

**The U.S. Department of Homeland Security (DHS)  
Notice of Funding Opportunity (NOFO)  
Fiscal Year (FY) 2017 Port Security Grant Program (PSGP)**

**NOTE:** Eligible recipients who plan to apply for this funding opportunity but who have not obtained a Data Universal Numbering System (DUNS) number and/or are not currently registered in the System for Award Management (SAM), should take immediate action to obtain a DUNS Number, if applicable, and then to register immediately in SAM. New registration can take an average of 7-10 business days to process in SAM. SAM must send out some information for validation with outside parties before your registration can be activated; this includes Taxpayer Identification Number (TIN) validation with the Internal Revenue Service (IRS) and Commercial and Government Entity (CAGE) validation/assignment with the Department of Defense. This timeframe may be longer if the information you provide is flagged for manual validation by either party. If you notice your registration has had a 'Submitted' status for longer than 10 business days, and you have not otherwise been contacted to correct or update information, please contact the Federal Service Desk at 866-606-8220 or <https://www.fsd.gov>. Information on obtaining a DUNS number and registering in SAM is available from [Grants.gov](https://www.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-17-GPD-056-00-01

**Authorizing Authority for Program**

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

**Appropriation Authority for Program**

Department of Homeland Security Appropriations Act, 2017, (Pub. L. No. 115-31)

## **Program Type**

New

## **Program Overview, Objectives, and Priorities**

### **Overview**

The FY 2017 Port Security Grant Program (PSGP) plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal (the Goal) of a secure and resilient Nation. Delivering core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. The FY 2017 PSGP's allowable costs support efforts to build and sustain core capabilities across Prevention, Protection, Mitigation, Response, and Recovery mission areas, with specific focus on addressing the security needs of our Nation's maritime ports. 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.

### **Objectives**

Recipients under the FY 2017 PSGP are encouraged to build and sustain core capabilities through activities such as:

- Strengthening governance integration;
- Enhancing strategic ports within the National Port Readiness Network;
- Enhancing Maritime Domain Awareness (MDA);
- Enhancing Improvised Explosive Device (IED) and Chemical, Biological, Radiological, Nuclear, Explosive (CBRNE) prevention, protection, response and supporting recovery capabilities within the maritime domain;
- Enhancing cybersecurity;
- Completing maritime security risk mitigation projects that support port resilience and recovery capabilities, as identified in an Area Maritime Security Plan or facility security plan;
- Conducting training and exercises; and
- Completing Transportation Worker Identification Credential (TWIC) projects.

### **Priorities**

The National Preparedness Goal defines what it means for the [whole community](#) to be prepared for all types of disasters and emergencies. The National Preparedness System is the instrument the Nation employs to build, sustain, and deliver core capabilities in order to achieve the Goal of a secure and resilient Nation. The vast majority of U.S. maritime critical infrastructure is owned or operated by state, local, 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. PSGP

investments must address the U.S. Coast Guard (USCG) and Area Maritime Security Committee (AMSC) identified port security vulnerabilities and support the prevention, protection, response, and recovery from attacks involving Improvised Explosive Device (IED) and other non-conventional weapons.

For additional information on program priorities and objectives for the FY 2017 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, 2017**

**Projected Period of Performance End Date:** **August 31, 2020**

**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 defines the 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, state 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. Program funding is risk based by Port Area and 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; or
- 2) the applicant has failed to decline the NOV within 45 days of receipt 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 therein.

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.

**Ineligible Entities**

Applications for the purpose of providing a service, product, project, or investment justification (IJ) on behalf of another entity such as sub-recipients or a consortia are ineligible for funding. Applications will only be accepted and considered for funding from direct recipients.

## **Ferry Systems**

Ferry systems are eligible to apply for FY 2017 PSGP funds. However, any ferry system receiving funds under the FY 2017 PSGP will not be eligible to participate under the FY 2017 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 2017, 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 the 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>.

