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STATE OF NEW HAMPSHIRE  
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT  
DIVISION OF ECONOMIC DEVELOPMENT

172 Pembroke Road Concord, New Hampshire 03301  
Phone: 603-271-2341 www.nheconomy.com

August 21, 2015

The Honorable Neal M. Kurk, Chairman  
Fiscal Committee of the General Court  
and  
Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Executive Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Pursuant to RSA 14:30-a, VI, authorize the Department of Resources and Economic Development, Division of Economic Development, Office of International Commerce to accept and expend grant funds from the US Small Business Administration – State Trade and Export Promotion (STEP) Grant Program (Award #SBAHQ-15-IT-0020) in the amount of \$199,878 upon Fiscal Committee and Governor and Executive Council approval through December 30, 2015. **100% Federal Funds**

Funding to be budgeted as follows:

03-35-35-350510-33360000 State Trade and Export Promo		2016 Requested Budget
000-403944	Federal Funds	(\$199,878)
040-500800	Indirect Costs	12,692
041-500801	Audit Fund Set Aside	200
102-500731	Contracts for Program Services	186,986
<i>Total:</i>		\$199,878

**EXPLANATION**

The US Small Business Administration’s State Trade and Export Promotion (STEP) Grant Program, which was created by the Small Business Jobs Act Legislation, awards financial assistance grants to States for the purpose of furthering their efforts of assisting small businesses in preparing for new international markets, complying with trade regulations, accessing export financing, and participating in international trade shows and trade missions. These grants allow for the creation of specialized programs to focus on foreign markets with the highest growth potential and to engage industries with the greatest and most immediate ability to compete successfully.

The State of New Hampshire has successfully been awarded STEP funds in three previous rounds of this competitive grant, making the current cycle the fourth round of funding. New Hampshire is one of forty states to receive a STEP grant award this year.

The following appropriations are being requested for Fiscal Year 2016:

Class	Class Description	Amount	Purpose
040	Indirect Costs	\$12,692	Amount budgeted to cover indirect cost rate (6.35%);
041	Audit Fund Set Aside	\$200	Amount budgeted to cover audit fund set aside

			percentage (.001); and
102	Contracts for Program Services	\$186,986	Amount budgeted to cover contractual services for trade show and matching grant program logistics.

Listed below are answers to standard questions required of all Fiscal Committee item requests related to RSA 14:30-a, VI, "Expenditure of Funds Over \$100,000 From Any Non-State Source," or RSA 124:15, "Positions Authorized," or both:

1. **Is the action required of this request a result of the Continuing Resolution for FY 2016?** This action is not required as a result of the Continuing Resolution.
2. **If this request is retroactive what is the significance and importance of the action being effective from an earlier date?** This is not a retroactive request.
3. **Is this a previously funded and ongoing program established through Fiscal Committee and Governor and Executive Council action? (If so, include as an attachment the original documents as approved and cite the specific dates of authorization and end dates for each action as part of your answer to this question.)** No, this is a new program being offered via a grant award of funds by the US Small Business Administration. The grant award process for the State Trade Export Promotion grant is competitive in nature among the 50 U.S. States and territories. Each year of the grant is awarded as a separate and new program.
4. **Was funding for this program included in the FY 2014-2015 enacted Budget or requested and denied?** Neither. While this program has been approved by G&C in prior years, each year of funding is in fact a separate grant with a competitive proposal process, which does not guarantee that the Office of International Commerce would receive any funding. This specific grant is a new program request and did not exist in FY 2014-2015.
5. **Is this program in total or in part, included in the vetoed FY 2016-2017 Operating Budget proposal currently pending for your department, or was it requested and denied?** Due to the competitive nature of the grant award process, it is never guaranteed that the proposal submitted by the Office of International Commerce would be awarded the grant. This is a new program request and was not part of the FY 2016-2017 operating budget as proposed.
6. **Does this program include, either positions or consultants, and if so are the positions filled, vacant, or have offers pending? (Please provide details for each position and note whether consultant contracts have been awarded.)** No, positions or consultants are not included as part of the award for this program.
7. **What would be the effect should this program be discontinued or not initiated as a result of this request being denied?** Without these funds, the Office of International Commerce will not be able to provide as much access to international programs and opportunities for NH businesses. This would impact how the businesses plan to develop international markets, expand their reach, and increase sales. Businesses have successfully used STEP grant funds awarded in previous years to develop new markets so as not to be adversely affected by economic turndowns in the domestic market.

In the event that Federal Funds are no longer available, General Funds will not be requested to continue the support of this project.

Respectfully Submitted,



Jeffrey J. Rose  
Commissioner

State of New Hampshire  
Department of Resources and Economic Development  
Division of Economic Development

**FISCAL SITUATION**

03-35-35-350510-33360000 State Trade and Export Promo

Fiscal Year 2016 Grant Award #SBAHQ-15-IT-0020

\$199,878

*Total Request:* \$199,878



# NOTICE OF AWARD

**U.S. Small Business Administration**

<b>1. AUTHORIZATION (Legislation/Regulation)</b> Public Law 111 - 240, Small Business Jobs Act of 2010	<b>2. Grant/Cooperative Agreement No.:</b> SBAHQ-15-IT-0020
<b>3. RECIPIENT: (Name, Organizational Unit, Address)</b> RESOURCES AND ECONOMIC DEVELOPMENT, NEW HAMPS Attn: MARTHA KEENE 172 PEMBROKE ROAD P.O. BOX 1856  CONCORD NH 033021856	<b>4. PROJECT PERIOD (Mo./Day/Yr.)</b> From 09/30/2015 Through 09/29/2016
	<b>5. BUDGET PERIOD (Mo./Day/Yr.)</b> From 09/30/2015 Through 09/29/2016
	<b>6. FEDERAL CATALOG NO.</b> 59.061
<b>8. TITLE OF PROJECT/PROGRAM (limit to 53 spaces)</b> STEP	<b>7. ADMINISTRATIVE CODES</b> 5506001EZ0009
<b>10. DIRECTOR OF PROJECT (Program or Center Director, Coordinator or Principal Investigator)</b>  NAME Kasim Tina Last First Initial ADDRESS 172 Pembroke Road Concord, NH 03302	<b>9. AWARD AMOUNT</b> Amount of SBA Financial Assistance \$199,878.00

