

## FY 2006 Homeland Security Grant Program (HSGP) Guidance Revisions

January 3, 2006		
Location	Section	Change
Pg. 45, 1 <sup>st</sup> Bullet under Unauthorized Exercise Costs	Chapter II: Program Guidance; Section D – Allowable Cost Guidance; Subsection D.5. – Exercises, Unauthorized Exercise Costs	Added mileage to fuel/gasoline as the only vehicle costs that are reimbursable.
Pg. 54, 2 <sup>nd</sup> Paragraph	Chapter III: Eligible Applicants and Funding Availability; Section C – Funding; Subsection C.1. – FY 2006 SHSP and LETPP Allocations	Deleted “UASI” from the first sentence. UASI will not be allocated using the USA PATRIOT Act formula
Pg. 58, 6 <sup>th</sup> Paragraph	Chapter IV: Application Kit, Section 3 – For identified UASI Urban Areas, 1 <sup>st</sup> Bullet	Replaced 2 <sup>nd</sup> sentence for clarity
Pg. 59, 1 <sup>st</sup> Paragraph	Chapter IV: Application Kit, Section 3 – For identified UASI Urban Areas, 2 <sup>nd</sup> Bullet	Replaced 2 <sup>nd</sup> sentence for clarity
Pg. 59, 3 <sup>rd</sup> Paragraph	Chapter IV: Application Kit, Section 3 – For identified UASI Urban Areas, 3 <sup>rd</sup> Bullet	Replaced 1 <sup>st</sup> sentence for clarity
Pg. 78, 1 <sup>st</sup> Paragraph	Chapter VII: Urban Areas Security Initiative; Section B – Program Requirements, Governance	Revised governance discussion related to Urban Area Working Groups (UAWG)
Pg. 79, 1 <sup>st</sup> Paragraph	Chapter VII: Urban Areas Security Initiative; Section B – Program Requirements, Defining Urban Areas	Urban Area definition requirements language updated for clarity
Pg. 79, 3 <sup>rd</sup> Paragraph, 2 <sup>nd</sup> Bullet	Chapter VII: Urban Areas Security Initiative; Section B – Program Requirements, Defining Urban Areas, 3 <sup>rd</sup> Paragraph, 2 <sup>nd</sup> Bullet	Revised language for clarity
Pg. 92, 2 <sup>nd</sup> Paragraph	Chapter VIII: Law Enforcement Terrorism Prevention Program; Section C – Authorized Program Expenditures; Subsection C.7. – Management and Administration	Deleted “UASI” and replaced it with “LETPP” in the discussion of M&A costs associated with the LETPP program

benefits must be in accordance with the policies of the State or unit(s) of local government and have the approval of the State or the awarding agency, whichever is applicable. Such costs must be included within the funding allowed for program management personnel expenses, which must not exceed 15% of the total allocation as specified in section D.6. The services of contractors/consultants may also be procured to support the design, development, conduct and evaluation of exercises. The applicant's formal written procurement policy or the Federal Acquisition Regulations (FAR) must be followed.

- **Overtime and Backfill** – Overtime and backfill costs associated with the design, development and conduct of exercises are allowable expenses.
- **Travel** – Travel costs (e.g., airfare, mileage, per diem, hotel) are allowable as expenses by employees who are on travel status for official business related to the planning and conduct of the exercise project(s).
- **Supplies** – Supplies are items that are expended or consumed during the course of the planning and conduct of the exercise project(s) (e.g., copying paper, gloves, tape, non-sterile masks, and disposable protective equipment).
- **Implementation of HSEEP** – This refers to costs related to developing and maintaining a self-sustaining State Homeland Security Exercise and Evaluation Program which is modeled after the national HSEEP.
- **Other Items** – These costs include the rental of space/locations for exercise planning and conduct, rental of equipment (e.g., portable toilets, tents), food, refreshments, gasoline, exercise signs, badges, etc.