### **Sub-Awards of PSGP Funding**

The PSGP provides direct funding to eligible applicants to support their specific needs regarding maritime security risk management. For this reason, applicants who are selected for funding under the PSGP may not enter into subawards with other non-Federal entities.

### **Cost Share or Match**

The FY 2017 PSGP has a cost share requirement. The non-Federal entity contribution can be cash or in-kind, with the exception of construction activities, which must be a cash-match (hard).

All PSGP award recipients 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 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 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**

Exceptions to the cost match requirement may apply. Please see [Appendix B – FY 2017 PSGP Funding Guidelines](#) for details.

#### **D. Application and Submission Information**

##### **Key Dates and Times**

**Date Posted to Grants.gov: June 2, 2017**

**Application Submission Deadline: June 22, 2017, 5:00PM EDT**

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 not received by the deadline or consider them for funding. DHS/FEMA may, however, extend the application deadline on request for any applicant who can demonstrate that good cause exists to justify extending the deadline. Good cause for an extension may include 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@dhs.gov](mailto:askcsid@dhs.gov), Monday through Friday, 9:00 a.m. – 5:00 p.m. EDT.

**Anticipated Funding Selection Date: September 1, 2017**

**Anticipated Award Date: No later than September 30, 2017**

##### **Address to Request Application Package**

Application forms and instructions are available at Grants.gov (hardcopies of the NOFO and associated application materials are not available). To access these materials, go to <http://www.grants.gov>, select “Applicants” then “Apply for Grants”, read the registration requirements, and register, if necessary (**allow up to 7-10 business days after submitting before the registration is active in SAM, then an additional 24 hours for [Grants.gov](#) to recognize the information**). In order to obtain the application package select “Download a Grant Application Package.” Enter the CFDA and/or the funding

opportunity number located on the cover of this NOFO, select “Download Package,” and then follow the prompts to download the application package.

Applicants experiencing difficulties accessing information or who have any questions should call the [Grants.gov](http://Grants.gov) customer support hotline at (800) 518-4726.

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

Applications will be processed through the [Grants.gov](http://Grants.gov) portal and DHS/FEMA’s Non-Disaster Grants ([ND Grants](http://ND.Grants.gov)) 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 of an applicant to comply with any of the required steps before the application deadline may result in their application being disqualified.

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

1. Applying for, updating or verifying their DUNS Number;
2. Applying for, updating or verifying their EIN;
3. Updating or verifying their SAM Registration;
4. Establishing an AOR in [Grants.gov](http://Grants.gov);
5. Submitting an initial application in [Grants.gov](http://Grants.gov); and
6. Submitting the final application in [ND Grants](http://ND.Grants.gov).

Each of the required steps associated with the application process are explained in the sections below.

### **Unique Entity Identifier and System for Award Management (SAM)**

Before applying for a DHS grant at [grants.gov](http://grants.gov), applicants must have a DUNS number, be registered in SAM, and be approved as an AOR. The steps for completing these pre-application processes are outlined below.

**NOTE: Applicants are encouraged to register early. The pre-application registration processes can take four (4) weeks or more to complete. Therefore, registration should be done in sufficient time to ensure it does not impact the applicant’s ability to meet required submission deadlines.**

### **Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) Number**

The DUNS number must be included in the data entry field labeled "Organizational DUNS" on the SF-424 form in [Grants.gov](http://Grants.gov). Instructions for obtaining a DUNS number can be found at the following website:

<http://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html>.

The applicant must provide a DUNS number with their application. This number is a required field for all subsequent steps in the application submission. Applicants should verify they have a DUNS number, or take the steps necessary to obtain one.

