

**U.S. DEPARTMENT OF HOMELAND SECURITY
FUNDING OPPORTUNITY ANNOUNCEMENT (FOA)
FY 2014 PORT SECURITY GRANT PROGRAM (PSGP)**

OVERVIEW INFORMATION

Issued By

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

Catalog of Federal Domestic Assistance (CFDA) Number

97.056

CFDA Title

Port Security Grant Program

Program Title

Port Security Grant Program

Authorizing Authority for Program

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

Appropriation Authority for Program

The Department of Homeland Security Appropriations Act, 2014 (Pub. L. No. 113-76).

FOA Number

DHS-14-GPD-056-000-01

Key Dates and Time

Application Start Date:	03/18/2014
Application Submission Deadline Date:	05/23/2014 at 11:59:59 p.m. EDT
Anticipated Funding Selection Date:	07/26/2014
Anticipated Award Date:	No later than 9/30/2014

Other Key Dates

Period of Performance Start Date:	09/01/2014
Period of Performance End Date:	08/31/2016

Intergovernmental Review

An intergovernmental review may be required. Applicants must contact their State's Single Point of Contact (SPOC) to comply with the State's process under Executive Order 12372 (see <http://www.fws.gov/policy/library/rgeo12372.pdf>). Name and addresses of the SPOCs are

maintained at the Office of Management and Budget's home page at http://www.whitehouse.gov/omb/grants_spoc to ensure currency.

FOA EXECUTIVE SUMMARY

The Fiscal Year (FY) 2014 PSGP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal of a secure and resilient Nation. Delivering core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. The FY 2014 PSGP's allowable costs support efforts to build and sustain core capabilities across Prevention, Protection, Mitigation, Response, and Recovery mission areas.

Funding Category

Continuing

Date of Origin for Program

11/25/2002

Type of Funding Instrument

Discretionary Grant

Application Process

The Department of Homeland Security (DHS) makes all funding opportunities available through the common electronic "storefront" Grants.gov, accessible on the Internet at <http://www.grants.gov>. For details on how to apply through grants.gov please read Section IX, "How to Apply."

Eligible Applicants

All entities subject to an Area Maritime Transportation Security Plan (AMSP), as defined by 46 U.S.C. § 70103(b), may apply for PSGP funding. Eligible applicants include, but are not limited to port authorities, facility operators, and State and local government agencies. By law, DHS must allocate PSGP funding based on risk. Accordingly, DHS has identified 146 critical Port Areas and based upon U.S. Coast Guard (USCG) recommendations, aggregated these Port Areas into 90 Port Funding Areas.

- **Port Area Group Designations**

There are two Port Area Group Designations in FY 2014. Appendix A lists the specific Port Areas by Group that DHS has selected for funding through the FY 2014 PSGP and the competitive funding amount available within each Group.

- **Ineligible Entities**

The PSGP will not accept applications or Investment Justifications (IJs) from an applicant or sub-applicant for the purpose of providing a service or product to an otherwise eligible entity. Applications will only be accepted for direct recipients; sub-recipients or consortia will not be considered for funding.

Only one application per eligible entity within each Port Area is permitted. Applicants with facilities in multiple port areas may submit one application per port. No single application should include 2 projects intended to be implemented in multiple ports. Group I Port Area applicants may submit up to six IJs within the single application and Group II Port Area applicants may submit up to three IJs within the single application. For a listing of eligible Port Areas, please refer to Appendix A – FY 2014 PSGP Allocations. Eligibility does not guarantee grant funding.

For additional information, see the Eligibility Criteria section of this FOA.

FULL FOA

I. Funding Opportunity Description

A. Program Summary

The FY 2014 PSGP is one of the Department's FY 2014 grant programs that directly support maritime transportation infrastructure security activities. PSGP is one tool in the comprehensive set of measures authorized by Congress and implemented by the Administration to strengthen the Nation's critical infrastructure against risks associated with potential terrorist attacks.

B. Program Priorities

The vast majority of U.S. maritime critical infrastructure is owned or operated by State, local and private sector maritime industry partners. PSGP funds available to these entities are intended to improve port-wide maritime security risk management; enhance maritime domain awareness; support maritime security training and exercises; and to maintain or reestablish maritime security mitigation protocols that support port recovery and resiliency capabilities. PSGP investments must address U.S. Coast Guard (USCG) identified vulnerabilities in port security and support the prevention, protection, response, and recovery from attacks involving improvised explosive devices (IED) and other non-conventional weapons.

For additional information on program priorities and objectives for the FY 2014 PSGP, refer to Appendix B –*PSGP Priorities*.

C. Program Objectives

The FY 2014 PSGP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal (the Goal) of a secure and resilient Nation. Building core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. The FY 2014 PSGP's allowable costs support efforts to build and sustain core capabilities across the Prevention, Protection, Mitigation, Response, and Recovery mission areas.

Grantees under the FY 2014 PSGP are encouraged to build and sustain core capabilities through activities such as:

- Strengthening governance integration;
- Enhancing Maritime Domain Awareness (MDA);
- Enhancing IED and Chemical, Biological, Radiological, Nuclear, Explosive (CBRNE) prevention, protection, response and supporting recovery capabilities within the maritime domain;
- Enhancing cybersecurity capabilities;
- Maritime security risk mitigation projects that support port resilience and recovery capabilities;

- Training and exercises; and
- Transportation Worker Identification Credential (TWIC) implementation.

For additional information on program priorities and objectives for the FY 2014 PSGP, refer to Appendix B –*PSGP Priorities*.

II. Funding Information

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

By law, DHS must allocate PSGP funding based on risk. Accordingly, DHS has identified 146 critical Port Areas and based upon USCG recommendations, and has aggregated these Port Areas into 90 Port Funding Areas. See Appendix A – *PSGP Allocations*.

A. Available Funding for the FOA

\$100,000,000.

i. Port Area Group Designations

For FY 2014, there are again two Port Area Group designations. Appendix A lists the specific Port Areas by Group that are eligible for funding through the FY 2014 PSGP and the competitive funding amount available within each Group.

ii. Port Areas

Seven Port Areas were selected as Group I (highest risk) and will be allocated 55 percent of total available funding. Each Group I Port Area will compete for the target funding allocation assigned to the group. The legacy Group II, III, designated in 2013 and prior years, and All Other Port Areas are combined into a single Port Grouping known as Group II, which will receive the remaining 45 percent of funds available. The amount of available funding for each group is based on the FY 2014 DHS risk analysis.

iii. Port-Wide Risk Management Plans (PRMPs)

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

The PRMP and BCRTP must align with and support the Port Areas' AMSP, considering the entire port system strategically as a whole, and will identify a series of actions designed to effectively mitigate security risks associated with the system's maritime

critical infrastructure and key resources. See “Port Resiliency and Recovery” in Appendix B –*PSGP Priorities* for more information on planning.

