

**2004 Program Guidance  
for the  
Assistance to Firefighters Grant Program  
  
February 2004**

This document provides a summary of the 2004 Assistance to Firefighters Grant Program's priorities. It explains how to apply, what items can be requested, and how applications will be evaluated. Please read this program guidance carefully. The Final Rule and answers to frequently asked questions (FAQs) should also be reviewed when made available on the Web site of the Office for Domestic Preparedness (ODP), U.S. Department of Homeland Security. Together, these four documents will provide you with the information you need to complete the online application. The online application will be available at [www.ojp.usdoj.gov/odp](http://www.ojp.usdoj.gov/odp) on or about March 1, 2004.



*Prepared by the Office for Domestic Preparedness and the U.S. Fire Administration*

## **PROGRAM GUIDANCE FOR THE** **2004 ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM**

The purpose of the Assistance to Firefighters Grant (AFG) Program is to award one-year grants directly to fire departments of a State to enhance their abilities with respect to fire and fire-related hazards. Our primary goal is to provide assistance to meet fire departments' firefighting and emergency response needs. This program seeks to support departments that lack the tools and resources necessary to protect the health and safety of the public and their firefighting personnel with respect to fire and all other hazards they may face. As in prior years' programs, equipment and training for preparing for and responding to events that involve chemical, biological, radiological, nuclear, or explosive devices (CBRNE) are eligible this year, but we are highlighting those items this year and requesting applicants to respond to questions concerning their relation to critical targets.

The authority of this program is derived from the Federal Fire Protection and Control Act of 1974 (15 U.S.C. §§ 2201 et seq.), as amended. In fiscal year 2003, Congress appropriated a total of \$745,125,000 to the U.S. Fire Administration (USFA) to carry out the activities of this Assistance to Firefighters Grant Program. On March 1, 2003, FEMA and the USFA came under the auspices of the U.S. Department of Homeland Security (DHS). For the 2004 program year, Congress appropriated \$750,000,000 and transferred the program's authority from FEMA/USFA to the Office for Domestic Preparedness (ODP) within DHS. Congress also authorized the use of up to five percent for administering the grant program. The appropriated funds are available until September 30, 2005.

Eligible applicants for the Assistance to Firefighters Grant Program are limited to fire departments of a State. A "fire department of a State" is defined as an agency or organization that has a formally recognized arrangement with a State, territory, local, or tribal authority (city, county, parish, fire district, township, town, or other governing body) to provide fire suppression to a population within a fixed geographical area. A municipality or fire district may submit an application on behalf of a fire department when the fire department lacks the legal status to do so, e.g., when the fire department falls within the auspices of the municipality or district. When a municipality or fire district submits an application on behalf of a fire department, the fire department is precluded from submitting an additional application on its own. The Alaska Village Initiative, a nonprofit organization incorporated in the State of Alaska, shall also be considered eligible for purposes of receiving assistance under this program on behalf of Alaska Native villages. Each eligible applicant is limited to one application per program year.

A fire department can apply for assistance for its emergency medical services (EMS) unit provided the unit falls organizationally under the auspices of the fire department. Non-fire based EMS and Rescue companies are not eligible for awards. Non-Federal airport and/or port authority fire departments are only eligible if they have a formally recognized arrangement with the local jurisdiction to provide fire suppression, on a first-due basis, outside the confines of the airport or port facilities. Airport or port authority fire departments whose sole responsibility is suppression of fires on the airport grounds or port facilities are not eligible for this grant program.

Fire departments that are Federal or contracted by the Federal government and are solely responsible under their formally recognized arrangement for suppression of fires on Federal installations or land are not eligible for this grant program. Fire stations that are not independent but are part of, controlled by, or are under the day-to-day operational direction of a larger fire department or agency, are typically not eligible. Fire departments that are for-profit departments (i.e., do not have specific nonprofit status or are not municipally based) are not eligible to apply for assistance under this program. Also not eligible for this program are ambulance services, rescue squads, auxiliaries, dive teams, urban search and rescue teams, fire service organizations or associations, and State/local agencies such as a forest service, fire marshals, hospitals, and training offices.

The Assistance to Firefighters Grant Program for fiscal year 2004 mirrors previous years' programs with minor changes and enhancements. All the program areas and activities available last year are eligible for funding again this year. Emergency medical services activities, however, are not an independent program area for the 2004 program year. Rather, EMS activities have been incorporated into the appropriate activities under the Operations and Firefighter Safety Program.

### **Automated Application and Tutorial for 2004**

Again, this year's application is automated and available online. The application will be accessible from the ODP Web site ([www.ojp.usdoj.gov/odp](http://www.ojp.usdoj.gov/odp)) and USFA Web site ([www.usfa.fema.gov](http://www.usfa.fema.gov)). We have designed the automated application with many built-in "help screens" and "drop-down menus" to assist you throughout the application process. The application can be saved and retrieved as many times as you need while you're filling it out, right up to the deadline or submittal. ***Once you've submitted your application, however, you cannot change it.*** Another positive feature of the automated system is that it will not allow you to submit an incomplete application, i.e., the system will alert you if you have not provided required information. Also, by submitting your application online, you will be automatically notified that we have received your application via e-mail.

A tutorial will be available on the Internet to help applicants use the online grant application and become familiar with the AFG program. This tutorial explains the AFG program and many of the application screens; it provides tips for navigating the

application screens and summarizes the changes in the grant program that are new in fiscal year 2004. The tutorial also provides a review of the lessons learned from the 2003 grant program.

You may decide to hire or otherwise use a grant writer to assist you in the application process. This is allowable. However, you, as the applicant, are responsible for the information contained in your application. By submitting the application, you are certifying that all of the information contained therein is true and an accurate reflection of your department. Therefore, please review all work produced by grant writers or other third parties on your behalf prior to submission.

Paper applications will be accepted but are discouraged. We are discouraging paper applications because of the inherent delays associated with processing a paper application. Also, if awarded, applicants who submit paper applications must continue to manage their grants via paper, including payment requests, requests for modifications, reporting, etc., whereas electronic applicants can do all of these functions online. Additionally, paper applications don't have the built-in help that is available to the online applicants. Finally, there is no built-in assurance that your paper application is complete when submitted. If you do not have access to the Internet, contact us directly (1-866-274-0960) to request a paper copy of the application via mail. ***We will not send the paper applications to you via overnight delivery, nor by fax or e-mail.***

The only legitimate paper application is the application that we send you – do not use any paper application that you did not receive directly from us. Do not print the screens from this year's online application and submit it. Do not use a previous year's application. Any paper application that is not in the correct format will be deemed ineligible.