Applicants can receive a DUNS number at no cost by calling the DUNS number request line at (866) 705-5711. DHS/FEMA *cannot assist applicants with questions related to obtaining a current DUNS number.*

### **Obtain an Employer Identification Number (EIN)**

DHS/FEMA requires both the EIN and a DUNS number prior to the issuance of a financial assistance award and for grant award payment; both the EIN and a DUNS number are required to register with SAM. The EIN base for an organization is the Internal Revenue Service (IRS) Tax ID number and for individuals it is their social security number. The social security and IRS Tax ID numbers are both nine-digit numbers. Organizations and individuals submitting their applications must correctly identify the EIN from the DUNS since both are 9-digit numbers.

If these numbers are not correctly identified in the application, a delay in the issuance of the funding award and/or incorrect payment to a recipient organization may result.

**Organizations applying for an EIN should plan on a minimum of two (2) full weeks to obtain an EIN (<https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>). For assistance registering an EIN, please contact the IRS helpline at <https://www.irs.gov/help-resources/telephone-assistance>. DHS/FEMA **cannot assist applicants with questions related to obtaining a current EIN.****

### **Register with the System for Award Management (SAM)**

Applicants applying for grant funds electronically through [Grants.gov](https://www.grants.gov) must register with the Federal System for Award Management (SAM). Step-by-step instructions for registering with SAM can be found here:

<http://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html>. All applicants must register with SAM in order to apply online. Failure to register with the SAM will result in the application being rejected by [Grants.gov](https://www.grants.gov) during the submissions process.

Payment under any DHS/FEMA award is contingent on the recipient having a current [SAM](https://www.sam.gov) registration. The SAM registration process must be completed by the applicant. It is imperative that the information provided by the applicant is correct and current. Please ensure that the organization's name, address, DUNS number and EIN are up to date in SAM and that the DUNS number used in SAM is the same one used to apply for all other DHS/FEMA awards.

SAM registration is a multi-step process including validating the EIN with the IRS to obtain a Commercial and Government Entity (CAGE) code. The CAGE code is only valid for one year after issuance and must be current at the time of application.

SAM sends notifications to the registered user via email 60, 30, and 15 days prior to expiration of the SAM registration for the Entity. SAM registration may lapse due to inactivity. To update or renew Entity records(s) in SAM, applicants will need to create a SAM User Account and link it to the migrated Entity records.

For assistance registering, please go to [SAM](#) or call 866-606-8220. *DHS/FEMA cannot assist applicants with questions related to registering in SAM or obtaining a current CAGE code.*

### **Authorized Organizational Representative (AOR)**

The next step in the registration process is creating a username and password with [Grants.gov](#) to become an AOR. AORs will need to know the DUNS number of the organization for which they will be submitting applications to complete this process. Applicants must register the individual who is able to make legally binding commitments for the applicant organization as the AOR; please note that this step is often missed and it is crucial for valid submissions. To read more detailed instructions for creating a profile on Grants.gov visit: <http://www.grants.gov/web/grants/applicants/organization-registration/step-3-username-password.html>.

### **AOR Authorization**

After creating a profile on [Grants.gov](#), the E-Biz Point of Contact (POC), a representative from the applicant organization listed as the contact for SAM, will receive an email to grant the AOR permission to submit applications on behalf of the organization. The E-Biz POC will then log in to Grants.gov and approve an individual as the AOR, thereby granting permission to submit applications. To learn more about AOR Authorization, visit: <http://www.grants.gov/web/grants/applicants/organization-registration/step-4-aor-authorization.html>. To track AOR status, visit: <http://www.grants.gov/web/grants/applicants/organization-registration/step-5-track-aor-status.html>.

### **Electronic Signature**

Applications submitted through Grants.gov constitute an electronically signed application. When submitting the application through Grants.gov, the name of the applicant's AOR will be inserted into the signature line of the application.

Applicants experiencing difficulties accessing information or who have questions should call the [Grants.gov](#) customer support hotline at (800) 518-4726 or email [support@grants.gov](mailto:support@grants.gov).

The Federal awarding agency 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 the Federal awarding agency is ready to make a Federal award, the Federal awarding agency may determine that the applicant is not qualified to receive a Federal award.

