STEP program is permanent program; however, we cannot predict future appropriations for the STEP program. The year dates of 2019-2021 would potentially be the next Congressional funding opportunity.