

**The U.S. Department of Homeland Security (DHS)
Notice of Funding Opportunity (NOFO)
Fiscal Year (FY) 2018 Port Security Grant Program (PSGP)**

NOTE: If you are going to apply for this funding opportunity and have **not** obtained a Data Universal Numbering System (DUNS) number and/or **are not** currently registered in the System for Award Management (SAM), please take immediate action to obtain a DUNS Number, if applicable, and then to register immediately in SAM. It may take 4 weeks or more after you submit your SAM registration before your registration is active in SAM, then an additional 24 hours for Grants.gov to recognize your information. Information on obtaining a DUNS number and registering in SAM is available from Grants.gov at: <http://www.grants.gov/web/grants/register.html>. Detailed information regarding DUNS and SAM is also provided in Section D of this NOFO, subsection, Content and Form of Application Submission.

A. Program Description

Issued By

U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA), Grant Programs Directorate (GPD)

Catalog of Federal Domestic Assistance (CFDA) Number

97.056

CFDA Title

Port Security Grant Program

Notice of Funding Opportunity Title

Port Security Grant Program

NOFO Number

DHS-18-GPD-056-00-01

Authorizing Authority for Program

Section 102 of the *Maritime Transportation Security Act of 2002* (Pub. L. No. 107-295, as amended) (46 U.S.C. § 70107)

Appropriation Authority for Program

Department of Homeland Security Appropriations Act, 2018, (Pub. L. No. 115-141)

Program Type

New

Program Overview, Objectives and Priorities

Overview

The FY 2018 Port Security Grant Program (PSGP) is set against the backdrop of a year in which the United States faced numerous and unprecedented homeland security challenges.

These included the three major hurricanes that devastated parts of Texas, Florida, and much of Puerto Rico and the U.S. Virgin Islands, as well as massive wildfires across the State of California. In addition to these natural disasters, the Nation also responded to multiple incidents as part of the evolving threat landscape, including witnessing the first known terrorist attack executed against mass transportation on our soil; cyberattacks against critical port infrastructure; and mass casualty events involving both vehicles and active shooters.

The National Preparedness Goal (the Goal) defines what it means to be prepared for such diverse and complicated events. The National Preparedness System is the instrument the Nation employs to build, sustain, and deliver the core capabilities needed to achieve the goal of a more secure and resilient Nation. The development and sustainment of these core capabilities is not exclusive to any single level of government or organization, but rather requires the combined effort of the whole community. To that end, the FY 2018 PSGP represents one part of a comprehensive set of measures authorized by Congress and implemented by the Administration. Among the five basic homeland security missions noted in the DHS Quadrennial Homeland Security Review, the PSGP supports the goal to Strengthen National Preparedness and Resilience.

The recently released [2018-2022 FEMA Strategic Plan](#) creates a shared vision for the field of emergency management and sets an ambitious, yet achievable, path forward to unify and further professionalize emergency management across the country. The Port Security Grant Program supports the goal of Ready the Nation for Catastrophic Disasters. We invite all of our stakeholders and partners to also adopt these priorities and join us in building a stronger Agency and a more prepared and resilient Nation.

Objectives

The PSGP provides funding to port authorities, facility operators, and State and local agencies for activities associated with implementing Area Maritime Security Plans (AMSPs), facility security plans and other port-wide risk management efforts.

The vast majority of U.S. maritime critical infrastructure is owned or operated by state, local, territorial and private sector maritime industry partners. PSGP funds available to these entities are intended to improve port-wide maritime security risk management; enhance maritime domain awareness; support maritime security training and exercises; and maintain or reestablish maritime security mitigation protocols that support port recovery and resiliency capabilities. Considering the current maritime security climate, the program's concerns focus heavily on incidents involving Weapons of Mass Destruction (WMDs), cybersecurity, and attacks on soft targets.

Performance metrics for this program are as follows:

- Percentage of funding building new capabilities
- Percentage of funding sustaining existing capabilities

Priorities

Recipients of the FY 2018 PSGP are encouraged to accomplish these objectives through activities such as:

- Strengthening governance integration;
- Enhancing Maritime Domain Awareness (MDA);
- Enhancing Improvised Explosive Device (IED) and Chemical, Biological, Radiological, Nuclear, Explosive (CBRNE) prevention, protection, response and recovery capabilities within the maritime domain;
- Enhancing cybersecurity capabilities;
- Completing maritime security risk mitigation projects that support port resilience and recovery capabilities;
- Conducting training and exercises; and
- Implementing physical security, to include Transportation Worker Identification Credential (TWIC) projects.

The funding priorities for the PSGP reflect the Department’s overall investment strategy, in which two priorities have been paramount: risk-informed funding allocations and regional security cooperation.

DHS/FEMA places a high priority on ensuring that all PSGP applications reflect robust regional coordination and an investment strategy that institutionalizes and integrates a regional maritime security risk mitigation strategy. This priority is a core component in the department’s statewide grant programs and complements the goals of the Urban Area Security Initiative (UASI) grant program.

For additional information on program priorities and objectives for the FY 2018 PSGP, refer to [Appendix A – PSGP Program Priorities](#).

B. Federal Award Information

Award Amounts, Important Dates, and Extensions

| | |
|--|-------------------------------|
| Available Funding for the PSGP: | \$100,000,000 |
| Period of Performance: | Thirty-six (36) months |
| Extensions to the period of performance are allowed. For additional information on period of performance extensions, refer to Section H of this NOFO, Additional Information (Extensions). | |
| Projected Period of Performance Start Date: | September 1, 2018 |
| Projected Period of Performance End Date: | August 31, 2021 |
| Funding Instrument: | Grant |

C. Eligibility Information

Eligible Applicants

All entities subject to an Area Maritime Transportation Security Plan (AMSP), as defined by 46

U.S.C. § 70103(b), may apply for PSGP funding. Eligible applicants include, but are not limited to: port authorities, facility operators, and state and local government agencies.

Eligibility Criteria

Pursuant to the *Maritime Transportation Security Act of 2002*, as amended (MTSA), DHS established a risk-based grant program to support maritime security risk management. Funding is directed towards the implementation of AMSPs, Facility Security Plans (FSP), and Vessel Security Plans (VSPs) among port authorities, facility operators, and state and local government agencies that are required to provide port security services. In administering the grant program, national, economic, energy, and strategic defense concerns based upon the most current risk assessments available will be considered.

Port Area Definition

A Port Area is a location on a coast, shore, or inland waterway containing one or more harbors where vessels can dock and transfer people or cargo to or from land. For the purpose of PSGP, the presence of Maritime Transportation Security Act (MTSA) regulated facilities are the primary consideration of harbors that define a Port Area.

Eligible Entities

Only one (1) application per eligible entity within each Port Area is permitted. Applicants may submit up to five (5) investment justifications within the single application. An entity is a port authority; facility operator; or state, territorial or local government agency required to provide port security services. An investment justification supports the funding of a proposed project. The location where the project is primarily implemented is considered the Port Area of the application. Applicants with facilities in multiple Port Areas may submit one (1) application per Port Area. Funding allocation decisions are partially based on Port Area risk. Therefore, no single application should include investment justifications for projects intended to be implemented in multiple Port Areas. For example, state entities that operate in multiple Port Areas must submit separate applications to fund projects in each Port Area.

As a condition of eligibility, all PSGP applicants are required to be fully compliant with relevant Maritime Security Regulations (33 C.F.R. Parts 101-106). Any applicant who, as of the grant application deadline, has an open or outstanding Notice of Violation (NOV), will not be considered for PSGP funding if:

1. The applicant has failed to pay the NOV within 45 days of receipt of the NOV; or
2. The applicant has failed to decline the NOV within 45 days of receipt of the NOV, resulting in the Coast Guard entering a finding of default in accordance with 33 C.F.R. § 1.07-11(f)(2); or
3. The applicant appealed the NOV pursuant to 33 C.F.R § 1.07-70 and received a final appeal decision from the Commandant, U.S. Coast Guard, as described in 33 C.F.R. § 1.07-75 and failed to come into compliance with the terms of the final appeal decision within the timelines noted herein.

The local U.S. Coast Guard Captain of the Port (COTP) will verify security compliance eligibility during the field review process.

Eligibility does not guarantee grant funding.

Ferry Systems

Ferry systems are eligible to apply for FY 2018 PSGP funds. However, any ferry system receiving funds under the FY 2018 PSGP will not be eligible to participate under the FY 2018 Transit Security Grant Program (TSGP). Likewise, any ferry system that participates in the TSGP will not be eligible for funding under the PSGP.

Other Eligibility Criteria

National Incident Management System (NIMS) Implementation

Prior to the allocation of any Federal preparedness awards in FY 2018, recipients must ensure and maintain the adoption and implementation of NIMS. DHS/FEMA describes the specific training and activities involved in NIMS implementation in the NIMS Training Program (<https://www.fema.gov/training-0>) and the NIMS Implementation Objectives (<https://www.fema.gov/implementation-guidance-and-reporting>).

Incident management activities require carefully managed resources (personnel, teams, facilities, equipment and/or supplies). Utilization of standardized resource management concepts such as typing, credentialing, and inventorying promote a strong national mutual aid capability needed to support delivery of core capabilities. Recipients should manage resources purchased or supported with DHS/FEMA grant funding according to NIMS resource management guidance. Additional information on resource management and NIMS resource typing definitions and job titles/position qualifications is available at <http://www.fema.gov/resource-management-mutual-aid>.

Cost Share or Match

The FY 2018 PSGP has a cost share requirement. The non-Federal entity contribution can be cash or third-party in-kind, with the exception of construction activities, which must be a cash-match (hard). All applicants will be required to commit to the cost share requirement at the time of application.

All **public sector and non-governmental, nonprofit PSGP award recipients**—meaning recipients other than private, for-profit entities—must provide a non-Federal entity contribution supporting **25 percent (25%) of the total of all project costs**. The non-Federal entity contribution should be specifically identified for each proposed project. The non-Federal contribution, whether cash or third-party in-kind, has the same eligibility requirements as the Federal share (e.g. operational costs for routine patrol are ineligible; operational costs for overtime to conduct an approved exercise may be eligible as part of the investment justification) and must be justified as part of the project within the investment justification.

For example, if the Federal award for a public sector recipient requires a **25 percent (25%) cost share** and the **total project cost is \$100,000**, then:

- **Federal share** is 75 percent of \$100,000 = **\$75,000**
- **Recipient cost share** is 25 percent of \$100,000 = **\$25,000**

Private, for-profit PSGP award recipients must provide a non-Federal entity contribution supporting **50 percent (50%) of the total of all project costs**. The non-Federal entity contribution should be specifically identified for each proposed project. The non-Federal contribution, whether cash or third party in-kind, has the same eligibility requirements as the Federal share (e.g. operational costs for routine patrol are ineligible, and operational costs for overtime to conduct an approved exercise may be eligible as part of the investment justification) and must be justified as part of the project within the investment justification.

For example, if the Federal award for a public sector recipient requires a **50 percent (50%) cost share** and the **total project cost is \$100,000**, then:

- **Federal share** is 50 percent of \$100,000 = **\$50,000**
- **Recipient cost share** is 50 percent of \$100,000 = **\$50,000**

Exceptions to the cost match requirement may apply. Please see Appendix A – FY 2018 PSGP Funding Guidelines for details. *For example, the cost share requirements for projects that have a port-wide benefit need only to be funded at the public sector matching fund level of 25 percent. These projects must be certified by the COTP as having a port-wide benefit.*

D. Application and Submission Information

Key Dates and Times

Date Posted to Grants.gov: **May 21, 2018**

Application Submission Deadline: **June 20, 5:00 PM ET**

All applications **must** be received by the established deadline. The Non-Disaster (ND) Grants System has a date stamp that indicates when an application is submitted. Applicants will receive an electronic message confirming receipt of the full application. In general, DHS/FEMA will not review applications that are received after the deadline or consider them for funding. DHS/FEMA may extend the application deadline on request for an applicant who can demonstrate that good cause exists to justify extending the deadline. Good cause for an extension may include ongoing technical problems outside of the applicant’s control that prevent submission of the application by the deadline, or other exigent or emergency circumstances. Applicants experiencing technical issues must notify the respective FEMA Headquarters (HQ) Program Analyst prior to the application deadline. Applicants should contact the Centralized Scheduling and Information Desk (CSID) for FEMA HQ Program Analyst contact information.

CSID can be reached by phone at (800) 368-6498 or by e-mail at askcsid@fema.gov, Monday through Friday, 9:00 a.m. – 5:00 p.m. ET.

Anticipated Funding Selection Date: **August 27, 2018**

Anticipated Award Date: **No later than September 30, 2018**

Address to Request Application Package

Application forms and instructions are available on [Grants.gov](https://www.grants.gov) (hardcopies of the NOFO and associated application materials are not available.) To access the application package, select “Applicants” then “Apply for Grants” followed by “Get Application Package.” Enter the Funding Opportunity Number located on the first page of the NOFO. Select “Apply” and then “Create Workspace.” Follow the prompts to download the instructions and begin the application.

In addition, the following Telephone Device for the Deaf (TDD) and/or Federal Information Relay Service (FIRS) number available for this Notice is: (800) 462-7585

Initial applications will be processed through the [Grants.gov](https://www.grants.gov) portal and final applications will be processed through FEMA’s Non-Disaster Grants ([ND Grants](#)) System.

Content and Form of Application Submission

Applying for an award under this program is a multi-step process. To ensure that an application is submitted on time applicants are advised to start the required steps well in advance of their submission. Failure to comply with any of the required steps before the deadline for submitting the application may disqualify the application from funding.

The steps involved in applying for an award under this program are:

1. Applying for, updating, or verifying their Data Universal Numbering System (DUNS) Number and Employer ID Number (EIN);
2. Updating or verifying their System for Award Management (SAM) Registration;
3. Establishing an Authorized Organizational Representative (AOR) in [Grants.gov](https://www.grants.gov);
4. Submitting an initial application in [Grants.gov](https://www.grants.gov); and
5. Submitting the final application in the [ND Grants](#) system.

Unique Entity Identifier and System for Award Management (SAM)

All applicants for this award must:

1. Be registered in SAM before submitting its application;
2. Provide a valid DUNS number in its application; and
3. Continue to maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by DHS/FEMA.

DHS/FEMA may not make a federal award to an applicant until the applicant has complied with all applicable DUNS and SAM requirements and, if an applicant has not fully complied with the requirements by the time DHS/FEMA is ready to make a federal award. DHS/FEMA may determine that the applicant is not qualified to receive a federal award and use that determination as a basis for making a federal award to another applicant.

Electronic Delivery

DHS/FEMA is participating in the Grants.gov initiative to provide the grant community with a single site to find and apply for grant funding opportunities. DHS/FEMA requires applicants to submit their initial applications online through [Grants.gov](https://www.grants.gov) and the final application through [ND](#)

Grants.

How to Register to Apply through Grants.gov

1. *Instructions:* Read the instructions below about registering to apply for DHS/FEMA funds. Applicants should read the registration instructions carefully and prepare the information requested before beginning the registration process. Reviewing and assembling the required information before beginning the registration process will alleviate last-minute searches for required information.

The registration process can take up to four weeks to complete. Therefore, registration should be done in sufficient time to ensure it does not impact your ability to meet required application submission deadlines.

Organizations must have a DUNS Number, active SAM registration, and Grants.gov account to apply for grants.

