

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

**STATE TRADE AND EXPORT PROMOTION**  
**GRANT PROGRAM**

**FY 2012**  
**Program Announcement No.**  
**OIT-STEP-2012-01**

The purpose of this Program Announcement is to invite proposals for funding from state entities interested in providing assistance and guidance to 'eligible small business concerns,' to increase the number of such firms that export and the value of their exports.

**Opening Date: March 27, 2012**

**Closing Date: May 17, 2012**

Proposals responding to this Program Announcement must be posted to [www.grants.gov](http://www.grants.gov) by 11:59 p.m. Eastern Time, May 17, 2012. No other methods of submission will be permitted. Proposals submitted after the stipulated deadline will be rejected without being evaluated.

**U.S. SMALL BUSINESS ADMINISTRATION  
OFFICE OF INTERNATIONAL TRADE**

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1.0 **Section I – Funding Opportunity Description**

1.1. *Program Overview*

- 1.1.1. Federal Agency Name U.S. Small Business Administration (SBA)
- 1.1.2. Funding Opportunity Title State Trade and Export Promotion Program
- 1.1.3. Announcement Type Initial
- 1.1.4. Funding Opportunity Number: Program Announcement No. OIT-STEP-2012-01
- 1.1.5. CDFA Number 59.061
- 1.1.6. Closing Date for Submissions: May 17, 2012 11:59 PM Eastern Time
- 1.1.7. Authority: Public Law 111 – 240, Small Business Jobs Act of 2010
- 1.1.8. Duration of Authority: Three Years
- 1.1.9. Funding Instrument: Cooperative Agreement
- 1.1.10. Funding: Funding is for Fiscal Year (FY) 2012
- 1.1.11. Award Amount/Funding Range: A total amount of \$30,000,000 in funding is available for this program in FY 2012. SBA expects to make up to 55 awards in the average amount of \$ 535,714, with a range of \$ 42,686 to \$ 2,540,924.
- To be eligible for this funding opportunity an Applicant must be one of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa.
- 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 program announcement, these states are: California, Florida, New York, Texas, New Jersey, Illinois, Ohio, Pennsylvania, Michigan, and Georgia.
- The Federal share of project cost for a State that has a high export volume will be 65%. For purposes of this program announcement, these states are: Texas, California, and New York.
- The Federal share of project cost for a State that does not

have a high export volume will be 75%.

For insular territories of American Samoa, Guam, and the Virgin Islands, pursuant to Public Law P.L. 96-205, title VI, Sec. 601, SBA will waive matching requirements for award of Federal funds to a maximum of \$600,000. For award of Federal funds in excess of this amount, the Federal share of project costs will be 75%, and matching funds required will be 25%.

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 indirect costs and in-kind contributions. Matching funds may not be derived from any Federal program.

- 1.1.12. Project Duration: Awards will be made for a base project period of 12 months, with no option periods.
- 1.1.13. Project Starting Date: Within 30 calendar days of the date of award.
- 1.1.14. Proposal Evaluation: Proposals will be reviewed for sufficiency as detailed in Section 5.0. SBA may ask Applicants for clarification of the technical and cost aspects of their proposals. This must not be construed as a commitment to fund the proposed effort.
- 1.1.15. Agency Programmatic Point of Contact: Arthur E. Collins, Jr., Director State Trade and Export Promotion Program, U.S. Small Business Administration, Office of International Trade, Tel: 202-205-6285. Email: [Arthur.Collins@sba.gov](mailto:Arthur.Collins@sba.gov).

## 1.2 *Introduction*

Public Law 111 – 240, Small Business Jobs Act of 2010, authorized the U.S. Small Business Administration to establish a three year trade and export promotion pilot program, known as the State Trade and Export Promotion Grant Program, to make grants to States, and the equivalent thereof, to carry out export programs that assist ‘eligible small business concerns.’ The objective of the program is to increase the number of small businesses that are exporting and to increase the value of exports for those small businesses that are currently exporting.

## 1.3 *Background*

Since its inception in 1953, SBA has served to aid, counsel, assist and protect the interests of small businesses. While SBA is best known for its financial support of small businesses through its many lending programs, the Agency also plays a critical role in providing funding to organizations that deliver technical assistance in the form of counseling and training to small business concerns and nascent entrepreneurs in order 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 and Export Promotion Program, is to enhance the ability of small businesses to compete in the global marketplace; facilitate access to capital to support export trade; ensure that the interests of small business are considered and reflected in trade negotiations; and support and contribute to the U.S. government commercial and economic agenda.

#### 1.4 *Purpose*

Eligible organizations (as defined in Section 3.2) may apply to SBA for awards of financial assistance under this Announcement to fund projects to carry out exporting programs that assist 'eligible small business concerns,' through such activities as:

1. Participation in foreign trade missions;
2. Participation in foreign market sales trips;
3. Subscription to services provided by the Department of Commerce;
4. Translation of websites into foreign languages;
5. Design of international marketing products or campaigns;
6. Development of export trade show exhibits;
7. Participation in international trade training workshops; and,
8. Others, deemed appropriate by SBA's Associate Administrator of the Office of International Trade that do not duplicate the services of other SBA resource partners.