### **Submitting an Initial Application in Grants.gov**

Following completion of the procedures above all applicants must submit their initial application through [Grants.gov](https://www.grants.gov). Applicants may need to first create a [Grants.gov](https://www.grants.gov) user profile by visiting the Get Registered section of the [Grants.gov](https://www.grants.gov) website. Successful completion of this step is necessary for DHS/FEMA to determine eligibility of any applicant. Applicants should complete this initial step online which requires completing:

- Standard Form 424 (SF-424), Application for Federal Assistance, and
- [Grants.gov](https://www.grants.gov) Certification Regarding Lobbying Form.

Both forms are available in the Forms tab under the SF-424 group. The initial application cannot be started or submitted in [Grants.gov](https://www.grants.gov) until the applicant's registration in SAM is confirmed.

Application forms and instructions are available at [Grants.gov](https://www.grants.gov) by selecting *Apply for Grants*. Enter the CFDA number or the Opportunity ID Number noted in this NOFO, select *Download Application Package*, and follow the prompts to download the application package. The information submitted in [Grants.gov](https://www.grants.gov) will be retrieved by ND Grants, which will allow DHS/FEMA to determine if an applicant is eligible. **Applicants are encouraged to submit their initial application in [Grants.gov](https://www.grants.gov) at least ten days before the application deadline.**

For assistance applying through [Grants.gov](https://www.grants.gov), please go to the [Grant Application page](#), contact [support@grants.gov](mailto:support@grants.gov), or call 800-518-4726. **DHS/FEMA cannot assist with questions related to registering with [Grants.gov](https://www.grants.gov).**

### **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](#). Applicants can register early with ND Grants and are encouraged to begin their ND Grants registration at the time of this announcement. Early registration will allow applicants to have adequate time to start and complete their application.

In [ND Grants](#), 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 include all required information.

- Standard Form 424A, Budget Information (Non-construction);
- Standard Form 424B, Standard Assurances (Non-construction); and
- Standard Form LLL, Disclosure of Lobbying Activities (if the recipient has engaged or intends to engage in lobbying activities).

In addition applicants must submit copies of the following in ND Grants:

- 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](mailto: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 (<http://www.fws.gov/policy/library/rgeo12372.pdf>). Name and addresses of the SPOCs are maintained at the Office of Management and Budget's home page at [http://www.whitehouse.gov/omb/grants\\_spo](http://www.whitehouse.gov/omb/grants_spo) to ensure currency.

### **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.

Additionally, DHS/FEMA has issued [Information Bulletin \(IB\) 407a, Use of Grant Funds for Controlled Equipment](#), which has placed further restrictions on controlled equipment. For more information on the Controlled Equipment List and Prohibited Equipment, see [Appendix B: FY 2017 PSGP Funding Guidelines](#).

### **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. This GPD EHP Policy Guidance can be found in FP 108-023-1, [Environmental Planning and Historic Preservation Policy](#) and further GPD EHP guidance can be found at: <https://www.fema.gov/environmental-planning-and-historic-preservation-compliance>.

## **SAFECOM**

Recipients and subrecipients who receive awards under the PSGP that wholly or partially provide funding for emergency communication projects and related activities must comply with the most recent version of the SAFECOM Guidance on Emergency Communications Grants (<https://www.dhs.gov/safecom>). This guidance provides recommendations to recipients regarding interoperable emergency communications projects, including allowable costs, eligible activities, grants management best practices for emergency communications grants, and information on technical standards that ensure greater interoperability. The guidance is intended to ensure that Federally-funded investments are compatible, interoperable, and support the national goals and objectives for improving emergency communications nationwide.

## **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 2017 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. For entities other than States, such procurements must comply with the recipient's written standards of conduct covering conflicts of interest as required by the Federal procurement standards at 2 C.F.R. § 200.318 (c)(1). Included in this requirement, no employee, officer, or agent of the recipient 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. 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. 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.