B. Period of Performance

Twenty-four (24) months

C. Extensions to the Period of Performance

Extensions to the period of performance will be considered only through formal requests to FEMA with specific and compelling justifications as to why an extension is required. Agencies should request extensions sparingly and expect extensions to be granted only under exceptional circumstances. For additional information on the period of performance extensions, refer to Information Bulletin (IB) 379 located at <http://www.fema.gov/grants/grant-programs-directorate-information-bulletins>.

III. Eligibility Information

A. Eligibility Criteria

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

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

The Captain of the Port (COTP) will verify security compliance eligibility during the field review process.

Only one application per eligible entity within each Port Area is permitted. Applicants with facilities in multiple port areas may submit one application per port. No single application should include 2 projects intended to be implemented in multiple ports. Group I Port Area applicants may submit up to six IJs within the single application and Group II Port Area applicants may submit up to three IJs within the single application. For a listing of eligible Port Areas, please refer to Appendix A – *FY 2014 PSGP Allocations*. **Eligibility does not guarantee grant funding.**

Ferry Systems

Certain ferry systems are eligible to apply for FY 2014 PSGP funds. However, any ferry system receiving funds under the FY 2014 PSGP will not be eligible to participate under the FY 2014 Transit Security Grant Program (TSGP). Likewise, any ferry system that participates in the TSGP will not be eligible for funding under the PSGP.

i. Cost Match

Cost match is required under this program.

The following match requirements apply for the FY 2014 PSGP (including ferry systems):

- **Public Sector.** Public sector applicants must provide a non-Federal match (cash or in-kind) supporting *at least 25 percent of the total project cost* for each proposed project.
- **Private Sector.** Private sector applicants must provide a non-Federal match (cash or in-kind) supporting *at least 50 percent of the total project cost* for each proposed project.

Exceptions to the cost match requirement apply. Please see Appendix C – *FY 2014 PSGP Funding Guidelines* for details.

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

ii. Maintenance of effort

A maintenance of effort is not required under this program.

iii. Pass through funding

Pass through funding is not required under this program.

iv. Other Eligibility Requirements

National Incident Management System (NIMS) Implementation

Prior to allocation of any Federal preparedness awards in FY 2014, grantees must ensure and maintain adoption and implementation of NIMS. Emergency management and incident response activities require carefully managed resources (personnel, teams, facilities, equipment and/or supplies) to meet incident needs. Utilization of standardized resource management concepts such as typing, inventorying, and cataloging, promote strong national mutual aid capabilities that are needed to support the delivery of core capabilities. Additional information on resource management and national Tier I NIMS Resource Types can be found at <http://www.fema.gov/resource-management>.

FEMA developed the NIMS Guideline for Credentialing of Personnel to describe national credentialing standards and to provide written guidance regarding the use of those standards. This guideline describes credentialing and typing processes, and identifies tools which Federal Emergency Response Officials (FEROs) and emergency managers at all levels of government may use both routinely and to facilitate multi-jurisdictional coordinated responses. Although State, local, Tribal, and private sector partners—including nongovernmental organizations—are not required to credential their personnel in accordance with these guidelines, FEMA strongly

encourages them to do so in order to leverage the Federal investment in the Federal Information Processing Standards (FIPS) 201 infrastructure and to facilitate interoperability for personnel deployed outside their home jurisdiction. Additional information can be found at

http://www.fema.gov/pdf/emergency/nims/nims_alert_cred_guideline.pdf.

Maritime Transportation Security Act of 2002 Requirements

Pursuant to the *Maritime Transportation Security Act of 2002*, as amended (MTSA), DHS established a risk-based grant program to support maritime security risk management. Eligible applicants under the FY 2014 PSGP are listed in Appendix A – *FY 2014 PSGP Allocations*. Funding is directed towards the implementation of AMSPs and FSPs among port authorities, facility operators, and State and local government agencies that are required to provide port security services. In administering the grant program, national, economic, energy, and strategic defense concerns based upon the most current risk assessments available shall be taken into account.

Sub-Awards of PSGP Funding

The PSGP program provides direct funding to eligible applicants to support their specific needs regarding maritime security risk management. For this reason, applicants who are selected for funding under the PSGP program may not subgrant that funding to other entities.

IV. Funding Restrictions

A. Restrictions on Use of Award Funds

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

i. Pre-award Costs

Pre-award costs are allowable only with the prior written consent of FEMA and if they are included in the award agreement. To request pre-award costs a written request must be included with the application, signed by the Authorized Representative of the entity. The letter must outline what the pre-award costs are for, including a detailed budget break-out of pre-award costs from the post-award costs, and a justification for approval.

ii. Direct Costs

Management and Administration (M&A)

Management and administration (M&A) costs are allowed. Grantees may use up to 5% of the amount of the award for their M&A. M&A activities are defined as those directly relating to the management and administration of PSGP funds, such as financial management and monitoring.

Planning

Planning related costs are allowed under this program.

Organization

Organization related costs are allowed under this program

Equipment

Equipment costs are allowed under this program. If leasing is allowed, applicants should analyze the cost benefits of purchasing versus leasing equipment, especially high cost items and those subject to rapid technical advances. Large equipment purchases must be identified and explained. For more information regarding property management standards for equipment, please reference the applicable sections of the Uniform Administrative Requirements for Grants and Cooperative Agreements, i.e., 44 C.F.R. § 13.32 for State and local governments, and 2 C.F.R. § 215.34 for nonprofit entities.

Training

Training related costs are allowed under this program.

Exercises

Exercise related costs are allowed under this program.

Operational Overtime

Operational Overtime costs are allowed under this program.

Travel

Domestic travel costs are allowed under this program as described in this FOA. International travel is not an allowable cost under this program unless approved in advance otherwise by the managing Federal agency.

Construction and Renovation

Construction and renovation costs are allowed under this program.

Maintenance and Sustainment

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

iii. Indirect Costs

Indirect costs are allowable under this program, but only if the applicant has an approved indirect cost rate agreement with its cognizant Federal agency. A copy of the approved rate (a fully executed, agreement negotiated with the applicant's cognizant federal agency) is required at the time of application.

iv. Other Cost Requirements

Environmental Planning and Historic Preservation (EHP) Compliance.

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

EHP Policy Guidance can be found in FP 108-023-1, *Environmental Planning and Historic Preservation Policy Guidance*, at <http://www.fema.gov/media-library/assets/documents/85376>.

