



U.S. DEPARTMENT OF HOMELAND SECURITY

**Fiscal Year 2007
Supplemental**

**INFRASTRUCTURE PROTECTION PROGRAM:
PORT SECURITY GRANT PROGRAM**

PROGRAM AND APPLICATION GUIDANCE

August 16, 2007



DEPARTMENT OF HOMELAND SECURITY

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INTRODUCTION

The Port Security Grant Program (PSGP) is one of five grant programs that constitute the Department of Homeland Security Infrastructure Protection Program (IPP).¹ The IPP is one tool among a comprehensive set of measures authorized by Congress and implemented by the Administration to help strengthen the Nation's critical infrastructure against risks associated with potential terrorist attacks.

The vast bulk of America's critical infrastructure is owned and/or operated by State, local and private sector partners. The funds provided by the PSGP are primarily intended to support the work of increasing port-wide risk management, enhanced domain awareness capabilities through development and implementation of a port-wide risk management/mitigation and Business Continuity/Resumption of Trade plan to prevent, detect, respond to and recover from attacks involving improvised explosive devices (IEDs) and other non-conventional weapons, as well as training and exercises.

This package constitutes the formal grant guidance and application materials needed to apply for Fiscal Year 2007 (FY07) PSGP Supplemental funding as provided by by P.L. 110-28, the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, which appropriated additional funds for "...port Security grants pursuant to section 70107(l) of title 46 USC to be awarded by September 30, 2007, to tier I, II, III and IV ports...".

¹ The IPP's other components include grants targeted for transit systems (including intercity passenger rail and ferry systems), intercity bus companies, the trucking industry's Highway Watch® program and the Buffer Zone Protection Program for other high-risk infrastructure facilities.

PART I.

AVAILABLE FUNDING AND ELIGIBLE APPLICANTS

This section summarizes the total amount of funding available under the FY07 PSGP Supplemental, the basic distribution method used to administer the grants and the port areas that are eligible for FY07 funding.

A. Available Funding

A total of \$110 million will be distributed under the FY07 PSGP Supplemental program. FY07 Supplemental Funding will be made available to port areas within each of four Tiers; Tier funding allocations are summarized in Table 1.

Table 1

Tier	Supplemental Funding
I	\$ 66 M
II	\$ 22 M
III	\$ 16.5 M
IV	\$ 5.5 M

B. Eligible Applicants/Funding Priorities

Tier I and Tier II

Consistent with the initial FY07 Tier I port allocations, each of the eight (8) Tier I and the seventeen (17) Tier II port areas will receive a direct funding allocation based on risk. The allocations will build on success experienced in the first round of FY07 grant submissions by expanding the emphasis on port-wide partnerships, regional management of risk, and Business Continuity/Resumption of Trade. Instead of soliciting independent project proposals from individual terminal owners and operators, the allocations will support a more strategic, port area wide focus, providing funding for the express purpose of developing and implementing port wide risk management/mitigation and continuity of operations plans in each of the Tier I and II port areas.

Funding will be allocated to these port areas proportionally using the FY07 risk analysis (see Table 2). Port stakeholders will be asked to identify a single entity that will apply for funding and act as the responsible fiduciary agent for the port area. The Fiduciary Agent is to ensure that all port partners are incorporated within the planning and grant allocation processes. Allocated funding will be awarded through a Cooperative Agreement (CA) to allow a higher level of Federal involvement in assisting port areas in the development and implementation of their plans. Coordination will include identifying governance

structures for the management of the award and guidance on plan development. The 25% cash match requirement will be waived for funds used to support development of the Port Area-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plans; such costs are limited to 20% of the award amount for these port areas.

Table 2

Tier	Port Area	Supplemental Allocation
I	New York/New Jersey, NY	\$ 14,858,804
	New Orleans, LA	\$ 9,474,789
	Houston-Galveston, TX	\$ 8,598,726
	Los Angeles-Long Beach, CA	\$ 8,053,509
	Puget Sound, WA	\$ 6,699,253
	Delaware Bay	\$ 6,197,461
	San Francisco Bay Area, CA	\$ 6,126,549
	Sabine-Neches River, TX	\$ 5,990,909
II	Baltimore, MD	\$ 1,751,425
	Savannah, GA	\$ 1,558,550
	Corpus Christi, TX	\$ 1,509,305
	Charleston, SC	\$ 1,500,909
	Jacksonville, FL	\$ 1,499,082
	Hampton Roads, VA	\$ 1,486,249
	Huntington, WV	\$ 1,334,048
	St. Louis, MO	\$ 1,305,884
	Southern Tip Lake Michigan	\$ 1,290,305
	Pittsburgh, PA	\$ 1,208,099
	Lake Charles, LA	\$ 1,192,789
	Columbia-Willamette River System	\$ 1,175,779
	Mobile, AL	\$ 1,102,208
	Louisville, KY	\$ 1,060,468
	Cincinnati, OH	\$ 1,058,824
	Boston, MA	\$ 1,004,523
Memphis, TN	\$ 961,553	

Tier III

The PSGP National Review Panel (consisting of PSGP Executive Steering Committee (ESC) members: the Transportation Security Administration (TSA), the Maritime Administration (MARAD), the United States Coast Guard (USCG), and the Federal Emergency Management Agency (FEMA) National Preparedness Directorate) convened on June 14 to revisit unfunded projects in Tier III that have a relatively high measure of risk buy down, but for which there was insufficient funding available in the initial round of the FY07 PSGP.

Using the Tier allocations, and after reviewing the applications, \$16,502,140 in additional projects will be funded under the FY07 PSGP Supplemental. The total dollar value of projects approved for funding for each port area is as follows:

Port Area	Tier	Supplemental Funding
Miami, FL	III	\$2,367,929
Detroit, MI	III	\$1,712,515
Wilmington, NC	III	\$1,698,488
Apra Harbor, GU	III	\$1,374,016
Long Island Sound	III	\$1,318,368
Gulfport , MS	III	\$995,250
Duluth-Superior, MN	III	\$869,280
Honolulu, HI	III	\$787,797
Providence, RI	III	\$719,478
Milwaukee, WI	III	\$630,580
Freeport , TX	III	\$610,493
Pascagoula, MS	III	\$605,000
Port Hueneme, CA	III	\$446,403
Port Fourchon/LOOP, LA	III	\$410,589
Buffalo, NY	III	\$311,113
Guntersville, AL	III	\$286,000
Matagorda, TX	III	\$189,248
Port Everglades, FL	III	\$179,290
Pensacola, FL	III	\$170,000
Minneapolis-St. Paul, MN	III	\$147,273
Portsmouth, NH	III	\$102,845
San Diego, CA	III	\$93,750
Portland, ME	III	\$75,585
Tulsa, OK	III	\$67,500
Morehead City, NC	III	\$66,188
Greenville, MS	III	\$64,716
Vicksburg, MS	III	\$45,650
Tampa Bay, FL	III	\$39,740
Albany, NY	III	\$27,998
Chattanooga, TN	III	\$24,975
Mount Vernon, IN	III	\$23,216
Nashville, TN	III	\$22,716
San Juan, PR	III	\$18,151

Tier IV

Tier IV port areas are eligible to submit new project proposals specifically to support Transportation Worker Identification Credential (TWIC) implementation

and/or security training initiatives. The FY07 PSPG Supplemental is specifically focusing on TWIC implementation and security training based on feedback from port stakeholders highlighting the need for the security value associated with such activities. A total of \$5,497,860 million is available to support TWIC and/or training projects from Tier IV port areas. Allowable training projects must be in accordance with the 2007 Program Guidelines and Application Kit. A streamlined application will be used to reduce the burden on applicants and the time needed for the application review processes.

Priority will be given to those Tier IV applicants who did not receive PSGP funding in the last round of funding. Those applicants are strongly encouraged to apply. Grantees who received awards in the last round of funding are discouraged from applying.

B. Additional Guidance on TWIC and Training Projects

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. Recipients of grant funding for the implementation of TWIC systems may be requested by the Federal government to apply these systems in a field test of TWIC readers in accordance with the SAFE Port Act. Systems implemented with grant funding should be used by recipients to comply with the TWIC rulemaking requirements.

Recipients may be expected to enter into a cooperative agreement with the Federal government with mutually agreed upon conditions to obtain data and lessons learned from the application of card readers and associated systems. TWIC rulemaking that will address card reader requirements applied to MTSA-regulated facilities and vessels is expected to be published later this year. Systems implemented with grant funding should be used by recipients to comply with TWIC rulemaking requirements.

Training. FY07 PSGP Supplemental funds used for port security training will be limited to those courses that have been approved by MARAD, the USCG or FEMA (including MTSA 109 courses and training on FEMA Emergency Management Institute's National Incident Management System courses). More information may be obtained at:

- <http://marad.dot.gov/MTSA/MARAD%20Web%20Site%20for%20MTSA%20Course.html>
- <http://www.uscg.mil/stcw/security.pdf>
- <http://www.ojp.usdoj.gov/odp/training.htm>
- <http://training.fema.gov/>

PART II.