### **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 and ND Grants. 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.

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, 2 C.F.R. Part 200.

### **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.

### **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 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 (IJ)**

As part of the FY 2017 PSGP application process, applicants must develop a formal IJ that addresses 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. This worksheet must be used as a guide to assist applicants in the preparation of the IJ.

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 2017 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 narrative detailed budget 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 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 in-kind. Applications failing to demonstrate the required cost share will not be considered for funding.** Cash and 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 an 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, 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 a 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
- 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 2017 PSGP Sample MOU/MOA Template](#).

Applicants must use the following file naming convention for FY 2017 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 IJ's, all IJ's 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 and 41 U.S.C. § 2313 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.

FY 2017 PSGP applications will be evaluated through a three-part review and selection process. There are four 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 funding priorities identified in [Appendix A – FY 2017 PSGP Program Priorities](#).
  - 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.

### **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 Panel (NRP) 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 2017 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
- Application is submitted into ND Grants
- Applicant is associated with an organization within ND Grants
- Applicant has submitted all required assurances and standard forms
- Application includes an Investment Justification
- Application includes 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 managed 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. See [Appendix A – FY 2017 PSGP Program Priorities](#) and [Appendix B – FY 2017 PSGP Funding Guidelines](#) for additional details.

After completing field reviews, COTPs will submit the project scores, associated comments, and prioritized lists to DHS/FEMA in advance of the national review panel process.

### **National Review Process**

Following the COTP field review, a NRP, comprised of subject matter experts drawn from DHS and DOT components, will convene and conduct a national review.

The purpose of the NRP is to identify a final, prioritized list of eligible projects for funding. The NRP will conduct an initial review of the prioritized project listings for each Port Area submitted by the USCG COTPs to ensure that the proposed projects will

accomplish intended risk mitigation goals. The NRP will validate the COTP Field Review's Project Priority List and provide a master list of prioritized projects by Port Area.

The NRP will score projects based on the criteria addressing [PSGP Specific Priorities](#). When appropriate, the NRP may normalize nationwide scoring of certain project types based on details of common projects. For example, a CBRNE Vessel project may receive a score of "1" by one COTP and the same project scored a "9" by another COTP; the NRP may normalize both projects with a criteria score of "3" for the National Review. Project details demonstrating varying levels of capability may increase or decrease the score of the project addressing the PSGP priorities. The NRP may score a project "0" if the project addresses PSGP priorities but is not recommended for funding by the COTP or may recommend not funding due to a deficient detailed budget and projects that appear to provide minimal support of PSGP priorities.

The NRP will 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. The NRP will also validate proposed project costs. Decisions to reduce requested funding amounts or eliminate requested items deemed inappropriate under the scope of the FY 2017 PSGP will take into consideration the ability of the revised project to address the intended national port security 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 NRP reviews, a risk score will be calculated for each Port Area submitting an application. As required by the *Homeland Security Act of 2002*, as amended, a Port Area risk score will be calculated 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 area taking into account 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 NRP'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 (based on the comprehensive DHS/FEMA risk methodology); and
- Effectiveness and feasibility of the project to be completed in support of the priorities highlighted above during the period of performance.

The NRP will be asked to validate and submit their funding recommendations to DHS/FEMA.

DHS/FEMA will use the final results of its analysis to make funding recommendations to the Secretary of Homeland Security. 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.

### **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:

<b>Reporting Period</b>	<b>Report Due Date</b>
October 1 – December 31	January 30
January 1 – March 31	April 30
April 1 – June 30	July 30

Reporting Period	Report Due Date
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. Recipients must submit the following 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;
  - 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.

## **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@dhs.gov](mailto:askcsid@dhs.gov), Monday through Friday, 9:00 a.m. – 5:00 p.m. EDT.

