

<b>I.A. Provide an overview of the port system in which this Investment will take place.</b>	
Response Type	Narrative
Page Limit	Not to exceed 2 ½ pages
Response Instructions	<ul style="list-style-type: none"> <li>• Area of Operations:               <ul style="list-style-type: none"> <li>○ Identify COTP Zone</li> <li>○ Identify eligible port area</li> </ul> </li> <li>• Point(s) of contact for organization:               <ul style="list-style-type: none"> <li>○ Identify the organization's Authorizing Official for entering into grant agreement.</li> <li>○ Identify the organization's primary point of contact for management of the project(s).</li> </ul> </li> <li>• Ownership or Operation:               <ul style="list-style-type: none"> <li>○ Identify whether the applicant is: (1) a private entity; (2) a state or local agency; or (3) a consortium composed of local stakeholder groups (i.e., river groups, ports, or terminal associations) representing federally regulated ports, terminals, U.S. inspected passenger vessels or ferries.</li> </ul> </li> <li>• Role in providing layered protection of regulated entities (applicable to State or local agencies, consortia and associations only):               <ul style="list-style-type: none"> <li>○ Identify the specific regulated entities to which you are providing layered protection.</li> <li>○ Describe your organization's specific roles, responsibilities and activities in delivering layered protection.</li> </ul> </li> <li>• Infrastructure:               <ul style="list-style-type: none"> <li>○ Describe the type, quantity and significance of infrastructure to be protected through the prospective grant. Identify who the infrastructure is owned or operated by, if not by your own organization.</li> </ul> </li> <li>• Nature of Operations:               <ul style="list-style-type: none"> <li>○ Provide a brief summary of the character and scope of your operations.</li> <li>○ Provide specific data/annual statistics that relate to your specific port project (for port applications), terminal project (for terminal applications), waterways, U.S. inspected passenger vessel or ferry projects:                   <ul style="list-style-type: none"> <li>➤ Type and volume of cargo (annual statistics, if applicable)</li> <li>➤ Type and volume of hazardous materials (annual statistics, if applicable)</li> <li>➤ Number of passengers (annual statistics, if applicable)</li> <li>➤ Number of vessels owned (if applicable)</li> </ul> </li> </ul> </li> </ul> <p style="margin-left: 20px;"><i>Note: Terminals and vessels cannot rely on aggregated port statistics.</i></p> <ul style="list-style-type: none"> <li>• Other important features:               <ul style="list-style-type: none"> <li>○ Describe any other operational issues you deem important to the consideration of your application (e.g., interrelationship of your operations with other eligible high-risk ports, etc.).</li> </ul> </li> </ul>
Response	

**I.B. Describe the applicant's current and required capabilities.**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• Describe your organization's current and required capabilities related to Maritime Domain Awareness.</li> <li>• Describe your organization's current and required IED prevention, detection, response and recovery capabilities.</li> <li>• Describe your organization's current and required training and exercise activities.</li> </ul>
Response	

**I.C. Provide a brief abstract for this Investment.**

Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	Provide a succinct statement summarizing this Investment.
Response	

**II. Strategic and Program Priorities**

**II.A. Describe how the Investment will address one or more of the National Port Security Priorities.**

Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> <li>• Describe how, and the extent to which, the proposed investment addresses:             <ul style="list-style-type: none"> <li>○ Enhancement of Maritime Domain Awareness</li> <li>○ Enhancement of prevention, detection, response and recovery capabilities for:                 <ul style="list-style-type: none"> <li>➢ IED attacks involving small craft or underwater swimmers</li> <li>➢ IED attacks on passenger and/or vehicle ferries</li> </ul> </li> <li>○ Training and exercises</li> <li>○ TWIC implementation projects</li> <li>○ Efforts in support of the national preparedness architecture</li> </ul> </li> </ul>
Response	

**II.B. Describe how the Investment will support priorities outlined in the applicable Area Maritime Security Plan (mandated under the MTSA).**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>Describe how the investment will support priorities outlined in the applicable Area Maritime Security Plan.</li> </ul>
Response	

**II.C. Describe how the Investment supports any COTP Port-specific security priorities.**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>Describe how the investment supports any port-specific security priorities as set forth by the appropriate COTP.</li> </ul>
Response	

**II.D. Describe how this Investment will support one or more of the Priorities of the National Preparedness Goal.**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>Explain how this investment will support one or more of the following National Preparedness Priorities:                             <ul style="list-style-type: none"> <li>Expanding regional collaboration;</li> <li>Implementing the National Incident Management System and the National Response Plan;</li> <li>Implementing the National Infrastructure Protection Plan;</li> <li>Strengthening information sharing and collaboration capabilities;</li> <li>Enhancing interoperable communications capabilities; and,</li> <li>Strengthening CBRNE detection and response capabilities.</li> </ul> </li> </ul> <p><i>Note: At a minimum, the Investment must support implementation of the National Infrastructure Protection Plan (NIPP).</i></p>
Response	