APPLICATION EVALUATION PROCESS

A. Overview -- Application Deadline and Review Process.

Completed applications from all Tier I and II Fiduciary Agents and Tier IV port areas must be *received* by DHS via grants.gov (see below for details about this Federal grant application tool) ***no later than 12:00 PM EDT, Wednesday, August 29th 2007.***

The following instructions apply only to Tier IV applicants submitting applications for new TWIC and/or training projects.

- 1. Initial Screening.** NPD will conduct an initial review of all FY07 PSGP Supplemental **Tier IV** applications. Applications passing this review will be grouped by port area and provided to the applicable Captain of the Port (COTP) for further review.
- 2. Field Review.** Field level reviews will be managed by the applicable COTP in coordination with the U.S. Department of Transportation Maritime Administration's Gateway Director and appropriate personnel from the Area Maritime Security Committee (AMSC) and/or local law enforcement (as identified by the COTP). After completing field reviews, COTPs will submit the field review project scores and prioritized lists to NPD to begin coordination of the national review process for Tier IV applicants. Tier I and II applicants will be finalized using a cooperative agreement.
- 3. National Review.** Following the field review, a National Review Panel, consisting of the PSGP Executive Steering Committee (ESC), will be convened. The purpose of the ESC is to identify a final, prioritized list of projects for funding.

The ESC will conduct an initial review of the prioritized project listings for each port area submitted by the USCG COTP to ensure that the proposed projects will accomplish intended risk mitigation goals. The National Review Panel will validate the Field Review COTP Project Priority List and provide a master list of prioritized projects by port area.²

The National Review Panel will be asked to evaluate and validate the consolidated and ranked project list resulting from the project review. Awards will be made based on the final ranked list of projects identified by the National Review Panel.

² The National Review Panel 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 National Review Panel will also validate proposed project costs. Decisions to reduce requested funding amounts or eliminate requested items deemed inappropriate under the scope of the FY07 PSGP will take into consideration the ability of the revised project to address the intended national port security priorities and achieve the intended risk mitigation goal. Historically, the PSGP has placed a high priority on providing full project funding rather than partial funding.

PART III. PROGRAM REQUIREMENTS

This section provides detailed information about specific program requirements for all award recipients (including those funded under the supplemental) and the process for submission of applications.

A. General Program Requirements.

All recipients of FY07 PSGP Supplemental awards must comply with the following general requirements:

- 1. Eligible Applicants.** 46 USC 70107(g) identifies all entities covered by an AMSP³ who may submit an application for consideration of funding. However, Congress has also specifically directed DHS to apply these funds to the highest risk ports. In support of this, the PSGP includes a total of 102 specifically identified critical ports, representing approximately 95 percent of the foreign waterborne commerce of the United States. Based upon Coast Guard recommendations, these ports are aggregated into 72 discrete port funding areas. As described below, all other ports covered by an AMSP (Tier IV ports) are eligible to apply for grants from a PSGP funding pool created for that purpose. In addition, another IPP grant program provides funding for security measures for certain identified ferry systems.

Within the PSGP, the following entities are specifically encouraged to apply:

- Owners or operators of federally regulated terminals, facilities, U.S. inspected passenger vessels or ferries as defined in the Maritime Transportation Security Act (MTSA) 33 Code of Federal Regulations (CFR) Parts 101, 104, 105, and 106.
- Port authorities or other State and local agencies that provide layered security⁴ protection to federally regulated facilities in accordance with an AMSP or a facility or vessel security plan.
- Consortia composed of local stakeholder groups (e.g., river groups, ports and terminal associations) representing federally regulated ports, terminals, U.S. inspected passenger vessels or ferries that provide layered security protection to federally regulated facilities in accordance with an AMSP or a facility or vessel security plan.

³ For purposes of the FY07 PSGP, a facility that is not expressly identified in an AMSP will be considered covered under an AMSP if the facility in question has had a risk analysis completed by the US Coast Guard utilizing the MSRAM tool.

⁴ For purposes of the FY07 PSGP, layered security means an approach that utilizes prevention and detection capabilities of organizations within a port-wide area to provide complete security solutions to regulated entities. There are three kinds of organizations that provide port-wide layered security: a port authority, State and local governments, and consortia or associations that represent MTSA regulated entities as defined in 33 CFR Parts 101, 104, 105 and 106.

- For Tier IV, priority will be given to those applicants who did not receive PSGP funding in the last round of funding. Those applicants are strongly encouraged to apply. Grantees who received awards in the last round of funding are discouraged from applying.

Tier	State	Port Area
I	CA	Bay Area Oakland Richmond San Francisco Stockton
		Los Angeles-Long Beach Long Beach Los Angeles
	DE/NJ/PA	Delaware Bay Camden Chester Marcus Hook Paulsboro Penn Manor Philadelphia Wilmington
	LA	New Orleans Baton Rouge New Orleans Plaquemines South Louisiana
	NY/NJ	New York/New Jersey
	TX	Houston-Galveston Galveston Houston Texas City
		Sabine-Neches River Beaumont Port Arthur
	WA	Puget Sound Anacortes Everett Seattle Tacoma
II	AL	Mobile
	FL	Jacksonville
	GA	Savannah

Tier	State	Port Area	
II	IL/IN	Southern Tip of Lake Michigan Burns Harbor Chicago Gary Indiana Harbor	
	KY	Louisville	
	LA	Lake Charles	
	MD	Baltimore	
	MA	Boston	
	MO	St. Louis	
	OH	Cincinnati	
	OR/WA	Columbia-Willamette River System Kalama Longview Portland Vancouver	
	PA	Pittsburgh	
	SC	Charleston	
	TN	Memphis	
	TX	Corpus Christi	
	VA		Hampton Roads
			Newport News
			Norfolk Harbor
WV	Huntington		
III	AL	Guntersville	
	AK	Anchorage	
		Valdez	
	AR	Helena	
	CA	Port Hueneme	
		San Diego	
	CT		Long Island Sound
			Bridgeport
			New Haven
	FL		Miami
			Palm Beach
			Panama City
			Pensacola
Port Canaveral			
Port Everglades			
		Tampa Bay	
		Port Manatee	
		Tampa	

Tier	State	Port Area	
III			
	GU	Apra Harbor	
	HI	Honolulu	
	IN	Mount Vernon	
	LA	Port Fourchon/LOOP	
	ME	Portland	
	MI	Detroit	
	MN		Minneapolis-St. Paul Minneapolis St. Paul
			Two Harbors
	MN/WI		Duluth-Superior
	MS		Greenville
			Gulfport
			Pascagoula
			Vicksburg
	MO		Kansas City
	NH		Portsmouth
	NY		Albany
			Buffalo
	NC		Morehead City
			Wilmington
	OH		Cleveland
			Toledo
	OK		Tulsa
	PR		Ponce
			San Juan
	RI		Providence
	TN		Chattanooga
			Nashville
	TX		Brownsville
			Freeport
Matagorda			
Victoria			
WI		Green Bay	
		Milwaukee	
IV	Eligible entities not located within one of the port areas identified above, but operating under an Area Maritime Security Plan, are eligible to compete for funding within Tier IV.		

2. **Management and Administration (M&A) limits.** A maximum of 3 percent may be retained by the applicant, and any funds retained are to be used solely for management and administrative purposes associated with the PSGP award.

3. Match requirement. The following match requirements apply for the FY07 PSGP Supplemental:

- **Public Sector.** Public sector applicants must provide matching funds supporting at least **25 percent of the total project cost** for each proposed project.⁵
- **Private Sector.** Private sector applicants must provide matching funds supporting at least **50 percent of the total project cost** for each proposed project.
- **Exceptions.**
 - i. There is no matching requirement for projects with a total cost less than \$25,000.
 - ii. 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 in accordance with 46 USC Sec. 70107(c)(2)(B).
 - iii. There is no matching requirement for costs associated with the development of Port-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plan for Tier I and II port areas under the FY07 PSGP Supplemental. Such costs are limited to 20% of the award amount for these port areas. Follow-on projects in support of the plans will be required to comply with the matching requirements.

B. Tiers I and II Program Requirements.

Tiers I and II port stakeholders will be asked to identify a single entity that will apply for funding and act as the responsible fiduciary agent for the port area. The Fiduciary Agent will act as the principal point of contact with FEMA for application, management, and administration of the FY07 Supplemental PSGP grant award. The Fiduciary Agent **will not be the sole decision maker on the use of these funds**; the awards will be structured so that a regional consensus, in conjunction with the Port-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plan, must be reached on how the funding is to be used. For the purposes of the application period, the Fiduciary Agent will be responsible for submitting the proper documentation via grants.gov (see **Additional Program Requirements**, below) in order for an award to be made. Fiduciary Agents will also be responsible for all other submission requirements.