#### *Unauthorized Exercise Costs*

Unauthorized exercise-related costs include:

- Reimbursement for the maintenance and/or wear and tear costs of general use vehicles (e.g., construction vehicles) and emergency response apparatus (e.g., fire trucks, ambulances). The only vehicle cost that is reimbursable is fuel/gasoline and mileage.
- Equipment that is purchased for permanent installation and/or use, beyond the scope of exercise conduct (e.g., electronic messaging signs).

#### **D.6. Personnel**

Hiring, overtime, and backfill expenses are allowable under this grant only to perform programmatic activities deemed allowable under existing guidance. (See individual program guidance sections for more information on allowable activities.) Supplanting, however, is not allowed.

Up to 15% of programmatic spending may be used to support the hiring of full or part-time personnel to conduct program activities that are allowable under the FY 2006 HSGP (i.e., planning, training program management, exercise program management, etc). Grantees may request that DHS issue a waiver to increase that ceiling. Waiver decisions are at the discretion of DHS and will be considered on a case-by-case basis. The ceiling on personnel costs does not apply to contractors, and is in addition to eligible M&A costs and eligible hiring of intelligence analysts. Grantees may hire staff only for program management functions not operational duties.

## B. Eligible Applicants

The FY 2006 HSGP integrates SHSP, UASI, LETPP, MMRS, and CCP into a single application kit. Funding from this combined program will significantly enhance the ability of States, Urban Areas, and local agencies to prevent, protect, respond to, and recover from threats and incidents of terrorism. The Governor of each State has designated a State Administrative Agency (SAA) to apply for and administer the funds under HSGP.<sup>11</sup> The SAA is the only agency eligible to apply for HSGP funds and is responsible for obligating HSGP funds to local units of government and other designated recipients.<sup>12</sup>

## C. Funding

### C.1. FY 2006 SHSP and LETPP Allocations

Each State will receive a base allocation under SHSP and LETPP using the USA PATRIOT Act formula. Accordingly, all 50 States, the District of Columbia, and Puerto Rico will receive 0.75 percent of the total allocation for those programs. Four Territories (American Samoa, Guam, Northern Mariana Islands, and the Virgin Islands) will receive a base allocation 0.25 percent of the total for SHSP and LETPP. The remainder of funds will be allocated based on an analysis of risk and need mentioned above.

### C.2. FY 2006 UASI Allocations

FY 2006 UASI funds will be allocated based on risk and need upon completion of the application review process. Eligible applicants for UASI allocations are still under consideration. DHS will release the list of UASI candidates shortly after this release of the FY 2006 HSGP guidance.

### C.3. FY 2006 MMRS Jurisdictions

FY 2006 MMRS funding will be divided evenly among the current 124 MMRS jurisdictions listed in Table 6.

**Table 6 – MMRS Jurisdictions**

State	MMRS Jurisdictions
Alabama	Birmingham, Huntsville, Mobile, and Montgomery
Alaska	Anchorage and Southeast Alaska
Arizona	Glendale, Mesa, Phoenix, and Tucson
Arkansas	Little Rock

<sup>11</sup> As defined in the Homeland Security Act of 2002, the term “State” means “any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any possession of the United States”

<sup>12</sup> As defined in the Conference Report accompanying the Department of Homeland Security Appropriations Act of 2006, the term “local unit of government” means “any county, city, village, town, district, borough, parish, port authority, transit authority, intercity rail provider, commuter rail system, freight rail provider, water district, regional planning commission, council of government, Indian tribe with jurisdiction over Indian country, authorized Tribal organization, Alaska Native village, independent authority, special district, or other political subdivision of any State.”

application review as well as in the pre-award review, post-award monitoring, and audit. Applicants or grantees may be required to supply documentation certifying that a reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