If individual applicants are eligible to apply for this grant funding opportunity, refer to: <https://www.grants.gov/web/grants/applicants/registration.html>

Organization applicants can find complete instructions here: <https://www.grants.gov/web/grants/applicants/organization-registration.html>

2. *Obtain a DUNS Number:* All entities applying for funding, including renewal funding, must have a DUNS number from Dun & Bradstreet (D&B). Applicants must enter the DUNS number in the data entry field labeled "Organizational DUNS" on the SF-424 form.

For more detailed instructions for obtaining a DUNS number, refer to: <https://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html>

3. *Register with SAM:* In addition to having a DUNS number, all organizations applying online through Grants.gov must register with the System for Award Management (SAM). Failure to register with SAM will prevent your organization from applying through Grants.gov. SAM registration must be renewed annually.

For more detailed instructions for registering with SAM, refer to: <https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html>

4. *Create a Grants.gov Account:* The next step in the registration process is to create an account with Grants.gov. Applicants must know their organization's DUNS number to complete this step.

For more information, follow the on-screen instructions or refer to: <https://www.grants.gov/web/grants/applicants/registration.html>

5. *Add a Profile to a Grants.gov Account:* A profile in Grants.gov corresponds to a single applicant organization the user represents (i.e., an applicant) or an individual applicant. If you work for or consult with multiple organizations and have a profile for each, you may log in to one Grants.gov account to access all of your grant applications. To add an organizational profile to your Grants.gov account, enter the DUNS Number for the organization in the DUNS field while adding a profile.

For more detailed instructions about creating a profile on Grants.gov, refer to:
<https://www.grants.gov/web/grants/applicants/registration/add-profile.html>

6. *EBiz POC Authorized Profile Roles:* After you register with Grants.gov and create an Organization Applicant Profile, the organization applicant's request for Grants.gov roles and access is sent to the EBiz POC. The EBiz POC will then log in to Grants.gov and authorize the appropriate roles, which may include the AOR role, thereby giving you permission to complete and submit applications on behalf of the organization. You will be able to submit your application online any time after you have been assigned the AOR role.

For more detailed instructions about creating a profile on Grants.gov, refer to:
<https://www.grants.gov/web/grants/applicants/registration/authorize-roles.html>

7. *Track Role Status:* To track your role request, refer to:
<https://www.grants.gov/web/grants/applicants/registration/track-role-status.html>

8. *Electronic Signature:* When applications are submitted through Grants.gov, the name of the organization applicant with the AOR role that submitted the application is inserted into the signature line of the application, serving as the electronic signature. The EBiz POC **must** authorize individuals who are able to make legally binding commitments on behalf of the organization as an AOR; **this step is often missed and it is crucial for valid and timely submissions.**

How to Submit an Initial Application to DHS/FEMA via Grants.gov

Grants.gov applicants apply online using Workspace. Workspace is a shared, online environment where members of a grant team may simultaneously access and edit different webforms within an application. For each Notice of Funding Opportunity (NOFO), you can create individual instances of a workspace. **Applicants are encouraged to submit their initial application in [Grants.gov](#) at least seven days before the June 20, 2018, application deadline.**

Below is an overview of applying on Grants.gov. For access to complete instructions on how to apply for opportunities using Workspace, refer to:
<https://www.grants.gov/web/grants/applicants/workspace-overview.html>

1. *Create a Workspace:* Creating a workspace allows you to complete it online and route it through your organization for review before submitting.

2. *Complete a Workspace:* Add participants to the workspace to work on the application together, complete all the required forms online or by downloading PDF versions, and check for errors before submission.
3. *Adobe Reader:* If you decide not to apply by filling out webforms, you can download individual PDF forms in Workspace so that they will appear similar to other Standard or DHS/FEMA forms. The individual PDF forms can be downloaded and saved to your local device storage, network drive(s), or external drives, then accessed through Adobe Reader.

NOTE: Visit the Adobe Software Compatibility page on [Grants.gov](https://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html) to download the appropriate version of the software at: <https://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html>

4. *Mandatory Fields in Forms:* In the forms, you will note fields marked with an asterisk and a different background color. These fields are mandatory fields that must be completed to successfully submit your application.
5. *Complete SF-424 Fields First:* The forms are designed to fill in common required fields across other forms, such as the applicant name, address, and DUNS number. To trigger this feature, an applicant must complete the SF-424 information first. Once it is completed, the information will transfer to the other forms.
6. *Submit a Workspace:* An application may be submitted through Workspace by clicking the “Sign and Submit” button on the Manage Workspace page, under the Forms tab. Grants.gov recommends submitting your application package at least seven days prior to the close date to provide you with time to correct any potential technical issues that may disrupt the application submission.
7. *Track a Workspace:* After successfully submitting a workspace package, a Grants.gov Tracking Number (GRANTXXXXXXXX) is automatically assigned to the application. The number will be listed on the confirmation page that is generated after submission. Using the tracking number, access the Track My Application page under the Applicants tab or the Details tab in the submitted workspace.

For additional training resources, including video tutorials, refer to:
<https://www.grants.gov/web/grants/applicants/applicant-training.html>

Applicant Support: Grants.gov provides applicants 24/7 support via the toll-free number 1-800-518-4726 and email at support@grants.gov. For questions related to the specific grant opportunity, contact the number listed in the application package of the grant you are applying for.

If you are experiencing difficulties with your submission, it is best to call the [Grants.gov](https://www.grants.gov) Support Center and obtain a ticket number. The Support Center ticket number will assist the DHS/FEMA with tracking your issue and understanding background information on the issue.

Submitting the Final Application in Non Disaster Grants System (ND Grants)

After submitting the initial application in [Grants.gov](https://www.grants.gov), eligible applicants will be notified by DHS/FEMA and asked to proceed with submitting their complete application package in [ND Grants](https://www.ndgrants.gov). Applicants can register early with ND Grants and are encouraged to begin their ND Grants registration at the time of this announcement or at the latest, seven days before the application deadline. Early registration will allow applicants to have adequate time to start and complete their application.

In [ND Grants](https://www.ndgrants.gov) applicants will be prompted to submit all of the information contained in the following forms. Applicants should review these forms before applying to ensure they have all the information required:

- Standard Form 424A, Budget Information (Non-construction)
- Standard Form 424B, Standard Assurances (Non-construction)
- Standard Form LLL, Disclosure of Lobbying Activities

In addition, applicants must submit copies of the following in [ND Grants](https://www.ndgrants.gov):

- Standard Form 424C, Budget Information (Construction);
- Standard Form 424D, Standard Assurances (Construction);
- Investment Justification(s);
- Detailed Budget Worksheet(s); and
- Indirect Cost Agreement, if applicable.

For assistance registering for the ND Grants system, please contact ndgrants@fema.gov or (800) 865-4076.

Timely Receipt Requirements and Proof of Timely Submission

All applications must be received in [ND Grants](https://www.ndgrants.gov) by **5:00 PM Eastern Time on June 20, 2018**. Proof of timely submission is automatically recorded by [ND Grants](https://www.ndgrants.gov). An electronic date/time stamp is generated within the system when the application is successfully received by [ND Grants](https://www.ndgrants.gov). The applicant with the AOR role who submitted the application will receive an acknowledgement of receipt and a tracking number (GRANTXXXXXXXX) from [Grants.gov](https://www.grants.gov) with the successful transmission of their initial application. This applicant with the AOR role will also receive the official date/time stamp and [Grants.gov](https://www.grants.gov) Tracking number in an email serving as proof of their timely submission.

Applicants using slow internet, such as dial-up connections, should be aware that transmission can take some time before [Grants.gov](https://www.grants.gov) and [ND Grants](https://www.ndgrants.gov) receive your application. Again, [Grants.gov](https://www.grants.gov) will provide either an error or a successfully received transmission in the form of an email sent to the applicant with the AOR role. The [Grants.gov](https://www.grants.gov) Support Center reports that some applicants end the transmission because they think that nothing is occurring during the transmission process. Please be patient and give the systems time to process the application.

Applicants needing assistance with the [ND Grants](https://www.ndgrants.gov) system should contact ndgrants@fema.gov or (800) 865-4076.

Intergovernmental Review

An intergovernmental review may be required. Applicants must contact their state's Single Point

of Contact (SPOC) to comply with the state's process under Executive Order 12372 (See <http://www.fws.gov/policy/library/rgeo12372.pdf>).

Funding Restrictions

Federal funds made available through this award may be used only for the purpose set forth in this award and must be consistent with the statutory authority for the award. Award funds may not be used for matching funds for any other Federal award, lobbying, or intervention in Federal regulatory or adjudicatory proceedings. In addition, Federal funds may not be used to sue the Federal government or any other government entity.

Environmental Planning and Historic Preservation (EHP) Compliance

As a Federal agency, DHS/FEMA is required to consider the effects of its actions on the environment and historic properties to ensure that all activities and programs funded by the agency, including grant funded projects, comply with Federal EHP regulations, laws, and Executive Orders as applicable. Recipients and subrecipients proposing projects that have the potential to impact the environment. Projects that may impact the environment include but are not limited to: construction of communication towers, modification or renovation of existing buildings, structures and facilities, or new construction including replacement of facilities. The EHP review process involves the submission of a detailed project description along with supporting documentation so that DHS/FEMA may determine whether the proposed project has the potential to impact environmental resources and/or historic properties. In some cases, DHS/FEMA is also required to consult with other regulatory agencies and the public in order to complete the review process. The EHP review process must be completed before funds are released to carry out the proposed project; otherwise, DHS/FEMA may not be able to fund the project due to non-compliance with EHP laws, executive orders, regulations, and policies.

Additionally, all recipients are required to comply with DHS/FEMA EHP Policy Guidance, FEMA Policy #108-023-1. The GPD EHP screening form is located at [here](#) and further EHP guidance can be found at <https://www.fema.gov/media-library/assets/documents/85376>.

Emergency Communications and Resilience

All entities using PSGP funding to support emergency communications investments are required to comply with the [SAFECOM Guidance on Emergency Communications Grants \(SAFECOM Guidance\)](#). The SAFECOM Guidance provides current information on emergency communications policies, eligible costs, best practices, and technical standards for State, local, tribal, and territorial grantees investing Federal funds in emergency communications projects. It is also designed to promote and align with the [National Emergency Communications Plan \(NECP\)](#). Conformance with the SAFECOM Guidance helps ensure that Federally-funded investments are compatible, interoperable, resilient, and support national goals and objectives for improving emergency communications.

FirstNet

The *Middle Class Tax Relief and Job Creation Act of 2012*, Pub. L. No. 112-96, as amended (codified in part at 47 U.S.C. §§ 1401-1473) established the First Responder Network Authority (hereinafter FirstNet Authority) as an independent authority within the National

Telecommunications and Information Administration (“NTIA”).¹ The FirstNet Authority’s statutory mission is to establish a nationwide public safety broadband network (FirstNet).² FirstNet uses the 700 MHz D block spectrum to provide Long-Term Evolution (LTE)-based broadband services and applications to public safety entities.³ FirstNet became operational in March 2018 and is based on a single, national network architecture that will evolve with technological advances and initially consist of a core network and radio access network (RAN).

FirstNet will provide public safety entities with mission critical broadband data capabilities and services including, but not limited to, messaging, image sharing, video streaming, group text, voice, data storage, application, location-based services, and Quality of Service, and Priority and Preemption. Public safety entities seeking to enhance their operational capabilities using broadband technology may seek grant funding to support the following:

- **Planning for integration** of Information Technology (IT) infrastructure, software, and site upgrades necessary to connect to FirstNet.
- **Handheld broadband devices** including smartphones, feature phones, tablets, wearables, push-to-talk (PTT) devices.
- **Vehicle-mounted or otherwise field operated data devices** such as ruggedized laptops.
- **Network access devices** including portable Wi-Fi devices, Universal Serial Bus (USB) modems/dongles, trunk-mounted modems, routers.
- **Customer Owned and Managed (COAM) broadband deployable equipment**, enabling public safety to own and dispatch coverage expansion or capacity enhancement equipment within their jurisdiction.
- **Broadband device accessories** that enable efficient and safe public safety operations such as headsets, belt clips, ear pieces, remote Bluetooth sensors, ruggedized cases. **Subscriber Identification Modules (SIMs)/Universal Integrated Circuit Cards (UICCs)** to allow public safety users to update existing devices to operate on public safety prioritized services.
- **One-time purchase and subscription-based applications** for public safety use which could include, among a number of other options, enterprise mobility management (EMM), mobile device management (MDM), mobile Virtual Private Network (VPN), identify services, or cloud service tools.

As FirstNet is built out in all 56 states and territories and coverage and capacity for first responders expands, recipients are strongly encouraged to coordinate with the Statewide Interoperability Coordinator (SWIC) and FirstNet on (1) the planning, deployment timelines, and operational availability of the network deployment within a specific state or territory; (2) to ensure the project does not conflict with network planning efforts; and (3) that the project complies with all technical requirements. FirstNet requires participating agencies to demonstrate a subscription to public safety-prioritized broadband services to purchase FirstNet broadband devices or applications. **Information Bulletin #386 is hereby rescinded as the technical requirements and nationwide network architecture has been developed, and FirstNet is operational.** Recipients, however,

¹ 47 U.S.C. § 1424(a).

² 47 U.S.C. § 1426(b).

³ 47 U.S.C. §§ 1401(2), 1421(a).

must coordinate with FirstNet in advance of any strategic acquisition of broadband LTE equipment to ensure that purchases adhere to all applicable standards for public safety entities. Recipients with questions on FirstNet should contact info@firstnet.gov. Please refer to the [FY 2018 SAFECOM Guidance on Emergency Communications](#) for additional guidance.

Pre-Award Costs

Pre-award costs are not allowable and will not be approved, with the exception of costs resulting from pre-award grant writing services provided by an independent contractor that shall not exceed \$1,500. See Authorized Use of Contractual Grant Writers and/or Grant Managers below for additional details and restrictions.

Cost Principles

Costs charged to this award must be consistent with the Cost Principles for Federal Awards located at 2 C.F.R. Part 200, Subpart E.

Direct Costs

Planning

Planning related costs are allowed under this program only as described in this NOFO.

Organization

Organization costs are allowed under this program only as described in this NOFO.

Equipment

Equipment costs are allowed under this program only as described in this NOFO.

Training

Training related costs are allowed under this program only as described in this NOFO.

Exercise

Exercise related costs are allowed under this program only as described in this NOFO.

Travel

Domestic travel costs are allowed under this program as described in this NOFO. International travel is not an allowable cost under this program unless approved in advance by DHS/FEMA.

Construction and Renovation

Construction and renovation costs to achieve capability targets related to preventing, preparing for, protecting against, or responding to acts of terrorism are allowed under this program. For construction costs to be allowed, they must be specifically approved by DHS/FEMA in writing prior to the use of any program funds for construction or renovation. Limits on the total amount of grant funding that may be used for construction or renovation may apply. See [Appendix B](#) for additional details. Additionally, recipients are required to submit a SF-424C (Budget Information- Construction Programs) budget and budget detail worksheet citing the project costs.

Operational Overtime

Operational Overtime costs are allowed under this program only as described in this NOFO.

Maintenance and Sustainment

Maintenance and sustainment related costs, such as maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable as described in DHS/FEMA Policy FP 205-402-125-1 (<http://www.fema.gov/media-library/assets/documents/32474>).

For additional details on allowable costs under the PSGP, see [Appendix B: FY 2018 PSGP Funding Guidelines](#).

Management and Administration (M&A) Costs

Management and administration costs are allowed. Recipients may use up to five percent (5%) of the amount of the award for M&A. M&A activities are those defined as directly relating to the management and administration of PSGP funds, such as financial management and monitoring. Management and administrative expenses must be based on actual expenses or known contractual costs; requests that are simple percentages of the award, without supporting justification, will not be allowed or considered for reimbursement.