⁵ Applications for consortia projects submitted by public entities (where the consortia include both public and private entities) must demonstrate a 25 percent cash match.

Each Tier I and II port area, working through its Area Maritime Security process, must identify its Fiduciary Agent to the Captain of the Port for that port area, prior to submission of its application. Applications will only be accepted from entities that can be verified by the Captain of the Port as the agreed upon Fiduciary Agent.

No more than 20% of the award amount may be used in the development of the Port Area-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plans. Remaining funds will then be used to support prioritized projects that provide the greatest risk reduction benefit for the port area as a whole, and which support the developed plan.

In order to provide a strong level of fiscal and programmatic oversight, timelines for the development of the plans will be imposed detailing specific deliverables that must be reviewed and approved at the local and Federal level. The first deliverable will be a concept of operations (conops) for developing the Area-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade plans within the port areas. The second deliverable will be the draft plan to provided to the local COTP for review and comment, and then to the ESC for review and comment. The Port areas will then be given a set amount of time to respond to the comments, and resubmit the final plans for approval. The Federal partners will provide comments and feedback on each deliverable in a timely fashion. The deadlines for each deliverable are as follows:

Deliverable	Due Date	Federal Comments
Concept of Operations (CONOPS) for Plan Development	No more than 30 calendar days post award	Provided within 14 calendar days
Draft Plan	No more than 90 calendar days post CONOPS approval	Provided within 21 calendar days
Final Plan	No more than 60 calendar days after review and comments are received on the Draft Plan	Provided within 21 calendar days
Investment Justifications based on the Final Plan	No more than 30 calendar days after approval of the final plan	Provided within 21 calendar days

C. Additional Program Requirements (All Tiers).

The following steps must be completed using the on-line [grants.gov](https://www.grants.gov) system to ensure a successful application submission:

- 1. Application via [grants.gov](https://www.grants.gov).** DHS participates in the Administration’s e-government initiative. As part of that initiative, all IPP applicants must file their applications using

the Administration's common electronic "storefront" -- [grants.gov](http://www.grants.gov). Eligible applicants must apply for funding through this portal, accessible on the Internet at <http://www.grants.gov>.

2. **Application deadline.** Completed Applications must be received by DHS via [grants.gov](http://www.grants.gov) no later than **12:00 PM EDT, Wednesday, August 29th, 2007**.
3. **Valid Central Contractor Registry (CCR) Registration.** The application process also involves an updated and current registration by the applicant and the applicant's Business Point of Contact through the Central Contractor Registry (CCR). Eligible applicants must confirm CCR registration at <http://www.ccr.gov>, as well as apply for FY07 IPP funding through [grants.gov](http://www.grants.gov) at <http://www.grants.gov>.

While registration with Grants.gov and the CCR is a one-time process, new applicants are strongly encouraged to complete their registrations at least ten days prior to the August 29, 2007 application deadline.

4. **On-line application.** The on-line application must be completed and submitted using Grants.gov after CCR registration is confirmed. The on-line application includes the following required forms and submissions:

- Standard Form 424, Application for Federal Assistance
- Standard Form 424B Assurances
- Standard Form LLL, Disclosure of Lobbying Activities
- Standard Form 424A, Budget Information
- Certification Regarding Debarment, Suspension, and Other Responsibility Matters
- Any additional Required Attachments

The program title listed in the Catalog of Federal Domestic Assistance (CFDA) is "*Port Security Grant Program*." The CFDA number is **97.056**. When completing the on-line application, applicants should identify their submissions as new, non-construction applications.

5. **Project period.** The project period is not to exceed 36 months.
6. **DUNS number.** The applicant must provide a Bradstreet Data Universal Numbering System (DUNS) number with their application. This number is a required field within [grants.gov](http://www.grants.gov) and for CCR Registration. Organizations should verify that they have a DUNS number, or take the steps necessary to obtain one, as soon as possible. Applicants can receive a DUNS number at no cost by calling the dedicated toll-free DUNS Number request line at 1-800-333-0505.
7. **Investment Justifications (IJ) (Tier III and IV only).** As part of the application process, applicants must develop a formal Investment Justification that addresses each initiative proposed for funding. These Investment Justifications must

demonstrate how proposed projects address gaps and deficiencies in current programs and capabilities. Additional details and templates or the Investment Justification may be found in Appendix 2 and 3. Tier III applicants will be required to re-submit the IJs for the projects from the last round that are being funded under this supplemental. Tier I and II Fiduciary Agents will not be required to submit IJs.

Applicants may propose up to up to three investments within their Investment Justification. The individual investments comprising a single application must take place within the same port area. Private companies that operate in more than one eligible port area must submit separate applications for investments in each port area.

8. **Detailed budget (Tier III and IV only)**. The applicant must also provide a detailed budget for the funds requested. The budget must be complete, reasonable and cost-effective in relation to the proposed project. The budget should provide the basis of computation of all project-related costs and any appropriate narrative. The budget should also demonstrate any match. Additional details and templates for the Detailed Budget may be found in Appendix 2 and 3. Tier III applicants will be required to re-submit the detailed budgets for the projects from the last round that are being funded under this supplemental. Tier I and II Fiduciary Agents will not be required to submit detailed budgets at this time. However a detail budget by project will eventually be required upon selection of and concurrence on projects to be funded.

9. **Standard financial requirements.**

9.1 -- Non-supplanting certification. This certification affirms that grant funds will be used to supplement existing funds and will not replace (supplant) funds that have been appropriated for the same purpose. Potential supplanting will be addressed in the application review, as well as in the pre-award review, post-award monitoring and any potential audits. Applicants or grantees may be required to supply documentation certifying that a reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

9.2 – Assurances. Assurances forms (SF-424B and SF-424D) can be accessed at <http://apply.grants.gov/agency/FormLinks?family=7>. It is the responsibility of the recipient of the Federal funds to fully understand and comply with these requirements. Failure to comply may result in the withholding of funds, termination of the award, or other sanctions. The applicant will be agreeing to these assurances upon submission of the application.

9.3 -- Certifications regarding lobbying; debarment, suspension, and other responsibility matters; and drug-free workplace requirement. This certification, which is a required component of the on-line application, commits the applicant to compliance with the certification requirements under 28 CFR part 67, *Government-wide Debarment and Suspension (Non-procurement)*; 28 CFR part 69, *New*

Restrictions on Lobbying; and 28 CFR part 83 Government-wide Requirements for Drug-Free Workplace (Grants). All of these can be referenced at: http://www.access.gpo.gov/nara/cfr/waisidx_04/28cfrv2_04.html.

9.4 -- Accounting System and Financial Capability Questionnaire. All nongovernmental (non-profit and commercial) organizations that apply for IPP funding that have not previously (or within the last 3 years) received funding from NPD must complete the Accounting System and Financial Capability Questionnaire. The form can be found at <http://www.ojp.usdoj.gov/oc>.

10. Technology requirements.

10.1 -- National Information Exchange Model. To support homeland security, public safety, and justice information sharing, NPD requires all grantees to use the latest National Information Exchange Model (NIEM) specifications and guidelines regarding the use of Extensible Markup Language (XML) for all IPP awards. Further information about the required use of NIEM specifications and guidelines is available at <http://www.niem.gov>.

10.2 -- Geospatial guidance. Geospatial technologies capture, store, analyze, transmit, and/or display location-based information (i.e., information that can be linked to a latitude and longitude). State, local, and industry partners are increasingly incorporating geospatial technologies and data in an effort to prevent, protect against, respond to, and recover from terrorist activity and incidents of national significance. DHS encourages grantees to align geospatial activities with the guidance available on the NPD website at http://www.ojp.usdoj.gov/odp/grants_hsgp.htm.

11. Administrative requirements.

11.1 -- Freedom of Information Act (FOIA). DHS recognizes that much of the information submitted in the course of applying for funding under this program or provided in the course of its grant management activities may be considered law enforcement sensitive or otherwise important to national security interests. This may include threat, risk, and needs assessment information, and discussions of demographics, transportation, public works, and industrial and public health infrastructures. While this information under Federal control is subject to requests made pursuant to the Freedom of Information Act (FOIA), 5. U.S.C. §552, all determinations concerning the release of information of this nature are made on a case-by-case basis by the DHS FOIA Office, and may likely fall within one or more of the available exemptions under the Act. The applicant is encouraged to consult its own State and local laws and regulations regarding the release of information, which should be considered when reporting sensitive matters in the grant application, needs assessment and strategic planning process. The applicant may also consult NPD regarding concerns or questions about the release of information under State and local laws. The grantee should be familiar with the regulations

governing Protected Critical Infrastructure Information (6 CFR Part 29) and Sensitive Security Information (49 CFR Part 1520), as these designations may provide additional protection to certain classes of homeland security information.