- **Match Requirement:** There is no match requirement.
  - **Assurances:** The online GMS application includes a list of assurances that the applicant must comply with in order to receive Federal funds under this program. It is the responsibility of the recipient of the Federal funds to fully understand and comply with these requirements. Failure to comply may result in the withholding of funds, termination of the award, or other sanctions. The applicant agrees to these assurances upon the submission of the application.
  - **Certifications Regarding Lobbying; Debarment, Suspension, and Other Responsibility Matters; and Drug-Free Workplace Requirement:** This certification, which is a required component of the online application, commits the applicant to compliance with the certification requirements under 28 Code of Federal Regulations (CFR) part 67, *Government-wide Debarment and Suspension (Non-procurement)*; 6 CFR part 9, *New Restrictions on Lobbying*, and 28 CFR part 83 *Government-wide Requirements for Drug-Free Workplace (Grants)*. All of these regulations can be referenced at <http://www.gpoaccess.gov/cfr/index.html>. The certification will be treated as a material representation of the fact upon which reliance will be placed by DHS in awarding grants.
  - **Suspension or Termination of Funding:** DHS, by written notice, may terminate this grant, in whole or in part, when it is in the Government's interest.
2. **DUNS Number.** The SAA must provide a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number with the FY 2006 HSGP application. An application will not be considered complete until a valid DUNS number is provided by the applicant. This number may be provided in one of the attachment fields within the online GMS application. Organizations should verify that they have a DUNS number or take the steps necessary to obtain one as soon as possible. Applicants can receive a DUNS number at no cost by calling the dedicated toll-free DUNS Number request line at 1-800-333-0505.
3. **For identified UASI Urban Areas:**
- **Identify Points of Contact:** For new Urban Areas, the SAA must designate a specific point of contact (POC) to work with G&T and the designated Urban Area on implementation of the FY 2006 UASI. The SAA POCs are then responsible for identifying and coordinating with a POC from the Urban Area Working Group. This information must be provided to G&T along with the grant application. Existing Urban Areas must ensure that information for current POCs is on file with G&T.

- Define the Urban Area:** For new Urban Areas, the SAA POC, in coordination with the entities included in the geographic area used to determine eligibility, as outlined in Chapter VII, UASI Program Guidance, must fully define the Urban Area, as it will apply to FY 2006 UASI. The identified city or combined entity represents the candidate Urban Area eligible to apply for funding under the FY 2006 UASI program. For those Urban Areas with a combined entity, that area represents the minimum area that must be part of the defined Urban Area. The definition of the Urban Area is limited to jurisdictions contiguous to the geographic area used to determine eligibility, or with which jurisdictions in that area have established formal mutual aid agreements. States may request a waiver for this limitation for regions previously established by Executive Order, law or compact. For the purposes of the FY 2006 UASI, the Washington, D.C. Urban Area will consist of the National Capital Region (NCR) as set forth in 10 U.S.C. 2674(f)(2).

In coordination with the Urban Area Working Group (UAWG), the SAA POC may redefine the geographic boundaries of an existing Urban Area, as it will apply to the FY 2006 UASI Program. The SAA POC must notify G&T of this change.

- Establish the Urban Area Working Group (UAWG):** Membership in the UAWG must provide either direct or indirect representation for all the jurisdictions that comprise the defined Urban Area. The SAA POC, in coordination with the eligible Urban Area, must determine appropriate representation for that geographic area to serve on the UAWG. Furthermore, where there is a Regional Transit Security Working Group (RTSWG) or a Area Maritime Security Committee active within the geographical area, the UAWG should include them as functional sub-committees to their organization. G&T strongly encourages that, wherever possible, previously established local working groups be leveraged for this purpose. Local MMRs and Citizen Corps Council representatives must be included as well. An overview of the UAWG structure and a list of members and their associated jurisdictions must be provided to G&T along with the grant application. New Urban Areas must provide to G&T an overview of the UAWG structure, a list of members, and their associated jurisdictions along with the grant application. Existing Urban Areas must notify G&T of any updates to the UAWG structure or membership.
- Single Point of Contact (SPOC) Review:** Executive Order 12372, located at <http://www.archives.gov/federal-register/codification/executive-order/12372.html> requires applicants from State and local units of government or other organizations providing services within a State to submit a copy of the application to the State SPOC, if one exists, and if this program has been selected for review by the State. Applicants must contact their State SPOC to determine if the program has been selected for State review. The date that the application was sent to the SPOC or the reason such submission is not required should be provided.
  - Program and Capability Enhancement Plan:** On October 31, 2005, G&T released preliminary guidance on conducting a Program and Capability Review and developing a Program and Capability Enhancement Plan. The Enhancement Plan is the key building block in the process States will use to develop an Investment Justification for FY 2006 HSGP