**III. Impact**

**III.A. Describe how the project offers the highest risk reduction potential at the least cost.**

<b>Response Type</b>	Narrative
<b>Page Limit</b>	Not to exceed ½ page
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Discuss the how the project will reduce risk in a cost effective manner.                             <ul style="list-style-type: none"> <li>○ Discuss how this investment will reduce risk (e.g., reduce vulnerabilities or mitigate the consequences of an event) by addressing the needs and priorities identified in earlier analysis and review.</li> <li>○ Identify the nature of the risk, why you consider it a risk, and how the risk and need are related to show how addressing the need through this investment will also mitigate risk (e.g., reduce vulnerabilities or mitigate the consequences of an event).</li> </ul> </li> </ul>
<b>Response</b>	

**III.B. Describe what the potential homeland security risks of not funding this investment are.**

<b>Response Type</b>	Narrative
<b>Page Limit</b>	Not to exceed ½ page
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Consider the risks that already exist and will be more prevalent and/or any new risks that will result if this investment is not funded and implemented.</li> <li>• Briefly discuss potential outcomes if this risk is not addressed – explain what vulnerabilities will not be reduced or what potential consequences will not be mitigated.</li> </ul>
<b>Response</b>	

**IV. Funding & Implementation Plan**

<b>IV.A. Investment Funding Plan.</b>	
<b>Response Type</b>	Numeric and Narrative
<b>Page Limit</b>	Not to exceed 1 page
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Complete the chart below to identify the amount of funding you are requesting for <u>this investment only</u>;</li> <li>• Funds should be requested by allowable cost categories (as identified in the FY07 IPP <u>Program Guidance and Application Kit</u>);</li> <li>• Applicants must make funding requests that are reasonable and justified by direct linkages to activities outlined in this particular Investment; and,</li> <li>• Applicants must indicate whether additional funding (non-FY07 PSGP) will be leveraged for this investment. Applicants must provide additional information in question IV.E, indicating the funding source(s) and how those funds will be leveraged.</li> </ul> <p><i>Note: Investments will be evaluated on the expected impact on security relative to the amount of the investment (i.e., cost effectiveness). An itemized Budget Detail Worksheet and Budget Narrative must also be completed for this investment. See Appendix 5 of this document for a sample format.</i></p>
<b>Response</b>	

The following template illustrates how the applicants should indicate the amount of FY07 PSGP funding required for the investment, how these funds will be allocated across the cost elements, and the required cash match:

	<b>FY07 PSGP Request Total</b>	<b>Cash Match</b>	<b>Grand Total</b>
<i>Maritime Domain Awareness</i>			
<i>Prevention, Protection, Response and Recovery Capabilities</i>			
<i>Training</i>			
<i>Exercises</i>			
<i>TWIC Implementation</i>			
<i>National Preparedness Architecture</i>			
<i>M&amp;A</i>			
<i>Total</i>			

**IV.B. Identify up to five (5) potential challenges to the effective implementation of this investment (e.g., stakeholder buy-in, sustainability, aggressive timelines).**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• For each identified challenge, provide a brief description of how the challenge will be addressed and mitigated, and indicate a probability of occurrence (high, medium, or low);</li> <li>• The response should focus on the implementation only;</li> <li>• Consider the necessary steps and stages that will be required for successful implementation of the Investment;</li> <li>• Identify areas of possible concern or potential pitfalls in terms of Investment implementation; and,</li> <li>• Explain why those areas present the greatest challenge to a successful Investment implementation.</li> </ul>
Response	

**IV.C. Describe the management team, including roles and responsibilities, that will be accountable for the oversight and implementation of this investment, and the overall management approach they will apply for the implementation of this investment.**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• Provide the high-level skill sets (e.g., budget execution, grant administration, geospatial expert, outreach and communication liaison) that members of the management team must possess for the successful implementation and oversight of the investment.</li> <li>• Discuss how those skill sets fulfill the oversight and execution responsibilities for the investment, and how the management roles and responsibilities will be distributed or assigned among the management team.</li> <li>• Explain how the management team members will organize and work together in order to successfully manage the investment.</li> </ul>
Response	

**IV.D. Discuss funding resources beyond FY07 PSGP that have been identified and will be leveraged to support the implementation and sustainment of this investment.**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• In addition to the required cash match, discuss other funding sources (e.g., non-PSGP grant programs, public or private agreements, future fiscal year grants) that you plan on utilizing for the implementation and/or continued sustainment of this investment;</li> <li>• If no other funding resources have been identified beyond the required cash match, or if none are necessary, provide rationale as to why the requested FY07 PSGP funding is sufficient for the implementation and sustainment of this investment.</li> </ul>
Response	

<b>IV.E. Provide a high-level timeline, milestones and dates, for the implementation of this Investment. Possible areas for inclusion are: stakeholder engagement, planning, major acquisitions or purchases, training, exercises, and process/policy updates. Up to 10 milestones may be provided.</b>	
Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> <li>• Only include major milestones that are critical to the success of the Investment;</li> <li>• While up to 10 milestones may be provided, applicants should only list as many milestones as necessary;</li> <li>• Milestones are for this discrete Investment – those that are covered by the requested FY07 PSGP funds and will be completed over the 36-month grant period;</li> <li>• Milestones should be kept to high-level, major tasks that will need to occur;</li> <li>• Identify the planned start date associated with the identified milestone. The start date should reflect the date at which the earliest action will be taken to start achieving the milestone;</li> <li>• Identify the planned completion date when all actions related to the milestone will be completed and overall milestone outcome is met; and,</li> <li>• List any relevant information that will be critical to the successful completion of the milestone (such as those examples listed in the question text above).</li> </ul>
Response	