SAFECOM Guidance for Emergency Communications Grant Compliance

Grantees (including sub-recipients) who receive awards under the PSGP that wholly or partially provide funding for emergency communication projects and related activities should comply with the most recent version of the *SAFECOM Guidance on Emergency Communications Grants*

<http://www.safecomprogram.gov/grant/Default.aspx>. This Guidance provides recommendations to grantees regarding interoperable emergency communications projects, including allowable costs, eligible activities, grants management best practices for emergency communications grants, and information on technical standards that ensure greater interoperability. The Guidance is intended to ensure that Federally-funded investments are compatible, interoperable, and support the national goals and objectives for improving emergency communications nationwide. Grantees (including sub-recipients) investing in broadband-related investments should review Information Bulletin (IB) 386: Clarification on Use of DHS/FEMA Public Safety Grant Funds for Broadband-Related Expenditures and Investments (http://www.fema.gov/media-library-data/20130726-1837-25045-1238/ib_386.pdf), and consult their FEMA Headquarters Program Analyst on such Investments. Relocating existing systems operating in the T-Band is also allowable.

V. Application Review Information and Selection Process

A. Application Review Information

The four core PSGP project review criteria are:

- Projects that support development and sustainment of the core capabilities in the Goal and align to PSGP funding priorities identified in Appendix B –*PSGP Priorities*
- Projects that address priorities outlined in the applicable AMSP, FSP, and Vessel Security Plan (VSP), as mandated under the MTSA or the Port-Wide Risk Mitigation Plans (PRMP)
- Projects that address additional maritime security priorities based on the COTP’s expertise and experience of the COTP within the specific Port Area
- Projects that are eligible and feasible based on program priorities, Port Area plans and priorities, and available period of performance

i. Initial Screening

FEMA will conduct an initial review of all FY 2014 PSGP applications to verify applicant eligibility and to ensure each application is complete. All eligible and complete applications will be provided to the applicable COTP for further review.

ii. Field Review

Field-level reviews will be managed by the applicable COTP in coordination with the Gateway Directors of the U.S. Department of Transportation’s (DOT) Maritime Administration (MARAD) and appropriate personnel from the AMSC, to include owner/operators of MTSA regulated facilities and vessels, as well as Federal, State, and local agencies, as identified by the COTP.

AMSC members representing State and local agencies should coordinate the results with the applicable State Administrative Agency (SAA) and State Homeland Security Advisor (HSA) to support coordination and regionalization of proposed maritime security projects with State and urban area homeland security strategies, as well as other State and local security plans.

Field reviews for all Groups occur immediately following the initial screening by FEMA. Each specific project is scored for compliance with criteria listed in Appendix B and the COTP/MARAD provides a prioritized list of eligible maritime security risk mitigation projects for funding within each Port Area. The COTP will use the COTP Field Review Form to review all projects. The Field Review Form is a score sheet used during the local review to show applicant eligibility and to rank and score projects’ effectiveness in addressing the PSGP priorities. See Appendix A – *PSGP Allocations*, Appendix B – *PSGP Priorities*, and Appendix C – *PSGP Funding Guidelines* for additional details.

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

B. Application Selection Process

Following the field review, a National Review Panel (NRP), comprised of subject matter experts drawn from DHS and DOT, will convene and conduct a national level review. The purpose of the National Review is to identify a final, prioritized list of eligible projects for funding. The NRP will conduct an initial review of the prioritized project

listings for each Port Area submitted by the USCG's COTP to ensure that the proposed projects will accomplish intended risk mitigation goals. The NRP will validate and normalize the COTP Field Review Project Priority List and provide a master list of prioritized projects by Port Area.

The NRP will have the ability to recommend partial funding for individual projects and eliminate others that are determined to be duplicative or require a sustained Federal commitment to fully realize the intended risk mitigation. The NRP will also validate proposed project costs. Decisions to reduce requested funding amounts or eliminate requested items deemed inappropriate under the scope of the FY 2014 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, PSGP has placed a high priority on providing full project funding rather than partial funding.

A risk-based analysis will then be applied to the NRP's prioritized list for each Port Area in all groups. This analysis considers the following factors to produce a comprehensive national priority ranking of port security proposals:

- Relationship of the project to one or more of the national port security priorities;
- Relationship of the project to the local port security priorities;
- COTP ranking (based on each COTP's prioritized list of projects);
- Risk level of the Port Area in which the project would be located (based on a comprehensive risk analysis performed by DHS); and
- Effectiveness and feasibility of project to be completed in support of above priorities during the period of performance.

The NRP will be asked to evaluate and validate the consolidated and ranked project list and submit their recommendations to FEMA. FEMA will then apply a risk-based formula that considers both the overall project effectiveness score and Port Area risk score to make final funding determinations. FEMA may place a minimum project effectiveness limit on all projects submitted. Projects failing to meet the minimum level of effectiveness may not be considered for funding. The Secretary of Homeland Security will have the final approval authority on all projects.

Funds will not be made available for obligation, expenditure, or drawdown until the applicant's detailed budget and budget narrative have been approved by FEMA.

The applicant must provide a detailed budget for the funds requested. The detailed budget must be submitted with the grant application as a file attachment within ND Grants. The budget must be complete, reasonable, and cost-effective in relation to the proposed project. The budget must provide the basis of computation of all project-related costs, any appropriate narrative, and a detailed justification of M&A costs.

VI. Federal Award Administration Information

A. Notice of Award

Notification of award approval is made through the ND Grants system through an automatic e-mail to the awardee point of contact (the “authorized official”) listed in the initial application. The date of the approval of award is the “award date.” The awardee should follow the directions in the notification to accept the award.

Grantees must accept their awards no later than 90 days from the award date. The grantee shall notify the awarding agency of its intent to accept and proceed with work under the award, or provide a written notice of intent to decline. Funds will remain on hold until the grantee accepts the award through the ND Grants System and all other conditions of award have been satisfied, or the award is otherwise rescinded. Failure to accept the grant award within the 90-day timeframe may result in a loss of funds.

B. Administrative and Federal Financial Requirements

Before accepting the award, the authorized official should carefully read the award package for instructions on administering the grant award and the terms and conditions associated with responsibilities under Federal awards. Grantees must accept all conditions in this FOA as well as any Special Terms and Conditions in the Award notice to receive an award under this program.

i. Standard Terms and Conditions

All successful applicants for all DHS grant and cooperative agreements must comply with DHS Standard Administrative Terms and Conditions available at <https://www.dhs.gov/publication/fy14-dhs-standard-terms-and-conditions>.

ii. Payment

FEMA utilizes the FEMA Payment and Reporting System (PARS) for financial reporting, invoicing and tracking payments. Additional information can be obtained at <https://isource.fema.gov/sf269/execute/LogIn?sawContentMessage=true>. DHS/FEMA uses the Direct Deposit/Electronic Funds Transfer (DD/EFT) method of payment to Recipients. To enroll in the DD/EFT, the Recipient must complete a Standard Form 1199A, Direct Deposit Form.

