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September 25, 2020

The Honorable Mary Jane Wallner, Chairman  
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu  
And the Honorable Executive Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Pursuant to RSA 14:30-a, VI, the Department of Business and Economic Affairs, Division of Economic Development, Office of International Commerce requests authorization to accept and expend the State Trade and Expansion Program grant (STEP), from the US Small Business Administration in the amount of \$225,427, effective upon Fiscal Committee and Governor and Executive Council approvals through June 30, 2021. **100% Federal Funds**

Funding to be budgeted as follows:

03-22-22-220510-14510000 DEPARTMENT OF BUSINESS AND ECONOMIC AFFAIRS, ECONOMIC DEVELOPMENT, STATE TRADE & EXPORT PROMO

Class/Object	Class Title	FY21 Current Budget	Requested Change	FY21 Adjusted Budget
Revenue				
000-403944	Federal Funds	\$ (831)	\$ (225,427)	\$ (226,258)
	Total Revenue	\$ (831)	\$ (225,427)	\$ (226,258)
Expense				
040-501597	Indirect costs	\$0	\$ 22,543	\$ 22,543
041-500801	Audit Fund Set Aside	\$0	\$ 225	\$ 225
102-500731	Contracts for Program Svcs	\$831	\$ 202,659	\$ 203,490
	Total Expense	\$831	\$ 225,427	\$ 226,258

**EXPLANATION**

The US Small Business Administration's State Trade Expansion Program (STEP) grant program, which was created under the Small Business Jobs Act legislation, awards financial assistance grants to states for the purpose of furthering their efforts in assisting small businesses to prepare for new international markets, comply with trade regulations, access export financing, and participate in international trade shows and trade missions. These grants allow for the creation of specialized programs to focus on international 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 eight previous rounds of this competitive grant, making the current cycle the ninth round of funding. New Hampshire is one of forty-one states to receive a STEP grant award this year.

The following appropriations are being requested for Fiscal Year 2021:

Indirect costs (class 040) per state requirements at 10%

Audit Fund Set Aside (class 041) per state requirements at 0.01%

Contracts for Program Services (class 102) to cover contractual services for matching grant program and training

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

Respectfully Submitted,



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Wildolfo Arvelo  
Director



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Taylor Caswell  
Commissioner

State of New Hampshire  
Department of Business and Economic Affairs

**FISCAL SITUATION YEAR 2021**  
**03-22-22-220510-14510000**  
**Division of Economic Development**

Previous STEP Awards (1-8):	\$1,924,887
Less amount spent	<u>\$1,759,548</u>
Grant funds remaining:	\$165,339
 New grant award:	 <u>\$225,427</u>
 Amount available to budget:	 \$390,766
Less current FY2021 budget authorization:	<u>\$165,339</u>
 Total available for budgeting:	 \$225,427
 Amount to be budgeted this request:	 <u>\$225,427</u>
 Amount available to budget with future requests:	 <u>\$0</u>

## NOTICE OF AWARD



<b>U.S. Small Business Administration</b>			
1. AUTHORIZATION (Legislation/Regulation) 15 U.S.C. § 649(1)		2. Grant/Cooperative Agreement No. SBAHQ20IT0011	
3. RECIPIENT: (Name, Organizational Unit, Address) BUSINESS AND ECONOMIC AFFAIRS, NEW HAMPSHIRE Attn: DAVID PEASE 1 EAGLE SQ STE 100  CONCORD NH 033014991		4. PROJECT PERIOD (Mo./Day/Yr.) From 09/30/2020 Through 09/29/2021	(Mo./Day/Yr.) Through 09/29/2021
		5. BUDGET PERIOD (Mo./Day/Yr.) From 09/30/2020 Through 09/29/2021	(Mo./Day/Yr.) Through 09/29/2021
		6. FEDERAL CATALOG NO. 59.061	7. ADMINISTRATIVE CODES 0506001EZ0010
8. TITLE OF PROJECT/PROGRAM (limit to 53 spaces) STEP		9. AWARD AMOUNT Amount of SBA Financial Assistance \$225,427.00	
10. DIRECTOR OF PROJECT (Program or Center Director, Coordinator or Principal Investigator)  NAME Adams Rachel Last First Initial  ADDRESS: 1 Eagle Square, Suite 100 Concord, NH 03301		11. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project)	
		BUDGET YEAR	TOTAL DIRECT COST
		a.	b.
		\$0.00	\$0.00
12. Approved Budget (Excludes SBA Direct Assistance) <input type="checkbox"/> SBA Funds Only <input checked="" type="checkbox"/> Total project costs including all other financial participation.		13. Remarks (Other Terms & Conditions Attached) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No See Program Specific Terms and Conditions	
		14. THIS AWARD IS SUBJECT TO THE FOLLOWING COST PRINCIPLES AND OMB UNIFORM ADMINISTRATIVE REQUIREMENTS :	
		<input type="checkbox"/> 2 CFR Part 220 - Cost Principles for Educational Institutions	
		<input checked="" type="checkbox"/> 2 CFR Part 225 - Cost Principles for State and Local Governments	
		<input type="checkbox"/> 2 CFR Part 230 - Cost Principles for Non-Profit Organizations	
		<input type="checkbox"/> FAR Subpart 31.2 - Principles for Determining Cost Applicable to Awards with For-Profit Organizations	
		<input checked="" type="checkbox"/> 13 C.F.R. Part 143 - Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments	
		<input type="checkbox"/> 2 CFR Part 215 - Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations.	
		<input checked="" type="checkbox"/> 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 02-6000618		17. COUNTY NAME Merrimack	18. CONGRESSIONAL DISTRICT NO. 02
19a. CITY CODE 14200	b. COUNTY CODE 013	c. STATE CODE 33	d. PROGRAM CODE 7009
BUDGET CODE		DOCUMENT NO.	AMT. ACTION FIN. ASST.
20a. 2020.010400DB.506001.2036	b. SBAHQ20IT0011	c. \$225,427	d. State Government
21. AGENCY OFFICIAL (Signature, Name and Title) Teresa Clouser		22. DATE ISSUED (Mo./Day/Yr.) 09/16/2020	
23. RECIPIENT OFFICIAL (Signature, Name and Title) 		2020.09.25 13:12:40 :04'00'	24. DATE (Mo./Day/Yr.)