In making grants under this program announcement, SBA may prioritize proposals that:

1. As part of an export promotion program, target provision of assistance to 'eligible small business concerns,' that are one or more of the following:
  - a. Owned and controlled by socially and economically disadvantaged individuals;
  - b. Owned and controlled by women;
  - c. Owned and controlled by veterans and/or service-connected disabled veterans; and/or,
  - d. Rural small businesses.
2. Promote new-to market export opportunities to the People's Republic of China for 'eligible small business concerns,' in the United States.
3. Promote regional, industry focused, innovation clusters through development of export opportunities for 'eligible small business concerns.'

#### 1.5 *Leveraging of Resources*

Applicants selected for awards under this Announcement are required to maximize their efforts to leverage SBA funding by working in conjunction with other Federal, state, local and tribal government small business development programs and activities; SBA's District Offices and resource partners such as SCORE, Small Business Development Centers (SBDC's), Women's Business Centers, Veterans Business Outreach Centers, 7(j) Technical Assistance providers, Small Business Investment Companies, Certified Development Companies, and SBA lenders; universities, colleges, and other institutions of higher education; and private organizations such as chambers of commerce and trade and industry groups and associations.

Note that SBDC's do not meet the criteria of 'eligible applicants,' (See 3.2, below.) However, 'eligible applicants,' may propose efforts that include both collaborative and sub-contractual relationships

with SBDC's. Sub-contracts with SBDC's are governed by guidelines discussed throughout this Program Announcement. Also note that 'eligible applicants.' may propose efforts that include payment of stipends or tuition for, or reimbursements to, STEP Clients for services provided to them by SBDC's.

Because of the scope and substance of services contemplated under this program announcement, in making grants under it, SBA will prioritize efforts that demonstrate strong collaboration with international trade service providers including, but not limited to, the U.S. Department of Commerce, Commercial Service.

#### 1.6 *SBA Involvement and Oversight*

The State Trade and Export Promotion Program is managed by the Associate Administrator, Office of International Trade. On behalf of the Associate Administrator, the Director of the State and Export Promotion Program, Office of International Trade:

- i. Establishes program policy, planning, review, coordination, and evaluation;
- ii. In collaboration with the Office of Grants Management, manages competitive award of grants in accordance with the Merit-Based Review Process;
- iii. Directs program management and monitoring activities executed by Program Managers and District International Trade Officers;
- iv. Ensures effective use of program funds; and,
- v. Resolves issues, problems, and/or disputes.

For assigned Recipients, under direction of the Director of the State and Export Promotion Program, the Program Manager, Office of International Trade:

- i. Has *full responsibility for programmatic execution* of the program;
- ii. Serves as the Grants Officer's Technical Representative (GOTR) (Note: The GOTR assigned will be identified in the Notice of Award.)
- iii. Serves as liaison between the Office of International Trade assigned the STEP Recipients;
- iv. Maintains communication with the District International Trade Officer;
- v. Receives, reviews, and responds to progress, data, and financial reports, and advises Recipients and District International Trade Officers of project deficiencies, issues, and concerns;
- vi. 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.;
- vii. Recommends Grants Management Officer approval or decline of requests for programmatic and budgetary changes to grants, and requests for advance of funds or reimbursement of expenditures under grants.

Within the Office of Grants Management, for assigned Recipients, the Grants Management Officer:

- i. Has *full responsibility for all aspects of financial management* of grant awards;
- ii. Is responsible for issuance of the notices of award, approval of any programmatic and budgetary modifications.
- iii. Approves all requests for advance of funds and payment of expenses incurred under grants.

Within an SBA District Offices, for an assigned Recipient, the District International Trade Officer:

- i. Serves as lead state or local level point of contact for coordination of Recipient's efforts and activities with other SBA resource partners;
- ii. Serves as liaison between the Recipient's program and other local resources, integrating the program into the network of service providers and resource partners, including the District Office, Small Business Development Center, Women's Business Center, and SCORE.
- iii. Participates with the Program Manager in general oversight of the Recipient's program, including site visits;
- iv. Maintains ongoing communication with Recipient, Program Manager, and assigned U.S. Export Assistance Center Trade/Finance Specialist;
- v. Acts as advocate for the Recipient's program within the district, referring clients to the Recipient's program, and helping other SBA personnel and resource partners understand which clients are best served by referral to the Recipient's program;
- vi. Collaborates with the Program Manager in review of the scope and quality of services provided to clients by the Recipient;
- vii. Shares information with Program Manager to facilitate program evaluation; and,
- viii. Monitors Recipient's signage, media (newspaper articles, radio and television interviews, etc.), to help ensure compliance SBA requirement regarding use of SBA logo and acknowledgement of support.

For assigned Recipients, the U.S. Export Assistance Center Trade/Finance Specialists:

- i. Has lead area responsibility for providing support and assistance regarding SBA export-focused financial assistance programs; and,
- ii. Guides the Recipient, as necessary, in identifying external sources of export-related financial programs that may be appropriate to client needs.

#### 1.7 *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 **Section II – Award Information**

### 2.1 *Estimated Funding*

SBA expects to issue \$30,000,000 worth of awards under this Announcement. SBA anticipates the amount of funding provided under each award will be in the range of \$ 42,686 to \$ 2,540,924, with an average amount of \$ 535,714.

### 2.2 *Expected Number of Awards*

SBA anticipates making up to 55 awards under this Announcement.

### 2.3 *Period of Performance/Budget Periods*

Awards will be made for a one-year period of performance, consisting of a base period of 12 months from the date of award and no option periods.

### 2.4 *Funding Information*

Funds provided under the State Trade and Export Promotion Program must be used solely for the purposes stipulated in this Announcement and the Notice of Award and may not be commingled with any other monies.