11.2 -- Protected Critical Infrastructure Information (PCII). The PCII Program, established pursuant to the Critical Infrastructure Information Act of 2002 (CII Act), created a new framework, which enables State and local jurisdictions and members of the private sector to voluntarily submit sensitive information regarding critical infrastructure to DHS. The Act also provides statutory protection for voluntarily shared CII from public disclosure and civil litigation. If validated as PCII, these documents can only be shared with authorized users who agree to safeguard the information.

PCII accreditation is formal recognition that the covered government entity has the capacity and capability to receive and store PCII. DHS encourages all SAAs to pursue PCII accreditation to cover their state government and attending local government agencies. Accreditation activities include signing an Memorandum of Agreement (MOA) with DHS, appointing a PCII Officer, and implementing a self-inspection program. For additional information about PCII or the accreditation process, please contact the DHS PCII Program Office at pcii-info@dhs.gov.

11.3 -- Compliance with Federal civil rights laws and regulations. The grantee is required to comply with Federal civil rights laws and regulations. Specifically, the grantee is required to provide assurances as a condition for receipt of Federal funds that its programs and activities comply with the following:

- *Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000 et. seq.* – no person on the grounds of race, color or national origin will be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program or activity receiving Federal financial assistance. More information can be found at: <http://usinfo.state.gov/usa/infousa/laws/majorlaw/civilr19.htm>.
- *Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794* – no qualified individual with a disability in the United States, shall, by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or otherwise be subjected to discrimination in any program or activity receiving Federal financial assistance. More information can be found at: <http://www.section508.gov/index.cfm?FuseAction=Content&ID=15>.
- *Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 et. seq.* –discrimination on the basis of sex is eliminated in any education program or activity receiving Federal financial assistance. More information can be found at: <http://www.usdoj.gov/crt/cor/coord/titleix.htm>.

- *The Age Discrimination Act of 1975, as amended, 20 U.S.C. 6101 et. seq.* – no person in the United States shall be, on the basis of age, excluded from participation in, denied the benefits of or subjected to discrimination under any program or activity receiving Federal financial assistance.

Grantees must comply with all regulations, guidelines, and standards adopted under the above statutes. The grantee is also required to submit information, as required, to the DHS Office for Civil Rights and Civil Liberties concerning its compliance with these laws and their implementing regulations.

11.4 -- Services to limited English proficient (LEP) persons. Recipients of DHS financial assistance are required to comply with several Federal civil rights laws, including Title VI of the Civil Rights Act of 1964, as amended. These laws prohibit discrimination on the basis of race, color, religion, national origin, and sex in the delivery of services. National origin discrimination includes discrimination on the basis of limited English proficiency. To ensure compliance with Title VI, recipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. The grantee is encouraged to consider the need for language services for LEP persons served or encountered both in developing their proposals and budgets and in conducting their programs and activities. Reasonable costs associated with providing meaningful access for LEP individuals are considered allowable program costs. For additional information, see <http://www.lep.gov>.

11.5 -- Integrating individuals with disabilities into emergency planning. Executive Order #13347, entitled "Individuals with Disabilities in Emergency Preparedness" and signed in July 2004, requires the Federal government to support safety and security for individuals with disabilities in situations involving disasters, including earthquakes, tornadoes, fires, floods, hurricanes, and acts of terrorism. Consequently, Federal agencies are required to: (1) encourage consideration of the needs of persons with disabilities in emergency preparedness planning; and (2) facilitate cooperation among Federal, state, local, and tribal governments, private organizations, non-governmental organizations, and the general public in the implementation of emergency preparedness plans as they relate to individuals with disabilities.

Further information can be found at the Disability and Emergency Preparedness Resource Center at <http://www.dhs.gov/disabilitypreparedness>.

11.6 -- Compliance with the National Energy Conservation Policy and Energy Policy Acts. In accordance with the FY07 DHS Appropriations Act, all FY07 grant funds must comply with the following two requirements:

- None of the funds made available through the IPP shall be used in contravention of the Federal buildings performance and reporting

requirements of Executive Order No. 13123, part 3 of title V of the National Energy Conservation Policy Act (42 USC 8251 et seq), or subtitle A of title I of the Energy Policy Act of 2005 (including the amendments made thereby).

- None of the funds made available through the IPP shall be used in contravention of section 303 of the Energy Policy Act of 1992 (42 USC13212).

11.7 -- National Environmental Policy Act (NEPA). NEPA requires DHS to analyze the possible environmental impacts of each construction project funded by a DHS grant. The purpose of a NEPA review is to weigh the impact of major Federal actions or actions undertaken using Federal funds on adjacent communities, water supplies, historical buildings, endangered species, or culturally sensitive areas prior to construction. Grantees may be required to provide additional detailed information on the activities to be conducted, locations, sites, possible construction activities, possible alternatives, and any environmental concerns that may exist. Results of the NEPA Compliance Review could result in a project not being approved for DHS funding, the need to perform an Environmental Assessment or draft an Environmental Impact Statement.

12. PSGP Allowable Expenses-

All costs associated with projects proposed to implement the Tier I and II Port Area-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plans and all approved Tier III, and IV projects must conform and be in alignment with the allowable expenses identified in the FY07 Program Guidance and Application Kit.

12.1. Specific Guidance on TWIC.

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. Recipients of grant funding for the implementation of TWIC systems may be requested by the Federal government to apply these systems in a field test of TWIC readers in accordance with the SAFE Port Act. Systems implemented with grant funding may be used by recipients to comply with the TWIC rulemaking requirements.

Recipients may be expected to enter into a cooperative agreement with the Federal government with mutually agreed upon conditions to obtain data and lessons learned from the application of card readers and associated systems. A TWIC rulemaking that will address card reader requirements applied to MTSA-regulated facilities and vessels is expected to be published later this year. Systems implemented with grant funding may be used by recipients to comply with the all TWIC rulemaking requirements.

12.2. Specific Guidance on Training.

Funds used for port security training will be limited to those courses that have been approved by MARAD, the USCG or FEMA (including MTSA 109 courses and live training of FEMA Emergency Management Institute's National Incident Management System courses). More information may be obtained at:

- <http://marad.dot.gov/MTSA/MARAD%20Web%20Site%20for%20MTSA%20Course.html>
- <http://www.uscg.mil/stcw/security.pdf>
- <http://www.ojp.usdoj.gov/odp/training.htm>
- <http://training.fema.gov/>

12.3. Management and Administration (M&A) Costs.

FY07 PSGP funds may be approved for the following management and administrative costs:

- Hiring of full-time or part-time staff, contractors or consultants and M&A expenses related to pre-application submission management activities and application requirements or meeting compliance with grant reporting or data collection requirements, including data calls.
- Development of operating plans for information collection and processing necessary to respond to DHS data calls.
- Travel expenses.

12.4. Specific Guidance on Security Operational and Maintenance Costs.

In accordance with 46 USC Sec. 70107(b)(2), operational and allowable costs include 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. In addition, routine maintenance costs for security monitoring, such as the cost of tapes for recording, are allowable.

However, business operations and maintenance costs, such as personnel costs and items generally characterized as indirect or “overhead” costs, are unallowable.

12.5. Specific Guidance on Vulnerability Assessment Costs.

In accordance with 46 USC Sec. 70107(b)(4), the cost of conducting vulnerability assessments to evaluate and make recommendations with respect to security is an eligible cost under the FY07 PSGP. ***However, the development of new risk/vulnerability assessment models and methodologies is unallowable.***

12.6. Specific Guidance on Construction.

Section 112(b) of the SAFE Port Act of 2006 places restrictions on the use of PSGP funds for construction projects. It stipulates that funds may not be used to construct buildings or other physical facilities, exception under terms and conditions consistent with the requirements under section 611(j)(8) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121(j)(8) and specifically

approved by the Secretary. Costs eligible for funding may not exceed the greater of: (1) \$1,000,000 per project; or (2) a greater amount, as approved by the Secretary, which may not exceed 10 percent of the total amount of the grant.

Applicants are advised that grants authorized under the Stafford Act, or that must comply with provisions under the Stafford Act, (including the FY07 PSGP) must follow the standards identified in the Buy American Act. The Buy American Act requires that all materials purchased be produced in the United States, unless such materials are not available, or such a purchase would not be in the public interest. Further, FY07 PSGP grant recipients using funds for construction projects must comply with the Davis-Bacon Act. Additional information on the Davis-Bacon Act is available from the following website: <http://www.dol.gov/esa/programs/dbra/>.

APPENDIX 1.