#### **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@dhs.gov](mailto:ASK-GMD@dhs.gov).

#### **DHS/FEMA Regional Offices**

DHS/FEMA Regional Offices may also 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. A list of contacts in DHS/FEMA Regions is available online at <https://www.fema.gov/regional-contact-information>.

#### **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](mailto:gpdehpinfo@fema.gov). GPD EHP information can be found at: <https://www.fema.gov/environmental-planning-and-historic-preservation-compliance>.

#### **Systems Information**

*Grants.gov*. For technical assistance with [Grants.gov](https://www.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](mailto:ndgrants@fema.gov) or (800) 865-4076.

### **H. Additional Information**

#### **National Preparedness**

The National Preparedness Goal defines what it means for the [whole community](#) to be prepared for all types of disasters and emergencies. The National Preparedness System is the instrument the Nation employs to build, sustain, and deliver core capabilities in order to achieve the Goal of a secure and resilient Nation.

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. Port entities and PSGP grant recipients are required to participate in the THIRA and SPR 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>. Additional details regarding the National Preparedness System and how it is supported by the PSGP can be found in [Appendix A – FY 2017 PSGP Program Priorities](#).

### **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 a variety of 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 on the DHS website at: <https://www.dhs.gov/cveas-portal#>.

Port security stakeholders are encouraged to review the referenced active shooter guidance, evaluate their preparedness needs, and consider applying for PSGP funding to address any capability gaps identified in this area.

### **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 BCRTTP 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 2017 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.

### **Payments**

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.

### **Monitoring**

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.

### **Conflict of Interest**

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, 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, 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

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.

## **Appendix A – FY 2017 PSGP Program Priorities**

### **Alignment of PSGP to the National Preparedness System**

The Nation uses the National Preparedness System to build, sustain, and deliver core capabilities in order to achieve the National Preparedness Goal (the Goal). The Goal is “a secure and resilient Nation with the capabilities required across the whole community to prevent, protect against, mitigate, respond to, and recover from the threats and hazards that pose the greatest risk.” The objective of the National Preparedness System is to facilitate an integrated, whole community, risk informed, and capabilities-based approach to preparedness. The guidance, programs, processes, and systems that support each component of the National Preparedness System enable a collaborative, whole community approach to national preparedness that engages individuals, families, communities, private and nonprofit sectors, faith-based organizations, and all levels of government (<http://www.fema.gov/whole-community>).

The Goal outlines core capabilities, which are essential for the execution of critical tasks for the Prevention, Protection, Mitigation, Response, and Recovery mission areas outlined in the Goal. 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>.

### **Closing Capability Gaps**

In addition, DHS/FEMA requires recipients to prioritize grant funding to address capability gaps identified through the THIRA and SPR process. These assessments identify the jurisdiction’s capability targets, current ability to meet those targets, and capability gaps. Recipients should prioritize grant funds to increase capability for those capabilities they rate as high-priority core capabilities with low capability levels.

### **Overarching Funding Priorities**

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

The PSGP uses risk informed funding decisions whereby each Port Area's relative threat, vulnerability, and consequences from acts of terrorism are used when determining project allocations. These risk informed funding decisions ensures that funding is used for terrorism prevention to achieve the Goal of a secure and resilient Nation.

PSGP will continue to fund those eligible projects that close or mitigate maritime security risk vulnerabilities gaps as identified in the AMSP, FSP, VSP, and Alternative Security Programs. These projects will enhance business continuity and resumption of trade. *Applicants are reminded of the thirty-six (36) month period of performance and should consider project completion time needed prior to submitting applications.*

### **PSGP Specific Priorities**

In addition to these two overarching priorities, the Department has identified the following six (6) priorities as its selection criteria for all PSGP applicants. These priorities also align to the five (5) mission areas and the associated core capabilities of the Goal. See [Appendix B – FY 2017 PSGP Funding Guidelines](#) for more information on funding requirements of each priority.