C. Reporting Requirements

Awardees are required to submit various financial and programmatic reports as a condition of their award acceptance. Future awards and fund drawdowns may be withheld if these reports are delinquent.

i. Financial and Compliance Audit Report

For audits of fiscal years beginning on or after December 26, 2014, recipients that expend \$750,000 or more from all federal funding sources during their fiscal year are required to submit an organization-wide financial and compliance audit report. The audit must be performed in accordance with the requirements of GAO’s Government Auditing Standards, located at <http://www.gao.gov/govaud/ybk01.htm>, and the requirements of Subpart F of 2 C.F.R. Part 200, located at <http://www.ecfr.gov/cgi-bin/text-idx?SID=55e12eead565605b4d529d82d276105c&node=2:1.1.2.1.1.6&rgn=div6>.

For audits of fiscal years beginning prior to December 26, 2014, recipients that expend \$500,000 or more from all federal funding sources during their fiscal year are required to submit an organization-wide financial and compliance audit report. The audit must be performed in accordance with GAO’s 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_compliance_supplement_2012. Audit reports are currently due to the Federal Audit Clearinghouse no later than nine months after the end of the recipient’s fiscal year.

ii. Financial Reporting Periods and Due Dates

The following reporting periods and due dates apply:

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

iii. Federal Financial Report (FFR)

Obligations and expenditures must be reported on a quarterly basis through the FFR (SF-425, OMB Approval number 0348-0061) and must be filed electronically using PARS. The form is available at

http://www.whitehouse.gov/sites/default/files/omb/assets/grants_forms/SF-425.pdf.

An FFR report must be submitted quarterly throughout the period of performance, including partial calendar quarters, as well as for periods where no grant award activity occurs. Future awards and fund drawdowns may be withheld if these reports are delinquent, demonstrate lack of progress, or are insufficient in detail.

iv. Program Reporting Periods and Due Dates

The following reporting periods and due dates apply:

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

v. Program Performance Reporting Requirements

Performance Progress Reports (SF-PPR)

PSGP grantees are responsible for providing updated program performance reports using the SF-PPR (OMB Control Number: 0970-0334) on a semi-annual basis. The SF-PPR 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 January 30 for the reporting period of July 1 through December 31). Grantees must submit the cover page of the SF-PPR as an attachment to the ND Grants system. The SF-PPR can be accessed online at http://www.na.fs.fed.us/fap/SF-PPR_Cover%20Sheet.pdf.

The SF-PPR must include details as outlined by 44 C.F.R. §13.40(b)(2) or 2 C.F.R. § 215.51(d), as applicable.

D. Monitoring

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

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

E. Closeout

Pursuant to 44 C.F.R. §13.50 (b) Reports: Within 90 days after the expiration or termination of the grant, the grantee must submit all financial, performance, and other reports required as a condition of the grant.

Within 90 days after the end of the period of performance grantees must submit the following:

1. Final request for payment, if applicable;
2. SF-425 –Final Federal Financial Report;
3. SF-PPR – Final Performance Progress Report;
4. A qualitative narrative summary on the impact of those accomplishments throughout the entire period of performance submitted to the respective Regional Program Analyst in a Word document;
5. SF-428 – Tangible Personal Property Report – Inventory of all tangible personal property acquired using funds from this award. The form is available at http://www.whitehouse.gov/sites/default/files/omb/grants/approved_forms/sf-428.pdf;
6. When applicable, SF-429 – Real Property Status Report – Inventory of all construction projects using funds from this award. The form is available at http://www.whitehouse.gov/sites/default/files/omb/grants/approved_forms/sf-429.pdf.
7. Other documents required by program guidance or terms and conditions of the award.

In order to close an award, grantees must be current on, and have submitted, all required reports per the terms and conditions of the grant award. Once the grant has officially been closed, the grantee will receive a Grant Adjustment Notice (GAN) which will provide information regarding the amount of any deobligated funds, equipment disposition, and record retention requirements for closed awards.

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

The grantee is responsible for returning any funds that have been drawn down, but remain as unliquidated on grantee financial records.

F. Extensions

Extensions to the initial period of performance identified in the award will be considered only through formal, written requests to the grantee's respective GPD Headquarters Program Analyst and must contain specific and compelling justifications as to why an extension is required. Awardees are advised to coordinate with the GPD Program Analyst as needed, when preparing an extension. All extension requests must address the following:

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

Grantees must submit all proposed extension requests to DHS/FEMA for review and approval no later than four months prior to the end of the period of performance. In accordance with GPD policy, extensions are typically granted for no more than a six month time period. For more details please review Information Bulletin 379 at <http://www.fema.gov/pdf/government/grant/bulletins/info379.pdf>.

VII. DHS FEMA Contact Information

A. For Financial, Programmatic, or Administrative Questions Pre-Award and Post-Award

i. Centralized Scheduling and Information Desk (CSID)

CSID is a non-emergency comprehensive management and information resource developed by DHS for grants stakeholders. CSID provides general information on all FEMA grant programs and maintains a comprehensive database containing key personnel contact information at the Federal, State, and local levels. When necessary, grantees will be directed to a Federal point of contact who can answer specific programmatic questions or concerns. CSID can be reached by phone at (800) 368-6498 or by e-mail at askcsid@dhs.gov, Monday through Friday, 8:00 a.m. – 5:30 p.m. EST.

ii. **GPD Grant Operations Division**

GPD's Grant Operations Division Business Office provides financial support and technical assistance. Additional guidance and information can be obtained by contacting the FEMA Call Center at (866) 927-5646 or via e-mail to ASK-GMD@dhs.gov. Grant operations manages, administers, and conducts application budget review, creates the award package, approves, amends and closes out awards.

iii. **FEMA Regions**

FEMA Regions may also provide fiscal support, including pre- and post-award administration and technical assistance such as conducting cash analysis, financial monitoring, and audit resolution to the grant programs included in this solicitation. GPD will provide programmatic support and technical assistance. For a list of contacts, please go to <http://www.fema.gov/about/contact/regions.shtm>.

iv. **Systems Information**

Grants.gov

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

ND Grants

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

v. **GPD Environmental Planning and Historic Preservation (GPD-EHP)**

The FEMA GPD-EHP Team provides guidance and information about the EHP review process to grantees and sub-grantees. All inquiries and communications about GPD projects or the EHP review process, including the submittal of EHP review materials, should be sent to gpdehpinfo@fema.gov. EHP Technical Assistance, including the EHP Screening Form, can be found at http://www.fema.gov/media-library-data/20130726-1806-25045-2839/gpd_ehp_screening_form_omb_1660_0115_june_2011.pdf.

vi. **Telephone Device for the Deaf (TDD)**

The Telephone Device for the Deaf (TDD) and/or Federal Information Relay Service (FIRS) number available for this Announcement is: (800) 462-7585.

vii. **Hard copies of the FOA**

Hard copies of the FOA are not available.