M&A costs are not operational costs, they are the necessary costs incurred in direct support of the grant or as a consequence of the grant and should be allocated across the entire lifecycle of the grant. Examples include preparing and submitting required programmatic and financial reports, establishing and/or maintaining equipment inventory, documenting operational and equipment expenditures for financial accounting purposes; and responding to official informational requests from state and federal oversight authorities.

If an applicant uses an outside consultant or contractor to provide pre-award grant writing services or post-award grant management services, the following considerations and restrictions shall apply.

Authorized Use of Contractual Grant Writers and/or Grant Managers

A grant applicant may procure the services of a contractor to provide support and assistance for pre-award grant development services (grant writing) or post-award grant management and administrative services (grant management). As with all grant-funded procurements, grant writer or grant management services must be procured in accordance with the Federal procurement standards at 2 C.F.R. §§ 200.317 – 200.326. See Section H regarding Procurement Integrity, particularly the sections applicable to non-state entities that discuss organizational conflicts of interest under 2 C.F.R. § 200.319(a) and traditional conflicts of interest under 2 C.F.R. § 200.318 (c)(1).

DHS/FEMA considers a contracted grant-writer to be an agent of the recipient for any subsequent contracts the recipient procures under the same Federal award in which the grant-writer provided grant writing services. Federal funds cannot be used to pay a contractor to carry out the work if that contractor also worked on the development of such specifications. A State must follow the same policies and procedures it uses for procurements of its non-Federal funds, pursuant to 2 C.F.R. § 200.317.

Regardless of whether an applicant or recipient uses grant writing and/or grant management services, the recipient is solely responsible for the fiscal and programmatic integrity of the grant and its authorized activities and expenditures. They must ensure adequate internal controls, including separation of duties, to safeguard grant assets, processes, and documentation, in keeping with the terms and conditions of its award, including this NOFO, and 2 C.F.R. Part 200.

Grant Writers

Grant writing contractors may assist the applicant in preparing, writing, and finalizing grant application materials and assisting the applicant with handling online application and submission requirements in [Grants.gov](https://www.grants.gov) and [ND Grants](https://www.ndgrants.gov). Grant writers may assist in a variety of ways up to and including the actual submission of the application. Ultimately, the applicant that receives an award is solely responsible for all grant award and administrative responsibilities.

By submitting the application, applicants are certifying all of the information contained therein is true and an accurate reflection of the organization, and that regardless of the applicant's intent, the submission of information that is false or misleading may result in actions by DHS/FEMA. These actions include, but are not limited to, the submitted application not being considered for award, temporary withholding of funding under the existing award pending investigation, or referral to the DHS Office of the Inspector General.

Grant Managers

Grant management contractors provide support in the day to day management of an active grant and their services may be incurred as Management and Administration costs (M&A) of the award. Additionally, grant recipients may retain grant management contractors at their own expense.

Pre-Award Cost of up to \$1,500 Eligible for Reimbursement

To assist applicants with the cost of grant writing services, DHS/FEMA is permitting a one-time pre-award cost of no more than \$1,500 per applicant per year for contractual grant writing services as part of the recipient's M&A costs. This is only intended to cover costs associated with a grant writer and may not be used to reimburse the applicant for their own time and effort in the development of a grant application. Additionally, the applicant may be required to pay this fee with their own funds during the application preparation and submission period; if the applicant subsequently receives an award, they may then request to be reimbursed once grant funds become available for that cost, not to exceed \$1,500. If the applicant does not receive an award, this cost will not be reimbursed by the Federal government. The applicant must understand this risk and be able to cover this cost if an award is not made.

If an applicant intends to request reimbursement for this one-time pre-award cost, it must include this request in its application materials, including in the Budget Detail Worksheet for each Investment Justification. Failure to clearly identify this as a separate cost in the application may result in its disallowance. This is the only pre-award cost eligible for reimbursement. Recipients must maintain grant writer fee documentation including, but not

limited to: a copy of the solicitation, such as a quote request, rate request, invitation to bid, or request for proposals, if applicable; a copy of the grant writer's contract agreement, a copy of the invoice or purchase order, and a copy of the cancelled check or proof of payment. These records must be made available to DHS/FEMA upon request.

Indirect (Facilities and Administrative [F&A]) Costs

Indirect costs are allowable under this program as described in 2 C.F.R. § 200.414. With the exception of recipients who have never received a negotiated indirect cost rate as described in 2 C.F.R. § 200.414(f), recipients must have an approved indirect cost rate agreement with their cognizant Federal agency to charge indirect costs to this award. A copy of the approved rate (a fully executed, agreement negotiated with the applicant's cognizant Federal agency) is required at the time of application, and must be provided to DHS/FEMA before indirect costs are charged to the award.

PSGP Specific Application Instructions

All applicants will submit their PSGP grant application, the associated Investment Justifications (IJs) to include detailed budgets and associated Memorandum of Understanding (MOU)/Memorandum of Agreement (MOA) as a file attachment within [ND Grants](#) prior to the application deadline.

Investment Justification

As part of the FY 2018 PSGP application process, applicants must use the formal IJ template addressing each initiative being proposed for funding. A separate IJ should be submitted for each proposed project. Only one (1) application per eligible entity within each Port Area is permitted. Applicants with projects in multiple Port Areas should submit one (1) application per Port Area based on the implementation location of the proposed projects. No single application should include projects intended to be implemented in different ports. Applicants may submit up to five (5) IJs within the single application.

IJs must demonstrate how proposed projects address gaps and deficiencies in one or more of the core capabilities outlined in the Goal. The applicant must demonstrate within the IJ the ability to provide enhancements consistent with the purpose of the program and guidance provided by DHS/FEMA. PSGP projects must be: 1) both feasible and effective at reducing the risks for which the project was designed; and 2) able to be fully completed within the thirty-six (36) month period of performance. For information on the feasibility and effectiveness determination see the [Review and Selection Process](#).

For the purposes of the PSGP application, the Port Area is selected based on the project location. Agencies that have multiple facilities in multiple Port Areas should apply for projects based on the facility where the project/asset will be implemented, housed/maintained, not the entity's headquarters location. For entities submitting applications for a single project that span multiple Port Areas, such as one patrol vessel that may be deployed outside of the primary Port Area, the project location is considered to be the predominant location in which the project will be housed and maintained. Large projects that implement multiple components in multiple ports, such as state agency purchases of multiple patrol vessels for multiple ports, should be submitted as separate applications (i.e., State Police vessel project in Port #1 is one application; State Police

vessel project in Port #2 is a separate application). All eligible and complete applications will be provided to the applicable COTP for further review.

Applicants seeking to participate in large-scale regional projects requiring the purchase of services or equipment should directly reference this in their application. The applicant should specify their portion of the requested project funding and role in the project. The applicant should also note if their portion of the project can be completed independently of the large-scale regional project.

Applicants will find an IJ template on [Grants.gov](https://www.grants.gov). This IJ template must be used for each project submitted.

Applicants must provide information in the following categories for each proposed investment:

- A. Background
- B. How the proposed investment supports strategic and program priorities
- C. Impact
- D. Funding/Implementation Plan

Applicants must use the following file naming convention when submitting required documents as part of the FY 2018 PSGP:

COTP Zone Abbreviation_Port Area_Name of Applicant_IJ Number (Example:
Hous_Galveston_XYZ Oil_IJ#1)

Detailed Budget

All applicants must provide detailed budget worksheets that include project milestones for the funds requested at the time of application. The detailed budget must be complete, reasonable, and cost-effective in relation to the proposed project and should provide the basis of computation of all project-related costs (including M&A) and any appropriate narrative.

The review panels must be able to thoroughly evaluate the projects being submitted based on the information provided. Applicants must ensure they provide an appropriate level of detail within the detailed budget worksheet to clarify intent as to what is being purchased. This worksheet may be used as a guide to assist applicants in the preparation of the budget and budget narrative.

Applications that do not include a detailed budget narrative will not be considered for funding. Detailed budgets often assist reviewers in determining what type of equipment or service is being purchased, which may assist in determining the effectiveness of a project. Additionally, the detailed budget must demonstrate the required cost share, either cash or third-party in-kind. Applications failing to demonstrate the required cost share will not be considered for funding.

The detailed budget must demonstrate the required cost share, either cash or third-party in-kind. Applications failing to demonstrate the required cost share will not be considered for funding. Cash and third-party in-kind matches must consist of eligible costs (i.e., same allowability as the Federal share) and must be identified as part of the submitted detailed budget worksheet. A cash-match includes cash spent for project-related costs while a third-party in-kind match includes the valuation of in-kind services. The cost match requirement for the PSGP award

may not be met by costs borne by another Federal grant or assistance program. **Likewise, third-party in-kind matches used to meet the matching requirement for the PSGP award may not be used to meet matching requirements for any other Federal grant program.** Please see 2 CFR § 200.306, as applicable, for further guidance regarding cost matching.

Memorandum of Understanding/Memorandum of Agreement (MOU/MOA) Requirement
State and local agencies are eligible applicants and are not required to provide an MOU or MOA if the direct security provider, along with their assets and resources, are listed in the respective AMSP and confirmed by the COTP. If a security services provider is providing these services directly to a MTSA-regulated facility and does not have an existing agreement addressed in the regulated entities' security plans, a copy of a signed MOU/MOA with the identified regulated entities will be required prior to funding, and must include an acknowledgement of the security services and roles and responsibilities of all entities involved. This information may be provided using one of the attachment fields within [ND Grants](#).

The MOU/MOA must address the following points:

- The nature of the security service 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 Maritime Security (MARSEC) levels;
- An acknowledgement by the facility that the applicant is part of their facility security plan; and
- An acknowledgment that the applicant will provide semi-annual progress reports on project status to the local applicable AMSC and/or COTP.

If applicable, the signed MOU/MOA for state or local law enforcement agencies providing direct security services to regulated entities must be submitted with the grant application as a file attachment within ND Grants (<https://portal.fema.gov>). A sample MOU/MOA can be found in [Appendix D – FY 2018 PSGP Sample MOU/MOA Template](#).

Applicants must use the following file naming convention for FY 2018 MOUs and MOAs:

COTP Zone Abbreviation_Port Area_Name of Applicant_MOU (Example:
Hous_Galveston_Harris County_MOU)

Sensitive Security Information (SSI) Requirements

A portion of the information routinely submitted in the course of applying for funding or reporting under certain programs or provided in the course of an entity's grant management activities under those programs which is under Federal control is subjected to protection under SSI, and must be properly identified and marked. SSI is a control designation used by DHS/FEMA to protect transportation security related information. It is applied to information about security programs, vulnerability and threat assessments, screening processes, technical specifications of certain screening equipment and objects used to test screening equipment, and equipment used for communicating security information relating to air, land, or maritime transportation. Further information can be located in Title 49, Part 1520, Section 7 of the Code of Federal Regulations (49 C.F.R. § 1520.7).

For the purposes of the PSGP, and due to the high-frequency of SSI found in IJs, all IJs shall be considered SSI and treated as such until they have been subject to review for SSI by DHS/FEMA. This means that applicants shall label documents as SSI in accordance with 49 C.F.R. § 1520.13.

E. Application Review Information

Application Evaluation Criteria

Prior to making a Federal award, the Federal awarding agency is required by 31 U.S.C. § 3321 note, 41 U.S.C. § 2313, and 2 C.F.R. § 200.205 to review information available through any OMB-designated repositories of government-wide eligibility qualification or financial integrity information. Therefore application evaluation criteria may include the following risk based considerations of the applicant: (1) financial stability; (2) quality of management systems and ability to meet management standards; (3) performance history managing Federal awards; (4) reports and findings from audits; and (5) ability to effectively implement statutory, regulatory, or other requirements.

The PSGP uses a risk-based methodology for making funding decisions whereby each Port Area's relative threat, vulnerability, and consequences from acts of terrorism are considered. This approach helps ensure that program funding is directed toward those port areas that present the highest risks in support of the Goal of a secure and resilient Nation.

PSGP will only fund those eligible projects that close or mitigate maritime security risk vulnerabilities gaps as identified in the applicable AMSP, FSP, VSP, and/or Alternative Security Programs. Projects that enhance business continuity and resumption of trade within the Port Area will also be considered for funding.

FY 2018 PSGP applications will be evaluated through a three-part review and selection process. There are five core PSGP criteria applied throughout the process:

1. Projects that support development and sustainment of the core capabilities in the Goal and align to PSGP-specific priorities identified in Appendix A – FY2018 PSGP Funding Guidelines.
 - PSGP Priorities are ranked and weighted based on alignment with Core Capabilities (CC) across the five mission areas of the Goal. Each IJ will be given a score based on how well it addresses each of the PSGP Priorities. The following scale point shall be used:
0=None; 1=Minimal; 3=Moderate; 9=Significant/Gap Filled
2. Projects that address priorities outlined in the applicable AMSP, FSP, and Vessel Security Plan (VSP), as mandated under the MTSA or the Port-Wide Risk Mitigation Plans (PRMP).
 - AMSP Priorities are the top three Transportation Security Incidents (TSI) (46 USC Sec 70101(6) ranked and correspondingly weighted. Each IJ will be given a score (using the same scale as the National Priorities module) based on how well it addresses one or more TSI within the context of the five mission areas of the Goal: Prevention, Protection, Mitigation, Response, and Recovery. The following scale

shall be used:

0=None; 1=Minimal; 3=Moderate; 9=Significant/Gap Filled

3. Projects that address additional maritime security priorities based on the COTP's expertise and experience within the specific Port Area.
 - The final COTP rankings will normally mirror the composite score ranking; however, there may be unique circumstances where the COTP may override the composite rankings by ranking a project higher or lower on the composite ranking.
4. Projects that are eligible and feasible (based on the available period of performance). In addition, a recipient's past performance demonstrating competent stewardship of Federal funds may influence funding decisions.
 - Investment justifications should justify the scope, breadth, and cost of a project, as well as a timeline for completing the project as required within this NOFO. Projects failing to demonstrate these minimum funding considerations may result in being denied funding. The following scale shall be used: 0=No Funding Recommended; 1=Funding Recommended
5. Projects submitted by a public sector applicant, or projects otherwise certified by the COTP as having a port-wide benefit (See [Appendix A](#) for further information), will have their final score increased by a multiplier of 10 percent.

Review and Selection Process

During the initial screening and field review, applications are evaluated for eligibility, completeness, adherence to programmatic guidelines, and the anticipated effectiveness of investments being proposed. Failure to note the required cost match on the SF-424 at time of application will result in an application being deemed ineligible. Following the field review, a National Review will identify a ranked list of eligible projects.

Grant projects must be: 1) both feasible and effective at reducing the risks for which the project was designed; and 2) able to be fully completed within the thirty-six (36) month period of performance.

Information that would assist in the feasibility and effectiveness determination includes the following:

- Scope of work (purpose and objectives of the project, identification of what is being protected);
- Desired outcomes, including expected long-term impact where applicable;
- Summary of status of planning and design accomplished to date (e.g., included in a capital improvement plan);
- Project schedule; and
- PSGP Priorities (weighted equally) found in Appendix A.

Recipients are expected to conform, as applicable, with accepted engineering practices, established codes, standards, modeling techniques, and best practices.

