

International Market Access Grants

Application Instructions, Guidelines, and Rules

Important Notes:

- Applicants must submit application a minimum of **45 days** in advance of project start date.
- Application Review schedule:
 - November 5, 2014
 - February 13, 2015
 - May 1, 2015
- If project starts in October or November, 2014, or requires special consideration, please contact Tina Salisbury 208-287-3164 immediately to discuss timeline.
- 35% cash match required (For every authorized \$1.00 you spend you will be reimbursed \$0.65, to a maximum of \$3900)
 - If allowable expenditures are \$1,000 you will be reimbursed \$650 ($\$1,000 \times 65\% = \650)
 - If allowable expenditures are \$2,500 you will be reimbursed \$1,625 ($\$2,500 \times 65\% = \$1,625$)
 - If allowable expenditures are \$6,000 you will be reimbursed \$3,900 ($\$6,000 \times 65\% = \$3,900$)

A. Introduction

The Idaho Department of Commerce (IDC) and the Idaho State Department of Agriculture (ISDA) are pleased to announce the competitive solicitation process to award International Market Access Grants to support export efforts by small businesses in Idaho.

The U.S. Small Business Administration's (SBA) Office of International Trade (OIT) has allocated funds to Idaho through the State Trade and Export Promotion (STEP) program. IDC and ISDA will be awarding export promotion grants to Idaho companies on a competitive basis. The IDC maintains service standards for any applicants needing to access assistance to resources if they have limited English proficiency.

B. Program Purpose

The International Market Access Grant (IMAG) initiative is aimed at achieving two goals: 1) increase the number of small businesses exporting in Idaho and 2) increase the value of exports for small businesses that currently export. IMAG is a valuable trade tool available to qualifying companies seeking financial assistance in various international trade activities. Through the **35% matching grant program with a maximum annual award of \$3,900**, IMAG can offset a portion of qualifying expenses associated with international marketing initiatives as well as provide international business support from Idaho's Trade Offices in China, Taiwan and Mexico. Additional awards may be available for applicants to participate in state sanctioned projects.

Awards will be made for a project period to be completed no later than September 29, 2015. Companies **must** spend all allotted program funds by September 29, 2015.

C. Program Uses

IMAG was designed with flexibility to meet the specific international marketing needs of the Idaho company. Project areas include the following:

- Foreign sales mission
- Governor's or foreign trade mission
- Reverse trade mission
- International trade show
- Registration for Gold Key status and subscription to services with the U.S. Department of Commerce
- Translation of website

D. Qualification

The Small Business Jobs Act of 2010, which authorized the State Trade and Export Promotion Program, limits provision of services to 'eligible small business concerns.' For purposes of implementing the STEP Program, the U.S. Small Business Administration (SBA) operationally defines the term 'eligible small business concern' as an entity that:

- Complies with SBA size standards found at 13 C.F.R. Part 121 (http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title13/13cfr121_main_02.tpl). Click [here](#) to link directly to the complete list of SBA size standards used to define small business concerns based on NAICS codes. In addition to the Small Business Size regulations, four additional requirements unique to the STEP program are:
 - Has been in business for not less than the 1-year period ending on the date on which assistance is provided under a STEP grant.
 - Is operating profitably, based on operations in the United States.
 - Has demonstrated an understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, and packing and shipping.
 - Has in effect a strategic plan for exporting.
- Operate 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 presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- Recipients must adhere to the Civil Rights Act of 1964: http://en.wikipedia.org/wiki/Civil_Rights_Act_of_1964

E. Eligible Expenses

- Airfare
 - Airfare for up to two (2) employees at a maximum of the cost of a **full fare coach/economy class ticket**.
 - Must comply with the **Fly America Act** by using U.S. flagship carriers¹ for all travel unless there is no service to that destination. Limited exceptions apply.
- Excess Baggage Fees