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>SBA's Standard Terms and Conditions are attached. Program specific terms and conditions are as follows:</p> <ul style="list-style-type: none"> <li>• The Federal share of project cost for States that have high export volumes will be 65% and the State matching funds required will be 35% of the sum of the Federal award.</li> <li>• The Federal share of project cost for States that do not have high export volume will be 75% and State matching funds required will be 25% of the sum of the Federal award and Recipient match amount.</li> <li>• SBA will waive up to \$200,000 of the matching funds required for an insular area non-Federal entity that is an agency or instrumentality of an area's government pursuant to 48 U.S.C. § 1469a, which includes American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of Northern Mariana Islands.</li> <li>• The STEP Project Director must devote at least 50% of his/her time, to the STEP project if the non-Federal entity is NOT a recipient of a FY 19 STEP (Year 8) award. If the State is a FY 19 STEP (Year 8) grant recipient, the STEP Project Director may divide his/her time across both STEP years to meet the minimum 50% requirement.</li> <li>• Matching funds must be comprised of not less than 50% cash and not more than 50% of indirect and in-kind contributions.</li> <li>• At least 85 percent of their proposed Federal award for the purpose of providing direct benefit to ESBCs</li> <li>• Guidance on Manufacturing of Goods and Services - Eligible small business concerns engaged in STEP export activities must be an export-ready U.S. company seeking to export goods or services</li> </ul>				

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>of U.S. origin or have at least 51% U.S. content. To clarify, the ESBC must be an export-ready U.S. company seeking to export goods or services that are EITHER: Of U.S. origin; OR Have at least 51 % U.S. content.</p> <p>Delivery: 09/16/2020</p> <p>Delivery Location Code: 506001</p> <p>Small Business Administration Office of International Trade 409 3rd St., S.W. Washington DC 20416 USA</p> <p>Payment: Office of International Trade 409 3rd Street SW Washington DC 20416</p> <p>Accounting Info: 2020.010400DB.506001.20360.4110.610001.0000000 Period of Performance: 09/30/2020 to 09/29/2021</p>				
0001	<p>2020 Step Grant- New Hampshire Obligated Amount: \$225,427.00</p> <p>The total amount of award: \$225,427.00. The obligation for this award is \$225,427.00.</p>				225,427.00

## Points of Contact

### **Grants Management Officer (GMO)**

Name: Teresa Clouser  
Address: U.S. Small Business Administration  
Office of Grants Management  
409 Third Street, SW, Fifth 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)

### **Grant Officer's Technical Representative (GOTR)**

Name: Adria Washington  
Address: U.S. Small Business Administration  
Office of International Trade  
409 Third Street, SW, Suite 200  
Washington, DC 20416  
Telephone Number: (202) 205-6717  
Facsimile Number: (202) 481-0872  
E-mail Address: [adria.washington@sba.gov](mailto:adria.washington@sba.gov)

### **State Trade Expansion Program (STEP) Point of Contact for Reporting Fraud, Waste, or Abuse**

Name: James Parker  
Director, STEP  
Address: U.S. Small Business Administration  
Office of International Trade  
409 Third Street, SW, Suite 2400  
Washington, DC 20416  
Telephone Number: 202-205-3644  
E-mail Address: [STEP@sba.gov](mailto:STEP@sba.gov)

### **Award Recipient's Authorized Organizational Representative (AOR)**

Name: Taylor Adams  
Address: 1 Eagle Square, Suite 100  
Concord, NH 03301  
Telephone Number: (603) 271-0670  
Facsimile:  
E-mail Address: [taylor.caswell@livefree.nh.gov](mailto:taylor.caswell@livefree.nh.gov)





# U.S. Small Business Administration

## SBA Award Standard Terms

### 1. Standard Term - Acceptance of the Terms of an Award

By drawing or otherwise obtaining funds from the Small Business Administration (SBA), the non-federal entity acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. If the non-federal entity cannot accept the terms, the non-federal entity should notify the Grants Management Officer (GMO) within thirty (30) days of receipt of this award notice. Once an award is accepted by a non-federal entity, the contents of the Notice of Award (NoA) are binding on the non-federal entity unless and until modified by a revised NoA signed by the GMO.

**Certification Statement:** By drawing down funds, the non-federal entity certifies that proper financial management controls and accounting systems, to include personnel policies and procedures, have been established to adequately administer federal awards and funds drawn down. Non-federal entities of Small Business Administration (SBA) grants or cooperative agreement awards must comply with all terms and conditions of their awards, including: (a) terms and conditions included in the SBA Grants Policy effective at the time of a new, non-competing continuation, or renewal award, including the requirements of OMB grants administration regulations; (b) requirements of the authorizing statutes and implementing regulations for the program under which the award is funded; (c) applicable requirements or limitations in appropriations acts; and (d) any requirements specific to the particular award specified in program policy and guidance, the Notice of Funding Opportunity (NOFO).

### 2. Standard Term - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for SBA Awards

The NoA issued is subject to the administrative requirements, cost principles, and audit requirements that govern federal monies associated with this award, as applicable, in the Uniform Guidance 2 CFR Part 200.

([https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2tab\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2tab_02.tpl) ).