<b>12. Approved Budget (Excludes SBA Direct Assistance)</b> <input type="checkbox"/> SBA Funds Only <input checked="" type="checkbox"/> Total project costs including all other financial participation.	<b>11. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project)</b>  <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>BUDGET YEAR</th> <th>TOTAL DIRECT COST</th> <th>BUDGET YEAR</th> <th>TOTAL DIRECT COST</th> </tr> </thead> <tbody> <tr> <td>a.</td> <td style="text-align: center;">\$0.00</td> <td>b.</td> <td style="text-align: center;">\$0.00</td> </tr> </tbody> </table>	BUDGET YEAR	TOTAL DIRECT COST	BUDGET YEAR	TOTAL DIRECT COST	a.	\$0.00	b.	\$0.00
BUDGET YEAR	TOTAL DIRECT COST	BUDGET YEAR	TOTAL DIRECT COST						
a.	\$0.00	b.	\$0.00						

**13. Remarks (Other Terms & Conditions Attached)**     Yes     No  
 See Special Terms and Conditions

	Federal Share	Non-Federal Share
a. Personal Service_____	0.00	0.00
b. Fringe Benefits_____	0.00	0.00
c. Consultants_____	0.00	0.00
d. Travel_____	0.00	0.00
e. Equipment_____	0.00	0.00
f. Supplies_____	0.00	0.00
g. Contractual_____	0.00	0.00
h. Other_____	0.00	0.00
<b>i. TOTAL DIRECT COSTS_____</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>j. Indirect cost_____</b>	<b>0.00</b>	<b>0.00</b>
<b>(Rate). 0 % of S &amp; W/TADC</b>		
<b>k. OTHER APPL. COSTS_____</b>	<b>0.00</b>	<b>0.00</b>
<b>l. TOTAL APPROVED BUDGET</b>	<b>\$0.00</b>	<b>\$0.00</b>

**\*Must meet all matching or cost participation requirements subject to adjustment in accordance with SBA policy**

**14. THIS AWARD IS SUBJECT TO THE FOLLOWING COST PRINCIPLES AND OMB UNIFORM ADMINISTRATIVE REQUIREMENTS :**

2 CFR Part 220 - Cost Principles for Educational Institutions

2 CFR Part 225 - Cost Principles for State and Local Governments

2 CFR Part 230 - Cost Principles for Non-Profit Organizations

FAR Subpart 31.2 - Principles for Determining Cost Applicable to Awards with For-Profit Organizations

13 C.F.R. Part 143 - Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

2 CFR Part 215 - Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations.

OMB Circular - A - 133 - Audits of States, Local Governments, and other Non-Profit Orgs.

**15. THIS AWARD IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE SIDE**

16. CRS - EIN	17. COUNTY NAME Merrimack	18. CONGRESSIONAL DISTRICT NO.
19a. CITY CODE 14200	b. COUNTY CODE 013	c. STATE CODE 33
19a. BUDGET CODE		d. PROGRAM CODE 7009
20a. 1515.560400DB.506001.2036		b. DOCUMENT NO. SBAHQ-15-IT-0020
		c. AMT. ACTION FIN. ASST. \$199,878.00
		d. TYPE OF ORGANIZATION State

21. AGENCY OFFICIAL (Signature, Name and Title) Teresa Clouser <i>Teresa Clouser</i>	22. DATE ISSUED (Mo./Day/Yr.) 08/17/2015
23. RECIPIENT OFFICIAL (Signature, Name and Title) <i>Jeffrey J. Roe</i>	24. DATE 8/26/15

THIS AWARD IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING.

- A. The program legislation and / or regulation cited in block 1.
- B. This award notice including terms and conditions, if any, noted under block 13, Remarks.
- C. SBA Federal Assistance Regulations or Manual issuances in effect at the beginning date of the budget period.
- D. The applicable program announcement, if any.
- E. SBA Policy Guidelines in effect as of the beginning date of the budget period.
- F. SBA Administrative Regulations / Guidelines in effect as of the beginning date of the budget period.

In the event that there are any conflicting or otherwise inconsistent policies applicable to this award, the above order of precedence shall prevail. Acceptance of ALL terms and conditions is acknowledged by the Recipient's Signature in block 23.

U.S. Small Business Administration

**NOTICE OF AWARD**

ITEM NO. (A)	ITEM OR SERVICE (Include Specifications and Special Instructions) (B)	QUANTITY (C)	UNIT (D)	ESTIMATED COST	
				UNIT PRICE (E)	AMOUNT (F)
	<p>DUNS Number: 787504158</p> <p>Delivery: 08/05/2015</p> <p>Delivery Location Code: 506001</p> <p>Small Business Administration</p> <p>Office of International Trade</p> <p>409 3rd St., S.W.</p> <p>Washington DC 20416 USA</p> <p>Payment:</p> <p style="padding-left: 40px;">Office of International Trade</p> <p style="padding-left: 40px;">409 3rd Street SW</p> <p style="padding-left: 40px;">Washington DC 20416</p> <p>Accounting Info:</p> <p>1515.560400DB.506001.20360.4110.610001.5060001</p> <p>Period of Performance: 09/30/2015 to 09/29/2016</p>				
0001	<p>FY 2015 STEP Program Award - NH</p> <p>Obligated Amount: \$199,878.00</p> <p>The total amount of award: \$199,878.00. The obligation for this award is \$199,878.00.</p>				199,878.00

**NOTICE OF AWARD**

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**I. ADMINISTRATIVE PROVISIONS**

**A. Points of Contact**

**1. Grants Management Officer (GMO)**

Name: Teresa Clouser  
Address: U.S. Small Business Administration  
Office of Grants Management  
409 Third Street, SW, 5th Floor  
Washington, DC 20416

Telephone Number: (202) 205-7371  
Facsimile Number: (202) 481-5777  
E-mail Address: [teresa.clouser@sba.gov](mailto:teresa.clouser@sba.gov)

**2. Grant Officer's Technical Representative (GOTR)**

Name: Shadetra Robinson  
Address: U.S. Small Business Administration  
Office of International Trade  
409 Third Street, SW, Suite 200  
Washington, DC 20416

Telephone Number: (202) 205-6725  
Facsimile Number: (202) 292-3614  
E-mail Address: [shadetra.robinson@sba.gov](mailto:shadetra.robinson@sba.gov)

**3. State Trade and Export Promotion (STEP) Grant Program Point of Contact for Reporting Fraud, Waste, or Abuse**

Name: Gene Stewman  
Chief of Operations  
Address: U.S. Small Business Administration  
Office of International Trade  
409 Third Street, SW, Suite 200  
Washington, DC 20416

Telephone Number: (202) 205-6193  
Facsimile Number: (202) 481-2543  
E-mail Address: [eugene.stewman@sba.gov](mailto:eugene.stewman@sba.gov)

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**4. Grant Recipient's Authorized Organizational Representative (AOR)**

Name: Tina Kasim  
Address: 172 Pembroke Road  
Concord, NH 03302

Telephone Number: (603) 271-8444  
Facsimile: (603) 271-6784  
E-mail Address: [tina.kasim@dred.nh.gov](mailto:tina.kasim@dred.nh.gov)

**B. Project and Budget Periods**

The period of performance for this award will consist of a base period of 12 months and one option period of 12 months.