<b>IV.F. Describe the planned duration for this overall Investment. Discuss your long-term sustainability plans for the investment after your FY07 PSGP funds have been expended, if applicable.</b>	
Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• Give the expected total life-span for this investment if fully implemented and sustained through completion.</li> <li>• Consider how this Investment will be sustained and funded after FY07 PSGP funds are expended, if applicable.</li> <li>• Include information about resource needs (e.g., personnel, processes, and tools), as well as critical governance needs.</li> <li>• List critical milestones that are outside of the FY07 PSGP grant period, and how those milestones will be met with the identified funding and resources.</li> </ul>
Response	

<b>IV.G. Describe the technical implementation plan for this investment. Discuss the innovativeness of the solution proposed.</b>	
Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• Define the vision, goals, and objectives for the risk reduction. Summarize how the proposed investment will fit into the overall effort to meet the critical infrastructure security priorities (including integration into existing security protocols).</li> <li>• Describe the specific needs and/or resource limitations that need to be addressed.</li> <li>• Identify specific equipment needs (e.g., number of facility cameras, number of security lights, amount of security fencing, etc.) and other details for training, awareness, exercises and other programs, if applicable (e.g., number of people to be trained, length of training, type of training, number of printed materials, number of agencies and staff members involved in exercise planning, execution, and review).</li> <li>• Describe progress made on the security project this Investment will be completing, if applicable.</li> <li>• Reference use of prior year grant funds, if applicable.</li> </ul>
Response	

**C. Investment Justification Submission and File Naming Convention.**

Investment Justifications must be submitted with the grant application as a file attachment within *grants.gov*. Applicants must use the following file naming convention when submitting required documents as part of the FY07 PSGP:

- COTP Zone Abbreviation\_Port Area\_Name of Applicant\_IJ Number  
(Example: Hous\_Galveston\_XYZ Oil\_IJ#1)

## Appendix 5 Sample Budget Detail Worksheet

OMB Approval No. 1121-0188

**Purpose.** The Budget Detail Worksheet may be used as a guide to assist applicants in the preparation of the budget and budget narrative. You may submit the budget and budget narrative using this form or in the format of your choice (plain sheets, your own form, or a variation of this form). However, all required information (including the budget narrative) must be provided. Any category of expense not applicable to your budget may be deleted.

**A. Personnel.** List each position by title and name of employee, if available. Show the annual salary rate and the percentage of time to be devoted to the project. Compensation paid for employees engaged in grant activities must be consistent with that paid for similar work within the applicant organization.

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
----------------------	--------------------	-------------

**Note:** Personnel costs are only allowable for direct management and administration of the grant award, i.e., preparation of mandatory post-award reports.

**TOTAL** \_\_\_\_\_

**B. Fringe Benefits.** Fringe benefits should be based on actual known costs or an established formula. Fringe benefits are for the personnel listed in budget category (A) and only for the percentage of time devoted to the project. Fringe benefits on overtime hours are limited to FICA, Workman's Compensation and Unemployment Compensation.

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
----------------------	--------------------	-------------

**TOTAL** \_\_\_\_\_

**Total Personnel & Fringe Benefits** \_\_\_\_\_

**C. Travel.** Itemize travel expenses of project personnel by purpose (e.g., staff to training, field interviews, advisory group meeting, etc.). Show the basis of computation (e.g., six people to 3-day training at \$X airfare, \$X lodging, \$X subsistence). In training projects, travel and meals for trainees should be listed separately. Show the number of trainees and unit costs involved. Identify the location of travel, if known. Indicate source of Travel Policies applied, Applicant or Federal Travel Regulations.

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation Cost</u>
--------------------------	-----------------	-------------	-------------------------

**TOTAL** \_\_\_\_\_

**D. Equipment.** List non-expendable items that are to be purchased. Non-expendable equipment is tangible property having a useful life of more than two years. (Note: Organization’s own capitalization policy and threshold amount for classification of equipment may be used). Expendable items should be included either in the “Supplies” category or in the “Other” category. Applicants should analyze the cost benefits of purchasing versus leasing equipment, especially high cost items and those subject to rapid technical advances. Rented or leased equipment costs should be listed in the “Contractual” category. Explain how the equipment is necessary for the success of the project. Attach a narrative describing the procurement method to be used.

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
-------------	--------------------	-------------

**Budget Narrative:** Provide a narrative budget justification for each of the budget items identified.

**TOTAL** \_\_\_\_\_

**E. Supplies.** List items by type (office supplies, postage, training materials, copying paper, and other expendable items such as books, hand held tape recorders) and show the basis for computation. (Note: Organization’s own capitalization policy and threshold amount for classification of supplies may be used). Generally, supplies include any materials that are expendable or consumed during the course of the project.

<u>Supply Items</u>	<u>Computation</u>	<u>Cost</u>
---------------------	--------------------	-------------

**TOTAL** \_\_\_\_\_

**F. Consultants/Contracts.** Indicate whether applicant’s formal, written Procurement Policy or the Federal Acquisition Regulations are followed.

**Consultant Fees:** For each consultant enter the name, if known, service to be provided, hourly or daily fee (8-hour day), and estimated time on the project.