### 3. Standard Term - Award Expectations

The eligibility and program requirements originally outlined in NOFO must continue to be adhered to as the funded project is implemented. Non-federal entities must comply with the performance goals, milestones, outcomes, and performance data collection and related policy

and guidance. Additional terms and/or conditions may be applied to this award if outstanding financial or programmatic compliance issues are identified by SBA.

**4. Standard Term - Flow down of requirements to sub- recipients**

The non-federal entity, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 2 CFR §§ 200.330 -200.332 Sub-recipient monitoring and management.

**5. Standard Term - Future Funding**

If indicated in the NoA, recommended future support reflects TOTAL costs (direct plus indirect). Funding is subject to the availability of federal funds, and that matching funds, (if applicable), are verifiable, and progress of the award is documented and acceptable.

**6. Standard Term - Non-Supplant**

Federal award funds must supplement, not replace (supplant) nonfederal funds. Applicants or award non-federal entities may be required to demonstrate and document that a reduction in non-federal resources occurred for reasons other than the receipt of expected receipt of federal funds.

**7. Standard Term - Unallowable Costs**

Unless authorized under the Special Terms and Conditions, all costs incurred prior to the award issue date and costs not consistent with the funding opportunity and/or 2 CFR Part 200 are not allowable under this award.

**8. Standard Term - Prior Approval**

SBA anticipates that the non-federal entity may need to modify the non-federal entity's award budget or other aspects of its approved application during performance to accomplish the award's programmatic objectives. In general, non-federal entities are allowed a certain degree of latitude to re-budget within and between budget categories to meet unanticipated needs and to make other types of post-award changes, provided that the changes still meet the statutory program requirements and the regulatory requirements under 2 CFR Part 200, as applicable.

Items that require prior approval (i.e. formal written approval) from the GMO, as indicated in either 2 CFR Part 200 or the SBA Grants Policy Statement, must be submitted in writing to the GMO within 45 days of grant expiration. Based on the nature, extent, and timing of the request, the SBA GMO may approve, deny, or request additional material to further document and evaluate your request. Only responses provided by the GMO are considered valid. If SBA approves the request, an amended Notice of Award (NoA) will be issued. Verbal authorization is not approval and is not binding on SBA. Non-federal entities that proceed on the basis of actions by unauthorized officials do so at their own risk, and SBA is not bound by such responses.

Prior approval is required for, but is not limited to: Changes in Key Personnel and Level of Effort, Budget Revisions, Changes in Scope, Carryover Requests (that fall outside the term for the Expanded Authority for Carryover), and No Cost Extensions.

SBA may confer 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 Grants Officer Technical Representative (GOTR) at least 45 calendar days prior to the scheduled expiration of this Award. SBA will not approve any extension request that:

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

#### **9. Standard Term - Administrative and National Policy Requirements**

Public policy requirements are requirements with a broader national purpose than that of the Federal sponsoring program or award that an applicant/non-federal entity must adhere to as a prerequisite to and/or condition of an award. Public policy requirements are established by statute, regulation, DOJ, and OMB memorandums, or Executive order. In some cases, they relate to general activities, such as preservation of the environment, while, in other cases they are integral to the purposes of the award-supported activities. An application funded with the release of federal funds through a grant award does not constitute or imply compliance with federal statute and regulations. Funded organizations are responsible for ensuring that their activities comply with all applicable federal regulation requirements.

#### **10. Standard Term - Executive Pay**

The Consolidated Appropriations Act, 2020 (Pub. L.116-94) signed into law on December 20, 2019, restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. The Executive Level II salary per E.O. 13756, was increased to \$197,300 effective December 20, 2019.

For awards issued in those years that were restricted to the Executive Level II amount of \$185,100, including competing awards already issued in FY2017, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, Non-federal entities may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

#### **11. Standard Term - Non-federal Entity Responsibilities**

- a. Conduct the project funded under this Award in accordance with Your approved Technical Proposal, budget, and goals, milestones, timelines, or metrics. Changes to any of these guiding documents must be submitted to SBA for pre-approval in accordance with all SBA terms and conditions.

- b. 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.
- c. Promptly advise SBA of any difficulties You encounter or anticipate encountering that may affect the conduct of Your project.
- d. 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 regarding Your project made as part of any such process.
  - Provide full access to all activities supported with project funds to the general public without regard to their participation in any paid membership or subscription plan.
  - 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."
- e. 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.
- f. Promote SBA programs, products, and services to clients, as appropriate.
- g. Maintain adequate, readily accessible facilities for assisting clients, including satellite locations where appropriate.
- h. 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.
- i. Provide meaningful access to project services for clients with limited English language proficiency and/or disabilities.
- j. 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.
- k. Participate in SBA surveys and studies regarding the effectiveness and outcomes of the program/project, curriculum, types of assistance, service delivery methods, etc.

- I. Submit and update information to USASpending.gov and other Federal databases, as required.

## **12. Standard Term - SAM and UEI**

Requirements Awards are subject to requirements as set forth in 2 CFR 25.110 Central Contractor Registration (CCR) (NOW SAM) AND Unique Entity Identifier (UEI) Numbers. 2 CFR Part 25 - Appendix A4, System of Award Management (SAM) and Universal Identifier Requirements

### **A. Requirement for System of Award Management**

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the non-federal entity, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

### **B. Requirement for unique entity identifier If you are authorized (reference project description) to make subawards under this award, you:**

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you, unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity, unless the entity has provided its unique entity identifier to you.

## **13. Standard Term - Federal Financial Accountability and Transparency Act (FFATA)**

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

### **a. Reporting of first-tier subawards.**

1. **Applicability.** Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

### **2. Where and when to report.**

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsr.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report.

You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received—

(A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:

i. As part of your registration profile at <https://www.sam.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—

i. in the subrecipient's preceding fiscal year, the subrecipient received—

(A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial

assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c.1. of this award term:

i. To the non-federal entity.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the non-federal entity award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. .210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non- Profit Organizations").

