KENTUCKY STEP GRANT INSTRUCTIONS

Grant funding is limited which may preclude all eligible applications from being funded.

HOW TO APPLY FOR STEP

Eligible Kentucky businesses may apply for the State Trade Expansion Program (STEP) grant and conduct allowable export development activities within the timeframe of the grant. STEP does not reimburse for activities that took place prior to the Eligible Small Business Concern (ESBC) self-representation date on the current grant year application. The only exception are fees for trade show booth registrations which may be made one year in advance of the show. Please email mary.necamp@ky.gov or call 502-782-1961 with any questions.

Download and save all **STEP Year 11** forms before answering:

Kentucky Cabinet for Economic Development STEP Grant Eligibility* form; *Kentucky Cabinet for Economic Development International Export Readiness & Growth Assessment (ERA)* form; *Kentucky Cabinet for Economic Development Export Training Webinar and Survey; Kentucky Cabinet for Economic Development STEP Application.

Email completed copies of the above mentioned mandatory forms to mary.necamp@ky.gov. **Include #encrpyt in the subject line of the email to protect confidential information.** Incomplete forms will not be reviewed. Upon review and evaluation of the forms, notification will be emailed of the award status, effective date and award amount. Next steps for the grant applicant will be identified in the award notification letter. *Please note, these steps may include a referral for export training before any export development activities can be performed and reimbursed through STEP.*

HOW TO GET REIMBURSED

STEP is a reimbursement grant. Therefore, all activities must have taken place and been paid for before reimbursement can be requested and expenses reviewed by the STEP team. Reimbursements must be submitted within a timely manner following the activity. Do not hold onto requests as this may result in the request not being funded. After applying for the STEP grant and receiving an award letter, conduct export training and/or export development activities. Promptly complete and submit the following documents to mary.necamp@ky.gov at the Kentucky Cabinet for Economic Development for reimbursement:

- Scans of all itemized invoices and receipts, proof of payments
- Itemized *Reimbursement Request* form with details of expenses
- Completed *Activity Survey* form

For guidance and details on the reimbursement process, see the *Reimbursement Request Checklist*.

TERMS & CONDITIONS

Examples of ineligible expenses include: bookings/confirmations of flights and lodging that are not itemized (i.e.Expedia), foreign country taxes, apostille and notary services, meals/beverages/gratuity, alcohol, groceries, compensation, wages or salary for any employee, capital goods/product samples/supplies, product giveaways/promotional items, phone/internet charges, television and radio production, printing materials, business cards, initial/basic website development, passport or visa fees, new product development or alteration of existing products, expenses related to entertainment of clients or government officials, association/membership dues or sponsorships, efforts to create or augment marketing and advertising campaigns to draw international visitors to a state, vaccinations and immunizations, COVID tests, travel insurance, conferences / summits / meetings. ESBC cannot simply attend a tradeshow or exhibit. There may be other ineligible expenses.

- **Do NOT incur any expenses for which you will be seeking reimbursement prior to approval as grants cannot be used to reimburse costs retroactively.**
- **Trade Show Booths: All design, research, construction of trade show booths must be pre-approved by submitting three competitive quotes in advance of the purchase from the vendor.**
- **Website Development/Platforms: The plans must be pre-approved by submitting three competitive quotes in advance of the purchase from the vendor.**
- **All travel plans must be submitted a month in advance of attending trade shows, trade missions, and foreign-market sales trips.**
- **Do not perform activities in Bolivia, Cuba, Iran, North Korea or Syria.**

Kentucky STEP allocations are determined by the amount of total federal funding made available to Kentucky. Funds are administered in the priority they are received on a first come, first-served basis until all state funds are expended and reimbursements are contingent upon availability of funds.

U.S. Small Business Administration

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Business owners/key decision makers must be willing to perform their own due diligence on vendors and seek competitive pricing before purchasing services for which they will request STEP reimbursement. STEP participants are encouraged to shop and make informed decisions about how they will spend their STEP award. Required: Trade show booth builds and website development/platforms **must** be pre-approved by submitting three competitive quotes for each activity.

To avoid duplication of services, prior to using a private consultant the U.S. Commercial Service must be **first** consulted for services related to international partner searches, market intelligence & research, B2B matchmaking, single company promotions, website globalization review analysis, export controls/compliance, trade problems, and others as they are the priority low-cost provider for these services.

All reimbursement requests are expected to show proof that the STEP allowable activity took place. Include proper documentation including detailed reimbursement request forms that clearly show the expenses and the context of activities, invoices/receipts/proof of payments and correct sums and totals to be easily understood when reviewing by the STEP team.