The base and option periods for this Award will run as follows:

- September 30, 2015 – September 29, 2016 (Base Period)
- September 30, 2016 – September 29, 2017 (Option Period)

The base period and option period will constitute a separate period of performance and approved budget.

**C. Governing Authority/Order of Precedence**

This Award is subject to the following requirements and representations, whether stated explicitly or incorporated by reference:

1. The statutes, regulations, and policy documents cited in Blocks 1 and 14 of the Notice of Award cover page and any other relevant, subsequently enacted laws.
2. Program Announcement No. OIT-STEP-2015-01, and any subsequently issued SBA policy guidance.
3. Those terms and conditions set forth below.
4. Your accepted application for this Award, including all forms and assurances, and any subsequently approved additions or modifications.



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In the event of a conflict between these requirements, the Order of Precedence listed above will determine which prevails. Unless explicitly stated otherwise, all deadlines discussed in this Notice of Award will be measured in terms of calendar days. By signing Block 23 of the Notice of Award cover page, You acknowledge Your acceptance of all these requirements.

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 78 FR 78589, codified at 2 CFR 200 *et seq* effective December 26, 2014 revises and governs this Notice of Award.  
<http://www.ecfr.gov/cgi-bin/text-idx>

On December 26, 2013, the Office of Management and Budget ("OMB") published final guidance in the Federal Register entitled "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" ("Final Guidance"), to be located at 2 CFR 200 *et seq*. This Final Guidance supersedes and combines the requirements of eight existing OMB Circulars (A-21, A-50, A-87, A-89, A-102, A-110, A-122 and A-133) with the intent to streamline the federal grant-making and monitoring process, to ease administrative burden for grant applicants and recipients, and to reduce the risk of fraud, waste and abuse.

**2 CFR §200.110, Effective/applicability date**

Federal agencies must implement the requirements to be effective by December 26, 2014.

Audit requirements will apply to audits of fiscal years beginning on or after December 26, 2014.

Administrative requirements and cost principles will apply to new awards and to additional funding (funding increments) to existing awards made after December 26, 2014.

Existing Federal awards will continue to be governed by the terms and conditions of the Federal award, except for Audit, as Subpart F is based on December 26, 2014 fiscal year date.

**II. SPECIAL TERMS AND CONDITIONS**

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**A. Corrective Action Required**

No later than September 10, 2015, 21 calendar days from the issuance date of this Notice of Award, You must submit the following to SBA for its approval:

1. A revised SF-424, SF-424A, and A-9 through A-12 with budget narrative with sufficient detail that reflect the approved Federal Award amount of **\$199,878.00** and required state match of **\$66,626.00**.
2. Your certification that you maintain on file a completed self-representation for each eligible small business concern that receives STEP Program financial assistance.
3. A revised Attachment A of Your application that reflect the requested award amount of \$199,878.00 and project milestone goals and supporting activities that are quantitative and measurable, and spread across each quarter, as appropriate.
4. If applicable ensure your web site development (translation, search engine optimization, localization) does not exceed \$3,000 per eligible small business concern.
5. Revise/provide the following items:
  - a. Technical Proposal, Attachment A, and the Budget Narrative to account for the reduction in direct and indirect costs.
  - b. Match Certification and documentation
  - c. Cost Policy Statement
  - d. CFO Certification
  - e. Tax Identification Documentation
  - f. ACH Vendor/SF-3881 form

**B. Grant Recipient Responsibilities**

You, the Recipient, acknowledge You will:

- Comply with the requirements and authorities set forth in Parts I(C) above and III(A)(17) below.
- Conduct the project funded under this Award in accordance with Your approved Technical Proposal and budget. Changes to these guiding

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documents must be submitted to SBA for pre-approval in accordance with Part III(A)(12) below.

- Be responsive to SBA requests for information and communication. Changes to Your organization's contact information, including Your AOR or other designated representatives, must be reported promptly to SBA.
- Promptly advise SBA of any difficulties You encounter or anticipate encountering that may affect the conduct of Your project.
- Cooperate with all programmatic and financial examinations and any accreditation or certification reviews conducted by SBA, its agents, or contractors. You will promptly address and act upon all findings or recommendations regarding Your project made as part of any such process.
- Coordinate with SBA and other Agency resource partners operating within Your project service area to maximize the effectiveness of Your efforts and avoid duplication of products and services.
- Promote SBA programs, products, and services to Clients, as appropriate.
- Maintain adequate, readily accessible facilities for assisting Clients, including satellite locations where appropriate.
- Provide at least 40 hours per week of availability to assist Clients, including sufficient evening and weekend availability and on-line and telephone assistance, to meet the needs of Your service area and clientele. Although You may maintain multiple service locations, no more than two locations may count toward meeting the weekly service hours requirement.
- Provide meaningful access to project services for Clients with limited English language proficiency and/or disabilities.
- Maintain adequate staffing levels for the delivery of Client services, including replacing Key Personnel no more than 60 days after they cease their involvement with the project.
- Participate in SBA surveys and studies regarding the effectiveness and outcomes of the program/project, curriculum, types of assistance, service delivery methods, etc.
- Submit and update information to USASpending.gov, as required.

**C. SBA Responsibilities**

As the awarding agency, SBA will, subject to the availability of funds and continuing authority:

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- Provide strategic direction for, and oversight of, project activities.
- Carry out the duties and responsibilities imposed on it by the statutes and regulations governing this program.
- Respond to requests for guidance or information related to the State Trade and Export Promotion Grant Program.
- Respond to requests for Agency participation and collaboration in project activities, as appropriate.
- Promote the project by referring interested parties to You for assistance and displaying Your printed materials.
- Facilitate cooperation and coordination between You, other SBA resource partners, and other Federal agencies.
- Share any relevant data SBA is authorized to disclose which may aid in Your performance of this project.
- Review and act upon requests for modifications to Your technical proposal, budget, Key Personnel, project/budget period, and other project parameters.
- Review and act upon Your reports and payment requests.
- Where authorized by law, share SBA resources and/or donated materials.

### III. GENERAL TERMS AND CONDITIONS

#### A. Administrative Requirements

This Award is subject to the requirements listed below. For further guidance regarding the administrative requirements applicable to this Award see 2 C.F.R. Part 200.

##### 1. **Non-Transferability**

This Award may not be transferred or assigned (either in whole or in part) without prior written approval from SBA. Additionally, no interest in this Award may be conferred upon a third party and the Award may not be pledged as collateral or security. For further guidance regarding the prior approval process, see Part III(A)(12) below.

