



California STEP
Exporting made easier for California small businesses



**California State Trade Expansion Program (STEP)
Individual Company Export Promotion (ICEP)
Reimbursement Program Guidelines**

Administered by the California Center for International Trade Development (CITD) and the
Governor’s Office of Business and Economic Development (GO-Biz)
Funded in part through a Cooperative Agreement with the U.S. Small Business Administration

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NOTE:

The terms and conditions of the STEP and STEP ICEP Program are subject to change without notice based on funding availability and changes in federal and state procedures and laws. All changes will be posted and made available at www.citd.org/icep.

Section I – General Information

A. STEP ICEP Program Overview

The California State Trade Expansion Program (STEP) seeks to increase the number of eligible small business concerns (ESBC) that export, as well as to increase the value of goods and services currently being exported by eligible small businesses. At the state level, STEP is managed by the California Community Colleges Chancellor's Office California Centers for International Trade Development (CITD) and the California Governor's Office of Business and Economic Development (GOBiz). At the national level, STEP is managed by the U.S. Small Business Administration's Office of International Trade (SBA-OIT).

The Individual Company Export Promotion (ICEP) program is a sub-program of California STEP. The ICEP program will be used to reimburse eligible California small businesses **up to \$3,000 USD** for specific export promotion related expenses performed on trade promotion related activities not currently being supported by California STEP. Reimbursement awards will be granted on the availability of funds, on a first-come first-served basis or until the budget is exhausted, whichever comes first.

ICEP Program Quick Facts:

- The ICEP program will reimburse eligible California small businesses **up to \$3,000 USD** for eligible export promotion related expenses.
- ICEP Application Period: November 1, 2016 – July 31, 2017
- Approved activities must be completed between October 1, 2016 - August 31, 2017
- ICEP applications must be submitted a minimum of 35 days in advance of the planned activity.*
- No applications for retroactive activities will be considered for reimbursement.*
- Application processing period: approximately 3 weeks (average 10 days)

* Except for applications with activities taking place between Oct 1, 2016 and November 15, 2016, in which case applications must be submitted by November 15, 2016.

NOTE: There are no match requirements this year; travel and lodging are not eligible for reimbursement.

B. Summary of ICEP Reimbursement Process

1. Company completes, signs, and submits the STEP application electronically through www.citd.org/register at least 35 days prior to the planned activity. Upon successful registration, the company will get a confirmation email stating application was successfully submitted.
2. STEP ICEP team reviews application and provides official notice of decision by email (usually within 2-3 weeks)
3. Company completes required preliminary paperwork to establish themselves as a “payable vendor” and to establish a purchase order.
4. Company executes approved proposed activity, incurs expenses.
5. Company submits receipts, invoice, and post-event survey within 30 days of activity, or by

- September 15, 2017 if activity occurs at the end of the program year.
6. Los Rios Community College District CITD issues a check once all criteria have been met, company should receive a check usually within 30 days of issue.

C. Eligible Events and Activities

The ICEP program provides the opportunity for eligible companies to apply for direct financial assistance to implement an export promotion activity(s). Events/activity(s) that are eligible for reimbursement may include the following and must take place between October 1, 2016 and August 31, 2017:

- Participation fees for foreign trade missions
- Participation fees for export trade show exhibitions
- Participation fees for foreign market sales trips (outside of USA)
- Subscription services from the U.S. Department of Commerce
- Website translations, search engine optimization, localization services
- Design of international marketing media
- Cost of compliance testing of an existing product for entry into a foreign market (maximum of \$2,000)
- Shipment of samples to a trade event(s) (up to \$2,000 maximum)
- Other export initiatives determined to be appropriate by STEP

NOTE: Traveling, lodging, and meals are not eligible for reimbursement.

D. Participant Eligibility

Qualifying California companies must:

- Be organized or incorporated in the U.S.
- Be operating in the U.S.
- Meet 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 program, 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](http://citd.org/wp-content/uploads/2015/09/Size_Standards_Table.pdf) link for information on size standards for your business based on your NAICS code: http://citd.org/wp-content/uploads/2015/09/Size_Standards_Table.pdf
- Registered to do business in the state of California and in good standing with a) the California Secretary of State. To check if your business is in good standing, visit <http://kepler.sos.ca.gov/>. Or b) if a company is registered as a sole proprietorship with a fictitious name, the applicant must be registered and in good standing with the county in which the business is located in – if this is the case, a company does not have to file through the Secretary of State.
- Must be in business for at least one year at the time of the approved ICEP activity takes place
- Demonstrate understanding of the costs associated with exporting and doing business with

foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping.

- Have in effect a strategic plan for exporting.
- Demonstrate export readiness.
- Agree to provide information on export sales data resulting from the ICEP reimbursement funding, and respond to all subsequent STEP surveys on a timely basis. STEP may send surveys every six months, for up to 3 years. By applying for a reimbursement, you are agreeing to respond to these surveys with information on export sales data.

E. Funding Criteria

The major ICEP reimbursement funding criteria include, but are not limited to, the following:

- California small businesses must identify a specific event/activity(s) on their ICEP reimbursement application (i.e. trade show, location, date, participation type, etc.)
- California small businesses must either be “new to export” or “new to market” – that is, the event/activity must help them to enter a new market, where they do not already have significant export sales.
- California small businesses are limited to one ICEP reimbursement per program year (October 1, 2016 to September 30, 2017)
- The selections for the ICEP reimbursement awards are based on available funds and the qualifications of the applicants. An application submittal is no guarantee of an ICEP reimbursement award. ICEP reimbursements will be paid in full up to the awarded amount, unless the California small business does not fulfill its obligations with regard to participating in the approved program or submitting required receipts and summaries.
- STEP may award a small business with an ICEP reimbursement of a lesser amount than requested in the application, based on strength of the application, the number of applicants, and the availability of funding.
- Program reimbursement ends when all funds have been disbursed, or when the ICEP application has closed, August 31, 2017, whichever comes first.
- These terms and conditions are subject to change without notice based on funding availability and changes in federal and state procedures and laws.