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

**4. Subrecipient means an entity that:**

i. Receives a subaward from you (the non-federal entity) under this award; and

ii. Is accountable to you for the use of the Federal funds provided by the subaward.

**5. Total compensation means the cash and noncash dollar value earned by the executive during the non-federal entity's or subrecipient's preceding fiscal year and includes the following:**

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

**14. Standard Term - FAPIIS - Recipient Integrity and Performance**

**Appendix XII to 2 CFR Part 200**

**A. Reporting of Matters Related to Recipient Integrity and Performance**

**1. General Reporting Requirement**

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the non-federal entity during that



period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIS)) about civil, criminal, or administrative proceedings.

## 2. Proceedings About Which You Must Report

Submit the information required about each proceeding that:

- a. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
- b. Reached its final disposition during the most recent five-year period; and
- c. If one of the following:

(1) A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;

(2) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;

(3) An administrative proceeding, as defined in paragraph 5 of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or

(4) Any other criminal, civil, or administrative proceeding if:

(i) It could have led to an outcome described in paragraph 2.c.(1), (2), or (3) of this award term and condition;

(ii) It had a different disposition arrived at by consent or compromise with an acknowledgement of fault on your part; and

(iii) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

## 3. Reporting Procedures

Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

## 4. Reporting Frequency

During any period of time when you are subject to this requirement in paragraph 1 of this award term and condition, you must report proceedings information through SAM for the most recent five year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

**15. Standard Term - Acknowledgement of SBA Support/Use of SBA's Logo/Publication Requirements.**

It is important that Your clients and the general public are aware of the [grant program name] 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.

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 GMO 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 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)(13) above.

#### **16. Standard Term - Acknowledgement of Federal Funding at Conferences and Meetings**

A conference is defined as a meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-Federal entity and is necessary and reasonable for successful performance under the Federal award. Allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of meals and refreshments, local transportation, and other items incidental to such conferences unless further restricted by the terms and conditions of the Federal award. As needed, the costs of identifying, but not providing, locally available dependent-care resources are allowable. Conference hosts/sponsors must exercise discretion and judgment in ensuring that conference costs are appropriate, necessary and managed in a manner that minimizes costs to the Federal award.

#### **17. Standard Term - Mandatory Disclosures**

Consistent with 2 CFR 200.113, applicants and non-federal entity's must disclose in a timely manner, in writing to the SBA awarding agency with a copy to the SBA Office of Inspector General (OIG), all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the SBA OIG, all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosures must be sent in writing to the awarding agency and to the SBA OIG and OGM at the following addresses:

US Small Business Administration

Attention: Office of Grants Management

409 3rd Street SW, Suite 5000

Washington, DC 20416

AND

US Small Business Administration

Office of Inspector General

409 3rd Street SW, 5th Floor

Washington, DC 20416

Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.338 remedies for noncompliance, including suspension or debarment.

#### **18. Lobbying Restrictions**

Per 2 CFR §200.450, Recipients are subject to the restrictions on lobbying as set forth in 2 CFR part 200.

18 U.S.C. § 1913, No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, a jurisdiction, or an official of any government, to favor, adopt, or oppose, by vote or otherwise, any legislation, law, ratification, policy, or appropriation, whether before or after the introduction of any bill, measure, or resolution proposing such legislation, law, ratification, policy, or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to any such Member or official, at his/her request, or to Congress or such official, through the proper official channels, requests for any legislation, law, ratification, policy, or appropriations which they deem necessary for the efficient conduct of the public business, or from making any communication whose prohibition by this section might, in the opinion of the Attorney General, violate the Constitution or interfere with the conduct of foreign policy, counter-intelligence, intelligence, or national security activities.

Violations of this section shall constitute as a violation of 31 U.S.C. § 1352(a).

#### **19. Drug-Free Workplace**

The Drug-Free Workplace Act of 1988 (41 U.S.C. § 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. By signing the application, the AOR agrees that the Non-federal entity will provide a drug-free workplace and will comply with the requirement to notify NIH if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug- Free Workplace for Financial Assistance are found in 2 CFR part 182; SBA implementing regulations are set forth in 2 CFR part 382.400. All non-federal entities of SBA grant funds must comply with the requirements in Subpart B (or Subpart C if the non-federal entity is an individual) of part 382.

#### **20. 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.

#### **21. Standard Term - Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175**

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. 2 C.F.R. § 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

**Award Term from 2 C.F.R. § 175.15(b): Trafficking in persons.**

**a. Provisions applicable to a recipient that is a private entity.**

1) You, as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not:

- a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- b) Procure a commercial sex act during the period of time that the award is in effect; or
- c) Use forced labor in the performance of the award or subawards under the award.

2) We as the federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity:

- a) Is determined to have violated a prohibition in paragraph a.1 of this award term; or
- b) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either:
  - i. Associated with performance under this award; or
  - ii. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on and Suspension (Non-procurement)."

**b. Provision applicable to a non-federal entity other than a private entity. We as the federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity:**

1) Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

2) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either:

- a) Associated with performance under this award; or
- b) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB

Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by our agency at 2 CFR Part 1125.

c. Provisions applicable to any non-federal entity.

1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

2) Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

a) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)); and

b) Is in addition to all other remedies for noncompliance that are available to us under this award.

3) You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

d. Definitions. For purposes of this award term:

1) "Employee" means either:

- An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

- Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2) "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3) "Private entity":

- Means any entity other than a state, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

- Includes:

A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

A for-profit organization.

4) "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

## **22. Standard Term - Accessibility Provisions**

Non-federal entities of federal financial assistance (FFA) from SBA must administer their programs in compliance with federal civil rights law. This means that non-federal entities of SBA funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. SBA provides guidance to recipients of FFA on meeting their legal obligation to take reasonable steps to provide meaningful access to their programs by persons with limited English proficiency.

