

STEP Director's Call
April 15, 2020
Questions & Answers
STEP-OIT-2020-01 (2)

- 1) **Question.** How do we handle the 50 percent time requirement for STEP Director? Many of us are being pulled away for other duties [due to COVID-19 impacts].

Answer. STEP Project Directors are expected to devote full 50% of his/her time to STEP projects for one award and commit to a distribution of 50% of their time between multiple STEP grants. SBA may pay the salaries of grantee employees even if they are not currently able to work on the project due to COVID-19 related shutdowns. For additional guidance, refer to STEP Director's Memo dated 4/1/2020, or consult with your assigned SBA Program Manager regarding your unique circumstances.

- 2) **Question.** Should the match commitment letter be for one year or two years in the STEP Year 9 application? If for one year, would we have to provide an additional letter during the "opt in" year?

Answer. In the STEP Year 9 Application, the Match Certification should include base (year one), only. You don't have to certify the match on the option year until the SBA begins the process of exercising the option year.

- 3) **Question.** Could you please share insights and details on scenario 2 and the process states need to take under funding opportunity? *Scenario 2, as noted in Jim Parker's 2/24/20 email, outlined there would be no application for STEP Year 9 but, a request for an extension of STEP Year 8 for an additional four quarters.*

Answer. In accordance with 2 C.F.R. § 215.25(e)(2), STEP grantees may submit a written request to his/her Program Manager for a one-time extension (of up to 12 additional months) if you can demonstrate more time is necessary for the adequate completion of specific project objectives. The request must be received at least 75 calendar days prior to the expiration of the STEP Year 8 award.

- 4) **Question.** When will you have guidance on the min/max amounts that you will let states apply for in the NOFO? How long do you think it will take (i.e., weeks/months) so we know how to write our grant application?

Answer. The STEP team has begun to reconsider the award amounts, as a result of us learning about the impact of COVID-19 on states. If we decide to change the minimum and maximum award amounts, we will post the necessary change to Grants.gov and will send information to states via our distribution list.

- 5) **Question.** Are you going to make any adjustments to the structure of STEP 9? What we can/can't apply for and when (i.e. only apply for option year)?

Answer. No. Funding for STEP grants under OIT-STEP-2020-01(02) is for one year plus one optional year, for a performance period of two years.

- 6) **Question.** Will SBA please reconsider allowing states to apply only for Year 2 if unable to expend all their money due to COVID-19 uncertainty and concerns (even though FY 2020 NOFO requires a state to apply for \$100K in the first year)?

Answer. That isn't possible from a Grants Administration perspective. A state must have a base year award in order to be eligible for an option year award. However, we recognize that the \$100,000 minimum grant size may be a problem for some states. We are considering lowering the minimum and increasing the maximum award amounts states may apply for in STEP 9. You may send comments and recommendation to: STEP@sba.gov.

- 7) **Question.** If my STEP 9 application was submitted prior to notice of the extension of the application deadline, would it be possible to re-submit my application?

Answer. Yes, an application can be resubmitted. We will review the latest application submitted to Grants.gov by the due date [11:59 p.m. on 6 July 2020]. You can also withdraw your prior application, so there's no question as to which application we should consider. That way there's no potential confusion for OGM with two applications from the same entity.

- 8) **Question.** With so many activities being pushed into the fall that will not be possible this year, do you have any suggestions on how we should prepare our STEP 9 request if we're managing multiple grants?

Answer. We suggest you determine your STEP 9 request based on accessing your need along with your ability to use both years' funding. Please also take into consideration that STEP 7 performance period has been extended until September 29, 2021 to assist in obtaining 100% utilization of those funds if you have not accomplished.

- 9) **Question.** Since STEP 9 will have two unique one-year budgets, will there be the opportunity to request an extension on the first year if all the funds were not expended within the 12-month period?

Answer. At this time, our response is no. The NOFO, in Section 2.4, also has information pertaining to reprogramming unused funds. From a Grants Administration perspective, try to avoid managing multiple grants, if possible, at a given time. Please see NOFO for more guidance on reprogramming funds.