Initial Screening

DHS/FEMA will conduct an initial review of all FY 2018 PSGP applications to verify applicant eligibility and to ensure each application is complete. All eligible and complete applications will be provided to the applicable COTP for further review. DHS/FEMA staff will review the following during initial screening:

- Initial application was submitted into [Grants.gov](https://www.grants.gov)
- Application was submitted into ND Grants
- Applicant was associated with an organization within ND Grants
- Applicant submitted all required assurances and standard forms
- Application included an Investment Justification
- Application included a detailed budget worksheet
- Application labeled as SSI

DHS/FEMA will use the information provided in the application, as well as any supporting documentation, to determine the feasibility and effectiveness of the grant project.

Failure to note the required cost match on the SF-424 at time of application will result in an application being deemed ineligible.

Incomplete applications will not be processed for further review and will not be considered for funding.

Field Review

Field reviews will be led by the applicable COTP in coordination with the Gateway Directors of the U.S. Department of Transportation's (DOT) Maritime Administration (MARAD) and appropriate personnel from the AMSC or AMSC Regional Subcommittee where established, to include owner/operators of MTSA regulated facilities and vessels, as well as Federal, state, and local agencies, as identified by the COTP.

AMSC members representing state and local agencies should coordinate the field review results with the applicable State Administrative Agency (SAA) and State Homeland Security Advisor (HSA) to support coordination and regionalization of proposed maritime security projects with the state and urban area homeland security strategies, as well as other state and local security plans. Although coordination with the SAA is not required during the field review, periodic coordination throughout the year is encouraged.

Field reviews for all ports occur immediately following the initial screening by DHS/FEMA. Each project is scored for compliance with the Application Review Criteria outlined above. The project scores help determine project rank within each Port Area. In addition, the COTP/MARAD will provide a prioritized list of maritime security projects recommended for funding within each Port Area based on the scoring results.

National Review

Following the COTP field review, a national review, led by FEMA, will convene. The national review encompasses a detailed administrative/financial review of applications recommended for funding, as well as a review by subject matter experts from DHS and other Federal partners that validates and normalizes the COTP field review results.

The national review will also have the ability to recommend partial funding for individual projects and eliminate others that are determined to be duplicative or require a sustained Federal commitment to fully realize the intended risk mitigation. In addition, the national review will validate proposed project costs. Decisions to reduce requested funding amounts or eliminate requested items deemed inappropriate under the scope of the FY 2018 PSGP will take into consideration the ability of the revised project to address the intended PSGP priorities and whether it will achieve the intended risk mitigation goal. Historically, PSGP has placed a high priority on providing full project funding rather than partial funding.

Independent of the field and national reviews, a risk score will be calculated for each applying port area. A port area risk score will be calculated based on the “relative threat, vulnerability, and consequences from acts of terrorism.” The DHS/FEMA risk methodology is focused on three elements:

- *Threat* – likelihood of an attack being attempted by an adversary;
- *Vulnerability* – likelihood that an attack is successful, given that it is attempted; and
- *Consequence* – effect of an event, incident or occurrence.

The risk methodology determines the relative risk of terrorism faced by a given port area considering the potential risk of terrorism to people, critical infrastructure, economic security, and national security missions. The analysis includes threats from domestic violent extremists, international terrorist groups, and individuals inspired by terrorists abroad. A risk and effectiveness prioritization will then be applied to the national review’s recommended list for each Port Area. This analysis considers the following factors to produce a comprehensive national priority ranking of port security proposals:

- Relationship of the project to one or more of the national port security priorities (all priorities are of equal weight);
- Relationship of the project to the local port security priorities;
- Risk level of the Port Area in which the project would be located. Those port areas which have a measurable risk of at least 1 percent of the overall maritime security risk based on the comprehensive DHS/FEMA risk methodology would be prioritized above those below this risk level; and
- Effectiveness and feasibility of the project to be completed in support of the priorities highlighted above during the period of performance.

The comprehensive national priority ranking will be then limited by Port Area to ensure that the most effective projects are funded. The Port Area funding will be limited to 150 percent of the total Port Area’s relative risk score. For example, if the entire Port Area accounts for 10 percent of the nationwide maritime security risk, all the projects in the Port Area will receive no more than 15 percent of the total program allocation.

FEMA then evaluates and validates the consolidated and ranked project list resulting from the application of the algorithm and submits the recommendations to the Secretary of Homeland Security for final approval. All final funding determinations will be made by the Secretary of Homeland Security, who retains the discretion to consider other factors and information in addition to DHS/FEMA’s funding recommendations.

Projects recommended for funding will receive a full administrative review to ensure compliance with all program requirements. Applications may be determined ineligible at any step in the review process. Any ineligible applications will be denied and will not be considered for funding. In general, applications are denied due to incomplete applications, ineligible entities, ineligible costs, or determined to not have a maritime security nexus.

Projects recommended for funding will receive a final risk score to determine a prioritized list of projects to be funded, based on the criteria outlined in the evaluation process. All funding results will be provided to agency partners for full concurrence.

All investments selected for recommendation will also undergo an additional risk review conducted by the FEMA HQ Grants Management Specialist to evaluate the risk for noncompliance in carrying out the Federal award. Using their subject matter expertise, the questions the FEMA HQ Grants Management Specialist will assess are:

- Is the applicant on any exclusion lists as identified in the System for Award Management (Sam.gov)?
- If the applicant has received Federal funding in the past, has the applicant performed all audits required by the Single Audit requirements under 2 C.F.R. Part 200, Subpart F?
- Has the applicant provided sufficient budget information and justification as required by the NOFO?
- Are the costs proposed by the applicant in the budget information and justification allowable and reasonable based on the criteria set forth in this NOFO and the Cost Principles located at 2 C.F.R. Part 200, Subpart E?
- Is the budget representative of the total cost of performance of the projects?
- If indirect costs are included, has the applicant provided an approved Indirect Cost Rate agreement?
- Is the applicant delinquent on any Federal debt?
- Has the applicant had substandard performance in a prior award?

Based on the outcome of this review, DHS/FEMA may determine that it will not make an award to an applicant that poses a risk of noncompliance. DHS/FEMA may also determine that it will make an award to an at-risk applicant, subject to additional terms and conditions as described in 2 C.F.R. § 200.207.

Final approval authority for program allocations rests with the Secretary of Homeland Security.

Supplemental Financial Integrity Review

Prior to making a Federal award where the Federal share is expected to exceed the simplified acquisition threshold, currently \$150,000, DHS/FEMA is required to review and consider any information about the applicant in the [Federal Awardee Performance and Integrity Information System \(FAPIIS\)](#), which is also accessible through the [SAM](#) website.

- An applicant, at its option, may review information in FAPIIS and comment on any information about itself that a Federal awarding agency previously entered.
- DHS/FEMA will consider any comments by the applicant, in addition to the FAPIIS information, in making a judgment about the applicant's integrity, business ethics,

and record of performance under Federal awards when completing the review of risk posed by applicants, as described in 2 CFR § 200.205.

F. Federal Award Administration Information

Notice of Award

Notification of award approval is made through the ND Grants system through an automatic e-mail to the awardee point of contact (the “authorized official”) listed in the initial application. The “award date” for PSGP will be the date that DHS/FEMA approves the award. The awardee should follow the directions in the notification to confirm acceptance of the award.

Funds will remain on hold until the recipient accepts the award through the ND Grants system and all other conditions of award have been satisfied, or the award is otherwise rescinded. Failure to accept the grant award within the 90 day timeframe may result in a loss of funds.

Recipients must accept their awards no later than 90 days from the award date. The recipient shall notify the awarding agency of its intent to accept and proceed with work under the award through the ND Grants system. For instructions on how to accept or decline and award in the ND Grants system, please refer to the [ND Grants Grantee Training Manual](#).

Administrative and National Policy Requirements

All successful applicants for DHS/FEMA grants and cooperative agreements are required to comply with DHS Standard Administrative Terms and Conditions, which are available online at: [DHS Standard Terms and Conditions](#).

The applicable DHS Standard Administrative Terms and Conditions will be those in effect at the time the award was made.

Before accepting the award the authorized official should carefully review the award package. The award package includes instructions on administering the grant award, as well as terms and conditions with which the recipient must comply. Recipients must accept all the conditions in this NOFO as well as any Special Terms and Conditions in the Notice of Award to receive an award under this program.

Reporting

Recipients are required to submit various financial and programmatic reports as a condition of award acceptance. Future awards and funds drawdown may be withheld if these reports are delinquent.

Federal Financial Reporting Requirements

Federal Financial Report (FFR)

Recipients must report obligations and expenditures on a quarterly basis through the [FFR \(SF-425\)](#) to FEMA. Recipients must file the FFR electronically using the Payment and Reporting System (PARS). A FFR must be submitted quarterly throughout the period of performance, including partial calendar quarters, as well as for periods where no grant award activity occurs. The final FFR is due 90 days after the end of the performance period. Future awards and fund drawdowns

may be withheld if these reports are delinquent, demonstrate lack of progress, or are insufficient in detail.

The Federal Financial Reporting Form (FFR) is available online at:

<https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html#sortby=1>, SF-425 OMB #4040-0014.

Financial Reporting Periods and Due Dates

The following reporting periods and due dates apply for the FFR:

| Reporting Period | Report Due Date |
|-------------------------|------------------------|
| October 1 – December 31 | January 30 |
| January 1 – March 31 | April 30 |
| April 1 – June 30 | July 30 |
| July 1-September 30 | October 30 |

Financial and Compliance Audit Report

For audits of fiscal years beginning on or after December 26, 2014, recipients that expend \$750,000 or more from all Federal funding sources 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 requirements of U.S. Government Accountability Office’s (GAO) Government Auditing Standards, located at <http://www.gao.gov/govaud/ybk01.htm>, and the requirements of Subpart F of 2 C.F.R. Part 200, located at <http://www.ecfr.gov/cgi-bin/text-idx?SID=876f827f6fae2c4bce610e9427a6d229&node=sp2.1.200.f&rgn=div6>.

Program Performance Reporting Requirements

Performance Progress Reports (PPR)

Recipients are responsible for providing updated performance reports on a biannual basis as an attachment in ND Grants.

The PPR should include the following:

- Status Summary:
 - Provide a brief narrative of the overall project status;
 - Identify accomplishments and milestones achieved as they relate to the approved project; and
 - Describe any potential issues that may affect project completion.
- Best Practices / Lessons Learned Summary, which describes any best practices or lessons learned identified to date through the program. The purpose of this information is to develop and enhance guidance materials, tools, templates, and lessons learned and best practices summaries.
- Issues List, which identifies any program-related challenges that may require assistance or impact successful and on time completion of the funded project.

Program Performance Reporting Periods and Due Dates

The following reporting periods and due dates apply for the PPR:

| Reporting Period | Report Due Date |
|-------------------------|------------------------|
| January 1 – June 30 | July 30 |
| July 1 – December 31 | January 30 |

Closeout Reporting Requirements

DHS/FEMA will close out the grant award when all applicable administrative actions and required work of the PSGP award have been completed by the recipient. This section summarizes the actions that the recipient must take to complete the closeout process in accordance with 2 C.F.R. § 200.343 at the end of the grant’s period of performance or the issuance of a Grant Amendment Notice issued to close out the grant.

Within 90 days after the end of the period of performance, or after an amendment has been issued to close out a grant, whichever comes first, recipients must submit a final FFR and final progress report detailing all accomplishments and a qualitative summary of the impact of those accomplishments throughout the period of performance, as well as the following documentation:

- 1) Final request for payment, if applicable;
- 2) SF-425 –Final FFR;
- 3) Final Performance Progress Report detailing project accomplishments throughout the period of performance with ties back to the original gaps laid out in the investment justification(s);
- 4) A qualitative summary of the impact of accomplishments throughout the entire period of performance submitted to the respective FEMA HQ Program Analyst; and
- 5) Other documents required by program guidance or terms and conditions of the award.

Additionally, the recipient must liquidate all obligations incurred under the PSGP award no later than 90 calendar days after the end date of the period of performance or issuance of a Grant Amendment Notice that closes out the award, whichever comes first.

Recipients who do not liquidate their obligations within this time period may have the costs of their unliquidated obligations disallowed. Recipients are also responsible for promptly returning to DHS/FEMA the balance of any funds that have been drawn down, but remain unliquidated.

After these reports have been reviewed and approved by DHS/FEMA, a close out notice will be completed. The notice will indicate the period of performance as closed, list any remaining funds the recipient has not drawn down that will be deobligated, and address requirements for record retention, and explain disposition and reporting requirements for any equipment or real property purchased using PSGP funding.

If DHS/FEMA has made reasonable attempts through multiple contacts to close out awards within the required 180 days, DHS/FEMA may waive the requirement for a particular report and administratively close the award. If this action is taken, consideration for subsequent awards to the

recipient may be impacted or restricted.

Disclosing Information Per 2 C.F.R. § 180.335

This reporting requirement pertains to disclosing information related to government-wide suspension and debarment requirements. Before a recipient enters into a grant award with FEMA, the recipient must notify FEMA if it knows if any of the recipient's principals under the award fall under one or more of the four criteria listed at 2 C.F.R. § 180.335. At any time after accepting the award, if the recipient learns that any of its principals falls under one or more of the criteria listed at 2 C.F.R. § 180.335, the recipient must provide immediate written notice to FEMA in accordance with 2 C.F.R. § 180.350.

G. DHS Awarding Agency Contact Information

Contact and Resource Information

Centralized Scheduling and Information Desk (CSID)

CSID is a non-emergency comprehensive management and information resource developed by DHS/FEMA for grant stakeholders. CSID provides general information on all DHS/FEMA grant programs and maintains a comprehensive database containing key personnel contact information at the Federal, state, and local levels. When necessary, recipients will be directed to a Federal point of contact who can answer specific programmatic questions or concerns. CSID can be reached by phone at (800)368-6498 or by e-mail at askcsid@fema.gov, Monday through Friday, 9:00 a.m. – 5:00 p.m. ET.

GPD Grant Operations Division

GPD's Grant Operations Division Business Office provides support regarding financial matters and budgetary technical assistance. Additional guidance and information can be obtained by contacting the DHS/FEMA Call Center at (866) 927-5646 or via e-mail to ASK-GMD@fema.gov.

FEMA Regional Offices

DHS/FEMA Regional Offices also may provide fiscal support, including pre- and post-award administration and technical assistance such as conducting cash analysis, financial monitoring, and audit resolution to the grant programs included in this solicitation. GPD will provide programmatic support and technical assistance. FEMA Regional Office contact information is available [here](#).

GPD Environmental Planning and Historic Preservation (GPD EHP)

The DHS/FEMA GPD EHP Team provides guidance and information about the EHP review process to recipients and sub-recipients. All inquiries and communications about the EHP review process should be sent to gpdehpinfo@fema.gov. GPD EHP information can be found at: <https://www.fema.gov/media-library/assets/documents/85376>.

Systems Information

Grants.gov

For technical assistance with [Grants.gov](#), please call the customer support hotline at (800) 518-4726.

Non-Disaster (ND) Grants

For technical assistance with the ND Grants system, please contact ndgrants@fema.gov or (800) 865-4076.

Payment and Reporting System (PARS)

DHS/FEMA uses the Payment and Reporting System ([PARS](#)) for financial reporting, invoicing and tracking payments. DHS/FEMA uses the Direct Deposit/Electronic Funds Transfer (DD/EFT) method of payment to recipients. To enroll in the DD/EFT, recipients must complete a Standard Form 1199A, Direct Deposit Form.

H. Additional Information

National Preparedness

DHS/FEMA coordinates with local, state, tribal, and territorial governments as well as the private and non-profit sectors to facilitate a whole community, risk driven, and capabilities-based approach to preparedness. This approach is grounded in the identification and assessment of risk through the Threat and Hazard Identification and Risk Assessment (THIRA) tool. For additional information on the THIRA, please refer to the following website: <http://www.fema.gov/threat-and-hazard-identification-and-risk-assessment>. PSGP stakeholders are encouraged to participate in the THIRA process by coordinating with the appropriate SAA or Urban Area Working Group. Information on the National Preparedness System can be found at <http://www.fema.gov/national-preparedness-system>.