VIII. Other Critical Information

National Preparedness

DHS coordinates with local, State, territory, tribal, and Federal governments as well as the private and nonprofit sectors to facilitate an all-of-nation/whole community, risk driven, and capabilities-based approach to preparedness. The FY 2014 PSGP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities identified in the Goal. Core capabilities are essential for the execution of critical tasks for each of the five mission areas outlined in the National Planning Frameworks. Information on the National Preparedness System can be found in the National Preparedness System Description (released Nov 2011) and the National Planning Frameworks which are posted on the FEMA website at <http://www.fema.gov/national-preparedness>. Additional details regarding the National Preparedness System and how it's supported by the PSGP can be found in Appendix B – *PSGP Priorities*.

IX. How to apply

A. Application Overview

Applying for an award under this program is a multi-step process and requires time to complete. To ensure that an application is submitted on time applicants are advised to start the required steps well in advance of their submission. **Applicants should allow at least 15 business days (three weeks) to complete the five step application process listed below.** Failure of an applicant to comply with any of the required steps before the deadline for submitting their application will automatically disqualify their application from funding.

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

- 1) Applying for, updating or verifying their Data Universal Numbering System (DUNS) Number
- 2) Applying for, updating or verifying their Employer Identification Number (EIN) Number
- 3) Updating or verifying their System for Award Management (SAM) Number
- 4) Submitting an initial application in grants.gov, and
- 5) Submitting the complete application in FEMA's Non-Disaster (ND) Grants system.

To ensure adequate time to complete the full application process, applicants are encouraged to submit their initial application in Grants.gov (Step 4) at least ten (10) days before the May 23, 2014 application deadline.

1. Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) Number

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

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

2. Obtain an Employer Identification Number (EIN)

FEMA requires both the EIN and a DUNS number prior to the issuance of a funding award and, for grant award payment; both are also required to register with SAM (see below). The EIN base for an organization is the IRS Tax ID number, for individuals it is their social security number, both of which are nine-digit numbers. **Organizations and individuals submitting their applications must correctly identify the EIN from the DUNS since both are 9-digit numbers.** If these numbers are not correctly identified in the application, this may result in a delay in the issuance of the funding award and/or incorrect payment to a grantee organization.

Organization applicants applying for an EIN should plan on a minimum of 2 full weeks to obtain an EIN.

If you need assistance registering an EIN, please go to [http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Apply-for-an-Employer-Identification-Number-\(EIN\)-Online](http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Apply-for-an-Employer-Identification-Number-(EIN)-Online). FEMA cannot assist applicants with questions related to obtaining a current EIN.

3. Register with the System for Award Management (SAM)

Payments are contingent on the information provided in SAM and must be completed by the applicant at <http://www.sam.gov>. It is imperative that the information provided by the applicant is correct and current. Please ensure that your organization's name, address, DUNS number and EIN are up to date in SAM and that the DUNS number used in SAM is the same one used to apply for all other FEMA awards.

SAM registration is a multi-step process including validating your EIN with the Internal review Service (IRS) to obtain a Commercial and Government Entity (CAGE) code. The CAGE code is only valid for one year after issuance and must be current at the time of application. If you need assistance registering with SAM, please go to <https://www.fsd.gov/> or call 866-606-8220. FEMA cannot assist applicants with questions related to obtaining a current CAGE code.

4. Initial Application Submission in Grants.gov.

All applicants submit their initial application through Grants.gov. Applicants may need to first create a grants.gov user profile by visiting the Get Registered section of the [grants.gov](http://www.grants.gov) website. Successful completion of this step is necessary for FEMA to determine eligibility of the applicant. Applicants should complete this step <http://www.grants.gov>. The initial on-line application in grants.gov requires completing

- Standard Form 424 (SF-424), Application for Federal Assistance, and
- Grants.gov Form Certification Regarding Lobbying Form.

Both forms are available in the Forms tab under SF-424 Family. The initial application cannot be started or submitted in Grants.gov unless the applicant's registration in SAM is confirmed.

Application forms and instructions are available at grants.gov. To access these materials, go to <http://www.grants.gov>, select Apply for Grants, enter the CFDA number or the Opportunity ID Number noted in this FOA, select Download Application Package, and follow the prompts to download the application package. The information submitted in grants.gov will be retrieved by ND Grants, which will allow FEMA to determine if an applicant is eligible. **Applicants are encouraged to submit their initial application in Grants.gov (Step 4) at least ten (10) days before the May 23, 2014 application deadline.**

If you need assistance applying through grants.gov, please go to <http://www.grants.gov/web/grants/applicants/grant-application-process.html>, contact support@grants.gov, or call 800-518-4726. FEMA cannot assist applicants with questions related to registering with grants.gov.

- 5. Final Application Submission in the Non Disaster Grants System (ND Grants)** Eligible applicants will be notified by FEMA and asked to proceed with submitting their complete application package in ND Grants located <https://portal.fema.gov>. Applicants can register early with ND Grants and are encouraged to begin their ND Grants registration at the time of this announcement. Early registration will allow applicants to have adequate time to start and complete their application.

In ND Grants applicants will be prompted to submit all of the information contained in the following forms. Applicants should review these forms before applying to ensure they have all the information required.

- Standard Form 424A, Budget Information (Non-construction);
- Standard Form 424B, Standard Assurances (Non-construction);
- Standard Form 424D, Standard Assurances (Construction) if applying for funds to use for construction;
- Standard Form LLL, Disclosure of Lobbying Activities.

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

- PSGP Investment Justification (OMB Control Number: 1660-0113/FEMA Form: 089-22) (see Appendix D - *PSGP Investment Justification Template* for a description of the IJ and the IJ submission process);
- Standard Form 424 C Budget Information (Construction) if applying for funds to use for construction
- Indirect Cost Agreement if requesting IDC.

Applicants will also be prompted to assure compliance with all Standard and Special Terms and Conditions before being eligible to receive an award under this program. If you need assistance registering for the ND Grants system, please contact ndgrants@fema.gov or (800) 865-4076.

B. Application Instructions in ND Grants

Investment Justification (IJ)

As part of the FY 2014 PSGP application process, applicants must develop a formal IJ that addresses each initiative being proposed for funding. A separate IJ should be

submitted for each proposed project. Only one application per eligible entity within each Port Area is permitted. Applicants with facilities in multiple port areas may submit one application per port. No single application should include two projects intended to be implemented in multiple ports. Group I Port Area applicants may submit up to six IJs within the single application and Group II Port Area applicants may submit up to three IJs within the single application. National and regional corporations may submit six projects per Group I Port and three projects per Group II port. IJs must demonstrate how proposed projects address gaps and deficiencies in one or more core capabilities outlined in the Goal. The IJ must demonstrate the ability to provide enhancements consistent with the purpose of the program and guidance provided by FEMA. Applicants must ensure that the IJ is consistent with all applicable requirements outlined in this application kit. Note: Applications submitted without properly addressing the below questions may not be considered for funding.