Invoices must include:

- English translation if in a foreign language
- Date of invoice
- Vendor information: contact information, address, phone number, and website
- Approved participation company information: contact information, address, and phone number
- Date of allowable STEP activity
- Specific services rendered
- Itemized charges for services

Receipts:

- Must be marked "paid", show a zero balance and match the invoice
- Check: Front copy of check accompanied by bank statement showing check cleared the account. Checks alone do NOT provide enough information to determine whether the charge is necessary and reasonable.
- Credit card statement: Must see the credit card monthly statement (first page and transaction page) that shows: account owner's name, last 4 digits of the account number, and the dates and charges to vendor(s). Credit card statements alone do NOT provide enough information to determine whether the charge is necessary and reasonable.

Note: When sending sensitive financial documents, please redact account numbers (except the last four digits) and line items irrelevant to the claim. Please send photocopies and not originals. Include **#encrypt** *in the subject line of the email.*

The Kentucky STEP team reserves the right to request additional documentation for all expense claim submissions at our discretion.

Businesses will be contacted by the Kentucky STEP team to learn of the successes achieved with the help of this grant on a regular basis. According to federal regulations, all companies receiving STEP grants agree to complete the *Activity Survey* that indicates actual export sales received, projected/estimated future sales as a result of this grant, and Kentucky jobs created and retained as a result of the respective trade activities for which funding was granted. Recipients of SBA grants acknowledge that their cooperation in this regard is a contingency of such funding. The Commonwealth of Kentucky appreciates your cooperation, and it is essential to our ongoing success in winning and administering SBA grants on behalf of Kentucky businesses.

I certify I have read and understand the above TERMS & CONDITIONS and will abide by the policy set forth by the SBA and Kentucky Cabinet for Economic Development if awarded a STEP grant.

COMPANY NAME

CONTACT NAME

SIGNATURE* DATE*

Electronic signature: The person responsible for signing the document acknowledges that typing his/her name in the above field is the legal equivalent of a manual signature.

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KENTUCKY STEP GRANT APPLICATION

Date

Company Name (include trade name/dba)

Street Address

Mailing Address (if different)

City, State, Zip

Website

NAICS Code(s) **HS Code(s)**

Total average number of employees over the past 12 months including affiliate businesses

Total average number of employees over the past 12 months in Kentucky

Length of time in business

PRIMARY CONTACT

Name

Job Title

Phone **Email**

How did you hear about the STEP Grant?

If you received a STEP Grant in the past, how did the grant increase your export sales and grow your business?

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COMPANY OWNERSHIP

Please identify all owners of the company with 20% or more interest in the company, include parent companies for subsidiaries. If owners are legal entities, please identify the officers serving on the board of directors, management committee of the applicant or other governing body or appropriate principals with governing oversight of the applicant entity and provide the requested information. If the company does not have any 20% or more owners, then please provide the necessary information on two key-executive level decision makers for the company (i.e., the company's Chief Executive Officer, or a similarly situated person in charge of the applicant's executive operations, and the Chief Financial Officer, or a similarly situated person in charge of the applicant's financial affairs). The Cabinet may run a background check on any individuals identified. For additional owner / key decision maker information, please submit listing on a separate document.

1) NAME OF COMPANY OWNER INDIVIDUAL OR KEY EXECUTIVE LEVEL DECISION-MAKER	DATE OF BIRTH	ADDRESS OF CURRENT RESIDENCE (NO PO BOX ADDRESS ALLOWED)	STATE OF CURRENT RESIDENCE	FEIN OR SOCIAL SECURITY NUMBER	OWNERSHIP PERCENT
EMAIL ADDRESS FOR ABOVE LISTED OWNER / KEY EXECUTIVE LEVEL DECISION-MAKER					
2) NAME OF COMPANY OWNER INDIVIDUAL OR KEYEXECUTIVE LEVEL DECISION-MAKER	**DATE OF BIRTH**	**ADDRESS OF CURRENT RESIDENCE (NO PO BOX ADDRESS ALLOWED)**	**STATE OF CURRENT RESIDENCE**	**FEIN OR SOCIAL SECURITY NUMBER**	**OWNERSHIP PERCENT**
EMAIL ADDRESS FOR ABOVE LISTED OWNER / KEY EXECUTIVE LEVEL DECISION-MAKER					
3) NAME OF COMPANY OWNER INDIVIDUAL OR KEY EXECUTIVE LEVEL DECISION-MAKER	**DATE OF BIRTH**	**ADDRESS OF CURRENT RESIDENCE (NO PO BOX ADDRESS ALLOWED)**	**STATE OF CURRENT RESIDENCE**	**FEIN OR SOCIAL SECURITY NUMBER**	**OWNERSHIP PERCENT**
EMAIL ADDRESS FOR ABOVE LISTED OWNER / KEY EXECUTIVE LEVEL DECISION-MAKER					

Is the applicant or its owner publicly traded? ◯ Yes ◯ No

COMPANY INFORMATION

Does your product(s) contain protected intellectual property (IP)? ◯ Yes ◯ No If yes, what type?