Alignment of PSGP to the National Preparedness System

The National Preparedness Goal outlines core capabilities, which are essential for the execution of critical tasks for the Prevention, Protection, Mitigation, Response, and Recovery mission areas. Delivering core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. PSGP's allowable costs support efforts to build and sustain core capabilities across the five mission areas.

To support building, sustaining, and delivering these core capabilities recipients will use the components of the National Preparedness System. The components of the National Preparedness System are: Identifying and Assessing Risk; Estimating Capability Requirements; Building and Sustaining Capabilities; Planning to Deliver Capabilities; Validating Capabilities; and Reviewing and Updating. For more information on each component, read the National Preparedness System Description available at <http://www.fema.gov/national-preparedness-system>.

Active Shooter Preparedness

DHS aims to enhance national preparedness through a whole community approach by providing the necessary products, tools, and resources to help all stakeholders prepare for and respond to an active shooter incident. To that end, DHS has developed a comprehensive "Active Shooter Preparedness" website, which includes informational resources. The website address is: <https://www.dhs.gov/active-shooter-preparedness>.

In addition, within the Homeland Security Information Network (HSIN), the Joint DHS and FBI Countering Violent Extremism (CVE) and Active Shooter Web Portal provides a restricted-access

forum to share Unclassified For Official Use Only (FOUO), Sensitive but Unclassified (SBU), and Law Enforcement Sensitive (LES) Information. The portal provides users and training practitioners with accurate, appropriate, and relevant CVE and Active Shooter training development resources, subject matter expert information, and outreach initiatives. It also has forums to provide feedback, products useful to others, and allows participants to ask questions concerning CVE or the Active Shooter Program. Persons with a job-related duty, public service interest, or who support a CVE and/or Active Shooter program can request access into this Portal. Additional information can be found at: <https://www.dhs.gov/cveas-portal#>.

Soft Targets and Crowded Places

There are continued and growing threats facing Soft Targets and Crowded Places (ST-CP) throughout the nation. ST-CPs are those locations or environments that are easily accessible to large numbers of people on a predictable or semi-predictable basis that have limited security or protective measures in place. These locations are vulnerable to attack using simple tactics and readily accessible weapons such as small arms, edged weapons, and vehicles as a weapon, improvised explosive devices, and unmanned aerial systems. ST-CPs can include places such as town centers, shopping malls, open-air venues, outside hard targets/venues perimeters, and other gathering places. DHS is committed to reducing the risk of attacks against ST-CPs and the impact of attacks if they do occur. However, the protection and security of ST-CPs is a shared responsibility among whole community partners including: the public, ST-CP owners and operators, security industry partners, the Federal Government, and State, local, tribal, and territorial (SLTT) government partners. States, territories, urban areas, and public and private sector partners are encouraged to identify security gaps and build capabilities that address security needs of ST-CP, understanding the unique challenges related to protecting locations that are open to the public. States, territories, urban areas, and public and private sector partners are also encouraged to use resources to instill a culture of awareness, vigilance, and preparedness. For more information and additional resources please see the Department of Homeland Security's [Hometown Security Program](#).

Port-Wide Risk Management Plans (PRMPs)

Port Areas with existing PRMPs are encouraged to maintain their PRMPs and to use them to identify projects that will serve to address remaining maritime security vulnerabilities. These ports are also highly encouraged to develop or maintain a Business Continuity/Resumption of Trade Plan (BCRTP). For purposes of regional strategic and tactical planning, these plans must take into consideration all Port Areas covered by their AMSP.

The PRMP and BCRTP must align with and support the Port Areas' AMSP, considering the entire port system strategically as a whole, and will identify actions designed to effectively mitigate security risks associated with the system's maritime critical infrastructure and key resources. See "Port Resiliency and Recovery" in [Appendix A – FY 2018 PSGP Program Priorities](#) for more information on planning.

Strengthening Governance Integration

DHS/FEMA preparedness grant programs are intended to build and sustain an integrated network of national capabilities across all levels of government and the whole community. Disparate governance structures must be integrated and refined to ensure resources are targeted to support the

most critical needs of a community based on risk driven, capabilities-based planning. Strong and inclusive governance systems better ensure that disparate funding streams are coordinated and administered for maximum impact. Eligible port entities are encouraged to actively participate with the surrounding Urban Area Working Groups (UAWG), applicable Regional Transit Security Working Groups, and other established ad hoc security working groups in addition to their AMSC meetings.

DHS/FEMA requires that all governance processes that guide the allocation of preparedness grant funds adhere to the following guiding principles:

- *Coordination of Investments* – resources must be allocated to address the most critical capability needs.
- *Transparency* – stakeholders must provide visibility on how preparedness grant funds are allocated and distributed, and for what purpose.
- *Substantive Local Involvement* – the tools and processes that are used to inform the critical priorities, which DHS/FEMA grants support must include local government representatives. At the state and regional levels, local risk assessments must be included in the overarching analysis to ensure that the threats and hazards of primary concern to the jurisdiction are accounted for.
- *Addressing Local Preparedness Gaps* – Local level entities shall evaluate and address their unique preparedness gaps at the local level, as well as maintain and sustain existing capabilities.
- *Support of Regional Coordination* – Inter/intra-state partnerships and dependencies at the state and regional levels, including those within metropolitan areas, must be recognized.

PSGP DHS Program Management: Roles and Responsibilities

Effective management of the PSGP entails a collaborative effort and partnership within DHS/FEMA, the dynamics of which require continuing outreach, coordination, and interfacing. For the PSGP, DHS/FEMA is responsible for designing and operating the administrative mechanisms needed to implement and manage the grant program. The U.S. Coast Guard provides programmatic subject matter expertise for the maritime industry and in maritime security risk mitigation. Together, these two agencies, with additional assistance and cooperation from TSA and MARAD determine the primary security architecture of PSGP.

Monitoring and Evaluation

Recipients will be monitored on an annual and as needed basis by DHS/FEMA staff, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are met.

Monitoring may be accomplished through either a desk-based review or on-site monitoring visits, or both. DHS/FEMA will inform the USCG Captain of the Port of any grant monitoring site visits. Monitoring will involve the review and analysis of the financial, programmatic, performance, compliance and administrative processes, policies, activities, and other attributes of each Federal assistance award and will identify areas where technical assistance, corrective actions and other support may be needed.

Conflicts of Interest in the Administration of Federal Awards or Subawards

For conflicts of interest under grant-funded procurements and contracts, please refer to the section on Procurement Integrity in this NOFO and 2 C.F.R. §§ 200.317 – 200.326.

To eliminate and reduce the impact of conflicts of interest in the subaward process, recipients and pass-through entities must follow their own policies and procedures regarding the elimination or reduction of conflicts of interest when making subawards. Recipients and pass-through entities are also required to follow any applicable state, local, territorial or tribal statutes or regulations governing conflicts of interest in the making of subawards.

The recipient or pass-through entity must disclose to DHS/FEMA, in writing, any real or potential conflict of interest as defined by the Federal, state, local, territorial or tribal statutes or regulations or their own existing policies that may arise during the administration of the Federal award. Recipients must disclose any real or potential conflict to their Program Analyst within five days of learning of the conflict of interest.

Conflicts of interest may arise during the process of DHS/FEMA making a Federal award in situations where an employee, officer, or agent, any member of his or her immediate family, his or her partner has a close personal relationship, a business relationship, or a professional relationship, with an applicant, recipient, or DHS/FEMA employee.

Extensions

Period of Performance Extensions

Extensions to this program are allowed. Extensions to the initial period of performance identified in the award will only be considered through formal, written requests to the recipient's respective FEMA HQ Program Analyst and must contain specific and compelling justifications as to why an extension is required. All extension requests must address the following:

- 1) Grant program, fiscal year, and award number;
- 2) Reason for delay – this must include details of the legal, policy, or operational challenges being experienced that prevent the final outlay of awarded funds by the applicable deadline;
- 3) Current status of the activity/activities;
- 4) Approved period of performance termination date and new project completion date;
- 5) Amount of funds drawn down to date;
- 6) Remaining available funds, both Federal and non-Federal;
- 7) Budget outlining how remaining Federal and non-Federal funds will be expended;
- 8) Plan for completion, including milestones and timeframes for achieving each milestone and the position/person responsible for implementing the plan for completion; and
- 9) Certification that the activity/activities will be completed within the extended period of performance without any modification to the original Statement of Work, as described in the investment justification and approved by DHS/FEMA.

Extension requests will be granted only due to compelling legal, policy, or operational challenges. Extension requests will only be considered for the following reasons:

- Contractual commitments by the grant recipient with vendors or sub-recipients prevent completion of the project within the existing period of performance;
- The project must undergo a complex environmental review that cannot be completed within this timeframe;
- Projects are long-term by design and therefore acceleration would compromise core programmatic goals; and
- Where other special circumstances exist.

Recipients must submit all proposed extension requests to DHS/FEMA for review and approval no later than 120 days prior to the end of the period of performance. In accordance with GPD policy, extensions are typically granted for no more than a six month time period.

Procurement Integrity

Through audits conducted by DHS Office of Inspector General (OIG) and FEMA grant monitoring, findings have shown that some FEMA recipients have not fully adhered to the proper procurement requirements when spending grant funds. Anything less than full compliance with Federal procurement policies jeopardizes the integrity of the grant as well as the grant program. Noncompliance with the Federal procurement rules may result in FEMA imposing specific conditions as described in 2 C.F.R. § 200.207 or other remedies for noncompliance under 2 C.F.R. § 200.338.

The below highlights the Federal procurement requirements for FEMA recipients when procuring goods and services with Federal grant funds. DHS will include a review of recipients' procurement practices as part of the normal monitoring activities. **All procurement activity must be conducted in accordance with Federal Procurement Standards at 2 C.F.R. §§ 200.317 – 200.326.** Select requirements under these standards are listed below. The recipient must comply with all requirements, even if they are not listed below.

Under 2 C.F.R. § 200.317, when procuring property and services under a Federal award, states must follow the same policies and procedures they use for procurements from their non-Federal funds; additionally, states must follow 2 C.F.R. § 200.322 regarding procurement of recovered materials, and 2 C.F.R. § 200.326 regarding required contract provisions.

All other non-Federal entities, such as tribes, must use their own documented procurement procedures which reflect applicable state, local, territorial and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in 2 C.F.R. Part 200. These standards include, but are not limited to, providing for full and open competition consistent with the standards of 2 C.F.R. § 200.319.

Competition and Conflicts of Interest

Among the requirements of 2 C.F.R. § 200.319(a) applicable to all non-Federal entities other than States, in order to ensure objective contractor performance and eliminate unfair

competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. **FEMA considers this an organizational conflict of interest and interprets this restriction as applying to contractors that help a recipient develop its grant application, project plans, or project budget. This prohibition also applies to the use of former employees to manage the grant or carry out a contract when such former employees worked on such activities while they were employees of the non-Federal entity.**

Under this prohibition, unless the non-Federal entity solicits for and awards a contract covering both development and execution of specifications (or similar elements as described above), and this contract was procured in compliance with 2 C.F.R. §§ 200.317 – 200.326, Federal funds cannot be used to pay a contractor to carry out the work if that contractor also worked on the development of such specifications. This rule applies to all contracts funded with Federal grant funds, including pre-award costs, such as grant writer fees, as well as post-award costs, such as grant management fees. For more information on grant writer and grant management costs, see Section D.

Additionally, some of the situations considered to be restrictive of competition include, but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business.
- Requiring unnecessary experience and excessive bonding.
- Noncompetitive pricing practices between firms or between affiliated companies.
- Noncompetitive contracts to consultants that are on retainer contracts.
- Organizational conflicts of interest.
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement.
- Any arbitrary action in the procurement process.

Pursuant to 2 C.F.R. § 200.319(b), non-Federal entities other than states must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, territorial or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Pursuant to 2 C.F.R. § 200.318(c)(1), non-Federal entities other than states are required to maintain written standards of conduct covering conflicts of interest and governing the actions of their employees engaged in the selection, award, and administration of contracts. **No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest.** Such conflicts of interest would arise when the employee, officer or agent, any

member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

If the recipient or subrecipient (other than states) has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. In this context, organizational conflict of interest means that because of a relationship with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. The non-Federal entity must disclose in writing any potential conflicts of interest to FEMA or the pass-through entity in accordance with applicable FEMA policy.

Supply Schedules

Generally, a non-Federal entity may seek to procure goods or services from a Federal supply schedule, state supply schedule, or group purchasing agreement. State and local governments may procure goods and services from a General Services Administration (GSA) schedule. Information about GSA programs for state and local governments can be found at <https://www.gsa.gov/resources-for/programs-for-state-and-local-governments>. For local governments that purchase off a GSA schedule, this will satisfy the Federal requirements for full and open competition provided that the recipient follows the GSA ordering procedures; however, local governments will still need to follow the other rules under 2 C.F.R. §§ 200.317 – 200.326, such as contract cost and price (§ 200.323) and solicitation of minority, women-owned, or small businesses (§ 200.321).

For non-Federal entities other than states, such as tribes, that want to procure goods or services from a state supply schedule, cooperative purchasing program, or other similar program, in order for such procurements to be permissible, the following must be true:

- The procurement of the original contract or purchasing schedule and its use by the recipient complies with state and local law, regulations, and written procurement procedures.
- The state or other entity that originally procured the original contract or purchasing schedule entered into the contract or schedule with the express purpose of making it available to the recipient and other similar types of entities.
- The contract or purchasing schedule specifically allows for such use, and the work to be performed for the non-Federal entity falls within the scope of work under the contract as to type, amount, and geography.
- The procurement of the original contract or purchasing schedule complied with all of the procurement standards applicable to a non-Federal entities other than states

under at 2 C.F.R. §§ 200.317 – 200.326.

- With respect to the use of a purchasing schedule, the recipient must follow ordering procedures that adhere to state and local laws and regulations and the minimum requirements of full and open competition under 2 C.F.R. Part 200.

If a non-Federal entity other than a state seeks to use such a state supply schedule, cooperative purchasing program, or other similar type of arrangement, it is recommended that recipients discuss their procurement plans with the FEMA Grant Programs Directorate.

Documentation

Non-Federal entities are required to maintain and retain the following:

- Backup documentation, such as bids and quotes.
- Cost/price analyses on file for review by Federal personnel, if applicable.
- Other documents required by Federal regulations applicable at the time a grant is awarded to a recipient.

FEMA requires that non-Federal entities maintain the following documentation for Federally funded purchases:

- Specifications
- Solicitations
- Competitive quotes or proposals
- Basis for selection decisions
- Purchase orders
- Contracts
- Invoices
- Cancelled checks

Non-Federal entities should keep detailed records of all transactions involving the grant. FEMA may at any time request copies of purchasing documentation along with copies of cancelled checks for verification.

Non-Federal entities who fail to fully document all purchases will find their expenditures questioned and subsequently disallowed.

Appendix A – FY 2018 PSGP Funding Guidelines

Allowable Costs

This section provides guidance on allowable costs for the PSGP. The allowable costs should not be viewed as all-inclusive, and recipients with specific questions should coordinate with their FEMA HQ Program Analyst.

Recipients are encouraged to use grant funds for evaluating grant-funded project effectiveness and return on investment.