We will begin accepting completed applications for the 2004 program on or about March 1, 2004 (monitor the ODP and USFA Web sites for up-to-date information on the application period). Completed applications must be submitted electronically or otherwise received by us on or before the close of business (5:00 p.m. EDT) on the last day of the application period, currently projected for April 2, 2004. Applications submitted by mail must be postmarked no later than four calendar days prior to the end of the application period. Assuming an April 2, 2004, end-date, we will not accept applications postmarked after March 30, 2004, unless we receive them prior to the end of the application period. Applications not submitted electronically must be mailed to the USFA Grant Program Technical Assistance Center, 16825 South Seton Avenue, Emmitsburg, Maryland, 21727-8998. No late, incomplete, or faxed applications will be accepted. No electronically submitted applications other than those submitted online via the automated grant application system will be accepted. We will not be responsible for applications mailed to any address other than the address listed above.

## **Project Development**

In 2004, we have continued our practice of allowing you to formulate a very comprehensive grant proposal. Depending on the program for which you apply, we are allowing your grant proposal to include a number of related “activities” to address all of your needs within a programmatic or functional area. This approach provides you with the opportunity to develop a more comprehensive grant project that addresses a broader range of your fire department’s needs. You may submit only ***one application per program year***, and your application is further limited to only ***one*** of the program areas listed below. Be advised that your application should include only activities that can be completed within the one-year grant period.

You can submit an application for any one of this year’s three program areas, and, as stated above, you may include as many activities within that one program as necessary to meet your needs. The programs, and associated activities eligible in this year’s grant program are as follows:

1. ***Operations and Firefighter Safety Program.*** Eligible activities under this function are limited to training, equipment, personal protective equipment, wellness and fitness, and modifications to fire stations and facilities\*. Please note that requests for emergency medical services training and equipment are available under the appropriate activities in this program area. Also, note that requests for equipment, personal protective equipment, and training to prepare for response to incidents involving CBRNE are available under the appropriate activities in this program area.
2. ***Fire Prevention Program.*** Eligible activities under this function include, but are not limited to, public education and awareness activities, fire code enforcement activities, fire inspector certifications, purchase and installation of smoke alarms and fire suppression systems\*, wildland mitigation, and arson prevention and detection activities. Renovations that are necessary to accomplish the education and awareness function may be eligible, however, grantees may not change the footprint or the profile of the building, i.e., the building may not be enlarged nor can the height increase.
3. ***Firefighting Vehicle Acquisition Program.*** Eligible apparatus under this program include, but are not limited to, pumpers, brush trucks, tankers/tenders, rescue vehicles, ambulances, quints, aerials, foam units, and fireboats. You may apply for only one vehicle per year.

As stated above, this year you may submit one application for assistance in only one of these three program areas. Within your selected program area, you may develop a

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\* Activities that involve modifications to facilities are subject to all applicable environmental and historic preservation requirements.

comprehensive program to address all of your needs by applying for as many of the eligible activities you determine are necessary. For example, if you determine that your needs are in the area of Operations and Firefighter Safety, you could apply for any one of the activities under that program, or any combination of activities, or all of the activities listed within that program. If you need a vehicle, you must apply under the Firefighting Vehicle Acquisition Program. You may not apply for a vehicle in any program area other than the Firefighting Vehicle Acquisition Program.

## **Application Procedure**

Eligible applicants can apply for the Assistance to Firefighters Grant program online via ODP's "e-grants" application process. The system will allow one authorized representative of a department to log in and create a username and password for the department. If you submitted an application in previous years, it is advised that you use the same username and password that you used for your previous applications. The selection of the authorized representative is at the discretion of each department. The information requested online is an electronic version of many Federal grant forms. The application includes general questions about your department and your community, as well as questions regarding your proposed project.

### **DUNS Number**

Effective October 1, 2003, all Federal grantees must obtain a DUNS number, (a unique nine-character identification number provided by the commercial company Dun & Bradstreet). The Federal government will use the DUNS number to better identify related organizations that are receiving funding under grants and cooperative agreements and to provide consistent name and address data for electronic grant applications. Additional information about DUNS numbers can be found on the Dun & Bradstreet Web site ([www.dnb.com/US/duns\\_update/index.html](http://www.dnb.com/US/duns_update/index.html)).

There is no charge to obtain a DUNS number, and it is the applicant's responsibility to obtain one. Applicants are encouraged to apply for a DUNS number well in advance of the application period because it may take 2 to 3 weeks or more to obtain the number online. It is recommended that applicants request a DUNS number as soon as possible by calling 1-800-333-0505. When completing the online application, there is a special data field for entering the DUNS number. If applying on paper, use the box entitled "Federal Identifier" on the SF 424, Application for Federal Assistance, to enter the DUNS number. Be advised that this number is required for all Federal grant applications, and there may not be any extensions granted for applicants who were unable to obtain their number prior to the end of the application period.

## **Application**

As in previous years, you will be required to answer a series of questions designed to provide the FIRE Grants Program Office with general information about your department and community. The answers you provide to these questions may be used in the evaluation of your application. We will also use some of the information to determine whether your department serves an urban, suburban, or rural community. We believe that characteristics such as population, water supply, land use, number of fire stations, number of inhabitable structures over four stories tall in your jurisdiction, and call volume are indicators of the type of community you serve. We will use these characteristics in determining what type of community you serve. The designation will be displayed on the application once you have completed the Department Characteristics sections of the application.

We have established different funding priorities in some of the program or activity areas depending on the type of community you serve. These funding priorities are delineated in each program area below, if applicable. This community designation (i.e., urban, suburban, or rural) may affect the ranking of your application depending on the program area for which you are applying. If you disagree with your designation, you may address your concerns in the narrative section of the application, but you may not change the designation.

After you have completed the general questions, you will be asked a series of activity-specific questions relative to the program you selected and the activities for which you plan to apply. You will answer the questions for each of the activities that support your project.

Lastly, you will be required to provide a written narrative describing your planned project. The narrative portion of your application should provide the details of activities you propose to be funded, including budget details for each of your activities. It should describe the financial need of your fire department and elaborate on the benefits your community and/or fire department will gain from the expenditure of the grant funds.

We recommend that you type your narrative offline in any word processing software, such as Word, Word Perfect, Notepad, etc. Once your narrative is complete, you can copy it or “copy-and-paste” it from your word-processing document into the narrative block in the application. Space for the narrative is limited, so your narrative should not exceed five pages. Do not type your narrative entirely in capital letters.

## **Evaluation Process**

We will rank all complete and eligible applications based on the substance of your application relative to the established program priorities for the type of community served. We determine this relationship from your answers to the activity-specific

questions. If you apply for more than one activity in your selected program, each activity will be scored separately. Then your scores will be prorated based on the individual activities' funding level compared to the total requested funding in your application. For example, if you are applying under the Operations and Firefighter Safety Program, and you are applying for \$9,000 in training and \$1,000 in equipment, the training portion of your proposal will represent 90 percent of your score and the equipment will represent 10 percent of your score. The number of activities included in your application will not provide any advantage or disadvantage with respect to its evaluation.