¹ *Fly America Act default rule requires all individuals traveling on funds provided by the federal government must fly U.S. Flag Carriers, e.g., American, United, Delta, US Airways, etc. Even when a foreign airline may cost less or is more convenient, the individual must still fly the U.S. flag carrier. Limited exceptions exist, and any traveler seeking the exception must obtain written approval from the SBA prior to the trip.*

- For up to two (2) employees. Product samples shipped as extra baggage are not reimbursable.
- Lodging
 - For up to two (2) employees
 - All lodging expenses to be reimbursed shall not exceed the Per Diem Lodging Rate as set by U.S. General Services Administration (U.S. locations) <http://www.gsa.gov/portal/category/21287> or the U.S. Department of State (foreign cities) http://aoprals.state.gov/web920/per_diem.asp
- Ground Transportation fees
 - taxi, bus, shuttle, rental car costs including fuel, parking fees
- Reverse Trade Mission or Reverse Sales Mission
 - Travel for foreign buyer(s) to Idaho for site visit
- Total mileage costs for travel between residence and airport or event or meeting location
 - Mileage will be reimbursed at the allowable state rate (Standard Mileage Rate of 55.5 cents per mile).
 - Addresses for stops required
- Governor's or Foreign Trade Mission participation fees
- Registration fees and booth space for trade shows
 - Including show registration and booth fees, and freight charge for shipment of display to exhibition venue.
 - Shipping fees for sample products (only up to 25% of total product shipping cost may be claimed)
- Interpreter fees
- Registration for Gold Key status and subscription to services with the U.S. Department of Commerce
- Website translation
- Currency exchange fees
- Other approved travel expenses (International cell phone rentals, Internet access costs)

Travel expenses are eligible for a maximum of two U.S. based company employees. Travel expenses are not eligible for importers/distributors or in-market company representatives.

All expenses submitted for reimbursement must be included on your proposed line item budget worksheet.

Federal regulations prohibit funding of activities in Iran, Sudan, Syria, Libya, Cuba, Burma, North Korea; however, the list may change based on the world situation.

F. Ineligible Expenses

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

- Compensation, wages or salary of an employee of the Idaho company
- Meals and beverages
- Tips for wait staff, drivers, bell-hops, etc.
- Capital goods, product samples and supplies
- Costs of product research and development
- Expenses incurred prior to applicant's receipt of notice of award
- Passport or visa fees
- Immunizations
- Expenses related to entertaining current or prospective Clients or government officials

G. Application Process

Applications for IMAG funding are evaluated using the following criteria:

- Applicant's export capabilities, product/service potential, commitment, and resources
- Proposal completeness, reasoning and potential impact on the Idaho company and the greater state economy
- Availability of funds

H. Submission Procedures

Application documents must be completed and uploaded to IDC. Documents must be submitted a minimum of **45 days** in advance of project start date.

Register & Apply:

All applications are accepted online at Idaho Commerce's Portal. To register for an account and apply for a STEP/IMAG grant, contact Tina Salisbury at 208-287-3164 or by email: tina.salisbury@commerce.idaho.gov. Once registered you will receive instructions via email for using the portal.

Grant Award

The International Market Access Grant program operates on a **reimbursable basis**. Awardees will recover authorized funds once their activity has been completed and all documentation has been received. Applicants must match 35% of requested grant funds and will be required to submit proof of expenses to IDC at the conclusion of the activity. Companies receive their 100% cost reimbursement after the pre-approved promotional activity has been completed and required supporting documentation has been submitted to IDC for review and request to Small Business Administration for funding has been processed.

Selection and Scoring Criteria

IDC and ISDA will review grant proposals and assign a numerical evaluation to each application. The ratings will be a tool used in the final determination of the grant awards (500 points possible with a **minimum requirement of 350 points for a score of 70%**).

Additionally, a 15-point bonus award will be given to companies that are Woman Owned; Veteran or Service-Disabled Veteran Owned; located in rural communities (defined as counties in which the largest town or city has a population of less than 20,000).