Any project (submitted by an eligible applicant) that meets the PSGP priorities and is an allowable activity as stated in 46 U.S.C. § 70107(b), and can be shown to offer a direct and primary maritime security risk mitigation benefit will be considered for funding. However, those costs that are specifically noted as unallowable or ineligible will not be funded.

Cost Match

The following cost-match requirements apply for the FY 2018 PSGP (including ferry systems):

All public sector and non-governmental, nonprofit PSGP award recipients—meaning recipients other than private, for-profit entities—must provide a non-Federal entity contribution supporting **25 percent (25%) of the total of all project costs**. The non-Federal entity contribution should be specifically identified for each proposed project. The non-Federal contribution, whether cash or third-party in-kind, has the same eligibility requirements as the Federal share (e.g. operational costs for routine patrol are ineligible; operational costs for overtime to conduct an approved exercise may be eligible as part of the investment justification) and must be justified as part of the project within the investment justification.

Private, for-profit PSGP award recipients must provide a non-Federal entity contribution supporting **50 percent (50%) of the total of all project costs**. The non-Federal entity contribution should be specifically identified for each proposed project. The non-Federal contribution, whether cash or third-party in-kind, has the same eligibility requirements as the Federal share (e.g. operational costs for routine patrol are ineligible, and operational costs for overtime to conduct an approved exercise may be eligible as part of the investment justification) and must be justified as part of the project within the investment justification.

Note: in-kind contributions are defined as third party contributions per 2 CFR § 200.306.

Cash and third party in-kind matches must consist of eligible costs (i.e., same allowability as the Federal share) and must be identified as part of the submitted detailed budget worksheet. A cash-match includes cash spent for project-related costs while a third-party in-kind match includes the valuation of in-kind services. The cost match requirement for the PSGP award may not be met by costs borne by another Federal grant or assistance program, unless otherwise permitted by Federal statute. *Likewise, third party in-kind matches used to meet the matching requirement for the PSGP award may not be used to meet matching requirements for any other Federal grant program.* Additionally, normal routine operational costs cannot be used as cost

match unless a completely new capability is being awarded. **Please see 2 CFR § 200.306, as applicable, for further guidance regarding cost matching.**

Exceptions to Cost Match

The following exceptions to the cost-match requirement may apply:

- The cost share requirements for projects that have a port-wide benefit need only to be funded at the public-sector matching fund level of 25 percent. These projects must be certified by the COTP as having a port-wide benefit. Examples of projects with a port-wide benefit include, but are not limited to:
 - Port-wide planning;
 - Security camera systems with shared access;
 - Response vessels; and
 - Other maritime domain awareness systems.
- There is no matching requirement for grant awards where the total project cost for all projects under the award is \$25,000 or less in accordance with 46 U.S.C. § 70107(c)(2)(A). If multiple small projects are submitted totaling more than \$25,000 under this exemption, a cost share is required to be demonstrated at the time of application.
 - This exception does not apply to national and regional corporations submitting 11 or more projects throughout their system(s)
- There is no matching requirement for grants to train law enforcement agency personnel in the enforcement of security zones as defined by 46 U.S.C. § 70132 or in assisting in the enforcement of such security zones.
- If the Secretary of Homeland Security determines that a proposed project merits support and cannot be undertaken without a higher rate of Federal support, the Secretary may approve grants with a matching requirement other than that specified above in accordance with 46 U.S.C. § 70107(c). Such cost-match waivers under 46 U.S.C. § 70107(c)(2)(B) may be granted only if the Secretary of Homeland Security determines that (1) a proposed project merits support in light of the overall grant purpose and mission goals; and (2) that the project cannot be undertaken without a higher rate of Federal support. See DHS/FEMA GPD [Information Bulletin \(IB\) 376: Update to Port Security Grant Program \(PSGP\) Cost-Share Waiver Process](#) for further information on the PSGP cost-match waiver process.
 - Requests for cost-match waivers will be reviewed for successful applicants only after awards have been made. Applicants must have demonstrated the ability to comply with the cost match requirement at the time of application and since being awarded the grant, have experienced significant financial constraints as outlined in DHS/FEMA GPD IB 376, (i.e., specific economic issues preclude provision of the cost-share identified in the original grant application). Cost-share waiver requests that do not demonstrate new, *post-award* difficulties and cost-share waivers submitted at the time of application will not be considered.

Limitations of Funding

As part of the FY 2018 PSGP application process, applicants must complete the approved IJ template provided addressing each initiative being proposed for funding. A separate IJ should

be submitted for each proposed project which should represent the complete scope of work and materials required to achieve a single overall capability.

For example, a project could be to procure a boat specifically designed and equipped as CBRNE detection, prevention, response, and/or recovery platform. The IJ for this project should include the CBRNE equipment in the same IJ as the vessel.

In accordance with 46 U.S.C. § 70107(b)(2), PSGP funding for projects for the cost of acquisition, operation, and maintenance of security equipment or facilities to be used for security monitoring and recording, security gates and fencing, marine barriers for designated security zones, security-related lighting systems, remote surveillance, concealed video systems, security vessels, and other security-related infrastructure or equipment that contributes to the overall security of passengers, cargo, or crewmembers cannot exceed \$1,000,000 Federal share **per project**.

The Secretary of Homeland Security may approve a greater amount of per-project funding, so long as that greater amount does not exceed 10 percent of the total amount of PSGP funding provided to the recipient.

Note that the \$1,000,000 per project limitation applies only to those projects funded under 46 U.S.C. § 70107(b)(2) and does not apply to projects funded under other provisions of Section 70107. Projects that are specifically not covered by the \$1,000,000 per project limitation include projects for the acquisition of screening equipment funded under 46 U.S.C. § 70107(b)(3), and projects for the acquisition of equipment required to receive, transmit, handle, and store classified information funded under 46 U.S.C. § 70107(b)(7).

Planning Costs

PSGP funds may be used for the following resiliency and recovery activities with an emphasis on planning in support of one or more of the core capabilities in the Goal:

- Development or updating of port-wide risk mitigation plan, to include the conduct of port security vulnerability assessments as necessary to support plan update/development.
 - Ports that already have completed plans should pursue PSGP funds to address their identified risks and vulnerabilities, including any projects that would help enable continuity of port operations and rapid recovery of the port following a major incident.
 - Ports that have not completed plans are highly encouraged to complete them and may apply for PSGP funding to facilitate that effort.
 - Specific questions on developing or updating a port-wide risk mitigation plan should be directed to the respective FEMA HQ Program Analyst.
- Development and enhancement of security plans and protocols within the AMSP, PRMP, and the BCRTP in support of maritime security planning and maritime security risk mitigation
- Hiring of part-time temporary personnel and contractors or consultants to assist with planning activities under this grant only to the extent that such expenses are

for the allowable activities within the scope of the grant (not for the purpose of hiring public safety personnel)

- Overtime costs associated with eligible planning activities
- Materials required to conduct the aforementioned planning activities
- Travel and per diem related to the professional planning activities noted in this section
- Other port-wide project planning activities, which emphasize the ability to adapt to changing conditions and be prepared to withstand, and recover from, disruptions due to emergencies with prior approval from DHS/FEMA

Organization Costs

Allowable organization-related costs are limited to those activities associated with new and ongoing maritime security operations in support of PSGP national priorities and one or more core capabilities in the Goal. All such activities must be focused on maritime security and coordinated with the local COTP.

PSGP funding used for organizational costs is intended to support an immediate need for personnel that will be directly engaged in maritime security activities. This funding will be limited to the costs of hiring of new personnel to operate vessels acquired with DHS/FEMA preparedness grant funds and to staff the maritime security related components of Interagency Operations Centers (IOCs) and other interagency coordination centers having a maritime security nexus. Funding for organization costs will only be available for the 36-month period of performance of the award. This will allow sufficient time for local government agencies (and, in some cases, private entities) to plan and budget for sustaining personnel related costs beyond the 36-month period of performance. Personnel hiring, overtime, and backfill expenses are permitted under this grant only to the extent that such expenses are for the allowable activities within the scope of the grant.

Allowable organization costs include:

- Hiring of new, full-time first response agency personnel to operate maritime security patrol vessels acquired with DHS/FEMA preparedness grant funds;
- Hiring of additional full-time personnel to staff a new or expanded interagency maritime security operation centers (including IOCs, maritime command and control centers, port security operations centers, etc.);
- Hiring of new, full-time first response agency personnel to support maritime security / counter-terrorism efforts in the local Joint Terrorism Task Force (JTTF) center;
- Overtime costs for existing personnel to operate patrol vessels acquired with DHS/FEMA preparedness grant funds in support of pre-planned, mission critical activities, as identified by the local COTP;
- Personnel or contracted costs for maintaining port security equipment acquired with DHS/FEMA preparedness grant funds. Note this does not include routine maintenance, such as oil changes and daily/weekly systems tests; and
- Hiring of new or additional personnel in credentialing centers that support TWIC and access to a MTSA facility.

Organization costs will only be funded in cases where a new or expanded capability is added to address port (or facility) security needs. PSGP funding for permanent personnel will not exceed the 36-month period of performance. Applicants must provide reasonable assurance that personnel costs can be sustained beyond the 36-month award period. A sustainment plan must be submitted with the applicant's IJ to address the 12-month period beyond the period of performance of the award.

Equipment Acquisition

PSGP funds may be used for the following types of equipment provided it will be used in direct support of maritime security risk mitigation and it supports developing or sustaining one or more core capabilities in the Goal:

- Personal Protection Equipment (PPE) for maritime security providers
- Explosive device response and remediation equipment for maritime security providers
- CBRNE detection equipped patrol watercraft vessel/small boat used to directly support maritime security for a facility or within a Port Area on a routine basis (CBRNE detection equipment must be requested with the watercraft/small boat in the IJ to include CBRNE equipment list and detailed budget). Limited exceptions may be considered for non-CBRNE equipped vessels.
- Information sharing technology; components or equipment designed to share maritime security risk information and maritime all hazards risk information with other agencies (equipment must be compatible with generally used equipment)
- Maritime security risk mitigation interoperable communications equipment
- CBRNE decontamination equipment for direct maritime security providers and MTSA- regulated industry
- Terrorism incident prevention and response equipment for maritime security risk mitigation
- Physical security enhancement equipment (e.g., fences, blast resistant glass, turnstiles, hardened doors and vehicle gates)
- Equipment such as portable fencing, CCTVs, passenger vans, mini-buses, etc. to support secure passage of vessel crewmembers through a MTSA regulated facility
- CBRNE detection equipped patrol vehicles/vessels, provided they will be used primarily for port/facility security and/or response operations.
- Marine firefighting vessels, provided they are outfitted with CBRNE detection equipment and are designed and equipped to meet NFPA 1925: Standard on Marine Fire-Fighting Vessels
- Firefighting foam and Purple-K Powder (PKP) may be purchased by public fire departments, which have jurisdictions in a Port Area and would respond to an incident at an MTSA regulated facility. MTSA facilities may also receive funding for this purpose. Funding will be limited to a one-time purchase based on a worst-case incident at the facility or facilities
- Equipment in support of resiliency such as interoperable communications, intrusion prevention/detection, physical security enhancements, and software and equipment needed to support essential functions during a continuity situation

- Generators with appropriate capability (size) to provide back-up systems and equipment that support Maritime Domain Awareness;
 1. Access control equipment and systems
 2. Detection and security surveillance equipment
 3. Enhancement of Command and Control facilities

Equipment for new personnel, such as uniforms and personal protective equipment, is an allowable expense. *Weapons and equipment associated with weapons maintenance/security (i.e., firearms, ammunition, and gun lockers) are not allowable.*

A comprehensive listing of allowable equipment categories and types is found in the [DHS Authorized Equipment List \(AEL\)](#).

Requirements for Small Unmanned Aircraft System

All requests to purchase Small Unmanned Aircraft System (SUAS) with DHS/FEMA grant funding must comply with [IB 426](#) and must include the policies and procedures in place to safeguard individuals' privacy, civil rights, and civil liberties of the jurisdiction that will purchase, take title to, or otherwise use the SUAS equipment.

Specific Guidance on Sonar Devices

The four types of allowable sonar devices are: imaging sonar, scanning sonar, side scan sonar, and three-dimensional sonar. These types of sonar devices are intended to support the detection of underwater improvised explosive devices and enhance MDA. The eligible types of sonar, and short descriptions of their capabilities, are provided below:

- **Imaging Sonar:** A high-frequency sonar that produces “video-like” imagery using a narrow field of view. The sonar system can be pole-mounted over the side of a craft or hand-carried by a diver.
- **Scanning Sonar:** Consists of smaller sonar systems that can be mounted on tripods and lowered to the bottom of the waterway. Scanning sonar produces a panoramic view of the surrounding area and can cover up to 360 degrees.
- **Side Scan Sonar:** Placed inside a shell and towed behind a vessel. Side scan sonar produces strip-like images from both sides of the device.
- **Three-Dimensional Sonar:** Produces 3-dimensional imagery of objects using an array receiver.

PSGP Specific Priorities

The Department has identified the following six (6) priorities as part of the selection criteria for all PSGP applicants. Refer to [Section E](#) for additional criteria. These priorities also align to the five (5) mission areas and the associated core capabilities of the Goal:

1. Maritime Domain Awareness
2. Port Resiliency/Continuity of Operations
3. Training and Exercises
4. Improving Cybersecurity Capabilities
5. IED and Chemical Biological Radiological Nuclear Explosive (CBRNE) capabilities
6. Physical Security

1) Maritime Domain Awareness (MDA)

Maritime Domain is defined as "All areas and things of, on, under, relating to, adjacent to, or bordering on a sea, ocean, or other navigable waterway, including all maritime-related activities, infrastructure, people, cargo, and vessels and other conveyances." Homeland Security Presidential Directive-13 (NSPD-41/HSPD-13) (Maritime Security Policy, December 21, 2004).

According to the [National Plan to Achieve Maritime Domain Awareness for The National Strategy for Maritime Security](#), Maritime Domain Awareness (MDA) is the effective understanding of anything associated with the global maritime domain that could impact the security, safety, economy, or environment of the United States. MDA is a key component of an active, layered maritime defense in depth. It will be achieved by improving our ability to collect, fuse, analyze, display, and disseminate actionable information and intelligence to operational commanders."

PSGP funds may be used for the following types of MDA projects in support of one or more core capabilities in the Goal:

- Deployment of detection and security surveillance equipment (interoperable);
- Development/enhancement of information sharing systems for risk mitigation purposes, including equipment (and software) required to receive, transmit, handle, and store classified information;
- Enhancements of command and control facilities;
- Enhancement of interoperable communications/asset tracking for sharing terrorism threat information (including ensuring that mechanisms are interoperable with Federal, state, and local agencies) and to facilitate incident management;
- Video surveillance systems that specifically address and enhance maritime security (these systems must have plug and play capabilities with a DHS Interagency Operations Center (IOC) or other local or Federal operations center); and
- Interoperable communications equipment for direct maritime security providers (equipment is limited to portable equipment used by the port authority in support of MTSA facilities and MTSA vessels).