<u>Name of Consultant</u>	<u>Service Provided</u>	<u>Computation</u>	<u>Cost</u>
---------------------------	-------------------------	--------------------	-------------

**Budget Narrative:** Provide a narrative budget justification for each of the budget items identified.

**Subtotal** \_\_\_\_\_

**Consultant Expenses:** List all expenses to be paid from the grant to the individual consultant in addition to their fees (i.e., travel, meals, lodging, etc.)

<u>Item</u>	<u>Location</u>	<u>Computation</u>	<u>Cost</u>
-------------	-----------------	--------------------	-------------

**Budget Narrative:** Provide a narrative budget justification for each of the budget items identified.

**Subtotal** \_\_\_\_\_

**Contracts:** Provide a description of the product or services to be procured by contract and an estimate of the cost. Applicants are encouraged to promote free and open competition in awarding contracts. A separate justification must be provided for sole source contracts in excess of \$100,000.

<u>Item</u>	<u>Cost</u>
-------------	-------------

**Budget Narrative:** Provide a narrative budget justification for each of the budget items identified.

Subtotal \_\_\_\_\_

TOTAL \_\_\_\_\_

**G. Other Costs.** List items (e.g., rent, reproduction, telephone, janitorial or security services, and investigative or confidential funds) by major type and the basis of the computation. For example, provide the square footage and the cost per square foot for rent, and provide a monthly rental cost and how many months to rent.

<u>Description</u>	<u>Computation</u>	<u>Cost</u>
--------------------	--------------------	-------------

**Budget Narrative:** Provide a narrative budget justification for each of the budget items identified.

**Important Note:** If applicable to the project, construction costs should be included in this section of the Budget Detail Worksheet.

TOTAL \_\_\_\_\_

**H. Indirect Costs.** Indirect costs are allowed only if the applicant has a Federally approved indirect cost rate. A copy of the rate approval, (a fully executed, negotiated agreement), must be attached. If the applicant does not have an approved rate, one can be requested by contacting the applicant's cognizant Federal agency, which will review all documentation and approve a rate for the applicant organization, or if the applicant's accounting system permits, costs may be allocated in the direct costs categories.

<u>Description</u>	<u>Computation</u>	<u>Cost</u>
--------------------	--------------------	-------------

TOTAL \_\_\_\_\_

**Budget Summary** - When you have completed the budget worksheet, transfer the totals for each category to the spaces below. Compute the total direct costs and the total project costs. Indicate the amount of Federal funds requested and the amount of non-Federal funds that will support the project.

<u>Budget Category</u>	<u>Federal Amount</u>	<u>Non-Federal Amount</u>
A. Personnel	_____	_____
B. Fringe Benefits	_____	_____
C. Travel	_____	_____
D. Equipment	_____	_____
E. Supplies	_____	_____
F. Consultants/Contracts	_____	_____
G. Other	_____	_____
<b>Total Direct Costs</b>	_____	_____
H. Indirect Costs	_____	_____
<b>* TOTAL PROJECT COSTS</b>	_____	_____
Federal Request	_____	
Non-Federal Amount		_____

**Detailed Budget Submission and File Naming Convention.**

The Detailed Budget must be submitted with the grant application as a file attachment within *grants.gov*. Applicants must use the following file naming convention when submitting required documents as part of the FY07 PSGP:

- COTP Zone Abbreviation\_Port Area\_Name of Applicant\_IJ Number\_Budget  
(Example: Hous\_Galveston\_XYZ Oil\_IJ#1\_Budget)

## Appendix 6

# MOU/MOA Consortia or Association Guidance

### A. Requirement for State or Local Agencies and for Consortia or Associations.

Entities that provide layered security to MTSA regulated facilities are eligible applicants. In addition, the layered protection provided must be addressed in the regulated entities' security plan. A copy of a Memorandum of Understanding (MOU) or a Memorandum of Agreement (MOA) between those identified entities will be required prior to funding, and must include an acknowledgement of the layered security and roles and responsibility of all entities involved. The MOU/MOA must address the following points:

- The nature of the security that the applicant agrees to supply to the regulated facility (waterside surveillance, increased screening, etc)
- The roles and responsibilities of the facility and the applicant during different MARSEC levels.
- An acknowledgement by the facility that the applicant is part of their facility security plan.

If the applicant is mentioned as a provider of layered security under the port's Area Maritime Security Plan, in lieu of an MOA/MOU, acknowledgement from the Area Maritime Security Committee (AMSC) members, or a letter from the Federal Maritime Security Coordinator validating this status, will be acceptable. *In addition, MOA/MOUs submitted in previous PSGP award rounds will be acceptable, provided the activity covered also addresses the capability being requested through the FY07 PSGP.*

### B. Sample MOU/MOA Template.

**Memorandum of Understanding / Agreement  
Between [provider of layered security] and [recipient of layered security]  
Regarding [provider of layered security's] use of port security grant program funds**