##### 2. **Subgranting/Subcontracting**

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For the STEP Grant Program, subgrants are referred to as financial assistance awards. You must use at least 80 percent of Your Federal award for the purpose of directly assisting (covering the costs of) eligible small business concerns for approved export activities. In making assistance payments, You will adhere to the financial assistance plan policies and procedures stipulated in Your approved application. You may contract with other parties for the performance of project support functions or services. You may not contract out the overall administration or day-to-day management of this project to any other party.

You may follow Your own procurement policies and procedures when contracting with Project Funds, but You must comply with the requirements of 2 C.F.R. §§ 200.317-200.326.

The following additional rules apply to contracts involving less than \$25,000 in Project Funds:

- You do not need to submit copies of the proposed contracts to the GOTR for approval before executing them.
- The contracts are not required to be awarded via competition.

The following additional rules apply to contracts involving \$25,000 or more in Project Funds:

- You must submit copies of the proposed contracts to the GOTR for approval before executing the contract.
- The contracts must be awarded via competition. Non-competitive contracting at this level is only allowed if You 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.

### **3. Record-Keeping**

You must maintain complete and accurate records and supporting documentation of sufficient detail to facilitate a thorough financial, programmatic, and/or legal compliance audit or examination of this project. You must make these records available to SBA, its agents, and/or Federal investigators on demand. At a minimum, the records You must maintain on this project include:

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- The time and attendance of employees whose salaries are charged to this Award, with sufficient detail to substantiate the claimed percentage of work performed in support of this project.
- Contact information for project Clients and a log of the type and amount of assistance provided.
- An inventory of equipment purchased, in whole or in part, with award funds. This inventory must comply with the requirements of 2 C.F.R. § 200.313.
- Your ledgers and annual A-133 Audit Report. If You are not subject to the requirements of the Single Audit Act, You must have an annual audited financial statement. Unaudited financial statements are not an acceptable substitute.
- Copies of receipts, invoices, contracts, leases, and other supporting documentation for all expenses paid with Project Funds.
- Copies of checks, receipts, letters of donation, and other supporting documentation for all matching contributions related to this Award.
- Copies of judicial and administrative decisions and compliance reviews (as applicable) and other supporting documentation demonstrating your adherence to the legal requirements listed in the SF-424B and Part III(A)(17) Accessibility to Facilities and Events below.

Records may be kept in hard copy, electronic, or facsimile form and must be retained for no less than three years from the date the final project report is due.

#### 4. Protection of Client Information

Except where a Client consents in writing, You are not permitted to disclose any Client Information to a third party (or share such information with other units of Your organization not directly involved in the conduct of this project) without SBA approval. For further guidance regarding the prior approval process, see Part III(A)(12) below.

#### 5. Restrictions on Certain Types of Clients

You may not utilize project resources to provide subsidies or counseling services to any concern that:

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- is other than small;
- is based in a foreign country;
- is engaged in any activity that is illegal under Federal or state law;
- derives more than one-third of its gross annual revenue from legal gambling activities;
- presents live performances of a prurient sexual nature or derives more than a de minimus amount of revenue from the sale of products or services of a prurient sexual nature;
- is not organized for profit (Exception: To the extent it does not negatively impact the goals or milestones established under this Award or detract from its core purpose, You may use project resources to counsel non-profit organizations that devote a significant portion of their activities to assisting entrepreneurs).

For guidance regarding the provision of subsidies or counseling services to individuals and firms that are currently suspended or debarred by the Federal government, see Part III(B)(2) below.

### 6. Reporting Requirements

You must submit the reports identified in Parts III(A)(7) and (8) below to the GOTR on a quarterly basis. The required reporting forms may be obtained from Your assigned GOTR. Reports must be submitted to the GOTR in electronic format via email attachment. Quarterly reports must be received by the GOTR no later than 30 days after the conclusion of the applicable reporting period. The final Quarterly report must be received by the GOTR no later than 90 days after the conclusion of the budget year. If You fail to submit timely or adequate reports, SBA may withhold funding until this deficiency is corrected. The quarterly reporting periods for this Award are as follows:

- September 30 2015 – December 31, 2015 (report due by January 30, 2016)
- January 1, 2016 – March 31, 2016 (report due by April 30, 2016)
- April 1, 2016 – June 30, 2016 (report due by July 30, 2016)
- July 1, 2016 – September 29, 2016 (report due by December 28, 2016)

For future risk assessments, Your history of performance with prior STEP awards may include, but is not limited to, compliance with meeting the

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quarterly report due dates above and the quality of Your submitted reports.

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

### 7. Performance Reports

In accordance with the schedule listed in Part III(A)(6) above, You must submit Your Performance Progress Reports using either Standard Form PPR (SF PPR) or your own custom-designed format that includes all the same information required by the SF PPR. You must include narrative that details:

- All project actual accomplishments for the reporting period, including a variance explanation between actual accomplishments and Your approved project milestones and supporting activities, when applicable. Where You failed to achieve Your approved project milestones, You must explain the reason(s) for that shortfall and describe how You will bring project performance back into alignment with the project milestones and supporting activities as part of the variance explanation narrative.
- Any lessons learned, best practices identified, notable success stories, and problems encountered and steps taken to address those problems.
- The number of firms receiving each type of assistance, per the Technical Proposal, during the reporting period.
- The dollar value of export sales generated by Clients receiving assistance during the reporting period, as well as updates to previously reported results so that the SF PPR reflects up-to-date cumulative results.

Given the long average lead time between STEP award supported activities and consequent export sales, You are strongly encouraged to continue submitting performance progress reports for up to four quarters following the close out of Your project.

### 8. Financial Reports



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In accordance with the schedule listed in Part III(A)(6) above, You must submit Your Federal Financial Reports using Standard Form 425 (SF 425).

You must report the amount of Program Income collected/expended during the reporting period under the "Program Income" block on Your SF 425, as applicable.

You must report the amount of matching contributions expended during the reporting period under the "Recipient Share" block on Your SF 425, as applicable. If You did not expend the required level of match for that reporting period, You must include a narrative explanation detailing the extent of, and reason(s) for, the shortfall and describing how and when You will come into compliance with the match requirement. For further guidance regarding matching contributions, see Part III(B)(6) below.

**9. Additional Data Submission Requirements**

In addition to the quarterly reports discussed in Parts III(A)(7) and (8) above, You must also annually submit a copy of Your most recent audited financial statement. The GOTR must receive Your audited financial statement no later than 120 days after the conclusion of Your organization's fiscal year.

**10. Project and Program Integrity**

You must avoid engaging in any actions that may harm the integrity of Your project or the State Trade and Export Promotion Grant Program. In the event key project employees are determined to have engaged in conduct reflecting a material lack of business integrity or honesty, You must immediately remove them from involvement in this project.