Applicants are encouraged to familiarize themselves with the National Strategy for Maritime Security, National Plan to Achieve Maritime Domain Awareness, available at https://www.dhs.gov/sites/default/files/publications/HSPD_MDAPlan_0.pdf

2) Port Resiliency/Continuity of Operations

Port Resiliency is defined as "the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from disruptions. Resilience includes the ability to withstand and recover from deliberate attacks, accidents, or naturally occurring threats or incidents." (Presidential Policy Directive 21: Critical Infrastructure Security and Resilience)

PSGP funds may be used for the following types of Port Resiliency projects in support of one or more core capabilities:

- Acquisition of Uninterrupted Power Supplies (UPS) as it specifically relates to security operations
- Planning activities to include:
 - Business Continuity Resumption of Trade (BCRT)
 - Business Resumption Drills
 - Asset Sustainability Plans
 - Incident Response Plans
 - Risk Assessment Updates and Scenario Planning Tools
- Software and Hardware equipment to support resiliency and continuity activities
 - Infrastructure Redundancy
 - Acquisition of Servers and other redundancy related hardware
- Vulnerability Assessments
- Development/enhancement of information sharing systems for risk mitigation purposes, including equipment (and software) required to receive, transmit, handle, and store classified information
- Enhancements of command and control facilities
- Enhancement of interoperable communications/asset tracking for sharing terrorism threat information (including ensuring that mechanisms are interoperable with Federal, state, and local agencies) and to facilitate incident management
- Video surveillance systems that specifically address and enhance maritime security (these systems must have plug and play capabilities with a DHS Interagency Operations Center (IOC) or other local or Federal operations center)
- Interoperable communications equipment for direct maritime security providers (equipment is limited to portable equipment used by the port authority in support of MTSA facilities and MTSA vessels).

3) Training and Exercises

Port Areas should assess their training and qualification requirements, coordinate training needs and qualification requirements of incident response personnel, and regularly test these capabilities through emergency exercises and drills. Exercises must follow the Area Maritime Security Training Exercise Program (AMSTEP) or the Transportation Security Administration (TSA) Intermodal Security Training Exercise Program (I-STEP) guidelines which test operational protocols that would be implemented in the event of a terrorist attack. AMSTEP or I-STEP exercises will follow the latest change in requirements contained in the [Navigation and Inspection Circular \(NVIC\) 09-02](#). Exercises should be consistent with the Homeland Security Exercise Evaluation Program (HSEEP) located at <https://www.fema.gov/exercise>.

Training Costs

Funding for personnel training will generally be limited to those courses that have been listed in the DHS/FEMA approved course catalog by the DHS/FEMA National Training

and Education Division (NTED) or the USCG. Approved courses are listed in the following catalogs maintained by NTED: *NTED Course Catalog*; *Federal Sponsored Course Catalog*; and the *State-Sponsored Course Catalog*. The catalogs may be viewed at <http://www.firstrespondertraining.gov>.

Funding for other training courses may be permitted on a case-by-case basis depending on the specific maritime security risk mitigation training needs of the eligible PSGP applicant. In such case, the applicant will be required to explain in the Investment Justification why none of the approved courses referenced above satisfy the identified training need and must submit detailed course information for review and consideration by the local COTP field review team and the Nation Review Panel.

For additional information on training course review and approval requirements please refer to DHS/FEMA Grant Programs Directorate Policy FP 207-008-064-1, *Review and Approval Requirements for Training Courses Funded through Preparedness Grants*, issued on September 9, 2013. The Policy can be accessed at <http://www.fema.gov/media-library/assets/documents/34856>.

PSGP funds may be used for the following training activities:

- **Training workshops**
Grant funds may be used to plan and conduct training workshops to include costs related to planning, meeting space and other meeting costs, facilitation costs, materials and supplies, travel, and training plan development.
- **Funds used to deliver training**
Including costs related to administering the training, planning, scheduling, facilities, materials and supplies, reproduction of materials, and equipment. Training should provide the opportunity to demonstrate and validate skills learned.
- **Supplies**
Supplies are items that are expended or consumed during the course of the planning and conduct of the training project(s) (e.g., copying paper, gloves, tape, and non-sterile masks).

Exercise Costs

Funding used for exercises will only be permitted for those exercises that are in direct support of a MTSA-regulated facility or Port Area's MTSA required exercises (see 33 C.F.R. 105.220 for a facility and 33 C.F.R. 103.515 for the AMSP). These exercises must be coordinated with the COTP and AMSC and be consistent with HSEEP. More information on HSEEP may be found at <https://www.fema.gov/hseep>.

Recipients are required to submit an After Action Report/Improvement Plan (AAR/IP) for each PSGP-funded exercise to hseep@fema.dhs.gov, and the appropriate local COTP no later than 90 days after completion of the exercise conducted within the PSGP period of performance. Recipients are reminded of the importance of implementing corrective actions iteratively throughout the progressive exercise cycle.

Recipients are required to use the HSEEP AAR/IP template located at <https://www.fema.gov/exercise>.

PSGP funds may be used for the following training and exercise activities:

- **Hiring of Full or Part-Time Personnel or Contractors/Consultants.** Full or part-time staff or contractors/consultants may be hired to support training-related and/or maritime security exercise-related activities conducted under this grant only to the extent that such expenses are for the allowable activities within the scope of the grant. Payment of salaries and fringe 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 awarding agency, whichever is applicable. Dual compensation is not allowable. That is, an employee of a unit of government may not receive compensation from their unit or agency of government AND from an award for a single period of time (e.g., 1:00 p.m. to 5:00 p.m.), even though such work may benefit both activities.
- **Overtime and Backfill**
The entire amount of overtime costs, including payments related to backfilling personnel, which are the direct result of attendance at DHS/FEMA approved training courses and programs and/or maritime security exercise-related activities are allowable. Reimbursement of these costs should follow the policies of the state or local unit(s) of government or the awarding agency, whichever is applicable. Dual compensation is not allowable. That is, an employee of a unit of government may not receive compensation from their unit or agency of government AND from an award for a single period of time (e.g., 1:00 p.m. to 5:00 p.m.), even though such work may benefit both activities.
- **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 approved training and exercises.
- **Funds used to design, develop, conduct, and evaluate a maritime security exercise**
Includes costs related to planning, meeting space and other meeting costs, facilitation costs, materials and supplies, travel, and documentation. Recipients are encouraged to use free public space/locations/facilities, whenever available, prior to the rental of space/locations/facilities. Exercises should provide the opportunity to demonstrate and validate skills learned.
- **Other items**
These costs may include the rental of space/locations for exercise planning and conducting approved training courses, rental of equipment, etc. For PSGP funded courses, the cost of fuel may be allowed in cases where the participating entity must provide its own equipment (such as boats, response vehicles, etc.). For maritime security exercises, the cost of fuel, exercise signs, badges, etc. may be allowed.

Unauthorized exercise-related costs include:

- Reimbursement for the maintenance and wear and tear costs of general use vehicles (e.g., construction vehicles) and emergency response apparatus (e.g., fire

trucks, ambulances, repair or cleaning of Personal Protection Equipment (PPE), etc.).

- Equipment that is purchased for permanent installation and use, beyond the scope of exercise conduct (e.g., electronic messaging signs).

Approved exercise programs:

- ***Area Maritime Security Training and Exercise Program (AMSTEP)***
AMSTEP is the Coast Guard developed mechanism by which AMSCs and Federal Maritime Security Coordinators will continuously improve security preparedness in the port community.
- ***Intermodal Security Training Exercise Program (I-STEP)***
I-STEP was established by TSA to enhance the preparedness of our Nation's surface-transportation sector network with meaningful evaluations of prevention, preparedness, and ability to respond to terrorist-related incidents. *I-STEP* improves the intermodal transportation industry's ability to prepare for and respond to a transportation security incident (TSI) by increasing awareness, improving processes, creating partnerships, and delivering transportation-sector network security training exercises.

The National Exercise Program (NEP) serves as the principal exercise mechanism for examining national preparedness and measuring readiness. Recipients are strongly encouraged to nominate exercises into the NEP. For additional information on the NEP, please refer to <http://www.fema.gov/national-exercise-program>.

4) Improving Cybersecurity Capabilities

When requesting funds for cybersecurity, applicants are encouraged to propose projects that would aid in implementation of all or part of the Framework for Improving Critical Infrastructure Cybersecurity ("The Framework") developed by the National Institute of Standards and Technology (NIST). The Framework gathers existing international standards and practices to help organizations understand, communicate, and manage their cyber risks. For organizations that do not know where to start with developing a cybersecurity program, the Framework provides initial guidance. For organizations with more advanced practices, the Framework offers a way to improve their programs, such as better communication with their leadership and suppliers about management of cyber risks.

The Department of Homeland Security's Critical Infrastructure Cyber Community C³ Voluntary Program also provides resources to critical infrastructure owners and operators to assist in adoption of the Framework and managing cyber risks. Additional information on the Critical Infrastructure Cyber Community C³ Voluntary Program can be found at www.dhs.gov/ccubedvp.

The Department of Homeland Security's Enhanced Cybersecurity Services (ECS) program is an example of a resource that assists in protecting U.S.-based public and private entities and combines key elements of capabilities under the "Detect" and "Protect" functions to deliver an impactful solution relative to the outcomes of the

Cybersecurity Framework. Specifically, ECS offers intrusion prevention and analysis services that help U.S.-based companies and state, local, tribal, and territorial governments defend their computer systems against unauthorized access, exploitation, and data exfiltration. ECS works by sourcing timely, actionable cyber threat indicators from sensitive and classified Government Furnished Information (GFI). DHS then shares those indicators with accredited Commercial Service Providers (CSPs). Those CSPs in turn use the indicators to block certain types of malicious traffic from entering a company's networks. Groups interested in subscribing to ECS must contract directly with a CSP in order to receive services. Please visit <http://www.dhs.gov/enhanced-cybersecurity-services> for a current list of ECS CSP points of contact.

Cybersecurity projects should address risks to the marine transportation system and/or TSIs outlined in the applicable AMSP or priorities prescribed under applicable FSP or VSP, as mandated under the MTSA or the PRMPs. At the port level, examples of cybersecurity projects include, but are not limited to, projects that enhance the cybersecurity of access control; sensors; security cameras; badge/ID readers; ICS/SCADA systems; process monitors and controls (such as those that monitor flow rates, valve positions, tank levels, etc.); security/safety of the ship-to-port-to-facility-to-intermodal interface, and systems that control vital cargo machinery at the ship/shore interface (such as cranes, manifolds, loading arms, etc.); and passenger/vehicle/cargo security screening equipment.

Vulnerability assessments are generally not funded under PSGP. However, considering the evolving malicious cyber activity, the relative novelty of Cybersecurity as a priority within the program and the need to adopt best practices included in the voluntary Cybersecurity Framework, vulnerability assessments may be funded as contracted costs. Personnel costs (other than M&A) are not an allowable expense for conducting these assessments.

Copies of completed cybersecurity assessments funded under the Port Security Grant Program that impact the maritime transportation system, lead to a "transportation security incident" (as that term is defined under 46 U.S.C. § 70101(6)), or are otherwise related to systems, personnel, and procedures addressed by the facility and vessel plan shall be made available to DHS/FEMA GPD and/or the local COTP upon request. The results of these cybersecurity assessments may be designated as Sensitive Security Information and may be used to inform national maritime cybersecurity assessments.

Where a vulnerability assessment has been completed either through contracts or qualified personnel to identify existing gaps and required mitigation efforts, mitigating projects may be funded that include purchase of equipment, software, and infrastructure designed to harden cybersecurity. Specific questions on conducting vulnerability assessments should be referred to the respective FEMA HQ Program Analyst.

5) IED and CBRNE Prevention, Protection, Response, Recovery Capabilities

Port Areas should continue to enhance their capabilities to prevent, detect, respond to and recover from terrorist attacks employing IEDs, CBRNE devices, and other non-conventional weapons. Please refer to the DHS Small Vessel Security Strategy April 2008 document, available at http://www.dhs.gov/files/publications/gc_1209408805402.shtm.

To develop or sustain one or more core capabilities in the Goal, eligible port facilities, vessels, and police/fire rescue agencies may receive funding for the following types of IED and CBRNE capabilities:

Port Facilities regulated under 33 C.F.R. Part 105 and Police/Fire agencies that respond to these facilities

- CBRNE detection, prevention, response, and recovery equipment
- Explosives Detection Canine Teams (EDCTs)
- Small boats that are specifically designed and equipped as CBRNE detection, prevention, response, and/or recovery platforms for eligible maritime law enforcement and fire departments (CBRNE equipment must be requested in the same investment justification used to request a vessel, to include a CBRNE equipment list and be specifically identified in the detailed budget worksheet). Vessels failing to identify CBRNE capabilities may be considered for funding under exceptional circumstances verified by the COTP. For a vessel to be considered a CBRNE platform, it must include one or more of the general equipment noted below:
 - Radioisotope Identification Device (RIID)
 - Radiation detection backpack(s)
 - Boat-mounted Radiation detection system
 - Personal Radiation Detector (PRD) in conjunction with a RIID, backpack, or vessel mounted system.

6) Physical Security

Physical Security is security measures that are designed to deny unauthorized access to facilities, equipment and resources and to protect personnel and property from damage or harm (such as espionage, theft, or terrorist attacks). Physical security involves the use of multiple layers of interdependent systems and techniques.

Physical security has been a focus of PSGP since the program inception in 2002. Primarily, physical security is intended to harden MTSA regulated facilities against attacks. Law enforcement may contribute to physical security through patrols, however patrol vessels generally enhance multiple core capabilities with a focus on CBRNE detection, deterrence and response. Funding through PSGP for physical security projects should be only directed toward those projects that address identified MTSA required activities and identified in the entity FSP and/or the port area AMSP.

Examples of project types:

- Fencing
- Gates
- Lighting
- CCTV surveillance (primarily focused on the facility, usually not interoperable/shared as an MDA project)
- Security Guards and guard house
- Protective barriers (e.g., jersey barriers, stanchions, posts)
- Marine barriers for security zone enforcement (e.g. floating barriers)
- Locks
- Access Control Protocols
- Patrol Vessels (secondary benefit – primarily CBRNE capabilities)
- Transportation Worker Identification Credentialing (TWIC)
- Maintenance, repair, replacement of existing equipment
- For Vessels regulated under 33 C.F.R. Part 104
 - Restricted area protection (cipher locks, hardened doors, closed-circuit television (CCTV) for bridges and engineering spaces)
 - Interoperable communications equipment
 - Canines for explosives detection
 - Access control and TWIC standardized credentialing
 - Floating protective barriers

Additional Considerations and Requirements:

Maintenance and Sustainment

The use of DHS/FEMA preparedness grant funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable under all active and future grant awards, unless otherwise noted. With the exception of maintenance plans purchased incidental to the original purchase of the equipment (e.g. at the time of purchase, the equipment comes with a 5 year warranty), the period covered by maintenance or warranty plan must not exceed the period of performance of the specific grant funds used to purchase the plan or warranty. Maintenance and sustainment does not include basic daily maintenance such as washing vessels or conducting pre-departure safety checks. Additional guidance is provided in DHS/FEMA Policy FP 205-402-125-1, *Maintenance Contracts and Warranty Coverage Funded by Preparedness Grants*, located at: <http://www.fema.gov/media-library/assets/documents/32474>.

Specific Guidance on Construction and Renovation Projects

Recipients must obtain written approval from DHS/FEMA prior to the use of any PSGP funds for construction or renovation projects. Additionally, PSGP funding may not be used to construct buildings or other physical facilities that are not constructed under terms and conditions consistent with the requirements of section 611(j)(9) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196(j)(9)) (the *Stafford Act*)⁴,

⁴ While the *Maritime Transportation Security Act of 2002*, as amended, requires that such activities are carried out consistent with Section 611(j)(8) of the *Stafford Act*, a subsequent amendment to the *Stafford Act* by Pub. L. No. 109-308 in 2006 redesignated the text of Section 611(j)(8) to 611(j)(9). The cross-reference in the *Maritime Transportation Security Act of 2002* has never been updated.

which requires compliance with the *Davis-Bacon Act* (40 U.S.C. § 3141 *et seq.*) for PSGP funded projects. Grant recipients must ensure that their contractors or subcontractors for construction projects pay workers no less than the prevailing wages for laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the state in which the work is to be performed. Additional information regarding compliance with the *Davis-Bacon Act*, including Department of Labor wage determinations, is available at <http://www.dol.gov/whd/govcontracts/dbra.htm>.