The IJ must address or answer the following questions:

- What are you requesting funding to purchase?
- What capabilities does the project provide?
- What existing capabilities already exist in the Port Area similar to this project's capabilities?
- List the gaps or deficiencies this project will address.
- List the plan and/or supporting documents that identifies the gap or deficiency this project addresses?
- How will the project close the identified gap or deficiency in one of more of the core capabilities?
- Which of the 31 core capabilities identified in the Goal are addressed by implementing the project? Why is this project needed and how does it contribute to achieving a more secure and resilient nation? Also, how will the project contribute to ensuring the security of the Port Area?
- Sustaining PSGP Capabilities; PSGP grantees shall explain if grant funding is being requested to sustain core capabilities within the Goal that were funded by past PSGP funding cycles – state the year awarded.
- Is your organization a member of the AMSC?
- How does the project close or mitigate regional maritime security risk gaps and/or deficiencies as identified in the AMSP, FSP, VSP, and/or ASP?
- Is your facility a MTSA regulated facility?
- If you are a MTSA regulated facility, what is your facility's operation?
- If you are not a regulated facility under MTSA, do you have a facility security plan, and if you have a plan what authority approved your security plan?
- Have you applied for any other security related grants, and if you have what grant program and when?
- If you are a recognized State or local agency required to provide security services, how many MTSA regulated facilities or vessels are in your immediate area of responsibility?

- How many members of your company or agency have taken an Incident Command System (ICS) course: ICS 100, ICS 200, ICS 300, ICS 700 or ICS 800?
- Is your organization listed in a risk mitigation plan, and if so, which ones?
- Is there a Memorandum of Understanding (MOU) or a Memorandum of Agreement (MOA) in place for this investment, to share this investment with other agencies?
- Additionally, for multi-year phase projects applicants must provide:
 1. Year(s) is funded by PSGP,
 2. Status of phases,
 3. Planned completion date.

All applicants will submit their PSGP grant application, the associated IJs to include Detailed Budgets and associated MOUs/MOAs as a file attachment within <https://portal.fema.gov> prior to the application deadline date and time. **All investments comprising a single application must take place within the same Port Area.** Agencies and organizations that operate in more than one eligible Port Area must submit separate applications for each Port Area in which the projects are requested for funding.

For the purposes of the PSGP application, the Port Area is selected based on the project location. Agencies that have multiple facilities in multiple port areas should apply for projects based on the facility where the project/asset will be housed/maintained, not the agency headquarters location. For entities/agencies submitting applications for a single project that span multiple Port Areas, such as one patrol vessel that may be deployed outside of the primary port area, the project location is considered to be the predominant location in which the project will be housed and maintained. Large projects that implement multiple components in multiple ports, such as state agency purchases of multiple patrol vessels for multiple ports, should be submitted as separate applications (i.e. State Police vessel project in Port #1 is one application; State Police vessel project in Port #2 is a separate application).

Applicants will find an IJ Template in Appendix D – *PSGP Investment Justification Template*. This worksheet may be used as a guide to assist applicants in the preparation of the IJ.

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

- I. Background
- II. Strategic and program priorities
- III. Impact
- IV. Funding and implementation plan

Applicants must use the following file naming convention when submitting required documents as part of the FY 2014 PSGP:

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

Detailed Budget

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

The review panels must be able to thoroughly evaluate the projects being submitted based on the information provided here. Applicants must ensure they provide an appropriate level of detail within the detailed budget to clarify intent as to what is being purchased. Ensure all budget questions in this section are fully addressed (see Appendix E – *Sample Budget Detail Worksheet*).

The detailed budget must demonstrate the required cost share, either cash or in-kind. Applications failing to demonstrate the required cost share will not be considered for funding.

Applicants will find a sample Budget Detail Worksheet in Appendix E – *Sample Budget Detail Worksheet*. This worksheet may be used as a guide to assist applicants in the preparation of the budget and budget narrative.

Memorandum of Understanding/Memorandum of Agreement (MOU/MOA) Requirement

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

The MOU/MOA must address the following points:

- The nature of the security service that the applicant agrees to supply to the regulated facility (waterside surveillance, increased screening, etc.);
- The roles and responsibilities of the facility and the applicant during different Maritime Security (MARSEC) levels;
- An acknowledgement by the facility that the applicant is part of their facility security plan; and
- The acknowledgment that that the applicant will provide semi-annual progress reports on project status to the local AMSC and/or COTP.

If applicable, the signed MOU/MOA for State or local law enforcement agencies providing direct security services to regulated entities must be submitted with the grant

application as a file attachment within <https://portal.fema.gov>. A sample MOU/MOA can be found in Appendix F – *Sample MOU/MOA Template*.

Applicants must use the following file naming convention for FY 2014 MOUs and MOAs:

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

Sensitive Security Information (SSI) Requirements

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

For the purposes of the PSGP, all IJs shall be considered SSI and treated as such. This means that applicants shall label documents as SSI and password protect them prior to submission. The passwords for protected documents must be sent (in a separate email from that containing the documents) to the following e-mail address: askcsid@dhs.gov. For further information, please contact CSID at (800) 368-6498, Monday through Friday, 8:00 a.m. – 5:30 p.m. EST.

The subject line of the email should identify:

- Applicant name
- Application number

The body of the e-mail should clearly identify:

- Applicant name
- IJ number and/or summary description
- COTP area
- POC information

NOTE: A single password should be provided for all SSI documents within the same application.

Appendix A – FY 2014 PSGP Allocations

Port Area Group Designations

For FY 2014, there will continue to be two Port Area Group Designations, rather than the legacy four groupings in years prior to FY 2013. This appendix lists the specific Port Areas by Group that are eligible for funding through the FY 2014 PSGP and the competitive funding amount available within each Group.

Port Areas

Seven Port Areas were selected as Group I (highest risk) and will be allocated 55 percent of funding available. Each Group I Port Area will compete for the target funding allocation assigned to the group. The legacy Group II, III, and All Other Port Areas are combined into a single Port Group known as Group II, which will receive the remaining 45 percent of funds available. The amount of available funding for each group is based on the FY 2014 DHS risk analysis.

Ineligible Entities

The PSGP will not accept applications or IJs from an applicant or sub-applicant for the purpose of providing a service or product to an otherwise eligible entity. Applications will only be accepted for direct recipients, sub-recipients or consortia will not be considered for funding.

Port-Wide Risk Management Planning for Legacy Group I and Group II Port Areas

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

The PRMP and BCRTP must align with and support the Port Areas' AMSP, considering the entire port system strategically as a whole, and will identify a series of actions designed to effectively mitigate security risks associated with the system's maritime critical infrastructure and key resources.