All costs proposed in an Applicant's budget must meet the tests of allowability, allocability, and reasonableness set forth in the applicable Office of Management and Budget (OMB) cost principles.

No more than 49 percent of award funds may be expended on contractor and/or consultant costs. Indirect costs will be capped at a maximum of 25 percent regardless of the amount stipulated in an Applicant's indirect cost rate agreement.

Recipients may use no more than 49 percent of their Project Funds for the purpose of making subgrants to eligible small businesses in order to cover the cost of their participation in foreign trade mission or sales trips, registration for Gold Key status with the Department of Commerce, and translation of websites. Subgranting for any other purpose is prohibited.

## 2.5 *Funding Instrument*

The funding instrument used will be a Cooperative Agreement.

## 2.6 Matching Requirement

- i. The Federal share of project cost for states that have high export volumes will be 65%, and State matching funds required will be 35%. For purposes of this program announcement, these states are: Texas, California, and New York.
- ii. The Federal share of project cost for a state that do not have high export volumes will be 75%, and State matching funds required will be 25%.
- iii. For insular territories of American Samoa, Guam, and the Virgin Islands, pursuant to Public Law P.L. 96-205, title VI, Sec. 601, SBA will waive matching requirements for award of Federal funds to a maximum of \$600,000. For award of Federal funds in excess of this amount, the Federal share of project costs will be 75%, and matching funds required will be 25%.
- iv. Matching funds must be comprised of not less than 50% cash and not more than 50% of indirect costs and in-kind contributions. Matching funds may not be derived from any Federal program.
- v. Indirect costs shall be capped at 25%.

## 3.0 **Section III – Eligibility Information**

### 3.1 *General*

- i. A state may submit only one proposal in response to this Announcement.
- ii. Any additional applications from a state will automatically be rejected without being evaluated.
- iii. All monetary values in budgetary and financial submissions shall be rounded to the nearest whole dollar.

### 3.2 *Eligible Applicants*

The Jobs Act provides that State Trade and Export Promotion Program grants funds may be awarded only to 'States.' 2 C.F.R. Part 225, Cost Principles for State, Local, and Indian Tribal Governments, defines 'State,' as meaning any of the United States, the District of Columbia, the

Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa. Therefore, only applicants that meet this definition are eligible for award of funding under this Program Announcement.

For purposes of this Program Announcement, the term ‘eligible applicant,’ shall mean a state agency that has been officially designated by a state as the sole entity responsible for conducting the State’s trade and export activities, and that such designation occurred prior to the date of application submission for a grant under the State Trade and Export Promotion Program.

- i. The organizational structure of the State’s designated international trade agency must show an official agency relationship with State government, and the State must provide financial backing and show support for grant activities.
- ii. Only those proposals bearing the written endorsement of the State Governor or his/her designee for which the effort is proposed may submit an application for evaluation and funding consideration.
- iii. Only one proposal will be considered per state.
- iv. Should the Governor, or equivalent thereof (e.g., Mayor of the District of Columbia), assign signatory responsibility for the endorsement letter to a designee, the letter must include an acknowledgement that the Governor, or his/her equivalent, has authorized the designee to sign the letter on his/her behalf.
- v. For insular territories, the equivalent of a State governor is the appropriate signatory.

### 3.3 *Ineligible Applicants*

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

- i. Any organization that has not been officially designated by a State as the sole entity responsible for conducting the State’s trade and export activities (See 3.2 *Eligible Applicants*, above.)
- ii. Any organization that owes an outstanding and unresolved financial obligation to the federal government;
- iii. Any organization that is currently suspended, debarred or otherwise prohibited from receiving awards of contracts or grants from the federal government;
- iv. 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;
- v. Any organization that has had a grant or cooperative agreement involuntarily terminated or non-renewed by SBA for cause;
- vi. Any organization that has filed for bankruptcy within the past five years;
- vii. Any organization that proposes to serve as a pass-through and permit another organization to manage the day-to-day operations of the project; and/or
- viii. 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 preceding 24 months.

## 4.0 **Section IV - Application and Submission Information**

#### 4.1 *Application Instructions*

Applications must include the following elements: (i) a cover letter; (ii) a technical proposal; (iii) budget information; (iv) certifications, forms and assurances; and (v) attachments and exhibits.

##### 4.1.1 *Cover Letter*

The first element of the application must be a cover letter, not to exceed two pages, which includes the following information:

- i. Statement that the application is in response to Program Announcement No. OIT-2012-01;
- ii. Applicant's name and address;
- iii. Applicant's website address (if applicable);
- iv. Name, telephone number, fax number, and email address for the Applicant's designated point of contact;
- v. Dollar amount of assistance being requested;
- vi. A summary comprised of one paragraph for each for the three or four most important efforts to be undertaken under the project and the outcomes that are expected for each such effort. *Note that if a cooperative agreement is awarded pursuant to the proposal, this summary will be published on the SBA's State Trade and Export Promotion Program website.*

The Cover Letter should be submitted electronically in Word format.