Applications that best address the grant program's priorities (as outlined below) will score higher than those applications that are not directed toward the priorities. The applications that score the highest will be determined to be in the "competitive range." A panel of at least three technical evaluation specialists will further evaluate the applications that are in the competitive range, i.e., the highest-ranked applications. These panelists will evaluate the application using your project narrative along with the answers to the general questions and the activity-specific questions.

When reviewing your application, the panelists will use your narrative and all the information in your application to determine the worthiness of your request for an award. During the panel review process, the panelists will provide a subjective but qualitative judgment on the merits of CBRNE equipment and training requests relative to the critical infrastructure that the applicant protects. Critical infrastructure includes any system or asset that if attacked would result in catastrophic loss of life or catastrophic economic loss. Critical infrastructure also includes the following:

- Public water systems serving large population centers.
- Primary data storage and processing facilities, stock exchanges, or major banking centers.
- Chemical facilities located in close proximity to large population centers.
- Major power generation facilities that exceed 2,000 MW and support the regional electric grid.
- Hydroelectric facilities and dams that produce power in excess of 2,000 MW or could cause catastrophic loss of life if breached.
- Nuclear power plants.
- Electric substations 500 KV or larger, and substations 345 KV or larger that are part of a critical system supporting populations in excess of one million.
- Rail and highway bridges over major waterways that, if destroyed, would cause catastrophic loss of life or catastrophic economic impact.
- Major natural gas transmission pipelines in excess of 3,000 bcf.
- Natural gas and liquid natural gas storage facilities.
- Major petroleum handling facilities such as pipelines, ports, refineries, and terminals.
- Telecommunications, Internet and cyber facilities.
- Facilities that support large public gatherings such as sporting events or concerts.

The panelists will evaluate and score the clarity of your proposed project including your project's budget detail, the financial need of your department, and the benefits that would result should you be awarded the grant. These three elements carry equal weight when factored into the panelists' scores (i.e., one-third). Each application will be judged on its own merits – not against other applications. The panelists will consider all expenses budgeted, including administrative and/or indirect costs, as part of their cost-benefit review. In addition, an applicant can demonstrate cost-benefit by describing, as applicable, how the grant award will do the following: 1) fit in with a regional approach, i.e., is consistent with current capabilities and requests of neighboring fire departments or otherwise benefits other fire departments in the region; 2) promote interoperability of equipment/technology with other fire departments and local, State, and Federal first-responders; and/or 3) allow the fire department to respond to all hazards (all hazards include incidents involving seismic (earthquake), atmospheric (tornadoes, hurricanes), or technological (hazardous materials, nuclear, etc.) events, or incidents involving CBRNE, as well as fire prevention/suppression). The panelists will review each application in its entirety and compare the application against established evaluation criteria, not against other applications.

Keep in mind that we will use your answers to the activity-specific questions for our initial assessment. Your answers to these questions are the primary bases upon which we will determine whether your application warrants further evaluation. Applicants whose answers indicate that their project is consistent with our established priorities (as outlined below) will have a better chance of reaching the competitive range and the second level of review than those applicants whose projects do not reflect the established priorities. Applicants that falsify their applications or misrepresent their departments in any material manner will have their applications deemed ineligible by the AFG program office and referred for further action as appropriate.

### **State Technical Review of CBRNE Applications**

Following our preliminary determination of award (i.e., after the panel process is complete) but prior to award, we will involve the State's homeland security office in a technical review of any application that is seeking equipment and/or training for preparation for incidents involving CBRNE. Each State will be asked to provide the AFG program office with a representative to carry out this technical review of applications from the State that include CBRNE-related requests and that have been rated as fundable by the peer review panelists. In the technical review, the State representative will attest to and certify that any CBRNE-related requests are consistent with the State's homeland security plan and that the requests do not duplicate assistance already provided or about to be provided.

## **Programs and Program Priorities**

Specific rating criteria and priorities for each of the grant categories are provided below following the descriptions of this year's eligible programs. The rating criteria, in conjunction with the program description, will provide you with an understanding of what information we are seeking about your proposed projects.

### **1) Operations and Firefighter Safety Program**

There are five different activities available for funding under this program area: training, equipment, personal protective equipment, wellness and fitness, and modifications to facilities. Please note that emergency medical services (EMS) training and equipment are available under the appropriate activity in this program area. Also note that requests for equipment and training to prepare for response to incidents involving CBRNE are available under the applicable equipment and training activities.

You may apply for, as many of the activities within this program as you think are necessary in one application. There are no bonuses or penalties for applying for only one activity or for multiple activities. Wherever possible, equipment requests in this program should have the intent and/or goal of solving applicable interoperability or compatibility problems. The applicant should describe in the narrative section how the purchase of equipment would facilitate solving interoperability or compatibility problems.

#### **a) Training activities:**

DHS may make grants for the purpose of training firefighting personnel. Examples of training activities include, but are not limited to, firefighter I and II certifications; first-responder EMS; driver/operator; fire officer; hazardous materials response; incident command; supervision and safety; CBRNE awareness, performance, planning and management; or train-the-trainer courses in any of these areas.

We believe that the most benefit is derived from training that is instructor-led, hands-on, and leads to a nationally sanctioned or State certification. Training requests that include Web-based home study or distance learning and the purchase of training materials, equipment, or props are a lower priority. Therefore, applications focused on national or State certification training, including train-the-trainer initiatives, will receive a higher competitive rating. Training that involves instructors where the students must demonstrate their grasp of knowledge of the training material via testing and is integral to a certification will receive a high competitive rating, but not to the extent of the trainings that would lead to

national certification. Training that is instructor-led but does not lead to a certification, or any self-taught courses, are of low benefit, and therefore they will not be afforded a high priority.

We will rate more highly those proposed programs that benefit the highest percentage of applicable personnel within a fire department or those proposed programs that will be open to other departments in the region. Training that brings the department into statutory (or Occupational Safety and Health Administration (OSHA)) compliance would provide the highest benefit relative to training that is not required, therefore receive the highest consideration. Training that brings a department into voluntary compliance with national standards will also receive a high competitive rating, but not as high as the training that brings a department into statutory compliance. Training that does not have statutory compliance or voluntary compliance with a national standard will receive a low competitive rating.

Due to the inherent differences between urban, suburban, and rural firefighting characteristics, we have developed different priorities in the training activity for departments that service these different types of communities. However, CBRNE awareness training has a high benefit and will receive the highest consideration regardless of the type of community served.

For departments serving rural communities, we believe that funding basic, operational-level firefighting, operational-level rescue, driver training, or first-responder EMS, EMT-B, and EMT-I, (i.e., training in basic firefighting duties) has greater benefit than funding officer training, safety officer training, or incident-command training. In rural communities, after basic training, there is a greater cost-benefit to officer training than for other specialized types of training such as mass casualty, HazMat, advance rescue and EMT, or inspector training for rural departments.