All ports seeking PSGP funding that will ensure alignment with the programs and projects identified within a plan(s) noted above, which support the following priorities:

- Expand the emphasis on port-wide partnerships, regional management of risk, port resilience/recovery, and business continuity/resumption of trade;
- Expand the emphasis on regional maritime security risk management;
- Prioritize port-wide security strategies and tactics that address maritime surface, underwater, and land-based threats;
- Target maritime security risk-mitigation strategies and tactics to achieve 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 within the requirements of the AMSP; and

- Expand the emphasis on port-wide partnerships, regional management of risk, port resilience/recovery, and business continuity/resumption of trade.

Table 1. FY 2014 PSGP Port Area Groupings

Group	State/Territory	Port Area	FY 2014 Target Allocation
I	California	Los Angeles-Long Beach	\$55,000,000
		Long Beach	
		Los Angeles	
		San Francisco Bay	
		Carquinez Strait	
		Martinez	
		Oakland	
		Richmond	
		San Francisco	
		Stockton	
	Louisiana	New Orleans	
		Baton Rouge	
		Gramercy	
		New Orleans	
		Plaquemines, Port of	
		South Louisiana, Port of St. Rose	
	New Jersey / Pennsylvania / Delaware	Delaware Bay	
		Camden-Gloucester, NJ	
		Chester, PA	
		Marcus Hook, PA	
		New Castle, DE	
		Paulsboro, NJ	
		Philadelphia, PA	
		Trenton, NJ Wilmington, DE	
	New York / New Jersey	New York, NY and NJ	
	Texas	Houston-Galveston	
		Galveston	
		Houston	
Texas City			
Washington	Puget Sound		
	Anacortes		
	Bellingham		
	Everett		
	Olympia		
	Port Angeles		
	Seattle Tacoma		
II	Eligible entities not located within one of the port areas identified above, but operating under an AMSP, are eligible to compete for funding within "All Other Port Areas" Group		\$45,000,000

Depending on the number of highly rated IJs received within each Port Group, funding may be adjusted between groups to ensure the most highly effective, risk based maritime security projects are funded.

From Fiscal Year 2008 to 2013, DHS awarded \$1,640,936,313 to 1,268 applicants averaging \$1,294,116.18 per award.

Table 2. PSGP Historical Funding Amounts

FISCAL YEAR	FUNDING AMOUNT	Number of Grantees
FY 2008 PSGP	\$ 388,600,000	150
FY 2009 PSGP	\$ 388,600,000	154
FY 2009 PSGP (ARRA)	\$ 150,000,000	218
FY 2010 PSGP	\$ 288,000,000	147
FY 2011 PSGP	\$ 235,029,000	123
FY 2012 PSGP	\$ 97,500,000	205
FY 2013 PSGP	\$ 93,207,313	271
TOTAL	\$1,640,936,313	1268

Appendix B – PSGP Priorities

Alignment of PSGP to the National Preparedness System

The National Preparedness System is the instrument the Nation will employ to build, sustain, and deliver core capabilities in order to achieve the National Preparedness Goal (the Goal). Core capabilities are essential for the execution of critical tasks in the National Planning Frameworks for each of the five mission areas (Prevention, Protection, Mitigation, Response, and Recovery) outlined in the Goal. The objective of the National Preparedness System is to facilitate an integrated, all-of-Nation, risk informed, capabilities-based approach to preparedness. The guidance, programs, processes, and systems that support each component of the National Preparedness System enable a collaborative, whole community approach to national preparedness that engages individuals, families, communities, private and nonprofit sectors, faith-based organizations, and all levels of government (<http://www.fema.gov/whole-community>).

The FY 2014 PSGP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities. Delivering core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. PSGP's allowable costs support efforts to build and sustain core capabilities across the five mission areas.

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

Strengthening Governance Integration

DHS preparedness grant programs are intended to build and sustain an integrated network of national capabilities across all levels of government and the whole community. With declining Federal funds available to support these capabilities, disparate governance structures must be integrated and refined to ensure resources are targeted to support the most critical needs of a community based on risk driven, capabilities-based planning. Strong and inclusive governance systems better ensure that disparate funding streams are coordinated and applied for maximum impact. Eligible Port entities are encouraged to actively participate with the surrounding UASI (Urban Area Security Initiative) groups, applicable Regional Transit Security Working Groups, and other established ad hoc security working groups in addition to their Area Maritime Security Committee (AMSC) meetings.

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

- *Coordination of Investments* – resources must be allocated to address the most critical capability needs.

- *Transparency* – stakeholders must be provided visibility on how preparedness grant funds are allocated and distributed, and for what purpose.
- *Substantive Local Involvement* – the tools and processes that are used to inform the critical priorities, which DHS grants support must include local government representatives. At the state and regional level, local risk assessments must be included in the overarching analysis to ensure that all threats and hazards are accounted for.
- *Flexibility with Accountability* – recognition of unique preparedness gaps at the local level, as well as maintaining and sustaining existing capabilities.
- *Support of Regional Coordination* – recognition of inter/intra-state partnerships and dependencies at the state and regional level, and within metropolitan areas.

Sustaining PSGP Capabilities

PSGP grantees should ensure that grant funding is utilized to sustain core capabilities within the Goal that were funded by past PSGP funding cycles. New capabilities should not be built at the expense of maintaining current, essential capabilities. However, if funding for new capabilities is being sought, grantees must ensure that the capabilities have a clear linkage to one or more core capabilities in the Goal.

Overarching Funding Priorities

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

First, DHS will focus 55 percent of its available port security grant dollars on the highest-risk Port Areas. This determination is based on ongoing intelligence analysis, extensive security reviews, and consultations with maritime industry partners.

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

PSGP will continue to fund those eligible projects that close or mitigate maritime security risk vulnerabilities gaps as identified in the AMSP, FSP, VSP, and ASP. These projects will enhance business continuity and resumption of trade. Applicants are reminded of the 24-month period of performance and should consider project completion time needed prior to submitting applications.

PSGP Specific Priorities

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

1. Enhancing Maritime Domain Awareness (MDA). Port Areas should seek to enhance their MDA through projects that address knowledge capabilities within the maritime domain. This effort could include access control/standardized credentialing, command and control, communications, and enhanced intelligence sharing and analysis. This effort may also include construction or infrastructure improvement projects to close maritime security risk vulnerabilities that are identified in the AMSPs, FSPs, and/or VSPs. Construction and enhancement of Interagency Operations Centers (IOCs) for port security should be considered a priority for promoting MDA and unity of effort.

2. Enhancing IED and CBRNE prevention, protection, response and supporting recovery capabilities. Port Areas should continue to enhance their capabilities to prevent, detect, respond to and recover from terrorist attacks employing IEDs, CBRNE devices, and other non-conventional weapons. Please refer to the DHS Small Vessel Security Strategy April 2008 document, which can be found at http://www.dhs.gov/files/publications/gc_1209408805402.shtm.