You and Your employees must avoid both organizational and individual conflicts of interest in accordance with the principles identified in 2 C.F.R. § 2701.110.

You, Your principals, employees, and agents are obligated to report all instances of fraud, waste, or abuse related to this project or to the State Trade and Export Promotion Grant Program to the Point of Contact designated in Part I(A)(3) above. If, in Your view, that individual does not

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satisfactorily address Your allegations of fraud, waste or abuse, You should report the matter to SBA's Office of Inspector General via the online complaint submission system at [http://web.sba.gov/oigcss/client/dsp\\_welcome.cfm](http://web.sba.gov/oigcss/client/dsp_welcome.cfm) or the Fraud, Waste, and Abuse Hotline at 1-800-767-0385.

### 11. Exercise of Option Periods

In deciding whether to exercise an option period under this Award, SBA will consider, among other things, the continuing STEP Program authority, the availability of funds, and your record of past performance. SBA will notify you in writing of the Agency's decision to exercise or decline an option period no later than 60 days prior to the end of the current Budget Period. If SBA exercises an option period, you must submit an updated Standard Form 424 – Application for Federal Financial Assistance (SF 424) covering the Budget Period for that option, as specified in the Program Announcement for Renewal of the Cooperative Agreement for current recipient organizations.

If you fail to submit your updated SF 424 before this deadline ends, SBA may reverse its prior decision and decline to exercise the option period. Disputes regarding SBA's decision to exercise or decline an option period will be handled in accordance with Part III (A)(19) below.

### 12. Project Closeout

For general guidance regarding project closeout procedures, see 2 C.F.R. §§ 200.343 – 200.344.

At the end date of this Award (i.e., after the base period concludes and all available option periods have been exercised or declined and any no cost extension has expired, as applicable), this project will cease and You may not incur any new reimbursable expenses. You must submit Your final performance and financial reports and Your final requests for payment within 90 calendar days of the project end date. If You do not submit Your final payment requests within 90 days of the project end date, all remaining, undisbursed Federal funds will be de-obligated and will no longer be available to You. If You have received a follow-on award under the State Trade and Export Promotion Grant Program, You may request permission from SBA to carryover any unexpended Project Funds

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remaining under this Award to that follow-on award in accordance with Section III(B)(11) below.

If You have not received a follow-on award, You must include a list of all equipment purchased with Project Funds along with Your final performance and financial reports. That list must describe each piece of equipment and identify its purchase price, the percentage of that purchase price paid with Project Funds, and its current, depreciated value. You must also ask the GOTR how to dispose of that equipment. For further guidance regarding the disposition of equipment purchased with Project Funds, see 2 C.F.R. § 200.313(e). Where You have unexpended Program Income remaining at the end date of this Award, You must either remit that money to SBA or obtain approval from SBA to use it to fund further activities consistent with the objectives of this Award. For further guidance regarding Program Income, see Part III(B)(7) below.

Where SBA has designated another organization as Your successor for purposes of the State Trade and Export Promotion Grant Program, You must turn over all equipment and unexpended supplies purchased with Project Funds, as well as copies of all project records (including Client files), to Your designated successor in accordance with the procedures and timeline provided by SBA. You must make a good faith effort to facilitate the smooth transition of the Project to Your designated successor.

### 13. **Actions Requiring Prior Approval**

Before taking any of the following actions, You must obtain advance approval from SBA:

- Changing the scope of the project (including eliminating previously approved activities, adding new unapproved activities, altering the project service area, or amending the approved project goals/milestones);
- Transferring Project Funds between individual cost categories where the cumulative amount involved equals 10 percent or more of Your total approved budget;
- Changing Your Key Personnel;
- Entering into a contract calling for the expenditure of \$25,000 or more in Project Funds, or entering into a contract that, when combined with other contracts held by a single individual or

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organization (including affiliates, subdivisions, and subsidiaries), would result in that entity receiving \$25,000 or more in aggregated Project Funds;

- Purchasing a piece of equipment that has an acquisition cost of \$5,000 or more, or disposing of a piece of equipment purchased with Project Funds that has a value of \$5,000 or more;
- Making improvements to land, buildings, or equipment, or making project-specific alterations to facilities;
- Establishing or reorganizing a legal entity;
- Incurring costs associated with individuals' attendance at meetings, conferences, symposia, or training programs;
- Making use of SBA's logo;
- Selling or marketing products or services that are necessary for the performance of this project; or
- Engaging in foreign travel.

You must submit requests for prior approval to the GOTR 30 calendar days prior to the date of the proposed action. See 2 C.F.R. § 200.407 for further guidance regarding prior approval requirements, as applicable.

#### **14. Acknowledgment of SBA Support/Use of SBA's Logo/Publication Requirements**

It is important that Your Clients and the general public are aware of the State Trade and Export Promotion Grant Program and SBA's role in this project, as well as the taxpayer funded support the Agency is providing under this Award. Therefore, You must include the following acknowledgment of support statement on all materials produced in whole or in part with Project Funds:

"Funded in part through a Cooperative Agreement with the  
U.S. Small Business Administration."

For purposes of this requirement, the term "materials" includes, but is not limited to, press releases, brochures, pamphlets, handouts, reports, advertisements, books, curricula, websites, video or audio productions, and similar items regardless of the medium employed. The term "materials" does not include stationery or business cards and SBA's logo may not be used on such items.

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Where You use Project Funds to produce materials featuring editorial content, You must use the following alternate acknowledgment of support statement (either independently or in conjunction with the SBA logo):

“Funded in part through a Cooperative Agreement with the U.S. Small Business Administration. All opinions, conclusions, and/or recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of the SBA.”

In addition, You must display signage featuring the SBA logo at all facilities that are open to the public and which are being used for project activities. Such signage must prominently feature the acknowledgment of support statement identified above.

Where used, the acknowledgment of support statement must be presented in a legible typeface, font size, and (where applicable) color contrast and must appear verbatim and may not be altered or replaced with substitute language. However, on materials with severe space constraints such as signs and banners, You may use “SBA” in the acknowledgment of support statement instead of “U.S. Small Business Administration.”

You may elect to use SBA’s logo on materials produced with Project Funds. You may contact the GOTR in order to obtain a high resolution copy of SBA’s logo and a copy of SBA’s Graphic and Use Guide. Where used, the SBA logo may be positioned in close proximity to Your organization’s logo or may be placed in a prominent location elsewhere in the material. However, SBA’s logo may not be placed in close proximity to any third party’s logo, or used in such a way as may imply that a relationship exists between SBA and any third party (Note: Your organization’s parent entity is not considered a third party). Additionally, in each instance where You use the SBA logo, You must also include the acknowledgement of support statement in reasonably close proximity to the logo.