##### 4.1.2 *Technical Proposal (not to exceed 20 pages)*

The technical proposal serves as the narrative blueprint for the Applicant's planned project and must address the evaluation criteria discussed at Section 5.2; provide a detailed description of the purpose, goals, objectives strategies, design, and management of the project. It should be prepared in double-spaced format, exclude confidential and/or proprietary information, and include the following information:

- i. Detailed description of the Applicant's past international trade assistance experience and present capacity to provide assistance to 'eligible small business concerns.'
- ii. Detailed description of how each type of international trade assistance proposed by the Applicant will be implemented and delivered to 'eligible small business concerns.'
- iii. Identification of the project director and key management personnel and staff, including résumés (or position descriptions for unfilled positions). Résumés must include experience relevant to this project and may not be more than two pages in length. Résumés must be included as attachments in accordance with Section 4.1.5 below, and do not count toward the page limit on the technical proposal.
- iv. Identification of contractors and consultants and the manner in which they were or will be selected (i.e., competitively or non-competitively). *NOTE: No more than 49 percent of award funds may be expended on contractor and/or consultant costs.* Copies of contracts and consulting agreements (either signed or samples as applicable) must be included as attachments in accordance with Section 4.1.5 below, and do not count toward the page limit in technical proposals.
- v. Organizational Chart.
- vi. Chart of Project Milestones. This chart must reflect monthly projections for all activities to be performed under the award during the 12-month Budget Period. Note: The chart of Project Milestones must begin and end with the dates indicated in block '17' of SF-424.
- vii. Subgranting plan, addressing how subgrantees will be selected, the amount or range of funding each subgrantee will receive, and the purposes for which subgrants will be made.

The Technical Proposals should be submitted electronically in Word format with respect to text, and in Excel format with respect to spreadsheets.

#### 4.1.3 *Budget Information*

Budget information must be provided through the completion or submission of the following.

- i. Standard Form (SF) 424, Application for Federal Assistance. Note: Block 'F' must reflect only the name of the 'Director,' of the organization, not a grant writer or any other contact person.
- ii. SF-424A, Budget Information (Non-Construction Programs). Note: Required match must also be reflected in 'Section B' of this form.
- iii. SF-424 C, Assurances. Note: This form must be signed.
- iv. SF-424A, Attachments A-9 through A-12, Budget and Narratives. Note: Budget line totals must match those on SF-424, Application for Federal Assistance, and SF-424A, Budget Information; budget narratives must support all dollar amounts reflected on SF-424A; Project Director must devote at least 50% of his/her time to the project.; applicant may substitute its own forms or spreadsheets in place of the Budget Detail Worksheet, provided it includes all the same cost elements/line items covered by Attachments A-9 through A-12;
- v. Budget narrative providing a brief, detailed explanation of the components of each cost element listed in the SF-424A.
- vi. Copy of the Applicant's Cost Policy Statement.
- vii. Copy of the Applicant's current, government-wide indirect cost rate agreement (if the Applicant's budget includes indirect costs). If the Applicant does not have such an agreement, it must propose an indirect cost rate in accordance with the procedures set forth in the applicable cost principles circular.
- viii. Percentage match requirement (per 2.6, above, and documentation of how the applicant plans to fund such requirement.
- ix. Match Certification Letter(s). Letter(s) from sources from which the applicant intends to obtain financial matching funds.

#### 4.1.4 *Certifications, Forms and Assurances*

Each Applicant must complete and submit the following forms:

- i. SBA Form 1623, Certification Regarding Debarment, Suspension, and Other Responsibility Matters;
- ii. SF-LLL , Disclosure of Lobbying Activities (Note: If there is nothing to disclose in blocks 10a-b, only blocks 1-9 need be completed. The form must be signed and dated. Federal funds under this award may not be used for lobbying activities.);
- iii. SF-3881 ACH Vendor/Miscellaneous Payment Enrollment Form (Note: Applicant must complete the Payee Information and Financial Institution sections only. The Agency Information section will be completed by SBA. Applicant must sign the form.); and,
- iv. SF-424B, Assurances for Non-Construction Programs.

#### 4.1.5 *Attachments and Exhibits*

Each Applicant must attach copies of the following to its proposal (as applicable):

- i. Governor's letter of endorsement;

- ii. Résumés and position descriptions for all key personnel providing services (Note: Resumes and position descriptions for board members, contractors, and consultants need not be submitted unless they are key personnel and are to be paid with funds under the award.);
- iii. List of members of Board of Directors;
- iv. Listing of contracts, consulting agreements, and leases;
- v. Copy of Contractual and Consulting Agreements (including hourly charges, session costs, materials, etc.);
- vi. Tax Identification Documentation issued by the Internal Revenue Service;
- vii. Pledges of additional funding or in-kind resources,
- viii. Conflict of Interest Policy;
- ix. Cost Policy Statement. (Note: The statement must describe all accounting policies and detail proposed cost allocation plan. The plan must identify the procedures used to identify, measure, and allocate costs to each benefiting activity. The policy must be signed by an authorized official.);
- x. Most recent A-133 audit report. If the Applicant is not subject to the requirements of the Single Audit Act, it must instead submit a copy of its most recent audited financial statement (Note: if the document is large, provide a website and instruction on where to locate the audit.);
- xi. Indirect Cost Rate Proposal from Cognizant Agency;
- xii. Chief Financial Officer Certification (or equivalent thereof, holding analogous responsibilities, and having analogous expertise). Application must include a written statement from CFO, or equivalent thereof, verifying that the applicant has an established organizational infrastructure with and internal financial management system that meets appropriate cost principles. Letter must be on letterhead, signed, and dated.);
- xiii. Drug-free Workplace Agreement; and,
- xiv. Any other documentation the Applicant believes supports its proposal.