The following types of construction and renovation projects are allowable under the PSGP provided they address a specific vulnerability or need identified in AMSP or otherwise support the maintenance/sustainment of capabilities and equipment acquired through PSGP funding:

- Maritime Command and Control Centers
- Interagency Operations Centers (IOCs) for maritime security
- Port Security Emergency Communications Centers
- Buildings to house generators that support maritime security risk mitigation
- Maritime security risk mitigation facilities (e.g., dock house, ramps, and docks for existing port security assets)
- Hardened security fences/barriers at access points
- Any other building or physical facility that enhances access control to the port/MTSA facility area
- PSGP funding may be used to purchase and/or upgrade a barge to support a staging area for maritime/port security patrols or maritime security risk mitigation responses. (Certain areas throughout the Nation may require a barge that can be permanently anchored or moored in certain areas to support maritime security risk mitigation activities.)

To be considered eligible for funding, the construction of fusion centers, operations centers, or communications centers must offer a port-wide benefit and support information sharing and coordination of operations among regional interagency and other port security partners. Applicants are reminded that the period of performance for FY 2018 is thirty-six (36) months.

Eligible costs for construction or renovation projects may not exceed \$1,000,000 (Federal-share) per project or such greater amount as may be approved by the Secretary, which may not exceed ten percent of the total amount of the award, as stated in 46 U.S.C. § 70107(b)(2)(A) and (B) (Section 102 of the *Maritime Transportation Security Act of 2002*, Pub. L. 107-295, as amended).

Grant recipients are not permitted to use PSGP funds for construction projects that are eligible for funding under other Federal grant programs. PSGP funds may only be used for construction activities directly related to maritime security risk mitigation enhancements.

When applying for construction funds, including communications towers, at the time of application, recipients must submit evidence of approved zoning ordinances, architectural plans, any other locally required planning permits, and a notice of Federal interest.

Additionally, recipients are required to submit a SF-424C Budget and budget detail worksheet citing the project costs.

All construction projects require an EHP review. EHP review materials should be sent to gpdehpinfo@fema.gov.

Specific Guidance on Explosives Detection Canine Teams (EDCT)

USCG has identified canine (K-9) explosive detection as the most effective solution for the detection of vehicle borne IEDs. When combined with the existing capability of a port or ferry security/police force, the added value provided through the addition of a canine team is significant. EDCTs are a proven, reliable resource to detect explosives and are a key component in a balanced counter-sabotage program.

Eligibility for funding of EDCTs is restricted to:

- U.S. Ferry Systems regulated under 33 C.F.R. Parts 101, 103, 104, and the passenger terminals these specific ferries service under 33 C.F.R. Part 105
- MTSA regulated facilities
- Port authorities, port police and local law enforcement agencies that provide direct layered security for these U. S. Ferry Systems and MTSA regulated facilities and are defined in the AMSP, FSP, or VSP

Applicants may apply for up to \$450,000 (\$150,000/year for three years) per award to support this endeavor. At the end of the grant period (36 months), recipients will be responsible for maintaining the heightened level of capability provided by the EDCT.

EDCT Eligible Costs

Funds for these EDCTs may **not** be used to fund drug detection and apprehension technique training. Only explosives detection training for EDCTs will be funded. The PSGP EDCT funds may only be used for *new* capabilities/programs and cannot be used to pay for existing capabilities/programs (e.g., K-9 teams) already supported by the Port Area. Maintenance and sustainment of existing EDCT equipment is allowed.

Eligible costs include:

- Contracted K-9 and handler providing services in accordance with PSGP guidance
- Salary and fringe benefits of new full or part-time K-9 handler positions
- Training and certifications (travel costs associated with training for full or part time agency handlers, and canines are allowable)
- K-9 and handler equipment costs
- Purchase and train a K-9 and handler for CBRNE detection
- K-9 maintenance costs (K-9 costs include but are not limited to: veterinary, housing, and feeding costs)

Ineligible EDCT costs (include but are not limited to):

- Hiring costs
- Meals and incidentals associated with travel for initial certification
- Vehicles modified to be used solely to transport canines

EDCT Certification

Each EDCT, composed of one dog and one handler, must be certified by an appropriate, qualified organization. K-9 and handler should receive an initial basic training course and weekly maintenance training sessions thereafter to maintain the certification. The basic training averages ten weeks for the canine team (K-9 and handler together) with weekly training and daily exercising. Comparable training and certification standards, such as those promulgated by the TSA Explosive detection canine program, the National Police Canine Association (NPCA), the U.S. Police Canine Association, (USPCA) or the International Explosive Detection Dog Association (IEDDA) may be used to meet this requirement. Certifications and training records will be kept on file with the recipient and made available to DHS/FEMA upon request.

EDCT Submission Requirements

Successful applicants will be required to submit an amendment to their approved VSP or FSP per 33 C.F.R. Parts 104 and/or 105 detailing the inclusion of a K-9 explosive detection program into their security measures.

The recipient will ensure that a written plan or standard operating procedure (SOP) exists that describes EDCT deployment policy to include visible and unpredictable deterrent efforts and on- call EDCTs rapid response times as dictated by the agency's FSP or VSP. The plan must be made available to DHS/FEMA and USCG upon request.

The recipient will comply with requirements for the proper storage, handling and transportation of all explosive training aids in accordance with the Bureau of Alcohol, Tobacco, Firearms and Explosives' Publication 5400.7 (ATF P 5400.7) (09/00), *Federal Explosive Law and Regulation*.

Additional EDCT Resources Available for K-9 Costs

The PSGP, while providing the ability to defray some start-up costs, does not cover any recurring costs associated with EDCT programs. DHS/FEMA strongly encourages applicants to investigate their eligibility, and potential exclusions, for these resources when developing their K-9 programs.

Unallowable Costs

In general, projects that do not provide a compelling maritime security benefit or have a direct nexus toward maritime security risk mitigation are not permitted. For example, projects that are primarily for economic or safety benefit (as opposed to having a direct maritime security risk mitigation benefit) are ineligible for PSGP funding. In addition, projects that provide a broad homeland security benefit (for example, a communication system or fusion center for an entire city, county, state, etc.) as opposed to providing primary benefit to the port are ineligible for PSGP funding since these projects should be eligible for funding through other preparedness grant programs.

The following projects and costs are considered ineligible for award consideration:

- Unallowable Equipment: Grant funds must comply with [IB 426](#) and may not be used for the purchase of the following equipment: firearms, ammunition, grenade launchers, bayonets, or weaponized aircraft, vessels, or vehicles of any kind with weapons installed
- Projects in which Federal agencies are the primary beneficiary or that enhance Federal property, including sub-components of a Federal agency
- Projects that study technology development for security of national or international cargo supply chains (e.g., e-seals, smart containers, container tracking or container intrusion detection devices)
- Proof-of-concept projects
- Development of training
- Projects that duplicate capabilities being provided by the Federal Government (e.g., vessel traffic systems)
- Business operating expenses (certain security-related operational and maintenance costs are allowable – see “Maintenance and Sustainment” and “Operational Costs” for further guidance)
- TWIC card fees
- Signage, projects for placarding and billboards, or hard fixed structure signage
- Reimbursement of pre-award security expenses
- Outfitting facilities, vessels, or other structures with equipment or items providing a benefit rather than a direct security benefit. Examples of such equipment or items include, but are not limited to: office furniture, CD players, DVD players, AM/FM radios, TVs, stereos, entertainment satellite systems, Entertainment cable systems and other such entertainment media, unless sufficient justification is provided. This includes weapons and associated equipment (i.e., holsters, optical sights, and scopes), including, but not limited to: non-lethal or less-than-lethal weaponry including firearms, ammunition, and weapons affixed to facilities, vessels, or other structures
- Expenditures for items such as general-use software, general-use computers, and related equipment (other than for allowable M&A activities, or otherwise associated) preparedness or response functions), general-use vehicles and licensing fees
- Land acquisitions and right of way purchases
- Funding for standard operations vehicles utilized for routine duties, such as patrol cars and fire trucks
- Fuel costs (except as permitted for training and exercises)
- Exercise(s) that do not support maritime security preparedness efforts
- Patrol Vehicles and Fire Fighting Apparatus, other than those CBRNE detection equipped vehicles for Port Area and/or facility patrol or response purposes
- Providing protection training to public police agencies or private security services to support protecting VIPs or dignitaries
- Aircraft pilot training

Appendix B – FY 2018 PSGP Sample Budget Detail Worksheet

Purpose: The budget detail worksheet may be used as a guide to assist applicants in the preparation of the budget and budget narrative. Applicants may submit the budget and budget narrative using this form or in the format of their choice (plain sheets, the applicant’s 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 the project budget may be deleted. Below is an example for reference purposes.

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. Personnel hiring, overtime, and backfill expenses are permitted under this grant only to the extent that such expenses are for the allowable activities within the scope of the grant.

| Name/Position | Computation | Cost |
|---------------------------|--------------------------------|------------------|
| John Doe, Widget Producer | \$30,000 annually x 50% effort | \$ 15,000 |
| Total Personnel | | \$ 15,000 |

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.

| Name/Position | Computation | Cost |
|------------------------------|------------------------|-----------------|
| John Doe, Widget Producer | 15,000 x 50% of salary | \$ 7,500 |
| Total Fringe Benefits | | \$ 7,500 |

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 three-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.

| Purpose of Travel | Location | Item | Computation | Cost |
|---------------------|----------------|-------|----------------|---------------|
| FLETC Training | Washington, DC | Hotel | 150 x 3 nights | \$ 450 |
| Total Travel | | | | \$ 450 |

D. Equipment. List non-expendable items that are to be purchased. Non-expendable equipment is tangible property having a useful life of more than one year. (Note: Organization’s own capitalization policy and threshold amount for classification of equipment may be used). Identify the Authorized Equipment List number (AEL #) for items requested. 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. For CBRNE

Vessels or Vehicles, list the specific CBRNE equipment that will be installed on the vessel or vehicle, including equipment already owned by the applicant.

Budget Narrative: A narrative budget justification must be provided for each of the budget items identified.

| Item | Computation | Cost |
|------------------------|-------------|-----------------|
| Harness | 10 x \$100 | \$ 1,000 |
| Total Equipment | | \$ 1,000 |

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.

| Supply Items | Computation | Cost |
|-----------------------|-----------------|---------------|
| Paper | 10 reams x \$30 | \$ 300 |
| Total Supplies | | \$ 300 |

F. Consultants/Contracts. Indicate whether applicant’s procurement policy follows standards found in 2 C.F.R. § 200.318(a).

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

Budget Narrative: A narrative budget justification must be provided for each of the budget items identified.

| Name of Consultant | Service Provided | Computation | Cost |
|-----------------------------------|---------------------|-----------------------|------------------|
| John Doe Consultant | Training Consultant | \$100/hr. x 100 hours | \$ 10,000 |
| Subtotal – Consultant Fees | | | \$ 10,000 |

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.)

Budget Narrative: A narrative budget justification must be provided for each of the budget items identified.

| Item | Location | Computation | Cost |
|---------------------------------------|-------------|---------------------|---------------|
| John Doe Consultant | Phoenix, AZ | Hotel 150 x 3nights | \$ 450 |
| Subtotal – Consultant Expenses | | | \$ 450 |

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. Any sole source contracts must follow the requirements set forth in applicable state and local laws and regulations, as well as applicable Federal regulations at 2 CFR Part 200.

Budget Narrative: A narrative budget justification must be provided for each of the budget items identified.

| Item | Cost |
|---|-----------|
| Jane Doe Contractor – Engine Maintenance, 36 months | \$ 30,000 |
| Subtotal – Contracts | \$ |

Total Consultants/Contracts \$

G. Other Costs. List items (e.g., reproduction, 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.

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.

| Description | Computation | Cost |
|-------------|-------------|-----------------------|
| | | \$ |
| | | \$ Total Other |

H. Indirect Costs. Indirect costs are allowable only as described in 2 C.F.R. § 200.414. With the exception of recipients who have never received a negotiated indirect cost rate as described in 2 C.F.R. § 200.414(f), recipients must have an approved indirect cost rate agreement with their cognizant Federal agency to charge indirect costs to this award. A copy of the approved rate (a fully executed, agreement negotiated with the applicant’s cognizant Federal agency) must be attached.

| Description | Computation | Cost |
|-------------|-----------------------------|------|
| | | \$ |
| | Total Indirect Costs | \$ |

Budget Summary - When the budget detail worksheet has been completed, applicants should transfer the total 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.

| Budget Category | Federal Amount | Non Federal Amount |
|--------------------------|-----------------------|---------------------------|
| A. Personnel | \$ 11,250 | \$ 3,750 |
| B. Fringe Benefits | \$ 5,625 | \$ 1,875 |
| C. Travel | \$ 337.50 | \$ 112.50 |
| D. Equipment | \$ 750 | \$ 250 |
| E. Supplies | \$ 225 | \$ 75 |
| F. Consultants/Contracts | \$ 30,337 | \$ 10,112 |
| G. Other | \$ 0 | \$ 0 |
| H. Indirect Costs | \$ 0 | \$ 0 |

| Total Requested Federal Amount | Total Non-Federal Amount |
|---------------------------------------|---------------------------------|
| \$ 48,525.50 | \$ 16,175.50 |
| Combined Total Project Costs | |
| \$ 64,700 | |

Appendix C – FY 2018 PSGP 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 security service].

2. AUTHORITY. This Agreement is authorized under the provisions of [applicable Area Maritime Security Committee (AMSC) authorities and/or other authorities].

3. PURPOSE. The purpose of this Agreement is to set forth terms by which [Provider of security service] shall expend Port Security Grant Program project funding in providing security service to [Recipient of security service]. Under requested PSGP grant, the [Provider of security service] must provide layered security to [Recipient of security service] 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 security service]

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

(2) [Provider of security service]

- 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 security service] 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

Appendix D - FY 2018 PSGP Helpful Hints for Applicants

- Are the following components included in the application package?
 - SF-424, SF-424A, SF-424B, SF-LLL
 - IJs for projects
 - Detailed budgets containing only allowable costs and demonstrating cost share
 - Vulnerability assessments/security plan certification (if applicable)
- Are the following items addressed within the IJ narratives and detailed budgets?
 - Does the IJ and the detailed budget only include allowable costs?
 - Are all of the expenses in the detailed budget addressed in the IJ narrative? (For example, a camera equipment budget line item should be addressed in narrative form in the IJ as it pertains to the overall security program.)
 - Does the information in the detailed budget align with the budget summary in the IJ narrative?
 - Are planning and design costs clearly delineated in the budget, as separate from implementation/installation costs? (Planning and design costs may be released before implementation/installation costs, as planning and design costs do not require extensive EHP review.)
- Does the IJ align with one or more core capabilities in the Goal?
- Does the IJ discuss how this investment will specifically address one or more of the project effectiveness groups identified in the current year's NOFO?
- Does the IJ discuss how this investment will decrease or mitigate risk?
- Is the cost effectiveness of the project clearly explained in the IJ? How does this project provide a high security return on investment?
- Are timelines realistic and detailed?
- Are possible hurdles clearly and concisely addressed?
- Does the M&A total more than five percent (5%) of the total award?