PORT-WIDE RISK MANAGEMENT/MITIGATION AND BUSINESS CONTINUITY/RESUMPTION OF TRADE PLAN

Port security is a shared responsibility among port authorities, facility and vessel operators, the federal government, and State and local law enforcement agencies. DHS supports port security, in part, by providing funding to enhance security across port operations. Past rounds of port security grant funding have focused on site-specific physical security enhancements; under the FY07 Supplemental Port Security Grant Program the focus is expanding to include port area-wide security measures and business continuity/resumption of trade.

A portion of the FY07 Supplemental PSGP money is designed to facilitate the development of a Port-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plan within the Tier I and II port areas. These plans are to be in alignment with and supportive of each port areas' Area Maritime Security Plan (AMSP) and the National Preparedness Guidelines.

The Port-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plan's development is to be accomplished through the active engagement of all port partners and AMSC representatives, along with key federal, State, local, and nongovernmental entities. The plan should lay out a strategy and series of concrete actions which must be undertaken to address the prevention of, protection against, response to, and recovery from major security incidents (to include all hazard compatibility) within the port area in order to minimize the impact upon lives, property, and the economy (local, regional, national).

The primary goal of the port-wide risk management/mitigation and business continuity/resumption of trade planning process is to consider the entire port system strategically as a whole, and to identify and execute a series of actions designed to effectively mitigate risks to the system's maritime critical infrastructure. The Port-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plan should:

- Expand the emphasis on port-wide partnerships, regional management of risk, and Business Continuity/Resumption of Trade;
- Prioritize port-wide security strategies and actions that address surface water, underwater, and land-based threats;
- Target best risk-mitigation strategies achieving sustainable port-wide security and Business Continuity/Resumption of Trade planning;
- Provide the basis for aligning specific grant-funded security projects under this and future year PSGP awards with the broader requirements of the AMSP.

The Port-wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plan should incorporate guidance enumerated within:

- The National Strategy for Maritime Security – September 2005;

- The Maritime Infrastructure Recovery Plan for the National Strategy for Maritime Security – April 2006;
- International Strategy to Enhance Supply Chain Security;
- Maritime Transportation System Security Recommendations for the National Strategy for Maritime Security – October 2005, and;
- The National Infrastructure Protection Plan.

The principal focus of the plan should be to ensure security across the port area and to enhance the port area's resiliency through redundancy or alternative systems for critical infrastructure, taking into account single node failures including transportation routes, utility systems, communications systems, and/or primary operating systems for cargo handling. The plan should include the enhancement of rapid recovery capabilities as well as articulate a strategy for ensuring business continuity and resumption of trade within the port in the event of an emergency. It should also consider items such as remote inventories of critical parts/materials and repair equipment, as well as cooperation with neighboring ports/facilities in the event of a prolonged adverse impact resulting from man-made security events.

In developing their Port-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plans, port areas should consider the format outlined in the "Emergency Preparedness and Continuity of Operations Planning Manual for Best Practices" available through the American Association of Port Authorities and Homeport. The items below are an example of the areas of consideration outlined within the Manual, and should be considered as a potential framework for use in developing the plans.

Emergency Operations Center Plans

- Preparedness
- Organization
- Activation
- Staff duties

Communications

- Resource Requirements
- Warning and Notification
- Public Information and Media Relations

Evacuation

- Preparedness
- Response Actions
- Resource Requirements

First Responders

- Assessment of Law Enforcement/Security, Fire, Medical facilities and equipment
- Mutual Assistance Agreements
- Establishment of Communications
- Medical Surge and Mass Prophylaxis capabilities

Operations

- Preparedness
- Securing Terminal Facilities
- Coordination with Government/Customers/Tenants
- Response Actions

Damage Assessment and Facility Repair

- Preparedness
- Response Actions
- Repair/Restoration Phase

APPENDIX 2.

GRANTS.GOV QUICK-START INSTRUCTIONS

DHS participates in the Bush Administration’s e-government initiative. As part of that initiative, all IPP applicants must file their applications using the Administration’s common electronic “storefront” -- [grants.gov](http://www.grants.gov). Eligible SAAs must apply for funding through this portal, accessible on the Internet at <http://www.grants.gov>.

Application attachments submitted via [grants.gov](http://www.grants.gov) must be in one of the following formats: Microsoft Word (*.doc), PDF (*.pdf), or text (*.txt). Use the Catalog of Federal Domestic Assistance (CFDA) number listed in the relevant program guidance section of this document in [grants.gov](http://www.grants.gov).

This Appendix is intended to provide guidance on the various steps and activities associated with filing an application using [grants.gov](http://www.grants.gov).

Step 1: Registering.

Registering with [grants.gov](http://www.grants.gov) is a one-time process; however, if you are a first time registrant **it could take 3-5 business days to have your registration validated, confirmed, and receive your user name and password**. It is highly recommended you start the registration process as early as possible to prevent delays in submitting your application package to our agency by the deadline specified. While your registration is pending, you may continue with Steps 2, 3, and 4 of these instructions. Registration must be complete for you to be able to submit (step 5) and track (step 6) an application.

1. Establishing an e-business point of contact. [Grants.gov](http://www.grants.gov) requires an organization to first be registered in the Central Contractor Registry (CCR) before beginning the [grants.gov](http://www.grants.gov) registration process. If you plan to authorize representatives of your organization to submit grant applications through [grants.gov](http://www.grants.gov), proceed with the following steps. If you plan to submit a grant application yourself and sign grant applications and provide the required certifications and/or assurances necessary to fulfill the requirements of the application process, proceed to DUNS Number and then skip to the Authorized Organization Representative and Individuals section.

Go to www.grants.gov, and click on the “Get Started” tab at the top of the screen.

- Click the “e-Business Point of Contact” option and click the “GO” button on the bottom right of the screen. If you have already registered with [grants.gov](http://www.grants.gov), you may log in and update your profile from this screen.
- To begin the registration process, click the “Register your Organization [Required]” or “Complete Registration Process [Required]” links. You may print a registration checklist by accessing www.grants.gov/assets/OrganizationReqCheck.pdf.

2. DUNS number. You must first request a Data Universal Numbering System (DUNS) number. Click “Step 1. Request a DUNS Number.” If you are applying as an individual, please skip to “Authorized Organization Representative and Individuals.” If you are applying on behalf

of an organization that already has a DUNS number, please proceed to “Step 2. Register with Central Contractor Registry (CCR).” You may obtain a DUNS number at no cost by calling the dedicated toll-free DUNS number request line at 1–866–705–5711.

3. Central Contractor Registry. Registering with the CCR, updating or changing your profile could take **up to five to seven business days** to be confirmed and validated. This delay could prevent your application from being submitted by the deadline specified, so you should register or make changes to your profile as early in the process as possible.

Once you have a DUNS number, click on “Step 2. Register with Central Contractor Registry (CCR).” Here you are required to designate an individual as a point of contact. This point of contact is the sole authority for the organization and has the capability of issuing or revoking another individual’s authority to submit grant applications through [grants.gov](http://www.grants.gov).

A registration worksheet is provided to assist in the CCR registration process at <http://www.ccr.gov>. It is recommended you review the “Tips for registering with the CCR” at the bottom of this template.

- Go to <http://www.ccr.gov> or click on the CCR icon in the middle of the screen to begin the registration process. To see if your organization is already registered, click “Search CCR” at the top left side of the screen. Search entries must be exact to accurately search the database. If your organization is already registered, you can scroll down and see who the e-Business point of contact is for your agency. If your organization is not already registered, return to the CCR home page and click “Start New Registration” at the top left of the screen.
- If you have problems or questions about the CCR registration process, please contact the CCR Assistance Center at 1–888–227–2423.
- Once your registration is complete, you will receive an e-mail with a Trading Partner Identification Number (TPIN) and Marketing Partner Identification Number (MPIN) number. You will need the MPIN number to register with [grants.gov](http://www.grants.gov). If your organization is already registered with the CCR, you will need to obtain the MPIN number from your e-Business POC.

4. Authorize your Organization Representative. Click “Step 3. Authorize your Organization Representative.” Follow steps 1-4. You will need your DUNS + 4 digit number and the MPIN number CCR e-mailed to you.

5. Log in as e-Business Point of Contact. You may now go to “Step 4. Log in as e-Business Point of Contact.” Here you may authorize or revoke the authority of the Authorized Organization Representative. Once you are logged in, go to “Step 2. Downloading the Application Viewer”, below.

6. Authorized Organization Representative and Individuals. If you plan to submit a grant application as an individual or an Authorized Organization Representative, with authority to sign grant applications and the required certifications and/or assurances necessary to fulfill the requirements of the application process, proceed with the following steps:

- Go to www.grants.gov and click on the “Get Started” tab at the top of the screen.

