

# Idaho Online Global Program (OGP) Guidelines and Application Instructions

## A. Introduction

The U.S. Small Business Administration's (SBA) Office of International Trade (OIT) has awarded a State Trade Expansion Program (STEP) grant to the Idaho Department of Commerce (IDC). The STEP program provides competitive Idaho Online Global Program Awards (OGPs) to Idaho small businesses for the purposes of international export marketing initiatives. These initiatives are aimed at achieving three primary goals:

- 1) increase the number of small businesses that export
- 2) increase the value of exports
- 3) increase the number of small businesses exploring significant new trade opportunities.

IDC and the Idaho State Department of Agriculture (ISDA) are pleased to announce a competitive solicitation process for the Idaho Online Global Program. Eligible companies may apply for grants valued from **\$2,000** to **\$9,000** and are required to provide **25%** cash match.

### **Project Period**

All project activities must be completed and all funds must be expended on or before **September 29, 2021**.

Note: If an applicant has limited English proficiency and needs access to resources for assistance, the IDC/ISDA maintains service standards to help.

## B. Eligible Activities

The Idaho Online Global Program is a valuable trade tool available to qualifying companies seeking support with international websites and eCommerce. The program was designed with flexibility to meet the specific international marketing needs of Idaho companies.

Approved project provider options include, but are not limited to the following:

- IBT.onl - <https://ibt.onl/partners/state-agencies/idaho>
- U.S. Commercial Service - <https://www.trade.gov/e-commerce-bsp-directory>
- Other providers are available for your choosing but may be subject to prior approval

## C. Eligible Applicants

The Trade Facilitation and Trade Enforcement Act of 2015, which authorized the State Trade Expansion Program, limits provision of services to 'eligible small business concerns'. For purposes of implementing the STEP Program, the SBA operationally defines the term 'eligible small business concern' as an entity that meets the specifications below and completes the subsequent certification.

- Is organized or incorporated in the United States;
- Is operating in the United States;

- Meets
  - The applicable industry-based small business size standard established under section 3 of the Small Business Act; or
  - The alternate size standard applicable to the program under section 7(a) of the Small Business Act and the loan programs under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.);
  - The U.S. Small Business Administration (SBA) size standards are found at 13 C.F.R. Part 121. Use the following sba.gov link for information on size standards for your business (<https://www.sba.gov/size-standards>). Click [HERE](#) to link directly to the complete list of SBA size standards used to define small business concerns based on NAICS codes
    - **Affiliates:** You must include the employees or receipts of all affiliates when determining the size of a business. Affiliation with another business is based on the power to control, whether exercised or not. The power to control exists when an external party has 50 percent or more ownership. It may also exist with considerably less than 50 percent ownership by contractual arrangement or when one or more parties own a large share compared to other parties. Check the SBA's compliance guide for size and affiliation for more detailed information.
    - **Annual receipts:** This is the "total income" (or "gross income") plus the "cost of goods sold." These numbers can normally be found on the business's IRS tax return forms. Receipts are averaged over a business's latest three complete fiscal years or (except in the Business Loan and Disaster Loan Programs) five complete fiscal years to determine the average annual receipts. If a business hasn't been in business for five years, multiply its average weekly revenue by 52 to determine its average annual receipts. The SBA calculates annual receipts in accordance with [13 CFR 121.104](#).
    - **Employee calculation:** This is the average number of people employed for each pay period over the business's latest 12 calendar months. Any person on the payroll must be included as one employee regardless of hours worked or temporary status. The number of employees of a concern in business less than 12 months is the average for each pay period that it has been in business. The SBA calculates number of employees in accordance with [13 CFR 121.106](#).
- Has been in business for not less than 1 year, as of the date on which assistance using a grant under this subsection commences; and
- Has access to sufficient resources to bear the costs associated with trade, including the costs of packing, shipping, freight forwarding, and customs brokers
- Is an export ready U.S. company seeking to export goods or services of U.S. origin or have at least 51% content, click [HERE](#) for information.

Eligible small business must meet the following additional criteria to be considered for this program:

- Operates a business in Idaho to process, assemble, and/or distribute a product or provide an exportable service. The company does not need to be headquartered in Idaho, but must have operations located within the state to qualify.

- Must not be debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency
- Company is for-profit
- Recipients must adhere to the Civil Rights Act of 1964, click [HERE](#) for information

The following small businesses are not eligible for STEP funding:

- Consulting agencies
- Companies, organizations or individuals recruiting foreign direct investment
- Companies 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
- Distributors representing clients
- Educational institutions or for-profit schools recruiting students
- Foreign based companies or more than 49% foreign owned
- Hospitality or tourism operators
- Law Firms
- Multi-level marketing (MLM), direct sales or network marketing companies
- Non-Profit organizations, unless a significant portion of activities are to assist entrepreneurs
- Presents live performances of a sexual nature or derives more than a minor amount of revenue from the sale of products or services of a sexual nature
- Real estate developers
- Retail businesses
- The IDC/ISDA reserves the right to limit or exclude previous recipients of STEP funds that have been assessed risk rating

#### D. Eligible Expenses

- Idaho Online Global Program (OGP)
  - E-commerce and Website Fees (Any maintenance or monitoring activities must be concluded by the end of the grant's period of performance)
    - Design and development of website, with an international focus;
    - Oversight and maintenance and monitoring fees for search engine optimization
    - Online market listing fees
    - E-commerce platform fees, including hosting and/or maintenance fees
    - Expenses to set up websites to accept international payments.