Conversely, for departments that are serving urban or suburban communities, we believe there is a higher benefit to be gained by funding specialized training, such as mass casualty, HazMat, advance rescue and EMS, or inspector training than the funding of officer training, safety officer training, or operations training, which in turn has a higher benefit than basic-, operational-, or awareness-level activities. Training designated to enhance multi-jurisdictional capabilities will be afforded a slightly higher rating.

Eligible uses of training funds include but are not limited to tuition, exam and course fees, certification and/or re-certification expenses, purchase of training curricula, training equipment (including trailers and simulators), training props, training services (such as instructors), attendance at formal training forums, etc. Tow vehicles or other means of transport may be eligible as a transportation expense under this activity if adequately justified in your grant proposal, but we

will limit transportation expenses to \$6,000 per year per application. Compensation to volunteer firefighters for wages lost because of attending training under this program is an eligible expense if justified in your grant proposal. Overtime expenses paid to career firefighters to attend training, or overtime expenses paid to firefighters to cover for colleagues while the colleagues are in training, are eligible expenses if justified in your grant proposal. Even though compensation is an eligible expense, proposals that contain such compensation expenses may be less favorably scored than similar proposals without compensation expenses due to the cost-benefit element in the evaluation process.

Activities that are not eligible in this area include construction of facilities, such as classrooms, buildings, towers, etc. Modular training units that are not trailer-mounted are not eligible. Grant funds cannot be used for modular training units if the units are to be permanently fastened to the ground. No grant funding can go toward site preparation to accommodate any training activity, facility, or prop. The purchase of real estate is also not eligible. Renovations to an existing facility that are necessary to accomplish training activities are allowable if the renovations are minor and comply with the definition in the Final Rule and published in the *Federal Register* (i.e., limited to minor interior alterations costing less than \$10,000). Renovation expenses should be included in the budget as an “Other” line-item expense and clearly explained in the narrative.

ODP offers a variety of CBRNE training courses free of charge; visit the ODP Web site for details ([www.ojp.usdoj.gov/odp/docs/coursecatalog.pdf](http://www.ojp.usdoj.gov/odp/docs/coursecatalog.pdf)) or call the ODP Helpline at 1-800-368-6498.

**b) Equipment Acquisition:**

DHS may make grants for acquiring additional equipment, including equipment for fire suppression, to enhance the safety or effectiveness of firefighting, rescue, and EMS functions. They may also make grants for equipment necessary for preparedness for response to CBRNE incidents.

The stated purpose of this grant program is to protect the health and safety of firefighters from fire and fire-related hazards. As such, we believe that this grant program will achieve the greatest benefits by providing funds to fire departments purchasing basic firefighting equipment before any other non-firefighting equipment. Equipment that has a direct effect on firefighters’ health and safety will receive a high competitive rating over equipment that has no such effect. Equipment that promotes interoperability with neighboring jurisdictions may receive additional consideration in the cost-benefit assessment if the application makes it into the competitive range.

We believe this grant program will achieve the greatest benefits if we provide funds to fire departments purchasing basic firefighting, rescue, EMS, and CBRNE preparedness equipment that they have never owned prior to the grant or to replace used or obsolete firefighting equipment. Our last priority will be to fund departments that are seeking to expand into new mission areas, and therefore those departments will receive a lower competitive rating than departments seeking reserve equipment. Additionally, among departments that serve similar types of communities, those that have high call volumes will be afforded a higher competitive rating than those that have low call volumes.

The purchase of equipment that brings the department into statutory (or OSHA) compliance will provide the highest benefit and therefore will receive the highest consideration. The purchase of equipment that brings a department into voluntary compliance with national standards will also receive a high competitive rating, but it will not be as high as for the training that brings a department into statutory compliance. Equipment that does not have an effect on statutory compliance or voluntary compliance with a national standard will receive a lower competitive rating.

Small boats (13 feet or less, without fixed fire pumps), jet-skis, all-terrain vehicles (ATVs), and appropriate trailers may be considered under this activity if properly justified in the narrative section of the application. Other vehicles, as defined in the Final Rule and published in the *Federal Register*, are not eligible under this activity but would be eligible under the Firefighting Vehicle Program.

Eligible expenses include those expenses necessary to acquire equipment, including communications and monitoring equipment. Compressor systems, cascade systems, or similar self-contained breathing apparatus (SCBA) refill systems are eligible expenditures in this area. Renovations to an existing facility to accommodate such equipment are allowable if justified in the narrative and if the renovation is minor as defined in the interim Final Rule and published in the *Federal Register* (i.e., limited to minor interior renovations costing less than \$10,000). Traffic signal preemption systems are eligible. Individual communications equipment (portable radios) and/or mobile communications equipment (including mobile repeaters) are eligible. Mobile data systems are eligible. Integrated communications systems such as base stations, computer-aided dispatch, fixed-site repeaters, wireless and broadband mobile data systems, etc., are eligible under this activity. The cost of shipping equipment purchased under this program is also an eligible expense. We will limit funding for portable radios to the number of seated positions based on the applicant's firefighting vehicle fleet unless otherwise justified in the narrative.

The purchase of any communications systems and/or equipment under this activity should have the intent and/or goal of solving your interoperability problems, as applicable. Any applicant seeking funding for equipment herein

should provide details in the narrative section of the application regarding their local plan to enable interoperability for the jurisdiction.

Equipment used in response to CBRNE incidents is also eligible. Equipment exclusively designed for use in CBRNE incidents that is eligible this year includes special monitoring equipment (biological, radioactive, etc.) and CBRNE-related pharmaceuticals for first-responders, such as auto injectors. AFG program funds cannot be used to supplant other funds for CBRNE preparedness that are available through other Federal programs.

This year, requests for Emergency Medical Services (EMS) equipment are eligible in this activity. Eligible expenses for EMS equipment in this activity can include, but are not limited to, defibrillators, basic and advanced life support equipment, universal precaution supplies (i.e., one-way masks, latex gloves), computers, expendable supplies (but not medications), and infectious disease control and decontamination systems.

Thermal imaging cameras are eligible, but the number of cameras that can be purchased with grant funds will be based on the size of the population served by the department applying for assistance. Departments that serve communities of less than 20,000 people can purchase one thermal imaging camera with grant funds if awarded a grant; departments serving communities between 20,000 and 50,000 can purchase two cameras with grant funds if awarded a grant; and departments serving communities of more than 50,000 people can purchase three cameras with grant funds if awarded a grant.