- 1. Enhancing Maritime Domain Awareness (MDA).** Port Areas should seek to enhance their MDA through projects that address knowledge capabilities within the maritime domain. This effort could include access control/standardized credentialing, command and control, interoperable communications, and enhanced intelligence sharing and analysis. This effort may also include construction or infrastructure improvement projects to close maritime security risk vulnerabilities that are identified in the AMSPs, FSPs, and/or VSPs. Construction and enhancement of Interagency Operations Centers (IOCs) for port security should be considered a priority for promoting MDA and unity of effort.
  
- 2. Port Resilience and Recovery Capabilities.** One of the core missions of Homeland Security, as outlined in the Quadrennial Homeland Security Review (QHSR) Report, is “strengthen national preparedness and resilience.” A major goal in support of this mission is to “enhance national preparedness” (Goal 5.1) and “enable rapid recovery” (Goal 5.4). A main objective of this goal is to sustain critical capabilities and restore essential services in a timely manner. PSGP funds are intended to assist “risk owners” in addressing maritime security vulnerabilities.
  
- 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 found at <http://www.uscg.mil/hq/cg5/nvic/2000s.ASP>. Exercises should be consistent with the Homeland Security Exercise Evaluation Program (HSEEP) located at <https://www.fema.gov/exercise>.

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 C<sup>3</sup> 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 C<sup>3</sup> Voluntary Program can be found at [www.dhs.gov/ccubedvp](http://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.

- 5. Enhancing IED and CBRNE Prevention, Protection, Response and Supporting 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](http://www.dhs.gov/files/publications/gc_1209408805402.shtm).

- 6. Equipment Associated with Transportation Worker Identification Credential (TWIC) Implementation.** TWIC is a Congressionally-mandated security program through which DHS will conduct appropriate background investigations and issue biometrically enabled and secure identification cards for individuals requiring unescorted access to U.S. port facilities. See DHS/FEMA GPD [IB 343: Interim Guidance for Ports, Facilities and Vessels on Transportation Worker Identification Credential \(TWIC\) Projects Funded through the Port Security Grant Program \(PSGP\) and the Transit Security Grant Program \(TSGP\)](#), for further information on the TWIC program and guidance for executing PSGP-funded TWIC projects. Infrastructure and installation projects that support TWIC implementation (e.g., cabling, Information Technology [IT], limited construction) are allowable.

## Appendix B – FY 2017 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 2017 PSGP (including ferry systems):

All PSGP Recipients must provide a non-Federal match (cash or in-kind) supporting **25 percent of the total project cost** for each proposed project. Project requests must demonstrate a 25 percent (25%) cost share.

The non-Federal share can be cash or in-kind, with the exception of construction activities, which must be a cash-match (hard).

Cash and 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 an 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, 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:

- There is no matching requirement for grant awards where the total project cost for all projects under the award is \$25,000 or less [with the exception of national and regional corporations submitting 11 or more projects throughout their system(s)] in accordance with 46 U.S.C. § 70107(C)(2)(A).
- 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 and 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). 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 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 2017 PSGP application process, applicants must develop a formal IJ that addresses 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 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).*

### **Management and Administration (M&A)**

M&A activities are defined as those directly relating to the management and administration of PSGP funds, such as financial management and monitoring. The amount of allowable M&A is specified in each year's Notice of Funding Opportunity. PSGP M&A funds may be used for the following M&A costs:

- Hiring of full-time or part-time personnel, contractors or consultants responsible for M&A activities, including those related to compliance with grant reporting, including data calls, and
- Travel expenses, if directly related to the administration of the grant.

### **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 (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.

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; 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 Costs**

### **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

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

### **Controlled Equipment**

Grant funds may be used for the purchase of controlled equipment, however, because of the nature of the equipment and the potential impact on the community, there are additional and specific requirements in order to acquire this equipment.

Refer to Information Bulletin [IB 407a](#), *Use of Grant Funds for Controlled Equipment*, for the complete *Controlled Equipment List*, information regarding the *Controlled Equipment Request Form*, and a description of the specific requirements for acquiring controlled equipment with DHS/FEMA grant funds.