#### E. Ineligible Expenses

Expense categories **ineligible** for reimbursement include, but are not limited to:

- Printing of brochures, flyers and business cards
- Capital goods, product samples and supplies (except for trade show and/or sales trip demonstration supplies)
- Expenses incurred outside of the STEP grant period
- Federal regulations set by the U.S. Department of the Treasury prohibit funding of activities in/with sanctioned and/or embargoed countries. Click [HERE](#) for the current list.
- New product development or alteration of existing products
- Television and radio production

- Efforts to create or augment marketing and advertising campaigns to draw international visitors to a State
- Costs for enhancement and/or development of an existing company's product

## F. Matching Funds

Applicants are required to provide at least 25% cash match. For example: for every authorized \$100 you spend you will be reimbursed \$75, up to the maximum amount awarded.

- **MINIMUM AWARD = \$2,000**
- Allowable expenditures of \$2,666.67, you will be reimbursed \$2,000 ( $\$2,666.67 \times 75\% = \$2,000$ )
- **MAXIMUM AWARD = \$9,000**  
Allowable expenditures of \$12,000, you will be reimbursed \$9,000 ( $\$12,000 \times 75\% = \$9,000$ )

## G. Application Process

### Submission Procedures

All applications are accepted online at [Idaho Commerce's Grant Portal](#). To register for a portal account and apply for a STEP Idaho Online Global Program Award, contact Tina Salisbury at 208-287-3164 or by email: [tina.salisbury@commerce.idaho.gov](mailto:tina.salisbury@commerce.idaho.gov). Logins must be requested at least 48 hours prior to application due date. Access can only be granted during regular business hours, Monday – Friday, 8:00 a.m. – 4:00 p.m. MST. Once registered you will receive instructions via email for using the portal. Only one login is given per company.

There may be multiple rounds for applications based upon availability of funds. Application submission is an “all-call” process where applications for projects falling within the project period of September 29, 2020 - September 29, 2021, are due by December 18, 2020 at 3:00 p.m. MST and will be reviewed and evaluated concurrently. Applications will be awarded approximately 6-weeks after application close.

- A company is only allowed to submit one application per round
- The maximum award per application is \$9,000
- A company may only receive one award per calendar year

### Selection and Scoring Criteria

Applications will be scored by a team of subject matter experts and will be considered in the final funding determination. Applications for funding will be evaluated on applicant's export capabilities, product/service potential, commitment and resources, proposal completeness, and potential impact on the Idaho company and the greater state economy.

Subject to the demand for program funds the IDC/ISDA will determine a competitive range for applications and set a threshold score. Application that fall below the threshold may not be funded.

I. Scoring Online Global Program					
What we will measure	Application Question	Scoring Criteria for Online Global Program	Scoring Levels	Weight	
a.	Applicant Overview and Information	Application Title	How clear is the purpose of the activity?	Very Poor = 1, Poor = 2, Fair = 3, Good = 4, Very Good = 5	5%
		Entire Applicant Information Section	How complete/accurate is the company overview info?		
b.	Product & Export Activity	Provide a description of your company and the products and/or services offered.	Clear description of company's products?	Very Poor = 1, Poor = 2, Fair = 3, Good = 4, Very Good = 5	40%
		Describe current overall trade and export activity and how it has impacted your company to choose this specific project and market.	How well does the description address the companies current trade as well as identifies opportunities and export strategies?		
		If you are new to export summarize your current domestic activities and distribution. If you are not new to export, indicate "market expansion" in the answer field.	How complete is the NTE's description of their domestic strategy and sales channels?		
c.	Online Global Program	Provide details on market research, website analytics or other activities leading to chosen market(s). Include the following: who your customers are, online sales channels (current or potential), market demographics, market regulations and tariffs.	How complete is the market analysis to clearly identify foreign market opportunities?	Very Poor = 1, Poor = 2, Fair = 3, Good = 4, Very Good = 5	40%
		Describe your level of engagement in the online sales channel.	How well is the company situated to execute on their plans?		
		Is your website already internationalized for international sales? (i.e. SEO ready and user friendly).			
		Describe the current online obstacles relating to the company's international business and how this project will address them.	Did the company clearly state and has done a good analysis of their current issues and hurdles?		
	Describe your management's commitment for this online strategy and preparedness to fund this project beyond the grant funds potentially available to your company.	How well situated is the company to continue the Idaho Online Global Program past the grant award period?			
d.	Performance Indicators	Provide current export sales in the country(s) relating to this project.	How reasonable and achievable are the anticipated outcomes?	Very Poor = 1, Poor = 2, Fair = 3, Good = 4, Very Good = 5	15%
		New sales in 30 days & 12-18 months.			
		Estimated number of new distributors/partners established after this project.			