The SBA Office for Civil Rights also provides guidance on complying with civil rights laws enforced by SBA.

Recipients of SBA also have specific legal obligations for serving qualified individuals with disabilities. Please contact the SBA Office for Civil Rights for more information about obligations and prohibitions under federal civil rights laws at 1- 800-827-5722.

## **23. Standard Term - 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 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]."

## **24. Standard Term - Data Collection and Performance Measurement:**

All non-federal entities are required to collect and report evaluation data to ensure the effectiveness and efficiency of its programs under the Government Performance and Results (GPRA) Modernization Act of 2010 (P.L. 102-62). Non-federal entities must comply with the performance goals, milestones, and expected outcomes as reflected in the Notice of Funding Opportunity (NOFO) and are required to submit data per reporting requirements.

Please contact your GOTR for additional submission information.

## **25. Standard Term - Procurement of Goods and Services:**

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. Additionally, when using Project Funds to procure supplies and/or equipment, You are encouraged to purchase American-manufactured goods to the maximum extent practicable. American-manufactured goods are those products for which the cost of their component parts that were mined, produced, or manufactured in the United States exceeds 50 percent of the total cost of all their components. For

further guidance regarding what constitutes an American-manufactured good (also known as a domestic end product), see 48 C.F.R. Part 25.

## **26. Standard Term – Audits**

If You are not subject to the requirements of the Single Audit Act, You must prepare an annual financial statement. If Your organization has been categorized as a high-risk entity by SBA due to financial and/or performance issues, you will be required to obtain an audited annual financial statement at your own expense until such time as Your organization is removed from the high-risk category.

Non-federal entities are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within 30 days after receipt or nine months after the FY's end of the audit period. The FAC operates on behalf of the OMB.

## **27. Standard Term – Recordkeeping**

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, its Office of Inspector General, and/or Federal investigators on demand and provide them with unrestricted access to review and make copies of all products, materials, and data, including those prepared or stored electronically. At a minimum, the records You must maintain on this project include:

- i. 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.
- ii. Contact information for project clients and a log of the type and amount of assistance provided.
- iii. 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.
- iv. 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.
- v. Copies of receipts, invoices, contracts, leases, and other supporting documentation for all expenses paid with Project Funds.
- vi. Copies of checks, receipts, letters of donation, and other supporting documentation for all matching contributions related to this Award.
- vii. 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



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. For further guidance regarding recordkeeping requirements, see 2 C.F.R. §§ 200.333 – 200.337.

#### **28. Standard Term - Ad Hoc Submissions**

Throughout the project period, SBA may determine that a grant requires submission of additional information beyond the standard deliverables. This information may include, but is not limited to, the following:

- Payroll
- Invoices
- Consultant Contract documentation
- Proof of project implementation

#### **29. Standard Term - Submitting Responses to Conditions and Reporting Requirements**

Unless otherwise identified in the special terms and conditions of award and post award requests, all responses to special terms and conditions of award and post award requests must be submitted to the Program Office and the Office of Grants Management (OGM).

#### **30. Standard Term - FAIN/UEI**

The Unique Entity Identifier (formerly DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A Unique Entity Identifier number may be obtained from the D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

#### **31. Standard Term – Whistleblower Protection**

If you are a Federal employee, or employee of a contractor, subcontractor, or grantee submitting information to the SBA OIG regarding fraud waste or abuse in the SBA's programs or operations, you are probably a whistleblower. Please be aware, however that specific criteria apply to whistleblower protections afforded by law. For example, disclosures by current and former federal employees, applicants for federal employment, and employees of a federal contractor, subcontractor, or grantee have special meaning and protections.

Federal law prohibits governmental personnel from retaliating against an employee who acts as a whistleblower by reporting suspected waste, fraud or abuse to the OIG. Under the Federal prohibited personnel practices, 5 U.S.C. §2302(b)(8), employees may not "take or fail to take, or threaten to take or fail to take, a personnel action with respect to any employee or applicant for employment" because the person has disclosed information to an OIG which he or she reasonably believes is evidence of (1) a violation of any law, rule, or regulation, or (2) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, so long as the disclosure is not specifically prohibited by law or Executive Order.

Reporting Fraud

The OIG encourages all SBA employees and lenders to be on the lookout for fraud. If you suspect fraud, please report it to the OIG immediately by contacting the OIG Hotline at 1-800-767-0385 or [OIGHotline@sba.gov](mailto:OIGHotline@sba.gov)(link sends e-mail).

### **32. Standard Term – Restrictions on Certain Types of Clients**

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

- is other than small;
- is based in a foreign country;
- is engaged in any activity that is illegal under federal, state, or local law or that can reasonably be determined to support or facilitate any activity that is illegal under federal, state, or local 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).

### **33. Standard Term – 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. [Number], [any existing policy documents You want them to follow (e.g., manuals, etc.)], 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.

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.

## Definitions

The definitions listed below apply to all SBA Awards. Additional definitions relating to a particular SBA program may be found in the grant program regulations, Program Announcement, and/or Special Terms and Conditions.

- a. Award – a conferral of Federal financial assistance to support a specific public project, whether in the form of a grant, cooperative agreement, or contract.
- b. Client – an entity receiving technical assistance under this Award. A Client may be an existing small business concern, or an individual interested in owning and operating a small business concern.
- c. 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.
- d. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
  - a. A governmental organization, which is a state, local government, or Indian Tribe;
  - b. A foreign public entity;
  - c. A domestic or foreign nonprofit organization;
  - d. A domestic or foreign for-profit organization;
  - and e. A Federal agency, but only as a subrecipient under an award or subaward to a nonfederal entity.
- e. 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.
- f. Overmatch(ed) – a level of matching contributions that exceeds the amount required.
- g. 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.
- h. Project Funds – all funds covered by the project budget. Includes both Federal funds and matching contributions (cash and in-kind) dedicated to the project.
- i. Subaward:
  - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the non-federal entity award to an eligible subrecipient.
  - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330).
  - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
- j. System of Award Management (SAM) means the federal repository into which an entity must provide information required for the conduct of business as a non-federal entity. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).
- k. Unique entity identifier (UEI) means the identifier required for SAM registration to uniquely identify business entities.