Neither the SBA logo nor the acknowledgment of support statement may be used in connection with activities outside the scope of this Award. In particular, **UNDER NO CIRCUMSTANCES** may the SBA logo or acknowledgment of support statement appear on items used in conjunction with fundraising, lobbying, or the express or implied

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**endorsement of any goods, service, entity, or individual.** Additionally, You may not use the SBA logo on any social media sites or services without obtaining prior approval from SBA. For further guidance regarding the prior approval process, see Part III(A)(12) above.

### 15. Project Website

You must maintain a website, or a clearly defined subsection of an existing website, for the purpose of publicizing and conducting project activities. The project website must make reasonable accommodations for access by persons with disabilities and must feature the SBA logo and acknowledgement of support clause in a prominent location in accordance with Part III(A)(13) above. In addition, project websites are subject to the prior approval requirements of Part III(A)(12) above.

You may not use the project website to advertise, promote, or endorse alcoholic beverages, tobacco products, sexual products (including dating services and pornographic materials); illegal or controlled substances or materials; gambling or gaming products or services; or any other products, services, or materials which may be harmful to the image or reputation of this project, the State Trade and Export Promotion Grant Program or SBA.

### 16. Co-Sponsored Activities

Your organization may collaborate with SBA and other current SBA grant recipients for the purpose of co-hosting activities within the scope of this Award without the need for a separate written agreement. SBA's logo may be used in conjunction with such co-hosted activities. However, where a proposed activity includes contributors, co-hosts, or co-sponsors that are not current SBA grant recipients or involves undertakings that are outside the scope of this Award, the parties must work with SBA to execute a separate written co-sponsorship agreement. For further guidance regarding the use of SBA's logo, see Part III(A)(13) above.

### 17. Accessibility of Facilities and Events

In accordance with the Americans With Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.) and § 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), all facilities You use to provide services to the public in connection with this project must be accessible by persons with disabilities. In

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addition, all notices, promotional items, brochures, publications, and media announcements informing the public of events, programs, meetings, seminars, conferences and workshops conducted pursuant to this project must include the following accessibility/accommodations notice:

Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. Contact [insert contact information for the person who will make the arrangements].

### 18. **Applicable Law**

Except for circumstances in which Federal law defers to State or local law – such as zoning matters, building and business permits, and recording requirements – this Award will be governed by and construed under Federal law. Specifically, this Award is subject to the following laws, regulations, and policies in addition to those enumerated in the SF 424B (Assurances: Non-Construction Programs) You submitted as part of Your approved application:

- 5 U.S.C. App. 1 (Inspector General Act of 1978);
- 15 U.S.C. § 631 et seq. (Small Business Act);
- 22 U.S.C. § 7101 et seq. (Trafficking Victims Protection Act of 2000);
- 41 U.S.C. § 701 et seq. (Drug-Free Workplace Act of 1988), as implemented by 2 C.F.R. Part 182;
- 41 U.S.C. § 6306 (Prohibition on Members of Congress making contracts with the Federal Government);
- 42 U.S.C. § 12101 et seq. (Americans with Disabilities Act of 1990), as implemented by 28 C.F.R. Parts 35 and 36;
- 48 U.S.C. § 1469a (Waiver of Matching Fund Requirements for Awards to Insular Areas);
- 49 U.S.C. App. 1517 (Fly America Act);
- 2 C.F.R. Parts 180 and 2700 (Non-procurement Debarment and Suspension);
- 13 C.F.R. Parts 112, 113, and 117 (Civil Rights Compliance);
- 13 C.F.R. Part 146 (Restrictions on Lobbying);

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- 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts, and Cooperative Agreements); and
- Executive Order 13166 (Improving Access to Services for Persons with Limited English Proficiency).

**19. Dispute Resolution.**

If a dispute arises between Your organization and SBA regarding one or more elements of this Award, You may request formal resolution of that dispute by submitting a written statement describing the nature of the dispute and a specific request for relief, along with any supporting evidence, to the GMO. A copy of this statement and supporting evidence must also be provided to the GOTR. Within 30 calendar days of receiving the dispute resolution request, the GMO will notify You of his/her decision in writing.

If You disagree with the GMO's decision, You may appeal the matter to SBA's Grant Appeals Committee. To be considered timely, Your appeal petition must be received by the Committee within 30 calendar days of the date of the GMO's decision. Your appeal petition must be mailed to the following:

Chairman, Grant Appeals Committee  
U.S. Small Business Administration  
Office of Grants Management  
5th Floor, 409 3rd Street, SW  
Washington, DC 20416.

You must also send copies of Your appeal petition to the GMO and GOTR.

There is no prescribed format for the submission of an appeal petition. Formal briefs and other technical forms of pleading are not required, nor are You required to obtain legal representation. However, Your appeal petition must be in writing and must be concise, factual, and logically arranged. In addition, Your appeal petition must contain the following:

- a. Your organization's name and address;



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- b. Identification of the relevant SBA program office and the Award number;
- c. A statement of the facts underlying the dispute and the basis for the appeal (i.e., a specific explanation as to why You believe the GMO's decision was incorrect);
- d. Copies of any documents or other evidence supporting the appeal;
- e. A request for the specific relief desired on appeal; and
- f. A statement as to whether an oral hearing is being requested, and if so, the reasons why such a hearing is necessary.

The Committee will first rule on a request for an oral hearing before proceeding to consider the merits of an appeal petition. Within 60 calendar days of receiving Your appeal petition, the Committee will present its decision in writing to You, the GMO, and the GOTR. The Committee's ruling will represent the final Agency decision on the subject of the dispute and will not be further appealable within SBA.

**20. Termination/Suspension/Enforcement**

If You materially fail to comply with the terms and conditions of this Notice of Award, or with any requirement imposed by statute, regulation, executive order, or other source of law or policy, SBA will take whatever enforcement measures it deems appropriate to remedy that non-compliance. For further guidance regarding the enforcement measures that apply to this Award, see 2 C.F.R. §§ 200.339 – 200.342. SBA may also institute suspension or debarment proceedings against Your organization as it deems necessary.

**B. Financial Requirements**

This Award is subject to the requirements listed below. For further guidance regarding the cost principles applicable to this award see 2 C.F.R. Part 200, Subpart E.