- Click the “Authorized Organization Representative (AOR)” option and click the “GO” button to the bottom right of the screen. If you are applying as an individual, click the “Individuals” option and click the “GO” button to the bottom right of the screen.
- If you have previously registered as an AOR, you may start searching for this grant opportunity from this page. Otherwise, you must complete the first-time registration by clicking “Complete First-Time Registration [Required].” You also may click on “Review Registration Checklist” and print a checklist for the following steps (see www.grants.gov/assets/AORRegCheck.pdf).
- Individuals may click the “registration checklist” for help in walking through the registration process.

7. Credential Provider. Once you have entered the registration process, you must register with the credential provider, to safeguard the security of your electronic information. You must have your agency’s or individual DUNS + 4 digit number to complete this process. Now, click on “Step 1. Register with a Credential Provider.” Enter your DUNS number and click “Register.” Once you have entered the required information, click the “Submit” button.

If you should need help with this process, please contact the Credential Provider Customer Service at 1–800–386–6820. It can take up to 24 hours for your credential provider information to synchronize with grants.gov. Attempting to register with grants.gov before the synchronization is complete may be unsuccessful.

8. grants.gov. After completing the credential provider steps above, click “Step 2. Register with grants.gov.” Enter the same user name and password used when registering with the credential provider. You will then be asked to provide identifying information and your organization’s DUNS number. After you have completed the registration process, grants.gov will notify the e-Business POC for assignment of user privileges.

Complete the “Authorized Organization Representative User Profile” screen and click “Submit.”
Note: Individuals do not need to continue to the “Organizational Approval” step below.

9. Organizational Approval. Prior to submitting a grant application package, you must receive approval to submit on behalf of your organization. This requirement prevents individuals from submitting grant application packages without permission. A notice is automatically sent to your organization’s e-Business POC. Then, your e-Business POC approves your request to become an AOR. You may go to <http://www.ccr.gov> to search for your organization and retrieve your e-Business POC contact information. Once organization approval is complete, you will be able to submit an application and track its status.

Step 2: Downloading the Application Viewer.

You may download the PureEdge Viewer while your registration is in process. You also may download and start completing the application forms in steps 3 and 4 below. This application viewer opens the application package needed to fill out the required forms. The download process can be lengthy if you are accessing the Internet using a dial-up connection.

- From the [grants.gov](http://www.grants.gov) home page, select the “Apply for Grants” tab at the top of the screen.
- Under “Apply Step 1: Download a Grant Application Package and Applications Instructions,” click the link for the PureEdge Viewer (<http://www.grants.gov/DownloadViewer>). This window includes information about computer system requirements and instructions for downloading and installation.

If you are a Macintosh user, please read the PureEdge Support for Macintosh white paper available at

www.grants.gov/GrantsGov_UST_Grantee!/SSL!/WebHelp/MacSupportforPureEdge.pdf.

- Scroll down and click on the link to download the PureEdge Viewer (www.grants.gov/PEViewer/ICSViewer602_grants.exe).
- You will be prompted to save the application. Click the “Save” button and the “Save As” window opens. Select the location where you would like to save PureEdge Viewer and click the “Save” button.
- A window appears to show the progress of the download. When the downloading is complete, click to close the dialog box.
- To install the PureEdge Viewer, locate the file on your computer and click to open it. When you are prompted to run the file, click “RUN.” Click “Yes” to the prompt to continue with the installation. The ICS InstallShield Wizard extracts the necessary files and takes you to the “Welcome” page.
- Click “Next” to continue.
- Read the license agreement and click “Yes” to accept the agreement and continue the installation process. This takes you to the “Customer Information” screen.
- Enter a User Name and a Company Name in the designated fields and click “Next.”
- The “Choose Destination Location” window prompts you to select the folder in which PureEdge Viewer will be installed. To save the program in the default folder, click “Next.” To select a different folder, click “Browse.” Select the folder in which you would like to save the program, click on “OK,” then click “Next.”
- The next window prompts you to select a program folder. To save program icons in the default folder, click “Next.” To select a different program folder, type a new folder name or select one from the list of existing folders, then click “Next.” Installation will begin.
- When installation is complete, the “InstallShield Wizard Complete” screen will appear. Click “Finish.” This will launch the “ICS Viewer Help Information” window. Review the information and close the window.

Step 3: Downloading an Application Package.

Once you have downloaded the PureEdge Viewer, you may download and view this application package and solicitation instructions.

- From the [grants.gov](https://www.grants.gov) home page, select the “Apply for Grants” tab at the top of the screen.
- Click “Apply Step 1: Download a Grant Application Package and Application Instructions.”
- Enter the CFDA number for this announcement, 97.075. Then click “Download Package.” This will take you to the “Selected Grants Application for Download” results page.
- To download an application package and its instructions, click the corresponding download link below the “Instructions and Application” column.
- Once you select a grant application, you will be taken to a “Download Opportunity Instructions and Application” screen to confirm that you are downloading the correct application. If you would like to be notified of any changes to this funding opportunity, enter your e-mail address in the corresponding field, then click the “Submit” button.
- After verifying that you have downloaded the correct opportunity information, click the “Download Application Instructions” button. This will open a PDF of this grant solicitation. You may print the solicitation or save it to your computer by clicking either the print icon at the top tool bar or the “File” button on the top tool bar. If you choose to save the file, click on “Save As” and save to the location of your choice.
- Click the “Back” Navigation button to return to the “Download Opportunity Instructions and Application” page. Click the “Download Application Package” button. The application package will open in the PureEdge Viewer.
- Click the “Save” button to save the package on your computer. Because the form is not yet complete, you will see a prompt that one or more fields may be invalid. You will complete these fields in step 4, but for now, select “Yes” to continue. After you click “Yes,” the “Save Form” window will open.
- Save the application package to your desktop until after submission. Select a name and enter it in the “Application Filing Name” field. Once you have submitted the application through [grants.gov](https://www.grants.gov), you may then move your completed application package to the file location of your choice.
- Click the “Save” button. If you choose, you may now close your Internet browser and complete your application package offline by double clicking the icon on your desktop. You do not have to be connected to the Internet to complete the application package in Step 4, below.

Step 4: Completing the Application Package.

This application can be completed entirely offline; however, you will need to log in to grants.gov to submit the application in Step 5.

- Locate the application package you saved on your computer. When you open the package, it will be in PureEdge Viewer. You may save your application at any time by clicking on the “Save” button at the top of the screen.
- Enter a name for your application package in the “Application Filing Name” field. This can be a name of your choice.
- Open and complete all the mandatory and optional forms or documents. To complete a form, click to select the form, and then click the “Open” button. When you open a required form, the mandatory fields will be highlighted in yellow. If you enter incomplete information in a mandatory field, you will receive an error message or the field will turn red, indicating a change needs to be made.
- Mandatory forms include the: (1) Application for Federal Assistance (SF-424); (2) Assurances for Non-Construction Programs (SF-424B); and (3) Disclosure of Lobbying Activities (SF-LLL). These forms can also be viewed at <http://apply.grants.gov/agency/FormLinks?family=7>. Other mandatory forms are identified in Section IV.
- When you have completed a form or document, click the “Close Form” button at the top of the page. Your information will automatically be saved.
- Next, click to select the document in the left box entitled “Mandatory Documents.” Click the “=>” button to move the form or document to the “Mandatory Completed Documents for Submission” box to the right.
- Some mandatory documents will require you to upload files from your computer. To attach a document, select the corresponding form and click “Open.” Click the “Add Mandatory Attachment” button to the left. The “Attach File” box will open. Browse your computer to find where your file is located and click “Open.” The name of that file will appear in the yellow field. Once this is complete, if you would like to attach additional files, click on the “Add Optional Attachment” button below the “Add Mandatory Attachment” button.
- An “Attachments” window will open. Click the “Attach” button. Locate the file on your computer that you would like to attach and click the “Open” button. You will return to the “Attach” window. Continue this process until you have attached all the necessary documents. You may attach as many documents as necessary.
- Once you have finished, click the “Done” button. The box next to the “Attach at Least One Optional Other Attachment” will now appear as checked.
- *Note:* the name of these buttons will vary depending on the name of the form you have opened at that time; i.e., Budget Narrative, Other Attachment, and Project Narrative File.

- To exit a form, click the “Close” button. Your information will automatically be saved.

Step 5: Submitting the Application.

Once you have completed all the yellow fields on all the forms and saved the application on your desktop, check the application package for errors. This can be done any time throughout step 4 above and as often as you like.