I. You – the non-federal entity organization (recipient) for the Award.



U.S. SMALL BUSINESS ADMINISTRATION  
STATE TRADE EXPANSION PROGRAM

STATE OF NEW HAMPSHIRE  
TECHNICAL PROPOSAL TEMPLATE  
STATE TRADE EXPANSION PROGRAM

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INTRODUCTION

Nearly a decade after receiving its first State Trade Expansion Program (STEP) grant, New Hampshire demonstrates the value STEP has had on its economy. As it enters Year 9, the State comes off its third record export year, valued at over \$5.8 billion – an increase of 10 percent from 2018. This success is a testament to a state program creatively leveraging public and private resources to encourage and support businesses’ expansion into global markets

In Year 9, the New Hampshire Department of Business and Economic Affairs, Office of International Commerce (OIC) will continue this success by maintaining the hallmark of its approach: working with companies and manufacturers in various sectors by providing counseling, market intelligence, access to markets, sales missions, and trade show support and participation. By providing these opportunities, the grant will continue to afford the means and resources necessary for companies to grow in international markets, while promoting economic development and job creation, particularly post-COVID-19. At the close of New Hampshire’s FY17 STEP grant (sixth year), the state recorded a 25.5 return on investment (ROI) of its

\$267,000.00 award, 19.9 higher than estimated. With 45 ESBCs participating, over \$6,800,000.00 in total sales were reached. OIC anticipates increased interest in this program, specifically in revamping digital strategies, export training and expansion opportunities, and navigating new trade agreements while slowly returning to sector-specific trade shows. Existing partnerships with the Export Assistance Center Office-New Hampshire (USEAC-NH); local Small Business Administration (SBA) liaisons; the Small Business Development Centers (SBDC); the Granite State District Export Council (GSDEC), and the New Hampshire Aerospace and Defense Export Consortium (NHADEC) will coordinate the activities.

**CRITERIA #1 - ORGANIZATIONAL COMPETENCY**

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Throughout the past eight years of STEP, OIC successfully supported businesses by providing direct financial assistance, technical assistance, and export-related education programs to hundreds of companies. In the ninth year, OIC will continue its support of new-to-export companies with their export goals, seasoned firms with their expansion opportunities into new markets and promotion of the state’s growing aerospace, defense, and life sciences sectors. The following activities support OIC’s mission by providing timely programming to help companies connect with global markets, retain workers and create new jobs.

These activities are:

Activity	Description
Financial Assistance Awards	A matching grant program to assist eligible businesses in trade promotion activities, such as development of digital strategies, sales missions, trade show/mission participation, etc.
Export Training and Expansion Opportunities	A unique combination of services to take businesses from passive exporters to active exporters. OIC and partners will develop beginner online e-courses, comprehensive in-person trainings and expansion offerings via US Commercial Service.

**1. Program Management & Oversight**–The Department of Business and Economic Affairs

(BEA) manages grants with high internal involvement. The STEP project director reports to

the OIC program manager and the director of the Division of Economic Development, who work with the agency's chief accountant and the business office administrator. There is an agency-wide emphasis on timely and complete reporting, approval and submittal of invoices, integration with the state payment structure and auditing functions overseen by the business office. For Year 9, the agency has improved expense reconciliation reports between the GSDEC and BEA's business office, based on recommendations presented by SBA-contracted financial reviewers. The operating procedures are as follows:

- ESBC applications/requests reviewed by appropriate panels through website (nhexportassistance.com).
- Receipts, reimbursement requests, vendor payments (i.e digital services companies, tradeshow, USCS, etc.) reviewed and reconciled by NH STEP project director.
- Payment approvals reviewed and issued by OIC program manager; payment requests issued by OIC program manager to contracted GSDEC accountant.
- Payment confirmations sent to NH STEP project director and staff by GSDEC accountant.
- Monthly reconciliation statements shared with OIC and BEA business office of STEP bank account at GSDEC.
- Payments to GSDEC in accordance to its contract are made with approval by NH STEP project director, OIC program manager and business administrator/chief accountant of BEA business office.
- Daily management of STEP is controlled by OIC, and payment requests are only made by GSDEC accountant, following permission granted by OIC.
- OIC requires GSDEC to carry liability insurance.

2. **Key Personnel** - OIC is experienced in domestic and international grant and client management. Its three team members possess the knowledge, skills and acumen to implement the STEP program effectively and efficiently.

Name(s) of Key Personnel/Title	Experience and involvement in STEP Project	Percentage of Time Devoted to STEP (24 months)
Rachel Adams, STEP Project Director	10 years of client/account management, both domestically and internationally, in both the private sector and state government; responsible for grant administration.	38.00%
Tina Kasim, OIC Program Manager	Nearly 20 years of international economic development and exporting experience; provides grant oversight assistance	24.12924%
Adam Boltk, International Trade Officer	10 years of senior level clients, policy makers across US government, private sector and international agencies; provides support in implementation.	15.00%

For the previous eight STEP grants, OIC has contracted solely with the Granite State District Export Council (GSDEC) to financially administer the grant. The State considers the GSDEC agreement to be a non-competitive (sole-source) contract due to the unique support the organization provides. GSDEC enables OIC to make timely payments on its assistance awards and vendors without going through the state's lengthy disbursement process, which allows OIC to have a better utilization rate of the grant within the performance period.