**1. Charging Costs to this Award**

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All costs charged to this Award are subject to audit and examination. You are responsible for ensuring proper management and accounting of Project funds in order to avoid cost disallowances. All direct costs charged to this Award must be reasonable given the relevant market and industry area and the nature of the good or service involved. Direct costs claimed by Your organization must also be allowable under the relevant cost principles and be clearly and specifically allocable, either in whole or in part, to the project funded by this Award. In addition, You are not permitted to charge costs associated with any of the following items or activities to this Award:

- Transactions with suspended or debarred entities, as discussed in Part III(B)(2) below;
- Construction or renovation of facilities or acquisition of real estate;
- Litigation, whether civil, criminal, or administrative;
- Providing matching contributions to any other Federal awards;
- 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;
- Travel by elected officials;

The underlying premise of the STEP Program is to supplement Your funds for export activities, not to substitute Federal funds for costs You would normally or otherwise cover. Per 2 C.F.R. Section 200.408, Your use of Federal funds for the STEP Grant Program is limited to the STEP Program's statutory uses of funds. Use of Federal funds not directly supporting development of new exporters and export market expansion will not be approved (e.g., national/regional association dues, travel to association events, etc.).

With regard to foreign travel and other costs incurred by STEP eligible small business concerns, the following costs are allowable:

- Airfare (consistent with Fly America Act guidelines);
- Ground transportation fees;
- Baggage fees;
- Meals and lodging (based on GSA/Department of State per diem rates);

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- Registration fees and booth space for trade shows;
- Trade mission fees;
- Currency exchange fees;
- Other associated and allowable travel expenses;
- Fees for shipping sample products (capped at \$2,000);
- Cost of compliance testing an existing product for entry into an export market (capped at \$2,000);
- Export research tool subscription used to assist STEP Clients with market research (capped at \$1,000); and
- Website translation into foreign language, search engine optimization, localization services (capped at \$3,000)

The following costs of STEP eligible small business concerns and You are **NOT** allowable:

- Passport or visa fees;
- Immunizations;
- Expenses related to entertaining current or prospective clients or government officials;
- New product development or alteration of existing products; and
- Cellphones and cellphone charges.

However, with the exception of entertainment expenses, to the extent You pay unallowable travel costs with non-project funds, You may count these expenditures as matching contributions. For further guidance regarding matching contributions, see Part III(B)(6) below.

### **2. Transactions with Suspended or Debarred Entities**

You cannot use Project Funds or Project Resources to pay salaries of employees or costs of consultants, contractors, or other service providers (e.g., accountants, lawyers, etc.) where such entities are currently suspended or debarred. In addition, You cannot use Project Funds to provide counseling services related to Federal contract, grant, or loan opportunities to individuals or firms that are currently under suspension or debarment by a Federal agency. Training may be provided on these three topics without regard to an individual's suspension or debarment status.

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You are responsible for verifying that entities paid or (where applicable) assisted with Project Funds or Project Resources are not suspended or debarred in order to avoid subsequent disallowance of costs under this Award. To determine if an individual or firm is suspended or debarred, You may consult the System for Award Management (<https://www.sam.gov/>). Additionally, in cases involving counseling, You may require Clients to certify they are not currently suspended or debarred prior to receiving assistance relating to Federal contract, grant, or loan opportunities. For further guidance regarding suspension and debarment, see 2 C.F.R. Parts 180 and 2700.

### **3. Liability/Indemnification**

Any liability arising from the conduct of this project, except as it directly relates to SBA employees or facilities, is solely Your responsibility. SBA will not indemnify You or Your employees or officers and, with the exception of insurance, no Project Funds may be used to cover costs related to liabilities arising under this Award. For further guidance regarding insurance costs, see 2 C.F.R. § 200.447.

SBA is not a party to any contracts, subgrants (where permitted), or other agreements between Your organization and third parties. SBA will have no involvement in any disputes arising from such agreements. You are liable to SBA for any amounts paid from Project Funds to third parties which are subsequently determined to have been unallowable or otherwise improper.

### **4. Adherence to the Approved Budget**

You must expend Project Funds in accordance with Your approved budget. However, You do have the discretion to transfer Project Funds between individual cost categories provided the cumulative result of all such transfers in a given budget period does not exceed 10 percent of Your total approved budget. Before making any transfers that would cumulatively result in Your exceeding this 10 percent cap, You must obtain approval from SBA. Failure to adhere to the approved budget or obtain the necessary prior approval will result in denial of payment by SBA. For further guidance regarding the prior approval process, see Part III(A)(12) above.

### **5. Funds from Multiple SBA Awards**

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If Your organization holds any other current financial assistance awards from SBA, You must avoid commingling of funds and overlapping or double-claiming of costs among those awards. You must treat each project as separate and discrete with individual reporting, accounting, and audit trails.

### 6. Matching Contributions

You are required to provide matching support for this Award from non-Federal sources at the rate of 35% or 25% percent -- i.e., for every \$1 of Federal award proposed, the match amount is \$.5384, or for every \$1 of Federal award proposed, the match amount is \$.333333, respectively. You must document that You have obtained and expended the required level of match in support of project activities. For further guidance regarding documentation and recordkeeping requirements, see Part III(A)(3) above.

You may not use program income for the purpose of meeting Your match requirement.

You may receive contributions of matching support from any non-Federal source, such as State, local, or tribal governments, private individuals, corporations, or foundations. In addition, You may provide matching support for this Award by utilizing Your own or Your parent entity's resources. Matching contributions may take the form of cash or cash equivalent, or in-kind donations, such as free or reduced price goods, services, or facilities. However, no more than 50 percent of the matching support provided under this Award may consist of in-kind contributions.

For each SF 270 (Request for Advance or Reimbursement) You submit, You must indicate the amount of match (i.e., the "Non-Federal Share") expended (for reimbursements) or projected to be expended (for advances). If the amount of match You list on Your SF 270 does not meet the required level of match, You must attach an explanation detailing the extent of, and reason(s) for, the shortfall and describing how and when You will come into compliance with the match requirement. For additional guidance regarding the payment process, see Part III(B)(9) below.

If You are chronically or seriously Undermatched, You will not be eligible to receive advance payments for the remainder of the current Budget

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Period, and possibly for subsequent Budget Periods as well. If You are Undermatched at the end of a Budget Period, You will be required to remit to SBA all Federal funds You received but were unable to match. Furthermore, if You fail to meet Your match requirement, SBA may withhold payment, decline to exercise option periods, or take such other enforcement action as it deems appropriate. For additional guidance regarding enforcement actions under this Award, see Part III(A)(19) above.

Do not report Overmatch on Your SF 270 or SF 425 reports.

For further guidance regarding matching contributions, see 2 C.F.R. § 200.306.

**7. Disposition of Program Income**

Program Income generated under this Award must be added to the Project Funds and used to further eligible project or program objectives. In addition, on each SF 425 You submit You must note all Program Income earned and expended during that reporting period. For further guidance regarding Program Income, see 2 C.F.R. § 215.24 or 13 C.F.R. § 143.25, as appropriate.

You may not use program income for the purpose of meeting Your match requirement.