- Relevance to the Goal, National Priorities, Target Capabilities, State/Urban Area Homeland Security Strategy goals and objectives, and Enhancement Plan Initiatives.
- Regionalization and effective collaboration.
- Sustainability.
- Implementation Approach.
- Impact.

States and Urban Areas are required to use the Investment Justification template developed in Microsoft® Excel. The template and user instructions will be disseminated under separate correspondence. Character limitations will be enforced for narrative responses in the Investment Justification template, and are noted in the instructions where applicable. The SAA must upload the State and appropriate Urban Area(s) Investment Justifications as attachments in GMS when submitting the FY 2006 HSGP application. Additional information on the Investment Justification is included in Appendix B.

**Applicants must familiarize themselves with the requirements and restrictions of the Program Guidance for FY 2006 HSGP, available in Section II of this document. All grant recipients are assumed to have read, understood, and accepted the Program Guidance as binding.**

**Governance:** The identified city or combined entity represents the candidate Urban Area eligible to apply for funding under the FY 2006 UASI program. For those Urban Areas with a combined entity, that area represents the minimum area that must be part of the defined Urban Area. States and Urban Areas are encouraged to include representation from additional areas that are part of the 10-mile buffer area as members of the UAWG, as appropriate, and to continue to involve contiguous jurisdictions and mutual aid partners in program implementation. The UAWG will be responsible for coordinating development and implementation of all program initiatives, including the Investment Justification, Urban Area Homeland Security Strategy development, the methodology for allocating funds (in coordination with the SAA), and any direct services that are delivered by G&T.

Furthermore, where there is a RTSWG or an Area Maritime Security Committee active within the geographical area, the UAWG should include them as functional sub-committees to their organization. G&T strongly encourages that, wherever possible, previously established local working groups be leveraged for this purpose. Local MMRS and Citizen Corps Council representatives must be included as well. An overview of the UAWG structure and a list of members and their associated jurisdictions must be provided to G&T along with the grant application.

**Urban Area Homeland Security Strategy:** Urban Areas must utilize their Urban Area Homeland Security Strategy and the State's Program and Capability Enhancement Plan as the basis for requesting funds to support Investments identified in the Investment Justification. There must be a clear correlation between the goals, objectives, and priorities identified in the Urban Area Homeland Security Strategy and FY 2006 UASI program activities. In addition, the Urban Area Homeland Security Strategy must also be consistent with and supportive of the State Homeland Security Strategy and the Program and Capability Enhancement Plan submitted by the State as part of the FY 2006 HSGP application.

Any newly identified Urban Areas receiving funding in FY 2006 must develop an Urban Area Homeland Security Strategy. Findings from the Program and Capability Review as well as recently updated State Homeland Security Strategies can serve as a guide for the development of an Urban Area Homeland Security Strategy. This strategy must be developed jointly by all units of government in the defined Urban Area and comport with Homeland Security Strategy Guidance released in July 2005 (<http://www.ojp.usdoj.gov/odp/assessments/definition.htm>) to ensure that strategies align with the Goal. All new Urban Area Homeland Security Strategies must be completed and submitted to G&T no later than March 2, 2006, as part of their application for FY 2006 HSGP funds.

**Allocation of Funds:** The intent of the grant is to establish a metropolitan area-wide approach to homeland security. Therefore, the use and allocation of all grant funds available through the FY 2006 UASI program must focus on the investments identified in the Urban Area's Investment Justification and the implementation of the validated Urban Area Homeland Security Strategy. The use of funds must also be consistent with the State Homeland Security Strategy, the Program and Capability Enhancement Plan, and the UASI program guidelines.