- When you are ready to submit your final application package, the “Submit” button at the top of your screen will be enabled. This button will not be activated unless all mandatory data fields have been completed. When you are ready to submit your application, click on “Submit.” This will take you to a “Summary” screen.
- If your “Submit” button is not activated, then click the “Check Package for Errors” button at the top of the “Grant Application Package” screen. PureEdge Viewer will start with the first form and scan all the yellow fields to make sure they are complete. The program will prompt you to fix one error at a time as it goes through the scan. Once there are no more errors, the system will allow you to submit your application to grants.gov.
- Review the application summary. If you wish to make changes at this time, click “Exit Application” to return to the application package, where you can make changes to the forms. To submit the application, click the “Sign and Submit Application” button.
- This will take you to a “Login” screen where you will need to enter the user name and password that you used to register with grants.gov in “Step 1: Registering.” Enter your user name and password in the corresponding fields and click “Login.”
- Once authentication is complete, your application will be submitted. Print this confirmation screen for your records. You will receive an e-mail message to confirm that the application has been successfully uploaded into Grants.gov. The confirmation e-mail will give you a grants.gov tracking number, which you will need to track the status of your application. The confirmation e-mail will go to the e-Business POC; therefore, if you are submitting on behalf of someone else, be sure the e-Business POC is aware of the submission and that a confirmation e-mail will be sent.
- When finished, click the “Close” button.

Step 6: Tracking the Application.

After your application is submitted, you may track its status through grants.gov. To do this, go to the grants.gov home page at <http://www.grants.gov>. At the very top of the screen, click on the “Applicants” link. Scroll down the “For Applicants” page and click the “Login Here” button. Proceed to login with your user name and password that was used to submit your application package. Click the “Check Application Status” link to the top left of the screen. A list of all the applications you have submitted through grants.gov is produced. There four status messages your application can receive in the system:

- **Validated.** This means your application has been scanned for errors. If no errors were found, it validates that your application has successfully been submitted to grants.gov and is ready for the agency to download your application.
- **Received by Agency.** This means DHS downloaded your application into our electronic Grants Management System and your application is going through our validation process to be successfully received on our end.
- **Agency Tracking Number Assigned.** This means DHS did not find any errors with your package and successfully downloaded your application into our system.
- **Rejected With Errors.** This means your application was either rejected by grants.gov or GMS due to errors. You will receive an e-mail from grants.gov customer support, providing details of the results and the next steps required. Most applications are rejected because: (1) a virus was detected; (2) you are using a user name and password that has not yet been authorized by the organization's e-Business POC; or (3) the DUNS number you entered on the SF-424 form does not match the DUNS number that was registered in the CCR for this organization.

If you experience difficulties at any point during this process, please call the grants.gov customer support hotline at 1-800-518-4726.

APPENDIX 3. SAMPLE TWIC BUDGET

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

Specific Guidance on Employee Identification.

The Transportation Worker Identification Credential (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. Recipients of grant funding for the implementation of TWIC systems may be requested by the Federal government to apply these systems in a field test of TWIC readers in accordance with the SAFE Port Act. Systems implemented with grant funding may be used by recipients to comply with the TWIC rulemaking requirements.

Recipients may be expected to enter into a cooperative agreement with the Federal government with mutually agreed upon conditions to obtain data and lessons learned from the application of card readers and associated systems. This may include application of grant funds to design of a recipient-specific TWIC test and evaluation plan and to collect data. A TWIC rulemaking that will address card reader requirements applied to MTSA-regulated facilities and vessels is expected to be published later this year. Systems implemented with grant funding may be used by recipients to comply with the all TWIC rulemaking requirements.

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

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
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Note: Personnel costs are only allowable for direct management and administration of the grant award, i.e., preparation of mandatory post-award reports. A maximum of 3 percent may be retained by the applicant, and any funds retained are to be used solely for management and administrative purposes associated with the PSGP award.

TOTAL _____

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

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL _____

Total Personnel & Fringe Benefits _____

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

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL _____

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

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

TOTAL _____

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

<u>Supply Items</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL _____

F. Consultants/Contracts. Indicate whether applicant’s formal, written Procurement Policy or the Federal Acquisition Regulations are followed. (e.g. Card Reader procurement/installation)

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

<u>Name of Consultant</u>	<u>Service Provided</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

Subtotal _____

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

<u>Item</u>	<u>Location</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

Subtotal _____

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

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

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

Subtotal _____

TOTAL _____

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

<u>Description</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

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

TOTAL _____

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

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

TOTAL _____

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

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

Detailed Budget Submission and File Naming Convention.

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

- COTP Zone Abbreviation_Port Area_Name of Applicant_IJ Number_Budget
(Example: Hous_Galveston_XYZ Oil_IJ#1_Budget)

Sample TWIC Budget Detail Worksheet Grantee NAME Budget-TWIC

TWIC Implementation Project*

***Note: this example does not include costs associated with hosting a TWIC field test through a cooperative agreement with the Federal government. In this case, funding for the design of a recipient-specific TWIC test and evaluation plan, and for collection and reporting of data through contract or other means, needs to be included within the submission.**

Equipment: List of non-expendable items that are to be purchased.

Project Budget Narrative (example):

Equipment

Access Control System with Biometric card readers will be installed at XXXX Terminal Entry and Exit Gates as follows:

Pre-check Entry Gate:	14 Card Readers at 14 lanes
Entry Inspection Gate:	15 Card Readers at 15 lanes
Exit Inspection Gate:	11 Card Readers at 11 lanes
Gate 18	2 card Readers at 2 lanes
Barbours Cut Warehouse Entrance:	2 card reader at 1 lane
Bayport Pre-check Entry Gate:	8 card readers at 8 lanes
Exit Lane:	1 card readers at 1 lane
Exit Gate:	4 card readers at 4 lanes
Personnel and Delivery Gate:	4 card readers at 2 lanes
Communication Room:	1 card reader at entrance door

29,200 feet of inner ducts and 30,200 feet of cables will be installed between the card readers and the access control head-end server. Four (4) patch panels are required, one each, at the Pre-Check Entry Gate, Entry Inspection Gate and Exit Inspection Gate, and Communication Room.

Access Control System with Biometric Card Readers will be installed at the XXXX Terminal as follows:

Exterior doors: 18 Biometric card readers with electric or magnetic locks release devices.

Interior doors: 10 AMAG card readers with electric or magnetic locks release devices.
2 card readers, communication pedestals and motorized slide gate controller.

2 AMAG 2150 Controllers with Weigan driver and expansion modules.
 4 door sensors and copper cabling system.

Consultants/Contracts: The Port of XXXXX written procurement policy is followed.

Project Budget Narrative

Consultant Fees –standard practice uses 12 -15% of the construction and equipment cost as a budget for the Consultant fee. In this project, consultant is using 15% of the equipment costs.

Contracts: Description of the product or services to be procured by contract and an estimate of the installation costs. All projects go through a competitive bid process.

Contract cost: The contract cost is included in the equipment cost.

Budget Summary:

COST CATEGORIES					
Cost Estimate					
TWIC Implementation Project					
	Budget Category		Federal Amount		Non-Federal Amount
A.	Personnel (Administrative and Legal)				
B.	Fringe Benefits				
C.	Travel				
D.	Equipment		1,135,488		378,496
E.	Supplies				
F.	Consultants/ Contracts				
	Consultants		170,323		56,774
G.	Other				
	Total Direct Costs		1,305,811		435,270
H.	Indirect Costs				
	Total Project Costs		1,305,811		435,270
	Federal Request	1,305,811			

U.S. DEPARTMENT OF HOMELAND SECURITY – PORT SECURITY GRANT PROGRAM

	Non-Federal Amount (PHA Share):	435,270			
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APPENDIX 4. SAMPLE TRAINING BUDGET

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

Specific Guidance on Training

Funding used for port security training will be limited to those courses that have been approved by MARAD, the USCG or NPD (including MTSA 109 courses and live training of FEMA Emergency Management Institute's National Incident Management System courses). More information may be obtained at:

- <http://marad.dot.gov/MTSA/MARAD%20Web%20Site%20for%20MTSA%20Course.html>
- <http://www.uscg.mil/stcw/security.pdf>
- <http://www.ojp.usdoj.gov/odp/training.htm>
- <http://training.fema.gov/>

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

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
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Note: Personnel costs are only allowable for direct management and administration of the grant award, i.e., preparation of mandatory post-award reports. A maximum of 3 percent may be retained by the applicant, and any funds retained are to be used solely for management and administrative purposes associated with the PSGP award.