- 1. PARTIES.** The parties to this Agreement are the [Provider of Layered Security] and the [Recipient of Layered Security].
- 2. AUTHORITY.** This Agreement is authorized under the provisions of [applicable Area Maritime Security Committee authorities and/or other authorities].
- 3. PURPOSE.** The purpose of this Agreement is to set forth terms by which [Provider of Layered Security] shall expend Port Security Grant Program project funding in providing layered security to [Recipient of Layered Security]. Under requested FY07 PSGP grant, the [Provider of Layered Security] must provide layered security to [Recipient of Layered Security] consistent with the approach described in an approved grant application.
- 4. RESPONSIBILITIES:** The security roles and responsibilities of each party are understood as follows:

(1). [Recipient of Layered Security]

Roles and responsibilities in providing its own security at each MARSEC level

(2) [Provider of Layered Security]

- An acknowledgement by the facility that the applicant is part of their facility security plan.
- The nature of the security that the applicant agrees to supply to the regulated facility (waterside surveillance, increased screening, etc).
- Roles and responsibilities in providing security to [Recipient of Layered Security] at each MARSEC level.

**5. POINTS OF CONTACT.** [Identify the POCs for all applicable organizations under the Agreement; including addresses and phone numbers (fax number, e-mail, or internet addresses can also be included).]

**6. OTHER PROVISIONS.** Nothing in this Agreement is intended to conflict with current laws or regulations of [applicable state] or [applicable local Government]. If a term of this agreement is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this agreement shall remain in full force and effect.

**7. EFFECTIVE DATE.** The terms of this agreement will become effective on (EFFECTIVE DATE).

**8. MODIFICATION.** This agreement may be modified upon the mutual written consent of the parties.

**9. TERMINATION.** The terms of this agreement, as modified with the consent of both parties, will remain in effect until the grant end dates for an approved grant. Either party upon [NUMBER] days written notice to the other party may terminate this agreement.

**APPROVED BY:**

\_\_\_\_\_  
Organization and Title

(Date)

\_\_\_\_\_  
Signature

(Date)

### C. Submitting the MOU/MOA.

If applicable, the MOU/MOA for state or local law enforcement agencies and/or consortia providing layered protection to regulated entities must be submitted with the grant application as a file attachment within *grants.gov*.

- COTP Zone Abbreviation\_Port Area\_Name of Applicant\_MOU  
(Example: Hous\_Galveston\_Harris County\_MOU)

## Appendix 7

# Award and Reporting Requirements

### A. Grant Award and Obligation of Funds.

Upon approval of an application, the grant will be awarded to the grant recipient. The date that this is done is the “award date.” The signed award document with special conditions must be returned to:

**Office of Justice Programs,  
Attn: Control Desk – G&T Award  
810 7<sup>th</sup> Street, N.W., 5<sup>th</sup> Floor  
Washington, DC 20531.**

An obligation is defined in the *Office of Grant Operations (OGO) Financial Management Guide* as a legally binding liability under a grant, sub-grant, and/or contract determinable sums for services or goods incurred during the grant period.

The period of performance is 36 months from the date of award. Any unobligated funds will be deobligated by DHS at the end of this period. Extensions to the period of performance will be considered only through formal requests to G&T with specific and compelling justifications why an extension is required.

### B. Post Award Instructions.

G&T's OGO will provide fiscal support and oversight of the grant programs, while the OJP Office of the Comptroller will continue to provide support for grant payments. The following is provided as a guide for the administration of awards. Additional details and requirements may be provided to the grantee in conjunction with finalizing an award.

**1. Review award and special conditions document.** Notification of award approval is made by e-mail through the OJP Grants Management System (GMS). Once an award has been approved, a notice is sent to the e-mail address of the individual who filed the application, as well as to the authorized grantee official. Carefully read the award and any special conditions or other attachments.

If you agree with the terms and conditions, the authorized official should sign and date both the original and the copy of the award document page in Block 19. You should maintain a copy and return the original signed documents to:

**Office of Justice Programs  
Attn: Control Desk - G&T Award  
810 Seventh Street, N.W., 5<sup>th</sup> Floor  
Washington, DC 20531**

If you do not agree with the terms and conditions, contact the awarding G&T Program Manager as noted in the award package.

- 2. Read the guidelines.** Read and become familiar with the “*OGO Financial Management Guide*” which is available at 1-866-9ASKOGO or online at:  
[http://www.dhs.gov/xlibrary/assets/Grants\\_FinancialManagementGuide.pdf](http://www.dhs.gov/xlibrary/assets/Grants_FinancialManagementGuide.pdf).
- 3. Complete and return ACH form.** The Automated Clearing House (ACH) Vendor/ Miscellaneous Payment Enrollment Form (refer to Step 3 attachment) is used to arrange direct deposit of funds into your designated bank account.
- 4. Access to payment systems.** OJP uses the Phone Activated Paperless System (PAPRS) to request funds. Grantees will receive a letter with the award package containing their PIN to access the system and Grant ID information.
- 5. Reporting Requirements.** Reporting requirements must be met during the life of the grant (refer to the *OGO Financial Management Guide* and the specific program guidance for a full explanation of these requirements, special conditions and any applicable exceptions). The payment system contains edits that will prevent access to funds if reporting requirements are not met on a timely basis. Refer to Step 5 attachments for forms, due date information, and instructions.
- 6. Questions about your award?** A reference sheet is provided containing frequently asked financial questions and answers. Questions regarding grant payments should be addressed to the OJP Office of the Comptroller at 1-800-458-0786 or email at: [askoc@ojp.usdoj.gov](mailto:askoc@ojp.usdoj.gov). Questions regarding all other financial/administrative issues should be addressed to the OGO Information Line at 1-866-9ASKOGO (927-5646) or email at: [ask-ogo@dhs.gov](mailto:ask-ogo@dhs.gov).