Please list the customer base for your company's product(s).

Product	Type of End Users or Industries

Describe the product/services you intend to export and their positioning (i.e. price vs. quality vs. value).

How are you currently selling these products to customers in the U.S.? (i.e. in-house sales force, commission agents, distributor/wholesaler/retailer channels, direct to end-users, internet/online sales,specialty/other).

Describe your target export markets/customers and your "unique selling proposition" for each. Please name the overseas markets you would like to target and why:

Describe your company's current methodology for researching new markets:

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Are you:

New to Export? (NTE) *(No export experience at all; only "accidental" or "novice" exporting experience; or no export experience within 24 months).* ***STEP Y11 requires NTEs must first use funds for export training workshops and technical assistance, design of marketing media, and website fees.***

Market Expansion? (ME) *(Currently exporting to one or more markets and seeking to expand into new country markets; or expand into a new region or new segment or new product line within an existing market).*

Currently exporting? Yes No

Years of International Export Experience:

Annual international export sales for the following years:

2018 2019 2020 2021

Company average annual receipts over the past three years including affiliate businesses

0-$100,000 $100,000-$200,000 $200,000-$500,000 Over $500,000

% of Total Sales from Internationally Exporting:

International Export Sales Goal for Next Year:

From which countries have you had inquiries about potential international sales?

To which countries do you currently export?

Do you have a country of interest for growth or expansion? If so, please name the country(ies).

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List and describe the product(s) your company currently exports or is considering exporting.

Product	Brief Description of Product	Currently Exporting?	Harmonized Tariff Schedule	% US Content

In your own words, please describe your company, its exporting challenges/opportunities and export goals.

If awarded, how would you use STEP funds within the following 90 days?

If international export training services are an intended use, please identify a training topic of interest.

Veteran/Gender/Race/Ethnicity data is collected for program reporting purposes only.
Disclosure is voluntary and has no bearing on the award decision. For definitions, please refer to www.sba.gov

		Enter Response Below
Veteran	1 = Non - Veteran; 2 = Veteran; 3 = Service - Disabled Veteran; 4 = Spouse of Veteran; X = Not Disclosed	
Gender	M = Male; F = Female; X = Not Disclosed	
Race (more than 1 may be selected)	1 = American Indian or Alaska Native; 2 = Asian; 3 = Black or African - American; 4 = Native Hawaiian or Pacific Islander; 5 = White; X = Not Disclosed	
Ethnicity	H = Hispanic or Latino; N = Not Hispanic or Latino; X = Not Disclosed	

I hereby certify that all information provided in this document, as well as any accompanying documents, are true and complete.

My signature below confirms that my company complies with Buy American laws and Hire American requirements of Executive Order 14005.

Signature

Full Name

Job Title

Date

PARTNER REFERRAL OPT-IN

The STEP program collaborates with federal and state agencies and programs designed to support small businesses with exporting activity. Please review the following referral opportunities:

- SBA – Opt-In: The US Small Business Administration (SBA) would like to give eligible small business concerns the opportunity to expand your knowledge and resources of other export programs that are offered by the agency and other federal agencies. Please check the appropriate box if you would like your company's name and contact information to be shared with other relevant agencies to learn more about federal export 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.

☐ Yes ☐ No

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- Export Import Bank of the United States - Opt-In: EXIM is America's official export credit agency with the mission to support U.S. jobs by facilitating U.S. exports. Its most popular program for small businesses is Export Credit Insurance, which provides risk protection in the event of nonpayment by foreign buyers.

  ☐ Yes ☐ No

- Kentucky APEX Accelerator – Opt-In: The Kentucky APEX Accelerator offers free procurement assistance via counseling, valuable resources, and connections to help companies sell their products and services to the appropriate government agencies.

  ☐ Yes ☐ No

The Commonwealth of Kentucky provides equal employment opportunities to all people in all aspects of employer-employee relations without discrimination because of race, color, religion, sex, national origin, sexual orientation, gender identity or expression, ancestry, age, pregnancy or related medical condition, marital or familial status, disability, veteran status, political affiliation, or genetic information.

U.S. Small Business Administration

SELF-REPRESENTATION AS AN "ELIGIBLE SMALL BUSINESS CONCERN"

The undersigned seeks services from a State grant recipient under the Trade Facilitation and Trade Enforcement Act of 2015 (HR 644) which authorized the State Trade Expansion Program (STEP).