Note that all extraneous material submitted will be ignored in evaluation of applications submitted under this Program Announcement.

#### 4.2 *Submission Instructions*

All proposals (narratives and forms) must be submitted electronically via the government-wide financial assistance portal [www.grants.gov](http://www.grants.gov). **NO OTHER FORMS OF SUBMISSION WILL BE ACCEPTED.** All required forms are provided in the grants.gov application package for this funding opportunity. Specific instructions for obtaining, completing, and submitting an application via grants.gov, including animated tutorials, may be found at [http://www.grants.gov/applicants/app\\_help\\_reso.jsp](http://www.grants.gov/applicants/app_help_reso.jsp).

In order to submit an application via grants.gov, an organization is first required to have a DUNS number, be registered with the Central Contractor Registry (CCR), and have a grants.gov username and password. The process for meeting these three pre-submission requirements may take several days to complete. Additionally, Applicants may have to download or upgrade their software in order to utilize grants.gov. Applicants should not wait until the closing date to begin the submission process in order to avoid unexpected delays that could result in the rejection of an application.

Information about the grants.gov registration process can be found at [http://www.grants.gov/applicants/get\\_registered.jsp](http://www.grants.gov/applicants/get_registered.jsp). Applicants must register as organizations, not

as individuals. Please note that organizations already registered with grants.gov do not need to re-register. However, all registered organizations must keep their CCR registration up-to-date. As part of the grants.gov registration process, an Applicant must designate one or more Authorized Organizational Representatives (AORs). AORs are the only individuals who may submit applications to grants.gov on behalf of an organization. If an application is submitted by anyone other than a designated AOR, it will be rejected by grants.gov and cannot be considered for funding.

Once an application is submitted, it undergoes a validation process through which it will be accepted or rejected by the grants.gov system. The validation process may take 24 to 48 hours to complete. Applicants should save and print written proof of an electronic submission made at grants.gov. Applicants can expect to receive multiple emails regarding the status of their submission. The first email will confirm receipt of the application. The second email will indicate that the application has either been successfully validated by the system and assigned an SBA tracking number, or it has been rejected due to errors. An Applicant will receive a third email once SBA has downloaded its application from grants.gov for review in accordance with Section 5.3 below.

If grants.gov notifies an Applicant via email that its application contains an error, the Applicant must correct the noted error(s) before the system will accept and validate the application. Applicants that choose to submit on or close to the closing date are advised they may not receive email notification of an error with their applications until after the submission deadline, and thus will not have an opportunity to correct and resubmit their applications. **APPLICATIONS THAT ARE REJECTED BY GRANTS.GOV WILL NOT BE FORWARDED TO SBA AND CANNOT BE CONSIDERED FOR FUNDING.** It is the Applicant's responsibility to verify that its submission was received and validated successfully at grants.gov. To check on the status of your application and see the date and time it was received, log on to grants.gov and click on the "Track My Application" link from the left-hand menu.

If you experience a technical difficulty with grants.gov (i.e., system problems or glitches with the operation of the grants.gov website itself) that you believe threatens your ability to submit your application, please (i) print any error message received; and (ii) call the grants.gov Contact Center at 1-800-518-4726 for immediate assistance. Ensure that you obtain a case number regarding your communications with grants.gov. NOTE: Problems with an Applicant's own computer system or equipment are **not** considered technical difficulties with grants.gov. Similarly, an Applicant's failure to: (i) obtain a DUNS number or complete the CCR or grants.gov registration process; (ii) ensure that an AOR submits the application; or (iii) take note of and act upon an email from grants.gov rejecting its application due to errors, are **not** considered technical difficulties. A grants.gov technical difficulty is an issue occurring in connection with the operations of grants.gov itself, such as the temporary loss of service by grants.gov due to an unexpected volume of traffic or failure of information technology systems, both of which are rare occurrences.

Applicants should use the following link to obtain assistance in navigating grants.gov and access a list of useful resources: [http://www.grants.gov/applicants/app\\_help\\_reso.jsp](http://www.grants.gov/applicants/app_help_reso.jsp). If you have a question that is not addressed under the "Applicant FAQs," try consulting the "Applicant User Guide" or contacting grants.gov via email at [support@grants.gov](mailto:support@grants.gov) or telephone at 1-800-518-4726. The grants.gov Contact Center is open 24 hours a day, seven days a week.

#### 4.3 *Required Proposal Submission Dates*

**Each Applicant is required to submit its proposal electronically via [www.grants.gov](http://www.grants.gov) no later than 11:59 p.m. Eastern Time on May 17, 2012.** Because of the pre-conditions for submitting applications via grants.gov and the potential for encountering technical difficulties in using that site, Applicants 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.** Applicants 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 Announcement will be rejected without being evaluated, unless the Applicant 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 because of grants.gov systems issues. Additionally, SBA will not accept any changes, additions, revisions, or deletions to applications made after the closing date.

Applicants 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/help/help.jsp> or by calling 1-800-518-4726.

## 5.0 **Section V - Application Review Information**

### 5.1 *General*

Applications will be rejected without being evaluated if they are submitted by ineligible organizations or they are illegible or materially incomplete due to an Applicant's failure to include all required forms and/or provide the required level of detail.

### 5.2 *Evaluation Criteria*

All timely, materially complete applications received from eligible organizations will be evaluated in accordance with the criteria listed below.