Note: If you have any questions about GMS, need to establish a GMS account, or require technical assistance with accessing your award, contact the GMS Hotline at 1-888-549-9901.

### **C. Drawdown and Expenditure of Funds.**

Following acceptance of the grant award and release of any special conditions withholding funds, the grantee can drawdown and expend grant funds through the Phone Activated Paperless System (PAPRS). There is a limited pool of grantees that may use the Automated Standard Application for Payments (ASAP).

In support of continuing efforts to meet the accelerated financial statement reporting requirements mandated by the U.S. Department of the Treasury and the Office of Management and Budget (OMB), payment processing will be interrupted during the last five (5) working days of each month. Grant recipients should make payment requests before the last five working days of the month to avoid delays in deposit of payments.

For example, for the month of October, the last day to request (draw down) payments was October 24, 2006. Payments requested after that date were processed when the regular schedule resumed on November 1, 2006. A similar schedule will follow at the end of each month.

Grant recipients should request funds based upon immediate disbursement requirements. Funds will not be paid in a lump sum, but rather disbursed over time as project costs are incurred or anticipated. Recipients should time their drawdown requests to ensure that Federal cash on hand is the minimum needed for disbursements to be made immediately or within a few days. Grantees may elect to draw down funds up to 120 days prior to expenditure/

disbursement. G&T strongly encourages recipients to draw down funds as close to expenditure as possible to avoid accruing interest.

Funds received by grantees must be placed in an interest-bearing account and are subject to the rules outlined in the Uniform Rule 28 CFR Part 66, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, at: [http://www.access.gpo.gov/nara/cfr/waisidx\\_04/28cfrv2\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/28cfrv2_04.html) and the Uniform Rule 28 CFR Part 70, Uniform Administrative Requirements for Grants and Agreements (Including Sub-awards) with Institutions of Higher Education, Hospitals and other Non-profit Organizations, at: [http://www.access.gpo.gov/nara/cfr/waisidx\\_04/28cfrv2\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/28cfrv2_04.html). These guidelines state that entities are required to promptly, but at least quarterly, remit interest earned on advances to:

**United States Department of Health and Human Services  
Division of Payment Management Services  
P.O. Box 6021  
Rockville, MD 20852**

The sub-grantee may keep interest amounts up to \$100 per year for administrative expenses for all Federal grants combined. Please consult the OGO *Financial Management Guide* or the applicable OMB Circular for additional guidance. Although advance drawdown requests may be made, State grantees remain subject to the interest requirements of the Cash Management Improvement Act (CMIA) and its implementing regulations at 31 C.F.R. Part 205. Interest under CMIA will accrue from the time Federal funds are credited to a State account until the time the State pays out the funds or transfers the funds to a sub-grantee.

*Note:* Although advance drawdown requests may be made, State grantees remain subject to the interest requirements of the Cash Management Improvement Act (CMIA) and its implementing regulations at 31 CFR Part 205. Interest under CMIA will accrue from the time Federal funds are credited to a State account until the time the State pays out the funds for program purposes.

#### **D. Reporting Requirements.**

**1. Financial Status Report (FSR) -- required quarterly.** Obligations and expenditures must be reported to G&T on a quarterly basis through the FSR, which is due within 30 days of the end of each calendar quarter (e.g., for the quarter ending March 31, FSR is due on April 30). Please note that this is a change from previous fiscal years. A report must be submitted for every quarter the award is active, including partial calendar quarters, as well as for periods where no grant activity occurs. Future awards and fund draw downs will be withheld if these reports are delinquent.

FSRs must be filed online through the Internet at: <https://grants.ojp.usdoj.gov>. Forms and instructions can be found at: <http://www.ojp.usdoj.gov/forms.htm>.

Grantees are reminded to review the following documents and ensure that grant activities are conducted in accordance with the applicable guidance:

- OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments, at: <http://www.whitehouse.gov/omb/circulars/index.html>
- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, at: <http://www.whitehouse.gov/omb/circulars/index.html>

- OMB Circular A-110, Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations, at <http://www.whitehouse.gov/omb/circulars/index.html>
- OMB Circular A-21, Cost Principles for Educational Institutions, at: <http://www.whitehouse.gov/omb/circulars/index.html>
- OMB Circular A-122, Cost Principles for Non-Profit Organizations, at: <http://www.whitehouse.gov/omb/circulars/index.html>

For FY07 awards, grant and sub-grant recipients should refer to the OGO Financial Guide. All awards from FY05 and earlier are still governed by the OJP Financial Guide, available at: <http://www.ojp.usdoj.gov/FinGuide>. OGO can be contacted at 1-866-9ASKOGO or by email at: [ask-OGO@dhs.gov](mailto:ask-OGO@dhs.gov).