The GSDEC does not act independently of OIC; its role complements the STEP program and enables OIC to meet efficiently the needs of its clients. In addition to its fiduciary responsibilities, the GSDEC, is made up of members, which include experienced business people and exporters. The contract between the OIC and GSDEC, which includes scope of work and budget (see attachment 14), is enclosed and OIC requests approval to continue the GSDEC as a non-competitive contractor in STEP Year 9. Attachment 14 demonstrates OIC has conducted unsuccessfully searches for organizations that can deliver the same function of fiduciary agent and strategic partnership specific to the support of export growth in the State. The only organization demonstrating the capacity and export knowledge is the GSDEC, whose members are appointed by the US Secretary of Commerce.

**3. Exporting Experience** - Over the past three years, OIC has seen increasing contact with businesses exploring global markets for the first time. In New Hampshire's FY17 STEP grant, OIC saw 28 new-to-export companies selling over \$190,000 in sales. In New Hampshire's FY18 STEP grant, OIC already has seen 20 new-to-export companies participating with over \$6,000,000 in sales. OIC is aware that there will likely be an impact of export sales from COVID-19, however, as of April 2020, New Hampshire's trade statistics are still in the positive range. The team is cautiously optimistic and ready to act depending on the needs of the businesses.



**CRITERIA#2 - PROJECT DESIGN: PERFORMANCE MEASURES, OUTCOMES & COLLABORATION TO DIRECTLY BENEFIT ESBCS**

**Part I – Performance Measures and Outcomes:** New Hampshire’s STEP program builds on the success and experience gained over eight years. STEP offers OIC flexibility to customize strategies for qualified businesses and programs. These include direct assistance in purchasing customized market intelligence and research (i.e. International Partner Search Plus “Virtual Gold Key”, formal Gold Key, Initial Market Checks and International Company Profiles), trainings in export related topics and trade shows and direct support to complement plans in international business development and market potential. The following opportunities support business growth and offer a results-oriented use of STEP funds, with positive ROI:

<i>MILESTONE GOAL DESCRIPTION</i>	<i>ACT TYPE (1-8)</i>	<i>ACTIVITY DESCRIPTION SUPPORTING MILESTONE GOAL</i>	<i># NTE FIRMS</i>	<i>NTE EXPORT SALES</i>	<i># ME FIRMS</i>	<i>ME EXPORT SALES</i>	<i>FEDERAL AWARD EXPENSE</i>	<i>FED AWARD ROI</i>
Goal 1: Support 30 ESBCS through financial assistance awards to participate in export promotion activities	9	FAA will support 9 NTEs and 18 MEs in trade promotion activities such as digital strategy development, translation, marketing material development, etc.	10	\$160,000	20	\$2,800,000	\$215,427.00 (includes GSDEC admin fee)	13.7
Goal 3: Design and implement Export Training and Expansion Opportunities for 30 ESBCs	6	Support 13 NTE and 13 ME ESBCs to participate in export training sessions to enhance and expand their skills on international trade and access U.S. Commercial Service subscription services.	15	\$37,500	15	\$295,000	\$10,000.00	33.3

		<u>TOTAL</u>	25	\$197,500	35	\$3,095,000	\$225,427.00	14.6
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**Activity 1: Financial Assistance Award Program** – This proposal encourages businesses to apply for STEP grants to offset the costs associated with digital strategy development for global markets, virtual trade shows/trade missions, production of marketing material, and USCS services, enabling companies to continue to drive export activities in the current and post-COVID-19 environments. This activity allocates over \$215,427, with a maximum request of \$6,000 per company, across various sectors. Companies seeking funding must submit a proposal outlining the project/activity and detail how the support will result in higher sales in new or expanding global markets. A review committee that includes, but is not limited to, representatives of OIC, USCS and GSDEC will review all proposals and score accordingly. Since the first STEP award, OIC has refined its processes and best practices for the matching financial assistance program by moving much of this program to a web-based format for easier client access and delivery of on-time reports, receipts and success stories. See [www.nhexportassistance.com](http://www.nhexportassistance.com) and attached images of the website following this proposal.

**Activity 2: Export Training and Expansion Opportunities**

Quality training, education and market intelligence rounds out OIC’s goals for STEP Year 9, thereby creating, supporting and growing a robust pathway for international business development. OIC will support the development of new online e-courses administered through the NH SBDC and partner with the agency for outreach, promotion and recruitment for these courses to target new clients. The e-courses will provide an overview of in-person trainings and participation in the fifth annual Export Boot Camp series. OIC will then host four days of in-

person seminars focusing on the pillars of international business: export controls, logistics, finance and marketing. Funding will secure industry experts to conduct the trainings. OIC and the local USEAC Service will use remaining funds to cover costs of U.S. Commercial Service products, to assist businesses in accessing market intelligence, with little risk. The \$10,000 is available to at least 26 qualified New Hampshire businesses (\$1,000 maximum per ESBCs) in manufacturing and the services sectors.

**Part II – Direct Benefit to ESBCs** – The goal of New Hampshire’s STEP programs is to deliver the best service and opportunities to the ESBCs, ensuring the highest percentage of STEP funding benefits them directly. Year 9 will continue this mission by exceeding the 85 percent minimum required to benefit businesses directly.

- **\$ AMOUNT OF FEDERAL AWARD DIRECTLY BENEFITTING ESBCs: \$220,673.23**
- **PERCENT OF FEDERAL AWARD DIRECTLY BENEFITTING ESBCs: 97 percent**

**Part III- Collaboration – Developing new small business exporters:** To encourage new exporters, OIC promotes education tools available to ESBCs, including the Export Boot Camp, redesigned e-courses from NH SBDC, and its USCS online video guides. While all programs promote the basics of exporting, each tackles slightly different aspects of exporting 101 and act as a feeder to OIC’s program. OIC will continue to work with its partners at SBA’s New Hampshire district office and NH SBDC to identify ESBCs with export-ready products, but have no export development plans. Working with its partners, OIC has identified new ESBCs, enabling it to build a pipeline for NTEs interested in identifying export opportunities, as well as those that passively manage their exports and have only exported to one specific market with no expansion.