The SAA POC, in coordination with the UAWG, must develop a methodology for allocating funding available through the UASI program. The UAWG must reach consensus on funding

allocations. If consensus cannot be reached within the 60-day time period allotted for the State to obligate funds to subgrantees, the SAA must make the allocation determination. If consensus cannot be reached within the 60-day time period and the Urban Area crosses State boundaries, the SAA to whom funding has been awarded must make the allocation determination. The SAA must provide written documentation verifying consensus of the UAWG, or the failure to achieve consensus, on the allocation of funds provided through the FY 2006 UASI program. This documentation must be submitted to G&T not later than 60 days after the grant award date, and prior to the obligation or drawdown of funds. Any funds retained by the State on behalf of an Urban Area must be used in direct support of the Urban Area.

**Defining Urban Areas:** The SAA POC, in coordination with the candidate Urban Area, must fully define the Urban Area as it will apply to the FY 2006 UASI program. The identified city or combined entity represents the candidate Urban Area eligible to apply for funding under the FY 2006 UASI program. For those Urban Areas with a combined entity, that area represents the minimum area that must be part of the defined Urban Area. In defining the Urban Area for purposes of program implementation, States, in coordination with Urban Areas, are encouraged to also include additional areas that are part of the 10-mile buffer area, contiguous jurisdictions, and mutual aid partners, as appropriate.

The definition of the Urban Area is limited to jurisdictions contiguous to the geographic area used to determine eligibility, or with which jurisdictions in that area have established formal mutual aid agreements. States may request a waiver for this limitation for regions previously established by Executive Order, law or compact. For the purposes of the FY 2006 UASI program, the Washington, D.C. Urban Area will consist of the NCR as set forth in 10 U.S.C. 2674(f)(2).

In coordination with the UAWG, the SAA POC may redefine the geographic boundaries of the Urban Area as it will apply to the FY 2006 UASI program. The SAA POC must notify G&T of this change.

- For the purposes of the FY 2006 UASI program, the State may request a waiver to define Urban Areas using regions previously established by Executive Order, law or compact.
- If the Urban Area is expanded to include additional jurisdictions, those additional jurisdictions are eligible for, but not entitled to, receipt of funding through the program. All FY 2006 UASI program budget allocations must continue to support the Urban Area Homeland Security Strategy and will require consensus from the UAWG. If consensus cannot be reached, the SAA must make the allocation determination.
- Inclusion of additional jurisdictions will not lead to increased funding for the Urban Area.
- Training, planning, organizing, and exercising projects can be implemented as regional projects with or without a change to the Urban Area.

## C. Authorized Program Expenditures

Allowable expenditures for the FY 2006 UASI program comport with FY 2006 SHSP (except for the use of funds for operational costs). Please refer to Appendix D for a summary of authorized and unauthorized UASI expenditures.

### C.1. Planning

Urban Areas may use FY 2006 UASI funds for multi-discipline planning efforts to prioritize needs, update preparedness strategies, allocate resources, and deliver preparedness programs. These efforts include the collection and analysis of intelligence and information and the development of policies, plans, procedures, mutual aid agreements, strategies, and other publications that comply with relevant laws, regulations, and guidance necessary to perform assigned missions and tasks. It is explicitly permissible to use planning funds to hire government and/or contractor personnel to conduct planning activities described here.

Similar to SHSP, FY 2006 UASI funds may be used for a range of homeland security planning activities, such as:

- Developing and implementing homeland security support programs and adopting DHS national initiatives including but not limited to the following:
  - Implementing the National Preparedness Goal and Guidance.
  - Implementing and adopting NIMS.
  - Modifying existing incident management and Emergency Operating Procedures (EOPs) to ensure proper alignment with the NRP coordinating structures, processes, and protocols.
  - Establishing or enhancing mutual aid agreements.
  - Developing communications and interoperability protocols and solutions.
  - Conducting local, regional, and Tribal program implementation meetings.
  - Developing or updating resource inventory assets in accordance to typed resource definitions issued by the NIC.
  - Designing State and local geospatial data systems.
  - Conducting public education and outreach campaigns, including promoting individual, family and business emergency preparedness; alerts and warnings education; and evacuation plans.
- Developing related terrorism prevention activities including:
  - Planning to enhance security during heightened alerts, during terrorist incidents, and/or during mitigation and recovery.
  - Multi-discipline preparation across first responder community, including EMS for response to catastrophic events and acts of terrorism.
  - Public information/education: printed and electronic materials, public service announcements, seminars/town hall meetings, web postings coordinated through local Citizen Corps Councils.
  - Citizen Corps volunteer programs and other activities to strengthen citizen participation.

- o Conducting public education campaigns, including promoting individual, family and business emergency preparedness; promoting the *Ready* campaign; and/or creating State, regional or local emergency preparedness efforts that build upon the *Ready* campaign.
  - o Evaluating CIP security equipment and/or personnel requirements to protect and secure sites.
  - o CIP cost assessments, including resources (financial, personnel, etc.) required for security enhancements/deployments.
- Developing and enhancing plans and protocols, including but not limited to:
    - o Developing or enhancing EOPs and operating procedures.
    - o Developing terrorism prevention/deterrence plans.
    - o Developing plans, procedures, and requirements for the management of infrastructure and resources related to HSGP and implementation of State or Urban Area Homeland Security Strategies.
    - o Developing or enhancing border security plans.
    - o Developing or enhancing cyber security plans.
    - o Developing or enhancing cyber risk mitigation plans.
    - o Developing or enhancing agriculture/food security risk mitigation, response, and recovery plans.
    - o Developing public/private sector partnership emergency response, assessment, and resource sharing plans.
    - o Developing or updating local or regional communications plans.
    - o Developing plans to support and assist special needs jurisdictions, such as port authorities and rail and mass transit agencies.
    - o Developing or enhancing continuity of operations and continuity of government plans.
    - o Developing or enhancing existing catastrophic incident response and recovery plans to include and integrate Federal assets provided under the NRP.
    - o Developing or enhancing evacuation plans.
    - o Developing or enhancing citizen surge capacity.
  - Developing or conducting assessments, including but not limited to:
    - o Conducting point vulnerability assessments at critical infrastructure sites/key assets and developing remediation/security plans.
    - o Conducting cyber risk and vulnerability assessments.
    - o Conducting assessments and exercises of existing catastrophic incident response and recovery plans and capabilities to identify critical gaps that cannot be met by existing local and State resources.
    - o Activities that directly support the identification of specific catastrophic incident priority response and recovery projected needs across disciplines (e.g. law enforcement, fire, EMS, public health, behavioral health, public works, agriculture, information technology, and citizen preparedness).
    - o Activities that directly support the identification and advance preparation of pre-designated temporary housing sites.

Up to 15% of programmatic spending may be used to support the hiring of full or part-time personnel to conduct program activities that are allowable under the entire FY 2006 HSGP (i.e., planning, training program management, exercise program management, etc). Grantees may request that DHS issue a waiver to increase that ceiling. Waiver decisions are at the discretion of DHS and will be considered on a case-by-case basis. The ceiling on personnel costs does not apply to contractors, and is in addition to eligible M&A costs and eligible hiring of intelligence analysts. Grantees may hire staff only for program management functions not operational duties. Hiring planners, training program coordinators, exercise managers, and grant administrators fall within the scope of allowable program management functions. Grant funds may not be used to support the hiring of sworn public safety officers to fulfill traditional public safety duties.

#### **C.7. Management and Administration**

No more than 5 percent of the LETPP allocation may be used for M&A. Local jurisdiction subgrantees may retain and use up to 3 percent of their subaward from the State for local M&A purposes. States may pass through a portion of the State M&A allocation to local subgrantees in order to supplement the 3 percent M&A allocation allowed on subgrants. However, no more than 5 percent of the total subaward may be expended by subgrantees on M&A costs.