**Required submission: Financial Status Report (FSR) SF-269a (due quarterly).**

**2. Categorical Assistance Progress Report (CAPR).** Following an award, the awardees will be responsible for providing updated obligation and expenditure information on a regular basis. The CAPR is due within 30 days after the end of the reporting period (July 30 for the reporting period of January 1 through June 30, and on January 30 for the reporting period of July 1 through December 31). Future awards and fund drawdowns may be withheld if these reports are delinquent. The final CAPR is due 90 days after the end date of the award period.

Block #12 of the CAPR should be used to note progress against the proposed project. The grantor agency shall provide sufficient information to monitor program implementation and goal achievement. At a minimum, reports should contain the following data: (1) As applicable, the total number of items secured under this grant (e.g., access controls, surveillance, physical enhancements, and vessels) to date, and (2) for other items acquired through this grant, a brief description and total number of items obtained to date.

CAPRs must be filed online through the internet at: <https://grants.ojp.usdoj.gov>. Forms and instructions can be found at: <http://www.ojp.usdoj.gov/forms.htm>.

**Required submission: CAPR (due semiannually).**

**3. Exercise Evaluation and Improvement.** Exercises implemented with grant funds should be threat- and performance-based and should evaluate performance of critical prevention and response tasks required to respond to the exercise scenario. Guidance on conducting exercise evaluations and implementing improvement is defined in the *Homeland Security Exercise and Evaluation Program (HSEEP) Volume II: Exercise Evaluation and Improvement* located at: <http://www.ojp.usdoj.gov/G&T/docs/HSEEPv2.pdf>. Grant recipients must report on scheduled exercises and ensure that an AAR and IP are prepared for each exercise conducted with G&T support (grant funds or direct support) and submitted to G&T within 60 days following completion of the exercise.

The AAR documents the performance of exercise related tasks and makes recommendations for improvements. The Improvement Plan (IP) outlines the actions that the exercising jurisdiction(s) plans to take to address recommendations contained in the AAR. Generally the IP, with at least initial action steps, should be included in the final AAR. G&T is establishing a national database to facilitate the scheduling of exercises, the submission of the AAR/IPs and the tracking of IP implementation. Guidance on the development of AARs and IPs is provided in Volume II of the HSEEP manuals.

**Required submissions: AARs and IPs (as applicable).**

**4. Financial and Compliance Audit Report.** Recipients that expend \$500,000 or more of Federal funds during their fiscal year are required to submit an organization-wide financial and compliance audit report. The audit must be performed in accordance with the U.S. General Accountability Office, *Government Auditing Standards*, located at: <http://www.gao.gov/govaud/ybk01.htm>, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, located at: <http://www.whitehouse.gov/omb/circulars/a133/a133.html>. Audit reports are currently due to the Federal Audit Clearinghouse no later than nine months after the end of the recipient's fiscal year. In addition, the Secretary of Homeland Security and the Comptroller General of the United States shall have access to any books, documents, and records of recipients of FY07 IPP assistance for audit and examination purposes, provided that, in the opinion of the Secretary of Homeland Security or the Comptroller General, these documents are related to the receipt or use of such assistance. The grantee will also give the sponsoring agency or the Comptroller General, through any authorized representative, access to, and the right to examine all records, books, papers or documents related to the grant.

The State shall require that sub-grantees comply with the audit requirements set forth in OMB Circular A-133. Recipients are responsible for ensuring that sub-recipient audit reports are received and for resolving any audit findings.

**5. Federal Funding Accountability and Transparency Act.** While there are no State and Urban Area requirements in FY07, the Federal Funding Accountability and Transparency Act of 2006 may affect State and Urban Area reporting requirements in future years. The Act requires the Federal government to create a publicly searchable online database of Federal grant recipients by January 1, 2008 with an expansion to include sub-grantee information by January 1, 2009

**6. National Preparedness Reporting Compliance.** The Government Performance and Results Act (GPRA) requires that the Department collect and report performance information on all programs. For grant programs, the prioritized Investment Justifications and their associated milestones provide an important tool for assessing grant performance and complying with these national preparedness reporting requirements. G&T will work with grantees to develop tools and processes to support this requirement. DHS anticipates using this information to inform future-year grant program funding decisions.

**7. National Assessment of State and Local Preparedness.** HSPD-8 calls for an assessment of national preparedness. Furthermore, the FY07 DHS Appropriations Act requires a comprehensive national assessment of State and local preparedness in FY07. Additional guidance will be provided during the grant period regarding these requirements. DHS will strive to ensure reporting requirements support State and local level performance management requirements, where applicable. Congress also requires a Federal Preparedness Report on the Nation's level of preparedness for all hazards, including natural disasters, acts of terrorism, and other man-made disasters, including an estimate of the amount of Federal, State, local, and Tribal expenditures required to attain the National Preparedness Priorities by October 4, 2007, and annually thereafter.

**8. Catastrophic Resource Report.** The Department is also required to develop and submit an annual Catastrophic Resource Report which estimates the resources of DHS and other Federal agencies needed for and devoted specifically to developing the capabilities of Federal, State, local, and Tribal governments necessary to respond to a catastrophic incident. This

requirement includes an estimate of State, local and Tribal government catastrophic incident preparedness.