No grant funds can be used to construct facilities such as buildings, sheds, or towers to house communications equipment. Telephones and cell phones are not eligible. Bomb disposal equipment and robots are not eligible. Personal protective equipment, including clothing for structural and wildland fire suppression, such as “turnout gear” or “bunker gear” (including boots, pants, coats, gloves, hoods, goggles, vests, helmets, coveralls, and fire shelters), SCBAs, spare cylinders, and personal alert safety systems, *are not eligible under this activity*, however, they are eligible under the Personal Protective Equipment activity detailed below.

**c) Personal Protective Equipment (PPE) Acquisition:**

DHS may make grants for acquiring PPE required for active firefighting personnel by OSHA and other PPE for firefighting personnel.

One of the stated purposes of this grant program is to protect the health and safety of firefighters. To achieve this goal and maximize the benefit to the firefighting community, we believe that we must fund those applicants needing to provide PPE to a high percentage of their personnel. Accordingly, we will give

the highest competitive rating in this category to fire departments where a large percentage of their active firefighting staff does not have any PPE. We will also give a high competitive rating to departments that wish to purchase enough PPE to equip 100 percent of their active firefighting staff, or 100 percent of their on-duty staff, as appropriate. We will also give a high competitive rating to departments that are purchasing the equipment for the first time as opposed to departments replacing obsolete or substandard equipment (e.g., equipment that does not meet current NFPA and OSHA standards), or purchasing equipment for a new mission. For those departments that are replacing obsolete or substandard equipment, the condition of the equipment to be replaced will be factored into the score with a higher priority given to replacing equipment that is damaged, torn, and/or contaminated.

Due to safety benefits afforded firefighters, for applications that include a request for personal alert safety system (PASS) devices, we will only consider funding applications that are requesting equipment that meets current national standards, i.e., integrated and/or automatic, or automatic-on PASS. Finally, the number of fire response calls that your department makes in a year will be considered with the higher priority going to departments with higher call volumes, while applications from departments with low call volumes will be afforded lower competitive ratings. The call volume of rural departments will be compared only to other rural departments, suburban departments will be compared only to other suburban departments, and urban departments will be compared only to other urban departments.

Eligible PPE includes clothing for structural and/or wildland fire suppression, such as “turnout gear” or “bunker gear” (including boots, pants, coats, gloves, hoods, goggles, vests, helmets, coveralls, and fire shelters), SCBAs, spare cylinders, and PASS. We will limit funding for SCBAs to the number of seated positions based on the applicant’s firefighting vehicle fleet unless otherwise justified in the narrative. Each SCBA request will be limited to one spare cylinder unless adequately justified. Protective clothing for response to hazardous materials incidents and other specialized incidents is also eligible under this activity. Protective clothing that is designed for EMS activities or for response to CBRNE incidents are also eligible in this activity. Eligible PPE for CBRNE incidents includes SCBAs that have been certified for use in CBRN atmospheres and PPE that is nationally certified for use in CBRNE incidents. It is not necessary for every SCBA request to be CBRN-certified. We will not fund CBRN-certified SCBA unless such a request is adequately justified in the narrative and directly related to the State’s homeland security plan. Eligible PPE for EMS activities includes PPE ensembles (coats and trousers) that afford universal precautions against exposure to infectious diseases, etc.

The purchase of three-quarter length rubber boots is an ineligible expenditure under this activity since it precludes the effective use of the eligible

PPE cited above. Uniforms (formal/parade or station/duty) or uniform items (hats, badges, etc.) are also ineligible expenditures under this activity. Personal communications equipment such as radios and pagers are not eligible under this activity but are eligible under the Equipment activity.

**d) Wellness and Fitness Activities:**

DHS may make grants for the purpose of establishing or expanding wellness and fitness initiatives for firefighting personnel.

We believe that to have an effective wellness/fitness program, fire departments must offer periodic health screenings, entry physical examinations, and an immunization program. Accordingly, applicants for grants in this category must currently offer or plan to offer with grant funds ***all three benefits*** to receive consideration and funding for any other initiatives in this activity. After entry-level physicals, annual physicals, and immunizations, high priority is given to formal fitness and injury prevention programs. Lower priority is given to stress management, injury/illness rehabilitation, and employee assistance.

We believe the greatest benefit will be realized by supporting new wellness and fitness programs, and therefore, we will accord higher competitive ratings to those applicants lacking wellness/fitness programs over those applicants that already employ a wellness/fitness program. Finally, since participation is critical to achieving any benefits from a wellness or fitness program, we will give higher competitive ratings to departments whose wellness and fitness programs mandate or provide incentives for participation.

Eligible expenditures in a wellness and fitness activity for firefighting personnel may include the procurement of medical services to ensure that the firefighting personnel are physically able to carry out their duties (but the purchase of medical equipment is not eligible under this category). Eligible expenditures to carry out wellness and fitness activities may include costs for personnel, physicals, physical fitness equipment (including shipping), supplies, or other related contract services (e.g., health-care consultants, trainers, and nutritionists) directly associated with the implementation of the proposed activity.

Transportation expenses and fitness club memberships for the firefighters or their families are not eligible under the wellness and fitness activity. Other expenses that are not eligible in this area include construction of facilities to house a fitness program, such as exercise or fitness rooms, showers, etc. The purchase of real estate is also not eligible. Renovations to an existing facility are allowable if justified in the narrative and if they involve only minor renovations as defined in the Final Rule and published in the *Federal Register* (i.e., limited to minor interior alterations costing less than \$10,000). Renovation expenses should

be included in the budget as an “Other” line-item expense and explained in the narrative.

**e) Modifications to Fire Stations and Facilities:**

DHS may make grants to modify fire stations, fire training facilities, and other facilities to protect the health and safety of firefighting personnel. Please note that activities that involve modifications to facilities are subject to all applicable environmental and historic preservation requirements.

The stated purpose of this grant program is to protect the health and safety of firefighters. As such, eligible projects under this activity are those in which the activities specifically have a direct effect on the health and safety of firefighters. Therefore, eligible measures under this activity are limited but focused on promoting fire safety and life safety in fire stations and facilities. We believe that each of the eligible measures, if incorporated, would make any facility safer for firefighters.

Measures that are eligible for funding are the installation of sprinkler systems, installation of vehicle exhaust extraction systems, the installation of smoke and/or fire alarm notification systems, and the installation of emergency facility generators. We will not fund any other requests for modifications than the initiatives listed herein. Any vehicle exhaust extraction system obtained should be extensive enough to extract all toxic vapors and particulates emitted from internal combustion engines and meet all applicable Federal, State, and local standards. Some exhaust extraction systems may meet standards for removal of certain carcinogens, but not others; therefore, it may be necessary to utilize more than one system to fully protect your firefighters.

The grant funds are to be used to retrofit existing structures that do not have the eligible safety features or to upgrade facilities whose features are dated. The funds may not be used to supplement new construction. Many of these modifications may require environmental review, which may delay an award.