#### 5.2.1 *Organizational Experience and Capacity (20 Points)*

Based on information contained in the Technical Proposal, applicants will be evaluated on their demonstrated ability to provide assistance to 'eligible small business concerns,' that will enable them to begin exporting, or enter new markets. Such assistance includes, but is not limited to support for:

- i. Participation in foreign trade missions;
- ii. Participation in foreign market sales trips;
- iii. Subscription to services provided by the Department of Commerce;
- iv. Translation of websites into foreign languages;
- v. Design of international marketing products or campaigns;
- vi. Development of export trade show exhibits;
- vii. Participation in international trade training workshops; and,
- viii. Other deemed appropriate by SBA's Associate Administrator of the Office of International Trade that does not duplicate the services of other SBA resource partners.

Applicants must provide adequate evidence and documentation, including specific examples, of their:

- i. Experience with, and capacity for, providing the types of support and services enumerated immediately above;
- ii. Familiarity with and expertise in export:
  - 1) Market identification and development,
  - 2) Marketing,
  - 3) Financing, and,
  - 4) Logistics;
- iii. Knowledge of, and capability for providing, international trade and export development services that are relevant and responsive to the needs of ‘eligible small business concerns.’

#### 5.2.2 *Project Design (40 Points)*

Based on information contained in the Technical Proposal, applicants will be evaluated on their understanding of the purpose of the State Trade and Export Promotion Program, their proposed approach for performing their projects, their outcomes and objectives, and their methodology for evaluating and assessing the effectiveness and impact of their projects. Innovation and creativity in providing assistance to ‘eligible small business concerns,’ is strongly encouraged. Applicants must describe in detail the proposed technical assistance delivery methods and products and their implementation and evaluation. Specific topics an Applicant must address include the:

- i. Methods of outreach to ‘eligible small business concerns,’ which the Applicant will use.
- ii. Number of ‘eligible small business concerns,’ that will be assisted.
- iii. If the Applicant plans to provide unique export-related or export finance-related training activities that are otherwise unavailable to ‘eligible small business concerns,’ it must provide a description of each such activity that it will conduct, the number of ‘eligible small business concerns,’ that will participate in each such offering, and the expected outcome for each such offering. (Table should be provided, in Excel format, which shall not count against page limit on technical proposal. See Attachment A.)
- iv. If the Applicant plans to sponsor, or support participation of ‘eligible small business concerns,’ in outbound foreign trade shows, trade fairs, trade missions, etc., it must provide description (name, date (month and year), country, city, and sectoral focus) of each such activity, the number of ‘eligible small business concerns,’ that will participate in each such activity, and the outcome expected for each such activity. It is recommended that the Applicant consult with the U.S. Department of Commerce, Commercial Service regarding foreign activities planned for the project period contemplated in this Program Announcement. (Table should be provided, in Excel format, which shall not count against page limit on technical proposal. See Attachment B.)
- v. If the Applicant plans to sponsor, or support participation of ‘eligible small business concerns,’ in inbound foreign trade activities, it must provide description (name, date (month and year), country, city, and sectoral focus) of each such activity (e.g., reverse trade mission, etc.), the number of ‘eligible small business concerns,’ it will support for each such activity, and the outcome expected for each such activity. It is recommended that the Applicant consult with the U.S. Department of Commerce, Commercial Service regarding domestic activities planned for the project period contemplated in this Program Announcement. (Table should be provided, in Excel format, which shall not count against page limit on technical proposal. See Attachment C.) If the activity is to be undertaken with the assistance of state or private sector resources (i.e., other than U.S. Department of Commerce, Commercial Service), so note on the file.

- vi. If the Applicant plans to support translation of websites for ‘eligible small business concerns,’ it must provide the number of such concerns to receive these services, and the outcome expected for each such activity. (Table should be provided, in Excel format, which shall not count against page limit on technical proposal. See Attachment D.)
- vii. If the Applicant plans to support development of foreign marketing materials for ‘eligible small business concerns,’ it must provide the number of concerns to which it plans to provide such services, and the outcome expected for each such activity. (Table should be provided, in Excel format, which shall not count against page limit on technical proposal. See Attachment E.)
- viii. If the Applicant plans to support subscription to U.S. Department of Commerce, Commercial Services products (e.g., Gold Key Services, etc.) for ‘eligible small business concerns,’ it must provide the number and type of service or subscription to be provided, by country, and time frame (month and year), and the expected outcome of such activities. *It is recommended that the Applicant consult with the Commercial Service in developing its plans to use such services vis a vis countries and timing .If Commercial Services resources are constrained with respect to requirements, the Applicant may wish to explore other public/private sector alternatives, and reference them in its technical proposal.* (Table should be provided in Excel format, which shall not count against page limit on technical proposal. See Attachment F.)
- ix. If the Applicant plans to support development of export trade show exhibits for ‘eligible small business concerns,’ it must provide the number of firms to which it expects to provide such services, and the expected outcome of such activities. (Table should be provided, in Excel format, which shall not count against page limit on technical proposal. See Attachment G.)
- x. If the Applicant plans to provide other types of services and/or support to ‘eligible small business concerns,’ it must describe such efforts in detail, provide the number of firms to which it plans to provide such assistance and the expected outcome of each such activity.
- xi. Projected milestones or timeline of accomplishments and activities.
- xii. Clarity, accuracy, relevance, and ease of report ability of its evaluation methodology.
- xiii. Subgranting plan, addressing how subgrantees will be selected, the amount or range of funding each subgrantee will receive, and the purposes for which subgrants will be made.