**9. State Preparedness Report.** Congress requires that States receiving DHS-administered Federal preparedness assistance shall submit a State Preparedness Report to the Department on the State's level of preparedness by January 4, 2008, and annually thereafter. The report shall include (A) an assessment of State compliance with the national preparedness system, NIMS, the NRP, and other related plans and strategies; (B) an assessment of current capability levels and a description of target capability levels; and (C) an assessment of resource needs to meet the National Preparedness Priorities, including an estimate of the amount of expenditures required to attain the Priorities and the extent to which the use of Federal assistance during the preceding fiscal year achieved the Priorities.

#### **E. Monitoring.**

Grant recipients will be monitored periodically by DHS staff, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based reviews and on-site monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, performance and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed.

The recipient is responsible for monitoring award activities, to include sub-awards, to provide reasonable assurance that the Federal award is administered in compliance with requirements. Responsibilities include the accounting of receipts and expenditures, cash management, maintaining of adequate financial records, and refunding expenditures disallowed by audits.

#### **F. Grant Close-Out Process.**

Within 90 days after the end of the award period, grantees must submit a final FSR and final CAPR detailing all accomplishments throughout the project. After these reports have been reviewed and approved by G&T, a Grant Adjustment Notice (GAN) will be completed to close out the grant. The GAN will indicate the project as being closed, list any remaining funds that will be deobligated, and address the requirement of maintaining the grant records for three years from the date of the final FSR. After the financial information is received and approved by OGO, the grant will be identified as "Closed by the Office of Grant Operations."

***Required submissions: (1) final SF-269a, due 90 days from end of grant period; and (2) final CAPR/BSIR, due 90 days from the end of the grant period.***

## Appendix 8 Additional Resources

This Appendix describes several resources that may help applicants in completing a TSPG application.

**1. Centralized Scheduling & Information Desk (CSID) Help Line.** The CSID is a non-emergency resource for use by emergency responders across the Nation. CSID is a comprehensive coordination, management, information, and scheduling tool developed by DHS through G&T for homeland security terrorism preparedness activities. A non-emergency resource for use by State and local emergency responders across the nation, the CSID provides general information on all G&T programs and information on the characteristics of CBRNE, agro-terrorism, defensive equipment, mitigation techniques, and available Federal assets and resources.

The CSID maintains a comprehensive database containing key personnel contact information for homeland security terrorism preparedness programs and events. These contacts include personnel at the Federal, State and local levels.

The CSID can be contacted at 1-800-368-6498 or [askcsid@dhs.gov](mailto:askcsid@dhs.gov). CSID hours of operation are from 8:00 am–6:00 pm (EST), Monday-Friday.

**2. Office of Grant Operations (OGO).** G&T's Office of Grant Operations will provide fiscal support, including pre- and post-award administration and technical assistance, of the grant programs included in this solicitation, with the exception of payment related issues.

For financial and administrative questions, all grant and sub-grant recipients should refer to the *OGO Financial Management Guide* or contact OGO at 1-866-9ASKOGO or [ask-ogo@dhs.gov](mailto:ask-ogo@dhs.gov). All payment related questions should be referred to the Office of Justice Programs/Office of the Comptroller (OJP/OC) Customer Service at 1-800-458-0786 or [askoc@ojp.usdoj.gov](mailto:askoc@ojp.usdoj.gov). All grant and sub-grant recipients should refer to the *OGO Financial Management Guide*.

**3. GSA's Cooperative Purchasing Program.** The U.S. General Services Administration (GSA) offers an efficient and effective procurement tool for State and local governments to purchase information technology products and services to fulfill homeland security and other needs. The Cooperative Purchasing Program allows for State and local governments to purchase from Schedule 70 (the Information Technology Schedule) and the Consolidated Schedule (containing IT Special Item Numbers) only. Under this program, State and local governments have access to over 3,000 GSA Schedule contractors who have voluntarily modified their contracts to participate in the Cooperative Purchasing program.

State and local governments can find eligible contractors on GSA's website, [www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov), denoted with a  symbol. Assistance is available from GSA at the local and national level. For assistance at the local level visit [www.gsa.gov/csd](http://www.gsa.gov/csd) to find the point of contact in your area and for assistance at the national level, contact Patricia Reed at

*[patricia.reed@gsa.gov](mailto:patricia.reed@gsa.gov), 213-534-0094. More information is available at [www.gsa.gov/cooperativepurchasing](http://www.gsa.gov/cooperativepurchasing).*

**4. Exercise Direct Support.** DHS has engaged multiple contractors with significant experience in designing, conducting, and evaluating exercises to provide support to States and local jurisdictions in accordance with State Homeland Security Strategies and HSEEP. Contract support is available to help States conduct an Exercise Plan Workshop, develop a Multi-year Exercise Plan and build or enhance the capacity of States and local jurisdictions to design, develop, conduct, and evaluate effective exercises.

In FY07, states may receive direct support for three exercises: one T&EPW, one discussion-based exercise, and one operations-based exercise. While states are allowed to submit as many direct support applications as they choose, they are strongly encouraged to give careful thought to which exercises will require the additional assistance that will be provided through the Direct Support program. Exercises involving cross-border or mass-gathering issues will be counted against the number of direct-support exercises being provided to states.

Applications for direct support are available at <http://hseep.dhs.gov> and are reviewed on a monthly basis. HSEEP offers several tools and resources to help design, develop, conduct and evaluate exercises.