We believe that more benefit would be derived from modifying fire stations than would be realized by modifying fire-training facilities or other fire department facilities. Requests involving facilities that would be open for broad usage and have a high occupancy capacity would receive a higher competitive rating than those involving facilities that have limited use and/or low occupancy capacity. The frequency of use would also have a bearing on the benefits to be derived from grant funds. The frequency and duration of a facility’s occupancy have a direct relationship to the benefits to be realized from funding in this activity. As such, facilities that are occupied or otherwise in use 24-hours-per-day, 7-days-per-week will receive a higher competitive rating than facilities used on an irregular or part-time basis.

We will not fund any other requests for modifications than the initiatives listed herein (specifically, vehicle exhaust extraction systems, smoke/fire alarm systems, sprinkler systems, or emergency generators). There are no monetary limits on the individual initiatives under this activity whether it is a vehicle exhaust system, a sprinkler system, or a smoke/fire alarm system, but no applicant can request more than \$100,000 in the modifications per fire station under their authority. Multiple stations are eligible in this activity up to the \$750,000 Federal share limit.

## **(2) Fire Prevention Program**

DHS may make grants for the purpose of establishing or enhancing a fire prevention program. Appropriate activities in this program include, but are not limited to the following: public education, public awareness, enforcing fire codes, inspector certification, purchase and installation of smoke alarms and fire suppression systems, and arson prevention and detection activities. Applicants can apply for funding for as many fire prevention initiatives under this function as necessary.

We believe that programs that are based on a formal analysis of a community's risk should be afforded the highest competitive rating over fire prevention programs that have no such basis. We also believe that the public as a whole will receive the greatest benefit from fire prevention funds directed to fire departments that currently do not have a prevention program. Also, we believe the public will benefit more from long-term fire prevention programs than from limited efforts. Therefore, we will give a higher competitive rating to programs that will be self-sustaining after the grant period. Because of the benefits to be attained, we will give a higher competitive rating to programs that target one or more identified high-risk populations (e.g., children under 14 years of age, seniors over 65, firefighters, and/or other high-risk populations) and programs whose impact is/will be periodically evaluated.

We believe projects that provide long-term benefits to the entire community, such as public education programs and programs that develop and enforce codes and standards, and/or arson prevention and detection programs provide the greatest benefits. Therefore, such community-wide activities will be afforded the highest competitive rating. Programs where the focus is on the purchase and installation of residential and public detection and suppression systems achieve positive benefits but not the highest competitive rating. The purchase of public information materials and presentation aids and equipment achieves the least benefit; therefore, these types of activities will be afforded the lowest competitive rating.

Eligible expenses to carry out these activities would include costs such as a fire education safety trailer, personnel, transportation, equipment (including appropriate PPE), supplies, and contracted services that are directly associated with

the implementation of the proposed activity. Tow vehicles or other means of transport may be eligible as a transportation expense if adequately justified in the proposal, but transportation expenses will be limited to \$6,000 per application.

Physical mitigation or hazard abatement activities, such as prescribed burns are not eligible activities under this program, but mitigation planning, awareness and education are eligible. Construction as defined in the Final Rule is not eligible under this program. Real estate is not eligible under this program. Renovations to an existing facility are allowable if justified in the narrative and if the renovations are minor as defined in the Final Rule and published in the *Federal Register* (i.e., limited to minor interior renovations costing less than \$10,000). Renovation expenses should be included in the budget as an “Other” line-item expense and explained in the narrative. A safety village that is not transportable may be considered construction, and therefore, not eligible. Sprinkler systems for residential or commercial uses are not eligible unless the installation is specifically implemented as a critical element in a demonstration or awareness project.

### **(3) Firefighting Vehicle Acquisition Program**

DHS may make grants for acquiring new firefighting vehicles, used fire apparatus, or refurbished apparatus. The funds may also be used to refurbish a vehicle the department currently owns. New vehicles purchased with AFG program funds must be compliant with current NFPA 1901 or 1906 standards. Used apparatus must be compliant with NFPA 1901 or 1906 standards for the year the vehicle was manufactured. Refurbished apparatus must meet NFPA 1912 standards. Applicants may apply for only one vehicle per year under this program. Applicants that have been awarded vehicle grants from the AFG program in previous years are not eligible for a vehicle award in this program year.

Due to the inherent differences between urban, suburban, and rural firefighting conventions, we have developed different priorities in the vehicle program for departments that service different types of communities. The following chart delineates our priorities in this program area for each type of community. Due to the competitive nature of this program and the imposed limits of funding available for this program, it is unlikely that we would fund many vehicles that are not listed as a Priority One or a Priority Two this year.

<b>Vehicle Program Priorities</b>			
<b>Priority</b>	<b>Urban Communities</b>	<b>Suburban Communities</b>	<b>Rural Communities</b>
<b>Priority One</b>	Pumper Aerial Quint (Aerial < 76') Quint (Aerial 76' or >) Fire Boat Rescue	Pumper Aerial Quint (Aerial < 76') Quint (Aerial 76' or >) Fire Boat Brush/Attack	Pumper Brush/Attack Tanker/Tender Quint (Aerial < 76')
<b>Priority Two</b>	Command HazMat Light/Air Rehab	Command HazMat Rescue Tanker/Tender	HazMat Rescue Light/Air Aerial Fire Boat Quint (Aerial 76' or >)
<b>Priority Three</b>	Foam Truck ARFFV Brush/Attack Tanker/Tender Ambulance	Foam Truck ARFFV Rehab Light/Air Ambulance	Foam Truck ARFFV Rehab Command Ambulance

Regardless of the type of community served, we believe that there is more benefit to be realized by funding fire departments that own few or no vehicles of the type they are seeking than there would be by providing vehicle funding to a department with numerous vehicles of that same type. When we assess the number of vehicles a department has within a particular class, we will include all vehicles with similar functions. For example, we consider the following to be classified in the “pumper” category: pumpers, engines, pumper/tankers, (with less than 1,250 gallon capacity), rescue-pumpers, quints (with aerials less than 76 feet in length), and urban interface vehicles such as Type I, II or III. Pumpers with water capacity in excess of 1,250 gallons would be considered a tanker/tender.

We will give a higher competitive rating in the apparatus category to fire departments that own few or no firefighting vehicles relative to other departments serving similar types of communities. We will also give higher competitive ratings to departments that have an aged fleet of firefighting vehicles, and to those with old, high-mileage vehicles. We will also provide a higher competitive rating to departments that respond to a significant number of incidents relative to other departments servicing similar communities.

No competitive advantage has been assigned to the purchase of standard model commercial vehicles versus custom vehicles, or the purchase of used vehicles versus new vehicles in the preliminary evaluation of applications. It has been our experience that depending on the type and size of department, the technical evaluation panelists often prefer low-cost vehicles when evaluating the cost-benefit section of the project narratives. Panelists may be provided with guidance for use in their evaluation of the reasonableness of vehicle costs. We also reserve the right to instill funding limits on requests for vehicles whose costs we deem excessive or otherwise not in the best interest of the program.