Section 503 of the Trade Facilitation and Trade Enforcement Act of 2015 defines the term 'eligible small business concern,' as a business concern that:

1. Is organized or incorporated in the United States;
2. Is operating in the United States,
3. Meets
   a. The applicable industry-based small business size standard established under section 3 of the Small Business Act; or
   b. 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/document/support-table-size-standards)
4. 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
5. Has access to sufficient resources to bear the costs associated with trade, including the costs of packing, shipping, freight forwarding, and customs brokers.

The undersigned certifies that this is an export ready U.S. company seeking to export goods or services of U.S. origin or have at least 51% U.S. content.

Submitting false information in order to obtain services from a STEP grant recipient is a violation of Federal law. If you submit false information the Government may seek criminal, civil, and/or administrative remedies against you, pursuant to 18 U.S.C. §§ 1001, 1040; and 31 U.S.C. §§ 3729-3733. The Government may elect to exclude you from further participation in certain Federal programs and contracts if you submit false information in connection with receiving services from a STEP grant recipient.

I hereby certify that the business I represent is seeking services from a STEP grant recipient and is an eligible small business concern,* pursuant to the above definition.

_____	_____
SIGNATURE	DATE
_____	_____
TITLE	COMPANY NAME

All SBA programs and services are extended to the public on a nondiscriminatory basis.

Certification Regarding Debarment, Suspension, Ineligibility andVoluntary Exclusion Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211). Copies of the regulations may be obtained by contacting the person to whom this proposal is submitted.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE.)

(1) The prospective lower tier participant (business applicant completing certification) certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant (Cabinet for Economic Development) shall attach an explanation to this proposal.

Business Name _____

Date _____

By _____

Name and Title of Authorized Representative _

_____

Signature of Authorized Representative _

_____

For Electronic Signature: The person responsible for signing the document may type his/her name in the signature field, but the name must be preceded by a "/s" (e.g., /s Jim Smith). An email is also required from the signer providing a statement certifying/authenticating the typed signature on the document is his/her signature.

INSTRUCTIONS FOR CERTIFICATION

By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below:

- The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If is later determined that the prospective lowertier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
- All references to prospective participant are references to the Cabinet and the Export Initiative and all references to lower tier participant are to you, the applicant for services and grant funding.
- The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and"voluntarily excluded," as used in this clause, have the meanings set out in the Definitions andCoverage sections of the rules implementing Executive Order12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations(13CFR Part 145).
- The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
- The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction knowing the certification is erroneous. A participant may decide the method and frequency by which it determines the ineligibility of its principals. Each participant may, but is not required to, check the Non-Procurement List.
- Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledgeand information of a participant is not required to exceed that which is normally possessed bya prudent person in the ordinary course of business dealings.
- Except for transactions authorized in these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in additionto other remedies available to the Federal Government, the department or agency with whichthis transaction originated may pursue available remedies, including suspension and/or debarment.

Certification of Application

Eligibility for SBA STEP grant financial assistance is determined by the information presented in this application. Any changes in the status of the company from the facts presented herein could disqualify the company from eligibility.

I, the undersigned, on behalf of the applicant, hereby represent and certify that the foregoing information is true, complete, and accurate to the best of my knowledge. I further certify I understand that financial assistance through the SBA STEP grant is fully contingent on my pledge to disclose to the Kentucky Export Initiative (KEI) organizations the dollar figures of direct sales, signed partner agreements, fraud avoidance, and other evidence of export success that may be realized through this assistance. If approved for STEP grant assistance, I understand that my company will be asked to share this information with KEI member organizations for up to three (3) years and that this information will be reported as required to the U.S. Small Business Administration to measure the overall effect of the KEI and STEP grant funds on the export growth of Kentucky's economy.

If my company should fail to share the required information, it may be required to repay to the SBA any STEP grant funds released as a result of the acceptance of terms and conditions contained in this document.

The undersigned has complied with all federal statutes relating to non-discrimination including, but not limited to, Title VI of the Civil Rights Act of 1974, which prohibits discrimination on the basis of race, religion,color, national origin, sex, sexual orientation, gender identity, or age. The undersigned has either adopted its own Title VI Implementation Plan, which will be made available for review by the Cabinet's Title VI Coordinator or agrees to adopt the Title VI Implementation Plan of the CED.

The undersigned, on behalf of the applicant, acknowledges that information contained within the applicationand its attachments may be subject to public disclosure to the extent required by law pursuant to any request made under the Kentucky Open Records Act contained in Chapter 61 of the Kentucky Revised Statutes. Notwithstanding the above, except as otherwise agreed to by the applicant in writing, no confidential or proprietary information shall be disclosed if properly excluded from the disclosure under KRS 61.878 (as determined by the Cabinet for Economic Development, the Kentucky Attorney General or court of competent jurisdiction.)

Signature*	**Date**
Title	**Company**

Electronic signature: The person responsible for signing the document acknowledges that typing his/her name in the above field is the legal equivalent of a manual signature.