TOTAL _____

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

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL _____

Total Personnel & Fringe Benefits _____

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

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL _____

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

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

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

TOTAL _____

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

<u>Supply Items</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL _____

F. Consultants/Contracts. Indicate whether applicant’s formal, written Procurement Policy or the Federal Acquisition Regulations are followed. (e.g. Training course tuition)

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

<u>Name of Consultant</u>	<u>Service Provided</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

Subtotal _____

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

<u>Item</u>	<u>Location</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

Subtotal _____

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

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

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

Subtotal _____

TOTAL _____

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

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

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

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

TOTAL _____

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

Sample Training Budget Detail Worksheet

Grantee NAME

Port Security Training

- A. N/A
- B. N/A
- C. N/A
- D. N/A
- E. N/A
- F. N/A
- G. Other Costs:

<u>Description</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Training – <i>Facility Security Officer Training Course</i>	Training SITE	Tuition	10 Officers X \$1,088	10,880
		Training Materials	Office Supplies, Simulation Equipment	7,680
Training – <i>Moxie Media/Sea Secure MTSA Maritime Security Video Compliance Training</i>	Training SITE	Video Series Cost	1 X \$3,450 (Training will be incorporated into Field Training Officer Program, no other costs)	3,450
Training – <i>Law Enforcement Response to WMD - Awareness</i>	Training SITE	Tuition	92 Officers X 16 Hrs X \$32/Hr	47,104
Training – <i>Law Enforcement & Deterrence of Terrorist Acts</i>	Training SITE	Tuition	92 Officers X 8 Hrs X \$32/Hr	23,552
Training – <i>WMD Radiological/Nuclear Awareness</i>	Training SITE	Tuition	92 Officers X 6 Hrs X \$32/Hr	17,664

Budget Narrative:

The Budget Narrative information is included in the above chart under “Item”. All of the courses will be imported to reduce the training expenses and the course expenses for four others are for replacement personnel or for the trainee class time only. The video series will be incorporated into the training already taking place with no associated labor cost.

TOTAL: \$110,330

Budget Summary:

<u>BUDGET CATEGORY</u>	Federal Amount	Non-Federal Amount
A. Personnel		
B. Fringe Benefits		
C. TRAVEL		
D. EQUIPMENT		
E. Supplies		
F. Consultants/Contracts		
G. Other	\$ 82,748	\$ 27,582
Total Direct Costs	82,748	27,582
H. Indirect Costs		
TOTAL PROJECT COSTS	82,748	27,582

FEDERAL REQUEST		\$ 82,748
NON-FEDERAL AMOUNT		\$ 27,582

APPENDIX 5

AWARD AND REPORTING REQUIREMENTS

A. Grant Award and Obligation of Funds.

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

**Department of Homeland Security
Federal Emergency Management Agency
Grant Program Directorate (GPD) / Room 4015 Section – Techworld Bldg.
500 C St SW
Washington, DC 20472**

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

Awards made to SAA’s for the IPP carry additional pass-through requirements. Pass-through is defined as an obligation on the part of the States to make funds available to units of local governments, combinations of local units, or other specific groups or organizations. The State’s pass-through period must be met within 60 days of the award date for the TSGP⁶. Four requirements must be met to pass-through grant funds:

- There must be some action to establish a firm commitment on the part of the awarding entity.
- The action must be unconditional (i.e., no contingencies for availability of SAA funds) on the part of the awarding entity.
- There must be documentary evidence of the commitment.
- The award terms must be communicated to the official grantee.

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

B. Post Award Instructions.

The following is provided as a guide for the administration of awards. Additional details and requirements may be provided to the grantee in conjunction with finalizing an award.

⁶ For purposes of the FY07 TSGP, receipt of funds means the date on which funds are available for expenditure (e.g., all special conditions prohibiting obligation, expenditure and draw down have been removed).

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

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

**Department of Homeland Security
Federal Emergency Management Agency
Grant Program Directorate (GPD) / Room 4015 Section – Techworld Bldg.
500 C St SW
Washington, DC 20472**

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

2. Read the guidelines. Read and become familiar with the “*OGO Financial Management Guide*” which is available at 1-866-927-5646 or online at:
http://www.dhs.gov/xlibrary/assets/Grants_FinancialManagementGuide.pdf.

3. Reporting Requirements. Reporting requirements must be met during the life of the grant (refer to the *OGO Financial Management Guide* and the specific program guidance for a full explanation of these requirements, special conditions and any applicable exceptions). Please note that the *Payment and Reporting System* contains edits that will prevent access to funds if reporting requirements are not met on a timely basis.

6. Questions about your award? A reference sheet is provided containing frequently asked financial questions and answers. Questions regarding your grant should be addressed to the FEMA help line at 1-866-927-5646 or email at: ask-ogo@dhs.gov.

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

C. Drawdown and Expenditure of Funds.

Following acceptance of the grant award and release of any special conditions withholding funds, the grantee can drawdown and expend grant funds through the Payment and Reporting System.

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

Questions regarding award payments and how to access this system should be addressed to the dedicated FEMA call center at 1-866-927-5646 or email at ask-ogo@dhs.gov.

D. Reporting Requirements.

1. Financial Status Report (FSR) -- required quarterly. Obligations and expenditures must be reported to NPD on a quarterly basis through the FSR, which is due within 30 days of the end of each calendar quarter (e.g., for the quarter ending March 31, FSR is due on April 30). Please note that this is a change from previous fiscal years. A report must be submitted for every quarter the award is active, including partial calendar quarters, as well as for periods where no grant activity occurs. Future awards and fund draw downs will be withheld if these reports are delinquent. The final FSR is due 90 days after the end date of the award period.

FSRs **must be filed online** through the Payment and Reporting System.

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

- [OMB Circular A-102](http://www.whitehouse.gov/omb/circulars/index.html), *Grants and Cooperative Agreements with State and Local Governments*, at: <http://www.whitehouse.gov/omb/circulars/index.html>
- [OMB Circular A-87](http://www.whitehouse.gov/omb/circulars/index.html), *Cost Principles for State, Local, and Indian Tribal Governments*, at: <http://www.whitehouse.gov/omb/circulars/index.html>
- [OMB Circular A-110](http://www.whitehouse.gov/omb/circulars/index.html), *Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations*, at <http://www.whitehouse.gov/omb/circulars/index.html>
- [OMB Circular A-21](http://www.whitehouse.gov/omb/circulars/index.html), *Cost Principles for Educational Institutions*, at: <http://www.whitehouse.gov/omb/circulars/index.html>
- [OMB Circular A-122](http://www.whitehouse.gov/omb/circulars/index.html), *Cost Principles for Non-Profit Organizations*, at: <http://www.whitehouse.gov/omb/circulars/index.html>

For FY07 awards, grant and sub-grant recipients should refer to the OGO Financial Guide. All previous awards are still governed by the OJP Financial Guide, available at: <http://www.ojp.usdoj.gov/FinGuide>. GPD can be contacted at 1-866-927-5646 or by email at: ask-OGO@dhs.gov.

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

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

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

enhancements, and vessels) to date, and (2) for other items acquired through this grant, a brief description and total number of items obtained to date.

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

Required submission: CAPR (due semiannually).

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

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

Required submissions: AARs and IPs (as applicable).

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

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

5. Federal Funding Accountability and Transparency Act. While there are no State and Urban Area requirements in FY07, the Federal Funding Accountability and Transparency Act of 2006 may affect State and Urban Area reporting requirements in future years. The Act requires

the Federal government to create a publicly searchable online database of Federal grant recipients by January 1, 2008 with an expansion to include sub-grantee information by January 1, 2009.

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

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

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

9. State Preparedness Report. Congress requires that States receiving DHS-administered Federal preparedness assistance shall submit a State Preparedness Report to the Department on the State’s level of preparedness by January 4, 2008, and annually thereafter. The report shall include: (1) an assessment of State compliance with the national preparedness system, NIMS, the NRP, and other related plans and strategies; (2) an assessment of current capability levels and a description of target capability levels; and (3) an assessment of resource needs to meet the National Preparedness Priorities, including an estimate of the amount of expenditures required to attain the Priorities and the extent to which the use of Federal assistance during the preceding fiscal year achieved the Priorities.

E. Monitoring.

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

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

F. Grant Close-Out Process.

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

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

APPENDIX 6

ADDITIONAL RESOURCES

This Appendix describes several resources that may help applicants in completing an IPP application.

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

The CSID maintains a comprehensive database containing key personnel contact information for homeland security terrorism preparedness programs and events. These contacts include personnel at the Federal, State and local levels. The CSID can be contacted at 1-800-368-6498 or askcsid@dhs.gov. CSID hours of operation are from 8:00 am–6:00 pm (EST), Monday-Friday.

2. Grant Programs Directorate (GPD) The GPD will provide fiscal support, including pre- and post-award administration and technical assistance, of the grant programs included in this solicitation.

For financial and administrative questions, all grant and sub-grant recipients should refer to the GPD *Financial Management Guide* or contact GGPD at 1-866-927-5646 or ask-ogo@dhs.gov.

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

State and local governments can find eligible contractors on GSA’s website, www.gsaelibrary.gsa.gov, denoted with a  symbol. Assistance is available from GSA at the local and national level. For assistance at the local level visit www.gsa.gov/csd to find the point of contact in your area and for assistance at the national level, contact Patricia Reed at patricia.reed@gsa.gov, 213-534-0094. More information is available at www.gsa.gov/cooperativepurchasing.

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

Exercise Plan and build or enhance the capacity of States and local jurisdictions to design, develop, conduct, and evaluate effective exercises.

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

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