Eligible expenses under this program would include the cost of the vehicle and associated equipment necessary to conform to applicable national standards (NFPA 1901 or 1906). New, used, or refurbished vehicles are eligible; however, any used or refurbished vehicles must conform to the national standards that were in effect the year the vehicle was manufactured. An allowance for transportation to inspect a vehicle under consideration or during a vehicle's production would be eligible if reasonable and justified in the grant proposal. Also eligible would be the additional costs associated with the purchase and installation of a vehicle-mounted exhaust filtration system for any vehicle purchased with grant funds. Additionally, operator training may be eligible for any vehicle award if justified in the narrative.

As stated above, previous vehicle recipients are ineligible for a vehicle award in this program year (FY 2004). Applicants will not be allowed to modify the scope of work of a vehicle award, i.e., change the type of vehicle requested after award. Vehicles contracted for or otherwise purchased prior to the end of the established application period are not eligible for funding. Aircraft, bulldozers, and construction-related equipment are also not eligible.

## **Other Eligible Costs**

**(1) Administrative Costs:** Administrative costs are allowable under any of the program areas listed above in accordance with OMB Circular A-87 or OMB Circular A-122, as applicable. (For more information about Circulars, go to [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars).) Applicants may apply for administrative costs if the costs are directly related to the implementation of the program for which they are applying. Administrative costs are identifiable costs directly associated with the implementation and management of the grant. If you are requesting administrative expenses, you must list the costs under the "Other" category in the budget and explain what the costs are for in your project narrative. The administrative costs should be based on actual expenses, not a percentage of the overall grant. We will reimburse actual expenses only. Examples of eligible administrative costs would be shipping, office supplies, computers associated with the NFIRS reporting requirements, etc. The cost of a grant writer (if specifically listed on your application), is eligible and can be charged to the grant as administrative costs in accordance with the provisions outlined below [see

(7) below]. We will assess the reasonableness of the administrative costs requested in each application and determine if it is reasonable and in the best interest of the program.

**(2) Indirect Costs:** If you have an approved indirect cost rate, you may charge indirect costs to the grant. If you are charging indirect costs to the grant, you must submit the documentation that supports the indirect cost rate to us for review and approval prior to submitting any claims for indirect costs. The appropriate documentation for an approved indirect rate is an indirect cost rate agreement. We will allow the rate to be applied as long as it is consistent with its established terms. For example, some indirect cost rates may not apply to capital procurements; in these cases, indirect cost rates would not apply for a grant for equipment or a vehicle.

**(3) Audit Costs:** Some grantees with large awards may be required to undergo an audit in accordance with OMB Circular A-133. Specifically, recipients of Federal funding that spend in excess of \$500,000 of Federal funds in a year must undergo an audit. (For more information about the Circulars, go to [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars).) The costs incurred for such an audit would be an eligible expenditure if included in the proposal's budget. You may wish to consider including anticipated costs of such an audit if you are applying for a significant level of funding. We will allow you to charge a prorated share of the costs of the single audit to the grant. For example, if you received \$100,000 from the AFG program and \$400,000 from the Forestry Service, we will allow you to charge one-fifth of the audit costs to the AFG program grant. We do not require any other audits; therefore, you cannot charge any other audit expenses to the grant.

**(4) Renovation Costs:** Renovations to an existing facility are allowable only if the costs comply with the Final Rule as published in the *Federal Register* (i.e., limited to minor interior alterations costing less than \$10,000). To be eligible, renovations must be essential to the successful completion of the grant's scope of work. Construction costs are not eligible under the Assistance to Firefighters Grant Program nor are costs for the purchase of real estate. Construction includes major alterations to a building and/or changes to the profile or footprint of the structure. Enhancements to existing structures such as the installation of apparatus-bay ventilation systems and retrofitting fire stations with sprinkler systems are eligible for application under the Modifications to Fire Stations and Facilities Activity.

**(5) Pre-award Costs:** Generally, grantees cannot use grant funds to pay for products and services contracted for, or purchased prior to, the effective date of the grant. However, expenses incurred after the application deadline but prior to award may be eligible for reimbursement if the expenses were justified, unavoidable, consistent with the grant's scope of work, and specifically approved by us. We will consider requests for reimbursement for pre-award costs on a case-by-case basis.

(6) **Pre-application Costs:** Expenses, obligations, commitments, or contracts incurred or entered into prior to the application deadline are **not** eligible to be included as a grant expense with the exception of grant preparation costs [see (7) below].

(7) **Grant Writer Fees:** Fees for grant writers may be included as a pre-award or pre-application expenditure (as provided in section 152.7(b) of the Final Rule). But fees payable on a contingency basis are not an eligible expense that can be charged to the grant. For grant writers' fees to be eligible as a pre-award expenditure, the fees must be specifically identified and listed in the application and the fees must have been paid prior to any contact with grants management staff or award, i.e., paid within 30 days of the end of the application period. Applicants may be required to provide documentation to support these pre-award expenditures. The hiring of a grant writer or use of any other third parties in the preparation of the application does not eliminate the applicant's responsibilities for assuring that the information contained in the application is true and correct.

### **Reasonableness of a Request**

The panelists will review all of the applications in the competitive range and judge each application on its own merits. The panelists will consider all expenses budgeted, including administrative and indirect, as part of the cost-benefit determination and may recommend appropriate adjustments. Regardless of the eligibility of any costs requested, we reserve the right to reduce any requests for assistance, in whole or in part, that we deem to be excessive or otherwise contrary to the best interests of this program.

During the panel review process, the panelists will provide a subjective but qualitative judgment on the merits of CBRNE equipment and training requests relative to the critical infrastructure that the applicant protects. Critical infrastructure includes any system or asset that if attacked would result in catastrophic loss of life or catastrophic economic loss. Critical infrastructure also includes the following:

- Public water systems serving large population centers.
- Primary data storage and processing facilities, stock exchanges, or major banking centers.
- Chemical facilities located in close proximity to large population centers.
- Major power generation facilities that exceed 2,000 MW and support the regional electric grid.
- Hydroelectric facilities and dams that produce power in excess of 2,000 MW or could cause catastrophic loss of life if breached.
- Nuclear power plants.
- Electric substations 500 KV or larger, and substations 345 KV or larger that are part of a critical system supporting populations in excess of one million.

- Rail and highway bridges over major waterways that, if destroyed, would cause catastrophic loss of life or catastrophic economic impact.
- Major natural gas transmission pipelines in excess of 3,000 bcf.
- Natural gas and liquid natural gas storage facilities.
- Major petroleum handling facilities such as pipelines, ports, refineries, and terminals.
- Telecommunications, Internet and cyber facilities.
- Facilities that support large public gatherings such as sporting events or concerts.