### 5.2.3 *Project Management (20 Points)*

Based on information contained in the Technical Proposal, applicants will be evaluated on the strength of their staffing and management plans for accomplishing the goals and objectives of their proposed projects. Applicants must demonstrate they will devote adequate numbers of personnel having sufficient experience to the project, establish clear and direct lines of responsibility and authority for managing and overseeing the project, and show they will have sufficient facilities and other physical resources at their disposal in order to accomplish the proposed project. In particular, an Applicant must:

- i. Identify all key management, staff and contractors/consultants, describe their roles in conducting and overseeing the project, stipulate the amount of time they will devote to

- the project, and provide copies of résumés/position descriptions and an organizational chart;
- ii. Identify all facilities and other physical resources that will be utilized in furtherance of the proposed project and provide copies of relevant deeds, leases, free space agreements, rental contracts, memoranda of understanding, etc.;
  - iii. Provide copies of all contracts and consulting agreements and identify the employees or officials of the Applicant organization who will be responsible for overseeing and administering those agreements;
  - iv. Describe its financial management structure and internal controls and identify all staff members who will be responsible for financial recordkeeping, reporting, the receipt and expenditure of award funds, and addressing audit findings; and,
  - v. Provide a copy of its conflict of interest policy addressing, at a minimum, procedures for ensuring its employees, consultants and contractors do not assist 'eligible small business concerns,' in which they, their principals, or their immediate family members have a financial interest or fiduciary duty and for ensuring its employees, consultants and contractors do not use their role in the project as a means of marketing their outside services to project clients.

5.2.4 *Collaboration and Leveraging of Resources (10 Points)*

Based on information contained in the Technical Proposal, applicants will be evaluated on the breadth of their plans for coordinating their proposed activities and working to expand the scope and reach of their project in collaboration with entities such as SBA's District Offices, other federal, state, local and tribal government agencies, other SBA grant Recipients/resource partners, trade associations, business/industry groups, institutions of higher education, and/or private organizations.

*Note that because of the nature and substance of the State Trade and Export Program, it is strongly recommended that Applicant establish and document collaborative relationships with such organizations as the U.S. Department of Commerce, Commercial Service, Export-Import Bank, etc.*

Specifically, the Applicant must provide:

- i. Copies of agreements with, or letters or emails from, the above-listed types of organizations pledging to work with the Applicant in order to advance specific State Trade and Export Promotion Program objectives;
- ii. Detailed descriptions of any of its own funds or in-kind resources the Applicant will devote to the project and copies of donation letters or checks from outside entities.

5.2.5 *Measurement of Outputs, Outcomes, and Data Integrity (20 Points)*

Based on information contained in the Technical Proposal, applicants will be evaluated on:

- i. Detailed description of the manner in which the Applicant will measure the
  - a. Outputs, and,
  - b. Outcomes of the activities to be conducted, particularly to show the increase in:
    - i. Number of small businesses exporting, and
    - ii. Increase in the value of exports by small businesses.
- ii. Detailed description of the type and nature of data quality controls (e.g., how the recipient will ensure the utility, objectivity and integrity of data) pertaining to the measures described in (i), above.

Note: The applicant must establish adequate controls to reasonably ensure data accuracy and describe these data quality controls. The applicant must present clear, quantifiable and verifiable

performance indicators in the proposals. Describe what you will measure, how you will measure it and what action will be taken if the desired result is not being reached. Explain who will benefit from the services provided and how will they be helped by these efforts.

5.2.6 *Ability to Reach Special Target Markets (10 Points)*

Applicants may propose efforts to serve *up to two* of the following three categories, for up to five points for each, for each of *two* categories of the following *three* categories proposed to be served:

- i. As part of an export promotion program, provision of assistance to ‘eligible small business concerns,’ that are one or more of the following:
  1. Owned and controlled by socially and economically disadvantaged individuals;
  2. Owned and controlled by women;
  3. Owned and controlled by veterans and/or service-connected disabled veterans; and/or,
  4. Rural small businesses.
- ii. New-to market export opportunities to the People’s Republic of China for ‘eligible small business concerns,’ in the United States.
- iii. Promote regional, industry focused, innovation clusters through development of export opportunities for ‘eligible small business concerns.’

If the Applicant plans to propose any such effort, it must provide the number of firms to which it expects to provide such services, and the expected outcome of such activities. (Table should be provided in Excel format, which shall not count against page limit on technical proposal. See Attachment H.)

5.3 *Review and Selection Process*

Applications that are not rejected by grants.gov or SBA’s screening process will be evaluated by teams of reviewers and scored on the basis of how well they meet the criteria outlined above. These reviewers may be SBA employees or employees of other Federal agencies. The maximum score any application can receive is 120 points. Prior to evaluating applications received in response to this Announcement, SBA will establish a minimum acceptable score. Only those applications that meet or exceed that threshold will be eligible for funding. Applicants are therefore encouraged to design proposals that address each of the scoring criteria listed above as thoroughly as possible.

6.0. **Section VI - Award Administration Information**

6.1. *Award Notification*

All Applicants selected for awards will receive written notification. Applicants not selected for awards will not be notified. There will be no debriefing process for unsuccessful Applicants.

6.2. *Administrative and National Policy Requirements*

All successful Applicants will be required to comply with the requirements set forth in; 2 C.F.R. Parts 215, 220, 225, and 230, 13 C.F.R. Part 143, 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 recipient must grant SBA Office of Inspector General (OIG) 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 Recipients of awards made under this Announcement of new legal requirements and/or policy initiatives with which they must agree to comply.