**8. Refunds of Award Expenses**

If You receive a refund of FICA/FUTA taxes or other project costs previously paid under this Award, You must immediately report such refund to SBA, regardless of whether the Project Period has ended. The amount of the refund must be remitted to SBA if the cost was paid with Federal funds. If the refunded cost was paid using matching contributions, You must either use the refund to support activities consistent with the objectives of this Award or remit it to SBA to avoid being Undermatched.

**9. Financial Stability**

In order to continue being entrusted with public funds, Your organization must maintain a sufficient level of financial stability. Examples of failure to maintain sufficient financial stability include, but are not limited to,

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excessive and/or unresolved indebtedness (whether to the Federal government or other parties), repeated failure to make payroll, and/or operating at a deficit for an extended period of time. Your lack of financial stability may lead SBA to suspend, terminate, or decline to renew this and any other Awards You receive from the Agency and may also lead to Your debarment by SBA.

For further guidance regarding enforcement actions SBA may take under this Award, see Part III(A)(19) above. For further guidance regarding debarment, see 2 C.F.R. Parts 180 and 2700.

### 10. Payment

For general guidance regarding payments under this Award, see 2 C.F.R. § 215.22 or 13 C.F.R. § 143.21, as appropriate. You must draw down Federal funds only as needed to meet actual or estimated expenditures for the relevant reporting period. You must avoid accumulating Federal funds in excess of current disbursement needs. You must also provide the required level of matching contributions for all Federal funds drawn down under this Award. For further guidance regarding matching contributions see Part III(B)(6) above.

To request payment, You must provide SBA with Your bank routing number and account information and submit a signed Standard Form 270 – Request for Advance or Reimbursement (SF 270) and an SF 424 A-11 Detailed Expenditures Worksheet identifying the actual/proposed use for all requested funds to the GOTR, who will review it before forwarding it to the GMO with a recommendation for payment. You must include a narrative explanation each time Your actual expenditures exceed the amount You budgeted for a given cost category. For further guidance on varying from budgeted cost category amounts, see Part III(B)(4) above. The GOTR and/or GMO may require You to provide additional information or documentation before payment is made. Any failure by You to properly complete and submit the required forms will cause substantial delay in processing Your payment request.

You are responsible for submitting all payment requests in a timely manner. **SBA will not process any payment request You submit more than 90 calendar days after the conclusion of the relevant Budget Period.** For further guidance regarding project closeout procedures, see Part III(A)(11) above.

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For all Federal funds disbursed under this Award, You must retain copies of receipts, invoices, subcontracts, evidence of matching contributions, and similar items providing documentary support in accordance with Part III(A)(3) above. All payments will be made based on Your demonstrated, bona fide disbursement requirements, consistent with the approved budget and project Technical Proposal.

When requesting payment in advance, You must certify that You have the required level of matching contributions, justify why an advance is necessary, and detail how the advance funds will be expended over the specified period covered by the request. Advances are limited to the minimum amounts needed and must be timed to be in accordance with Your actual, immediate disbursement requirements. You must deposit and maintain advances of Federal funds in interest-bearing, FDIC-insured accounts. You are encouraged to use banks that are at least 50 percent owned by women or minorities. If You do not fully expend an advance payment within 30 calendar days of disbursement, You must promptly refund any remaining amount to SBA. For further guidance regarding interest earned on advances of Federal funds, see 2 C.F.R. § 215.22 or 13 C.F.R. § 143.21(i), as appropriate.

### **11. Request for Carryover of Funds**

If SBA has notified You in writing that You will receive a follow-on award at the conclusion of this Award, You may request permission to carryover any unexpended funds remaining under this Award to Your follow-on award. SBA reserves the right to offset the amount of the follow-on award by the amount of carryover, as it deems appropriate. Carryover funds may not be commingled with follow-on award funds and must be reported and accounted for separately with their own audit trail. Funds made available under this Award may not be carried over more than once and must be fully expended before You will be permitted to draw down any Federal funds provided under Your follow-on award.

You must submit any carryover request to the GOTR in writing at least 60 days prior to the end of the Project Period for this Award. Carryover requests must include the following:

- Revised SF 424;



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- Narrative explaining why the funds were not expended during the period in which they were awarded;
- Evidence of match. The match requirement for carryover funds can be met by using new or previously unexpended, unreported match from the current Budget Period, an increase in funds pledged to the follow-on award by the Recipient, or any combination of these. Note: In-kind services performed during the current Budget Period may not be carried over to a subsequent Budget Period even if they were not previously claimed as match.

### 12. Request for a No-Cost Extension

You may request that SBA grant a one-time extension of the expiration date of this Award for up to 12 additional months if You can demonstrate more time is necessary for the adequate completion of specific project objectives. A request for an extension must be in writing (with supporting justification) and must be received by the GOTR at least 75 calendar days prior to the scheduled expiration of this Award. SBA **will not** approve any extension request that:

- Is solely for the purpose of expending remaining funds;
- Is for a project that previously received an extension;
- Is more than 12 months in length;
- Requires the commitment of additional Federal funds; or
- Involves any change in the objectives or scope of the project.

Because a project may only be extended once, You are encouraged to request a full 12-month extension even if You believe less time is necessary for the completion of this project. For additional guidance regarding extensions, see 2 C.F.R. § 215.25(e)(2).

## IV. DEFINITIONS

The following definitions apply to this Award. (For additional definitions relating to the State Trade and Export Promotion Grant Program, see Program Announcement OIT-STEP-2015-01, Section 8.0.):

Award – a conferral of Federal financial assistance to support a specific public project, whether in the form of a grant or cooperative agreement.

Client – an eligible small business concern receiving assistance under this Award.

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Client Information – files and records concerning a Client, as well as any information that could be used to identify, contact, or locate a Client. Does not include statistics or similar data that is not attributed to a particular Client.

Eligible small business concern – a small business concern that: (A) has been in business for not less than one year; (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 (as determined by the Associate Administrator of International Trade); and (D) has a strategic plan for exporting.

Key Personnel – those individuals who play a crucial role in the conduct of a project. Examples include directors, managers, counselors, and instructors, but not support staff.

Overmatch(ed) – a level of matching contributions that exceeds the amount required.

Program Income – additional funds generated through the conduct of project activities. Includes, but is not limited to, income derived from service or event fees, sales of commodities, repayments of interest or principal on loans made with Project Funds, and usage or rental fees. Does not include interest earned on advances of Federal funds.

Project Funds – all funds covered by the project budget. Includes both Federal funds and matching contributions (cash and in-kind) dedicated to the project.

Project Resources – non-monetary items such as facilities, equipment, supplies, and staff time that are utilized to further project objectives and whose costs are supported (in whole or in part) with Project Funds.

Undermatch(ed) – a level of matching contributions that fails to meet the amount required.

You(r) – the recipient organization for this Award.