## **Award Procedure**

Awards will be made on a competitive basis using rank order as the primary basis of our decision, regardless of program. But, there are some exceptions to this process. The law requires that we use no less than 5 percent of the available funding on fire prevention grants. Therefore, it may be necessary to go out of rank order to select a sufficient number of awards to comply with this requirement. We are also limited in the amount of funds that can be awarded for vehicles, i.e., we cannot award grants for vehicles in excess of 25 percent of the total available funding. Once we reach that limit, it would then be necessary for us to deviate from rank order with respect to the remaining vehicle requests.

Throughout the process, career departments will be competing against other career departments for up to 45 percent of the available funding. Volunteer and combination departments will compete among each other for at least 55 percent of the available funding. Historically, less than 10 percent of the applications we receive for AFG program funding are from career departments. Therefore, the funding levels may not reach the 45 percent ceiling for career departments.

To fulfill our obligations under the law, we may also make funding decisions using the size and character of the community a department serves (urban, suburban, or rural), the type of department (career, combination, or volunteer), and the geographic location of the fire department. In these instances where we are making decisions based on geographic location, we will use States as the basic geographic unit. Geographic location of an applicant will be used primarily as a final discriminator, e.g., in cases where applicants have similar qualifications, we may use the geographic location of the applicants to maximize the diversity of the awardees.

Fire departments that have received funding under the AFG program in previous years are eligible to apply for funding in the current year. However, due to our responsibilities under this program to assure adequate distribution of awards among certain types of departments (career, combination and volunteer) and certain types of communities (urban, suburban or rural) as well as a equitable geographic distribution, we reserve the right to fund or not to fund previous recipients of grants under this program in

order for us to fulfill these responsibilities. We may also take into account an applicant's performance on prior grants when making funding decisions on current applications.

As stated earlier, each application will be evaluated based on the answers to the activity-specific questions. The applications that best address the program's established priorities would be deemed to be in the "competitive range" and subject to a second level of review. This second level of review is conducted via a panel of technical reviewers who will assess the applications' merits with respect to the detail provided in the narrative on the activity, the applicant's financial need, and the purported benefit to be derived from the cost. The panel evaluators will independently score each application, discuss the merits and shortcomings of the application, and reconcile any major discrepancies, if necessary. A consensus is not required.

Once every application in the competitive range has been paneled, the applications are ranked according to the average score awarded by the panel. The ranking will be summarized in a Technical Report prepared by the AFG program office. The AFG program office will then make award recommendations to the ***Grants Management Branch of the Financial and Acquisition Management Division at FEMA***. The Grants Management Branch will then contact the applicant to discuss and/or negotiate the content of the application before making the final award decision.

We will select a sufficient number of awardees from this one application period to obligate all of the funding available this year. Awards will be announced over several months as the decisions are made. Awards will not be made in any specified order, i.e., not by State, or by program, or any other characteristic.

## **Grantees' Responsibilities**

Recipients (Grantees) must agree to:

(1) Perform the tasks (scope of work) outlined in the grantee's application and approved by the AFG program office in accordance with the articles of agreement.

(2) Share in the costs of the projects funded under this grant program. Fire departments in areas serving populations over 50,000 must agree to match the Federal grant funds with an amount of non-Federal funds equal to 30 percent of the total project cost. Fire departments serving areas with a population of 50,000 or less will have to match the Federal grant funds with an amount of non-Federal funds equal to 10 percent of the total project cost. All cost-share contributions must be cash. There are no requirements on the timing of the cost-share, i.e.; the cash doesn't have to be on-hand at the time of application nor at the time of award. Grantees have the whole grant performance period to accumulate their match. No "in-kind" contributions will be considered for the statutorily required cost-share. No waivers of this requirement will be granted except for fire departments of Insular Areas as provided for in 48 U.S.C. 1469a.

(3) Maintain operating expenditures for the one-year grant period in the areas funded by this grant activity at a level equal to or greater than the average of their operating expenditures in the two years proceeding the year in which this assistance is received. This program is meant to supplement rather than replace a fire department's funding.

(4) Retain grant files and supporting documentation for three years after the conclusion and closeout of the grant.

(5) Ensure that all procurement actions are conducted in a manner that provides, to the maximum extent possible, open and free competition. In doing so, you must follow your established procurement processes when purchasing vehicles, equipment, and/or services with the grant funds. If the fire department has no established procedures, you should obtain at least two quotes/bids for the items you are procuring and document in your grant files the process used.

(6) Report to us the progress made on the performance you have made on your grant after six months. At grant closeout, you need to report how the grant funding was used and the benefits realized from the award in a final report. An accounting of the funds must also be included.

(7) Make grant files, books, and records available if requested for inspection to ensure compliance with any requirement of the grant program.

(8) Agree to provide information, through established reporting channels, to the U.S. Fire Administration's national fire incident reporting system (NFIRS) for the period covered by the assistance. If a grantee does not currently participate in the incident reporting system and does not have the capacity to report at the time of the award, that grantee must agree to provide information to the system for a twelve-month period commencing as soon as they develop the capacity to report. AFG program grantees from previous years will not be allowed to closeout their grants until they demonstrate that they are complying with this requirement. Failure to closeout your previous years' grants may affect the consideration of future awards.

(9) Follow the audit requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-profit Organizations, which calls for grantees who expend \$500,000 or more in Federal funds in a year (from all Federal sources), must have a single audit performed in accordance with the Circular. (For more information about the Circulars, go to [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars).)

## **Excess Funds**

Occasionally, due to successful competitive bid processes, some grantees have funds remaining after the completion of their obligations outlined above. Grantees that complete the approved scope of work prior to the end of the performance period and still have grant funds available have three options for the use of the excess funds:

(1) Grantees may unilaterally use as much as \$5,000 to continue or expand the activities for which they received the award. For example, if a grantee received an award for personal protective equipment, the grantee may use up to \$5,000 of the excess funds to purchase more personal protective equipment without seeking our approval.

(2) Grantees may use excess funds to create or expand a fire prevention program in accordance with the guidance provided herein. Grantees will need to obtain approval from the AFG program office to use excess funds for this purpose. Excess funds in excess of \$5,000 must be used for fire prevention or option number three (3) below.

(3) Grantees may return excess funds to the AFG program office. To exercise this option, a grantee must closeout their award and state in the final performance report that the remaining funds are not necessary for the fulfillment of the grant obligations. The grantee must also indicate that they understand the funds would be deobligated and unavailable for future expenses. The deobligation of the excess funds may affect the Federal portion of the grant and the amount of the grantee's match.

Any uses of excess funds would have to be disclosed as part of your reports, i.e., mid-term performance report and/or final closeout.