A Risk Assessment Rating will apply only to previous grant recipients for a possible -15 points.

Criteria for assessing the projects includes:	Maximum Points
Company Description and Export Potential <i>Poor 1, Fair 2, Good 3, Very Good 4, Excellent 5</i> <i>Score x Weight of 10% =</i>	50
<ul style="list-style-type: none"> - How clear is the purpose of the activity? - How feasible and appropriate is the project? 	
Project Plan <i>Poor 1, Fair 2, Good 3, Very Good 4, Excellent 5</i> <i>Score x Weight of 40% =</i>	200
<ul style="list-style-type: none"> - How well does the proposed activity address the specified issue? - How does this activity support the company's overall growth and export strategies? - Is the budget well justified and appropriate? - How well does it provide for identified company priorities, obstacles and challenges? - What level of commitment to the project does the applicant and its management demonstrate? - How capable are the project leaders and staff? - Does project plan include summary that supports overall strategic export plan? 	
Potential Impact <i>Poor 1, Fair 2, Good 3, Very Good 4, Excellent 5</i> <i>Score x Weight of 25% =</i>	125
<ul style="list-style-type: none"> - How great is the need for the project? - How effective will the project be at establishing/increasing the company's exports? - How significant are the long-term benefits? 	
Performance Indicators <i>Poor 1, Fair 2, Good 3, Very Good 4, Excellent 5</i> <i>Score x Weight of 25% =</i>	125
<ul style="list-style-type: none"> - Does the project include at least one measurable outcome? - How well does the proposed project allow the applicant to quantify and document the project benefits and outcomes? - How reasonable and achievable are the anticipated outcomes? - How clear, appropriate, and realistic are the goals and objectives? 	
Bonus Criteria: <i>5 points for each bonus item</i>	15
<ul style="list-style-type: none"> - Rural Classification <i>Companies located in counties in which the largest town or city has a population of less than 20,000. This includes all counties except Ada, Bannock, Bonneville, Canyon, Kootenai, Latah, Madison, Nez Perce, and Twin Falls</i> - Woman owned business - Veteran or Service-Disabled Veteran Owned 	
Risk Assessment Rating – Only for previous STEP Grant Recipients <i>Severely under Standards -11 to -15, Significantly under Standards -6 to -10, Slightly under Standards -1 to -5, Meets Standards Consistently (Company in good standing) -0</i>	-15
<p><i>This is a phase in program and only the previous two years will be considered for ratings of applicants for Federal fiscal year 2014. Going forward, companies will be rated when Certificates of Completion are issued. Review of Certificates of Completion for the previous three years if applicable will be taken into consideration for purposes of rating risk.</i></p> <ul style="list-style-type: none"> - Company is in good standing -0 - Company did not meet measurable achievement objectives - Company has not been timely in submission of required reporting: <ul style="list-style-type: none"> 1) amendment/budget request 2) financial reporting 3) progress performance reporting - Company returned (lapsed) significant unspent funds 	

I. Financial Reporting

Requests for reimbursements are to be submitted using detailed expenditure worksheet provided by Idaho Department of Commerce (IDC). Requests must be completed and submitted **within thirty days** of return date from project activities but no later than October 3, 2015. Copies of receipts for all eligible expenses must be submitted for reimbursement. If funds were used website translation, provide URL. IDC will not guarantee payment of unbudgeted items. Reimbursements will be processed by IDC according to the quarterly reporting schedule below. SBA processing will require an additional 6 to 8 weeks.

J. Quarterly Reporting Requirements

Progress Performance Reporting (PPR)

Companies will be required to complete quarterly progress performance reports 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.

Quarterly Reporting Schedule:

- January 3, 2015
- April 3, 2015
- July 3, 2015
- October 3, 2015 (Final Reporting)

This information is required and if not provided, the applicant will not be reimbursed.

K. Contacts

For more information or questions, please contact:

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