### **Requirements for Small Unmanned Aircraft System**

All requests to purchase Small Unmanned Aircraft System (SUAS) with DHS/FEMA grant funding must also 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.

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

### **Maritime Domain Awareness (MDA)**

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;
- 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

[http://www.whitehouse.gov/sites/default/files/docs/national\\_maritime\\_domain\\_awareness\\_plan.pdf](http://www.whitehouse.gov/sites/default/files/docs/national_maritime_domain_awareness_plan.pdf).

### **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 Homeland Security Exercise and Evaluation Program (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](mailto: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 encouraged 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. 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.

## **Cybersecurity**

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 cyberactivity, 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.

### **IED and CBRNE Prevention, Protection, Response, Recovery Capabilities**

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.
- Improved lighting to meet maritime security risk mitigation needs
- Hardened security gates and vehicle barriers
- Floating protective barriers designed to stop a small vessel threat
- Underwater intrusion detection systems
- Reconfiguring of dock access areas to prevent intrusion via small boat or swimmer/diver access

#### **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

### **Transportation Worker Identification Credential (TWIC)**

The TWIC is designed to be an open architecture, standards-based system. Port projects that involve new installations or upgrades to access control and credentialing systems, should exhibit compliance with TWIC standards and program specifications. *Fees associated with the application for, and issuance of the TWIC cards themselves are ineligible for award funding consideration.*

Allowable costs under this section include those projects that will ensure the safe and secure transit of foreign seafarers and shore personnel/support [who are not eligible for TWIC] to and from the vessel while at MTSA regulated facilities. For additional information, see DHS/FEMA GPD IB 346, titled “Port Security Grant Program Allowable Costs for Seafarers and Shore Staff/Support” located at <https://www.fema.gov/pdf/government/grant/bulletins/info346.pdf>. Applicants are encouraged to utilize the Qualified Technologies List to identify TWIC equipment: <https://universalenroll.dhs.gov/permalinks/static/twic-reader-qt1>.

### **Other Allowable Costs:**

#### **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. 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*)<sup>1</sup>, 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

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<sup>1</sup> 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.

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
- 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, fusion centers, operations centers, and 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 2017 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, Nov. 25, 2002).

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](mailto: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:

- **Prohibited Equipment:** grant funds may not be used for the purchase of Prohibited Equipment. Refer to Information Bulletin [IB 407a](#), *Use of Grant Funds for Controlled Equipment*, for the complete *Prohibited Equipment List*.

- 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
- 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
- Other items not in accordance with the AEL or previously listed as allowable costs:
  - 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 C – FY 2017 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.

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

**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
<b>Total Fringe Benefits</b>		<b>\$ 7,500</b>

**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
<b>Total Travel</b>				<b>\$ 450</b>

**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
<b>Total Equipment</b>		<b>\$ 1,000</b>

**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
<b>Total Supplies</b>		<b>\$ 300</b>

**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
<b>Subtotal – Consultant Fees</b>			<b>\$ 10,000</b>

**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
<b>Subtotal – Consultant Expenses</b>			<b>\$ 450</b>

**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
<b>Subtotal – Contracts</b>	\$

**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
		\$
	<b>Total Other</b>	\$

**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
		\$
	<b>Total Indirect Costs</b>	\$

**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.

<b>Budget Category</b>	<b>Federal Amount</b>	<b>Non-Federal Amount</b>
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

<b>Total Requested Federal Amount</b>	<b>Total Non-Federal Amount</b>
\$ 48,525.50	\$ 16,175.50
<b>Combined Total Project Costs</b>	
\$ 64,700	

## Appendix D – FY 2017 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 F - FY 2017 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 clearly explain how the projects fit into a funding priority area (as identified in [Appendix A – FY 2017 PSGP Program Priorities](#))?
- 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?