**Expanding markets:** The State’s STEP Award ROI can be credited to the keen acumen of New Hampshire’s market-expansion (ME) companies. As seen in New Hampshire’s FY17 STEP

Grant, 17 market expansion firms participated and sold over \$6,620,000 in goods. New Hampshire's FY18 STEP Grant shows 28 market expansion firms with over \$3,411,000 in sales. OIC, with its key partner, USEAC-NH, will support seasoned exporters in high growth sectors at specific trade shows, and with financial assistance awards and customized USCS services.

**Increasing ESBC sales:** Through counseling that occurs in New Hampshire's export eco-system and a "no wrong door" approach, OIC and its partners leverage their resources to prepare STEP clients for success in global markets, a relationship that continues as companies expand in new markets.

### CRITERIA#3 - FINANCIAL ASSISTANCE PLAN

<b>Applicant Process</b>	Following each individual counseling session, recommendations are put forward to the ESBC regarding best activity(ies) under NH's program that can be utilized. Applicants are directed to partner (GSDEC) website to complete applications for specific STEP activities
<b>Criteria and Selection Process</b>	Criteria focuses on company readiness (dependent on NTE or ME status); meets SBA size requirements and company standing (i.e debarment, etc); ensures compliance with Buy American and Hire American laws, as well as how successful ESBC's request for support/plan is in terms of company objective and ROI.
<b>Organization and Title of Selection Panel or Committee Members</b>	<b>Financial Assistance Awards review panel:</b> Gabriele Zeira, vice chair, GSDEC; Taylor Little, senior international trade specialist, NH Export Assistance Center; Tina Kasim, program manager, NH OIC <b>Export Training and Expansion Opportunities:</b> Justin Osowski, director, NH Export Assistance Center; Tina Kasim, program manager, OIC; Rachel Adams, Leanne Spees, GSDEC
<b>Maximum Dollar Amt. of Financial Assistance</b>	Up to \$13,000 per instance – as part of graduating ESBCs from STEP funding making way for new STEP clients. OIC typically allows access to financial assistance awards twice (up to \$6,000 each), and access to US Commercial Service product costs once (up to \$1,000)
<b>Percent % of Export Activity Costs and Percent % covered by both NTE and ME ESBCs</b>	<b>Financial assistance awards:</b> 90 percent export activity cost covered by STEP; 10 percent export activity cost covered by ESBCs <b>Export Training and Expansion Opportunities:</b> Full cost covered by STEP; if service costs exceed \$1,000, client covers balance
<b>Maximum # of Financial Assistance Awards</b>	Maximum number of matching financial assistance awards per company: 2
<b>Method of Financial Assistance Payments</b>	<b>Matching financial assistance awards:</b> Reimbursements are issued (checks) via GSDEC following OIC review of ESBC receipts and reconciliation; payments only issued upon request by OIC. <b>US Commercial Service:</b> Participation agreements generated by USCS sent to OIC- GSDEC accountant for payment.

<b>Internal Controls</b>	<p>Several steps are taken to monitor and ensure that there is proper use and expenditure of funds:</p> <ul style="list-style-type: none"> <li>• ESBC applications/requests reviewed by appropriate panels.</li> <li>• Receipts and reports reviewed/approved by OIC STEP director and program manager; reconciled by OIC and contracted GSDEC accountant.</li> <li>• Payment approvals and requests issued by OIC program manager to contracted GSDEC accountant</li> <li>• Payment confirmations sent to OIC project director by GSDEC accountant.</li> <li>• Monthly reconciliation statements shared with OIC and BEA business office of STEP bank account at GSDEC.</li> </ul> <p>Payments to GSDEC in accordance to contract are made with approval by OIC project director and business administrator/chief accountant of BEA business office.</p>
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#### **CRITERIA#4 - DATA COLLECTION & MEASUREMENT OF OUTCOMES**

To measure success and quality of each project, OIC, the USCS and the GSDEC vets businesses through applications and panel review, providing the businesses with expertise from their peers.

Data collection instrument is then used as follows:

- i. **STEP client's level of export experience:** Designation of NTE or ME is reviewed by OIC and panels following the review of applications, in the event clients categorize themselves incorrectly.
- ii. **Actual export sales:** Collected upon the completion of the activity.
- iii. **Projected exported sales:** Collected 12-18 months after activity completion.
- iv. **Client certification for reported data:** Placed at the bottom of the DCI, OIC statement is: *"I certify that the information provided in this report, as well as accompanying documents, are true and complete. I agree to abide by the STEP program funding and reporting policies. I further understand that this information will be reviewed and is pending approval. Please type your name in box below."*
- v. **Number of times results are collected:** ESBCs are required to update results quarterly during the award year and bi-annually beyond the conclusion of the grant year
- vi. **Number of jobs created/retained:** Collected as part of the reporting requirements
- vii. **Non-federal instrument to collect and record data (DCI):** Web-based at <https://nhexportassistance.com/stepreport/>; each activity in which an ESBC participates can be reported on individually via the drop down menu.
- viii. **Opt-In/Out:** OIC uses the following language on all ESBC participation/applications: *"The US Small Business Administration (SBA) would like to give eligible small business concerns the opportunity to expand your knowledge and resources of other programs that are offered by the agency. Please check the appropriate box if you would like your company's name and contact information to be shared with other SBA programs. Your choice to participate or not will not change the status of your participation with STEP. SBA's aim is strictly to share information about other opportunities with you."* This will be followed by Yes and No.