F. Selection Criteria

Applications will be reviewed and funding decisions will be rendered based on all of the following:

- A first-come, first-served basis. All applications will be accepted starting October 1, 2016 through July 31, 2017. A portion of funds will be reserved for applications received later in the program year so that late entrants will still have a chance of receiving funds.
- Evaluation of the application will be considered based on the following:
 - Company Description
 - Program Event / Activity Information
 - Program Impact
 - Program Budget
- Preference will be given to the following ICEP reimbursement applications:

- California Small Businesses taking advantage of U.S. Department of Commerce services, such as participation in Gold Key Service, organized trade shows, etc.
- Export promotion activities that focus on technology industries including aerospace, information communication & technology, life sciences, clean technology, advanced manufacturing.

Section II – Application Process

A. Process to Apply

To apply for funding, applicants must:

- Register for STEP at www.citd.org/register and select “Individual Company Export Promotion” as one of the activities of interest from the list of export promotion activities.
- **Submit STEP registration with indication of interest in the “Individual Company Export Promotion” activity at least 35 days in advance** of the event for which reimbursement is being sought.
- Submit STEP ICEP registration by July 31, 2017. No ICEP reimbursement applications will be accepted after this date for the program year.

California STEP will notify applicants as to whether they have been approved for funding, and the dollar amount for which they may be reimbursed. In order to receive reimbursement, successful applicants must:

- Respond to the email notification confirming that they accept the voucher amount awarded;
- Follow-up on other paperwork needed for reimbursement.
- Execute proposed event/activity and incur relevant and approved expense(s);
- Submit completed reimbursement form(s) along with receipts and required post-event survey to California STEP as per instructions within 30 days following eligible event/activity.
 - Only eligible expenses accompanied by appropriate receipts will be considered for reimbursement. Invoices or bills that are not marked “paid” must be accompanied by proof of payment such as credit card or banking statement.
 - Only receipts for activities that were specifically described in the ICEP application Event/Activity and Program Budget sections will be reimbursed.
 - For activities taking place in August 2017, receipts must be received no later than September 15, 2017, so that reimbursement can be paid by the end of the program year.

Successful ICEP reimbursement recipients will be sent a check for reimbursement within approximately 30 days of submission of receipts and required event summary documentation, assuming all other criteria have been met.

If you elect not to participate in the event/activity after you have submitted an application, we ask that you notify California STEP as soon as possible so funds may be made available to other California

small businesses. Please send notification by email to NguyenC2@losrios.edu.

If your application was not initially granted a reimbursement, you will be provided an opportunity to clarify your ICEP request for further review and consideration, at which time the review process may take an additional 21 days. Note: your ICEP application must still be approved prior to execution activity for reimbursement consideration.

B. Project Budget - Eligible Expenses

Budget information must be completed to the best of the small business' knowledge. Reimbursable qualified expense categories are indicated below; other expenses may qualify but only upon California STEP review and approval.

- Participation fees for foreign trade missions
- Participation fees for international export trade show exhibitions
- Participation fees for foreign market sales trips (outside of USA)
- Subscription services from the U.S. Department of Commerce
- Website translations, search engine optimization, localization services
- Design of international marketing media
- Cost of compliance testing of an existing product for entry into a foreign market (maximum of \$2,000)
- Shipment of samples to a trade event(s) (up to \$2,000 maximum)
- Other export initiatives determined to be appropriate by STEP

General conditions associated with the ICEP reimbursement:

- The ICEP reimbursement program cannot be used to reimburse travel expenses such as lodging, meals, in-country transportation, or airfare.
- It is anticipated that there will be high demand for these ICEP reimbursement, so it is recommended companies submit their STEP registration/ICEP application as soon as possible and as complete and accurate as possible.
- California small businesses may void their award or receive less than the full amount awarded if they do not fulfill their obligations with regard to participating in the approved program or submitting required receipts and summaries.

Section III – Payment Process

- ICEP reimbursements will be mailed within 30 days of submission of receipts and required event summary documentation, assuming all other criteria have been met.
- In order to be reimbursed, submitted receipts must be for expenses explicitly included in STEP ICEP reimbursement application—otherwise prior approval is required.
- Only receipts for expenses incurred during the ICEP reimbursement program year (October 1, 2016 to August 31, 2017) are valid for reimbursement.

Section IV – Program Administration

- California STEP decisions on ICEP reimbursements are final.
- The financial and commercial information pertaining to or in application for an ICEP reimbursement will be kept strictly confidential. Any information given on an application or subsequent completion report and surveys will only be reported as part of aggregated data that does not identify any individual responses or companies, unless otherwise permitted in writing by companies.

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About CITD:

The CITD's have offices across the state and provide a full range of trade assistance services to companies and individuals in the state of California. All services are either free or low cost. Whether you are new or experienced in export or import, small or large, CITD has experts and resources ready to help you. CITD programs and services include one-on-one technical assistance and consulting, market research, training and educational programs, trade leads, and special events.

About GO-Biz:

The Governor's Office of Business and Economic Development (GO-Biz) was created by Governor Edmund G. Brown Jr. to serve as California's single point of contact for economic development and job creation efforts. GO-Biz offers a range of services to business owners including: attraction, retention and expansion services, site selection, permit streamlining, clearing of regulatory hurdles, small business assistance, international trade development, assistance with state government, and much more.