### Socially and Economically Disadvantaged Applicants

Up to 14 points will be given to companies that are socially and economically disadvantaged per the SBA guidelines: Woman Owned; Veteran or Service-Disabled Veteran Owned; Rural Classification; Located in an Opportunity Zone and/or New to STEP. See chart below for definitions of eligibility.

II. Bonus Criteria		
What we will measure: Small Business Communities	Definitions: For the Purpose of the STEP program	Weight - up to 14 Bonus Points (Cumulative)
a. Owned and Controlled by Socially and Economically Disadvantaged Individuals	(Set forth in 13 C.F.R 124.103 and 104) Individuals who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities; whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged. The socially and economically disadvantaged individual must own not less than 51% of the firm. These include: Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Subcontinent Asian Americans	2 Bonus Points
b. Owned and Controlled by Women	Not less than 51% unconditionally and directly owned and controlled by one or more women who are United States citizens	2 Bonus Points
c. Owned and Controlled by Veterans or Service-Connected Disabled Veterans	A person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable, which is demonstrated on the DD Form 214 and who is not less than 51% unconditionally and directly owned and controlled by one or more veterans who are U.S. citizens.	2 Bonus Points
d. Rural Classification	Located in a rural area, as defined at 26 USC 1393(2), Rural area. This includes any area that is outside of a metropolitan statistical area (MSA). MSAs have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration as measured by commuting ties. See OMB Bulletin No. 15-01 for a complete list of MSAs.	2 Bonus Points
e. Located in an Opportunity Zone	An opportunity zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as opportunity zones if they have been nominated for that designation by the state and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the Internal Revenue Service. Use this link for a list of designated Qualified Opportunity Zones at <a href="http://www.statsamerica.org/opportunity/map.aspx">http://www.statsamerica.org/opportunity/map.aspx</a> . Be sure to zoom down to the street level to officially determine if located in the zone.	2 Bonus Points
f. New to STEP	"New" defined as any of the following: - Never been awarded a STEP International Market Access Grant or STEP Financial Assistance Award to conduct your own project. - Never participated in a STEP funded trade show organized by Idaho Department of Commerce and/or Idaho State Department of Agriculture. - Never participated in a STEP funded trade mission organized by Idaho Department of Commerce and/or Idaho State Department of Agriculture	4 Bonus Points

### Risk Assessment

A Risk Assessment Rating of up to negative fifteen (-15) points may apply to previous award recipients that have not performed adequately per the award guidelines.

III. Risk Rating - Only for previous award recipients evaluated on a per-award basis				
What we will measure	Rating Criteria	Rating Levels	Rating	Weight - 15 Points Deducted (Cumulative)  Meets Standards (in good standing): -0 Slightly under Standards: -1 to -5 Significantly under Standards: -6 to -10 Severely under Standards: -11 to -15
a. REQUEST FOR FUNDS	Post Project Fiscal Request for Reimbursement	Late and/or incomplete submittal:	-1	Up to 5 Points Deducted
		Insufficient proof/documentation:	-1	
		Inadequate communication (max):	-3	
b. REPORTING	Progress Performance Reporting	Late submittal (per reporting period):	-1	Up to 5 Points Deducted
		Incomplete submittal:	-1	
c. RETURNED FUNDS	Award Agreement Never Executed at Notice of Award	If execution or correspondence is not received in allotted time period, award will be deemed void and funds returned to the program:	-5	Up to 5 Points Deducted
		Project Cancellation	Project is cancelled after executing the award agreement:	
	Project Executed, but awardee returned unspent funds to the program, sliding scale starting at return of more than 10% of award	11-20% unspent:	-1	
		21-30% unspent:	-2	
		31-40% unspent:	-3	
		41-50% unspent:	-4	
51-100% unspent:	-5			

### H. Financial Reporting

The STEP program is a cost reimbursable program. Recipients of funds will be reimbursed for eligible costs after the approved activity has been completed and all documentation has been received. Requests for reimbursements are submitted online

via [Idaho Commerce's Grants Portal](#) using the reimbursement portion of the "Budget and RFF 2in1" Excel worksheet submitted during application along with a .pdf of all eligible receipts. Requests must be completed and submitted **within 30 days** of the project end date listed on the award agreement.

A reminder email with submission instructions and reimbursement timeline will go out about one (1) week after your project completion date. IDC will not guarantee payment of unbudgeted items. Upon final approval from IDC, payment will be disbursed to the grant recipient. Subject to the availability of federal funds it may take up to 8 weeks to be received.

## I. Reporting Requirements

Companies will be required to complete Progress Performance Reports (PPR) indicating projected and actual sales, activities performed, including success stories and/or trade barriers. A reminder email will be sent to recipients with instructions and reporting template as deadlines approach. As a participant in the STEP Grant program you may be required to report up to 4 times post event, dependent upon when the project occurred.

### Reporting Schedule:

- **1<sup>st</sup> Report:** during the first month of the following quarter from when the project ended
- **2<sup>nd</sup> through Final Report:** quarterly during the 1<sup>st</sup> month of the following quarter(s) until December 31, 2021

## J. Contacts

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