6.3 *Reporting*

All Recipients 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 grant funding from the same organization and the exercise of any option periods. The reports provided by Recipients may be made public. In addition, SBA reserves the right to require Recipients to post these reports on their web sites.

6.3.1 *Financial Reports*

Recipients will be required to submit quarterly financial reports to SBA using SF-425, Federal Financial Report (FFR) within 30 days of the completion of each of the first three quarters and within 90 days of the completion of the fourth quarter of each Budget Period.

6.3.2 *Performance Reports*

Recipients will be required to submit quarterly performance reports to SBA using SF-PPR, Performance Progress Report, within 30 days of the completion of each of the first three quarters and within 90 days of the completion of the fourth quarter of each Budget Period.

6.3.3 *Report Submission*

Reports may be submitted electronically via e-mail or in hard copy form via mail or courier service to the GOTR. (Note: The GOTR assigned will be identified in the Notice of Award.)

7.0 **Section VII - Agency Contacts**

7.1 *State Trade and Export Promotion Program Point of Contact*

Questions concerning general information contained in this Announcement should be directed to the [STEP@sba.gov](mailto:STEP@sba.gov).

7.2 *Financial/ Grants Management Point of Contact*

Questions regarding budgetary matters related to this Announcement should be directed to [STEP@sba.gov](mailto:STEP@sba.gov).

7.3 *Grants.gov Technical Support*

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

8.0 **Section VIII - Other Information**

8.1 *Definitions*

The following definitions apply to awards made under this Announcement:

- 8.1.1 *Applicant* – An Eligible Applicant, as defined at 8.1.6, that applies for funding under this Program Announcement.
- 8.1.2 *Budget Period* – The 12-month period during which expenditure obligations will be incurred by the recipient of an award under this Announcement. For the purposes of this Announcement, the budget period will be from September 30, 2012 to September 29, 2013.
- 8.1.3 *Cooperative Agreement* – A legal instrument reflecting a relationship between the United States government and a Recipient when the principal purpose of the relationship is to transfer a thing of value to the Recipient to carry out a public purpose of support or stimulation and substantial involvement is expected between the awarding agency and the Recipient when carrying out the activity contemplated in the agreement.
- 8.1.4 *Cost Policy Statement* – A document describing all accounting policies of an Applicant organization and narrating in detail its proposed cost allocation plan. This plan must stipulate the procedures used to identify, measure, and allocate all costs to each benefitting activity.
- 8.1.5 *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:
- ii. substantive in nature and concern the formation, management, financing, and/or operation of a small business enterprise; AND
  - iii. specific to the needs of the business or individual.
- 8.1.6 *Eligible Applicant* - A state agency that has been officially designated by a state as the sole entity responsible for conducting the State's trade and export activities, and that such designation occurred prior to the date of application submission for a grant under the State Trade and Export Promotion Program.
- 8.1.7 *Eligible small business concern* - A small business concern that--(A) has been in business for not less than the 1-year period ending on the date on which assistance is provided using a grant under this section; (B) is operating profitably, based on operations in the United States; (C) has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping, as determined by the Associate Administrator; and (D) has in effect a strategic plan for exporting.
- 8.1.8 *Notice of Award* – The legal document, signed by both SBA and a Recipient, that memorializes the award of funding under a Cooperative Agreement and contains the specific terms and conditions that apply to the award.
- 8.1.9 *Project Period* – The total period of performance for an award made under this Program Announcement.
- 8.1.10 *STEP Client* – An 'eligible small business concern,' to which a STEP Grant Recipient provides service, pursuant to this Program Announcement.

- 8.1.11 *STEP Grant Recipient or Recipient* – A qualified organization or entity to which an award is made under this Program Announcement.
- 8.1.12 *State* - Any of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa.
- 8.1.13 *Technical Assistance* – Counseling or training services provided to an individual and/or business in accordance with the terms of this Program Announcement and a Recipient’s Notice of Award.
- 8.1.14 *Training* – a workshop, seminar or similar activity or event which 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.
- 8.2 *Key Policies*
- 8.2.1 *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 grant funds fly on U.S. Flag Air Carriers. Therefore, it is applicable to travel by both STEP Grant Recipients and STEP Clients. However, there are several important exceptions that enable travel on non-U.S. Flag Air Carriers.
- i. If travel of a STEP Grant Recipient or STEP Client is not paid for with Federal grant 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.
  - ii. 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, and Switzerland.
  - iii. There are a number of other narrower, more trip-specific exceptions that can be found in the regulation.
- 8.2.2 *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 Grant, a potential grantee must disclose whether the grantee or any of the grantee’s principals are:
- i. Presently excluded or disqualified;
  - ii. 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);
  - iii. Presently indicted for, or otherwise criminally or civilly charged with the commission of any offense listed in 2 C.F.R. § 180(a); or
  - iv. Have had one or more public transactions (federal, State or local) terminated within the preceding three 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 grantee’s performance of the STEP Grant.

STEP Grant Recipients must review the definition of principal in order to ensure compliance with this requirement.

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

- 8.2.3 *Self-Representation as an 'eligible small business concern'* - Public Law 111-240 § 1207, 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 Program must self-represent themselves as such. This self-representation must be made by firms prior to provision of service by STEP Recipients, and copies of such self-representations must become part of the Recipients' client records.