3. Enhancing Cybersecurity Capabilities.

Applicants are encouraged to propose projects to aid in implementation of all or part of the National Institute of Standards and Technology (NIST) Cyber Security Framework when requesting funds for cybersecurity. The CSF is available at <http://www.nist.gov/cyberframework/upload/cybersecurity-framework-021214-final.pdf>.

The Framework gathers existing global standards and practices to help organizations understand, communicate, and manage their cyber risks. For organizations that don't know where to start, the Framework provides a road map. For organizations with more advanced cybersecurity, the Framework offers a way to better communicate with their leadership and with suppliers about management of cyber risks.

The Department of Homeland Security's Critical Infrastructure Cyber Community C³ Voluntary Program also provides resources to critical infrastructure owners and operators to assist in adoption of the Framework and managing cyber risks. For more information visit <http://www.us-cert.gov/ccubedvp>

4. Port Resilience and Recovery Capabilities. One of the core missions of Homeland Security, as outlined in the Quadrennial Homeland Security Review (QHSR) Report, is “ensuring resilience to disasters”. A major goal in support of this mission is to “improve the Nation’s ability to adapt and rapidly recover.” A main objective of this goal is to sustain critical capabilities and restore essential services in a timely manner. PSGP funds are intended to assist “risk owners” in addressing maritime security vulnerabilities.

5. Training and Exercises. Port Areas should assess their training and qualification requirements, coordinate training needs and qualification requirements of incident response personnel, and regularly test these capabilities through emergency exercises and drills. Exercises must follow the Area Maritime Security Training Exercise Program (AMSTEP) or the Transportation Security Administration (TSA) Intermodal Security Training Exercise Program (I-STEP) guidelines that test operational protocols that would be implemented in the

event of a terrorist attack AMSTEP or I-STEP exercises will follow the latest change in requirements contained in the Navigation and Inspection Circular (NVIC) 09-02.. Exercises must also follow the Homeland Security Exercise Evaluation Program (HSEEP) model for exercise development. For additional information on exercise planning, visit <https://www.llis.dhs.gov/HSEEP>.

- 6. Equipment Associated with Transportation Worker Identification Credential (TWIC) Implementation.** TWIC is a Congressionally-mandated security program through which DHS will conduct appropriate background investigations and issue biometrically enabled and secure identification cards for individuals requiring unescorted access to U.S. port facilities. See FEMA GPD IB 343 (<https://www.fema.gov/pdf/government/grant/bulletins/info343.pdf>), dated June 21, 2010 for further information on the TWIC program and guidance for executing PSGP-funded TWIC projects. Infrastructure and installation projects that support TWIC implementation (e.g. cabling, Information Technology [IT], limited construction) is allowable. See information bulletins at <http://www.fema.gov/grants/grant-programs-directorate-information-bulletins>.

PSGP Program Management: Roles and Responsibilities at DHS

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

Appendix C – Funding Guidelines

Allowable Costs

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

Cost Match

The following cost match requirements apply for the FY 2014 PSGP (including ferry systems):

- **Public Sector.** Public sector applicants must provide a non-Federal match (cash or in-kind) supporting *at least 25 percent of the total project cost* for each proposed project.
- **Private Sector.** Private sector applicants must provide a non-Federal match (cash or in-kind) supporting *at least 50 percent of the total project cost* for each proposed project.

Exceptions to Cost Match

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

- There is no matching requirement for grant awards where the total project cost for all projects under the award is \$25,000 or less (with the exception of national and regional corporations submitting 11 or more projects throughout their system[s]).
- There is no matching requirement for grants to train law enforcement agency personnel in the enforcement of security zones as defined by 46 U.S.C. § 70132 and or in assisting in the enforcement of such security zones.
- If the Secretary of Homeland Security determines that a proposed project merits support and cannot be undertaken without a higher rate of Federal support, the Secretary may approve grants with a matching requirement other than that specified above in accordance with 46 U.S.C. § 70107(c). Cost match waivers under 46 U.S.C. § 70107(c)(2)(B) may be granted only if the Secretary of DHS determines that (1) a proposed project merits support in light of the overall grant purpose and mission goals; and (2) the Secretary of DHS determines that the meritorious project cannot be undertaken without a higher rate of Federal support. See FEMA Grant Programs Directorate (GPD) Information Bulletin (IB) 376, dated January 4, 2012 for further information on the PSGP cost match waiver process (<http://www.fema.gov/pdf/government/grant/bulletins/info376.pdf>).

Cash and in-kind matches must consist of eligible costs (i.e. same allowability as the federal share) and must be identified as part of the submitted detailed budget worksheet. A cash match includes cash spent for project-related costs while an in-kind match includes the valuation of in-kind services. The cost-match requirement for the PSGP award may not be met by costs borne by another Federal grant or assistance program. Likewise, in-kind matches used to meet the matching requirement for the PSGP award may not be used to meet matching requirements for any other Federal grant program. Please see 44 C.F.R. § 13.24 and or 2 C.F.R. § 215.23, as applicable, for further guidance regarding in-kind matches.

The cost match requirement must be included in the applicant's detailed budget. The applicant must demonstrate that sufficient funds are available for the recipient's share of the project at the time of the application (See 46 U.S.C. § 70107(i)(4)(B)). Projects without a detailed budget demonstrating the required cost match will not be considered for funding.

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

Limitations of Funding

In accordance with 46 U.S.C. § 70107(b)(2), PSGP funding for projects for the cost of acquisition, operation, and maintenance of security equipment or facilities to be used for security monitoring and recording, security gates and fencing, marine barriers for designated security zones, security-related lighting systems, remote surveillance, concealed video systems, security vessels, and other security-related infrastructure or equipment that contributes to the overall security of passengers, cargo, or crewmembers cannot exceed \$1,000,000 per project. The Secretary of Homeland Security may approve a greater amount of per project funding, so long as that greater amount does not exceed 10 percent of total amount of PSGP funding provided to the grantee.

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

Allowable Costs

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

Management and Administration (M&A)

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

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

Operational Costs

PSGP funding may be used to cover costs associated with new and ongoing maritime security operations in support of PSGP national priorities and one or more core capabilities in the Goal. All such operational activities must be focused on maritime security and coordinated with the local COTP.

This funding is intended to support an immediate need for personnel that will be directly engaged in maritime security activities. This funding will be primarily limited to the costs of hiring of new personnel to operate vessels acquired with FEMA preparedness grant funds and to staff the maritime security related components of IOCs and other interagency coordination centers having a maritime security nexus. Funding for operational costs will only be available for the two-year term of the award. This will allow sufficient time for local government agencies (and, in some cases, private entities) to plan and budget for sustaining personnel related costs beyond the two-year period.

Allowable operational costs include:

- Hiring of new, full-time personnel to operate maritime security patrol vessels acquired with FEMA preparedness grant funds;
- Hiring of additional full-time personnel to staff a new or expanded interagency maritime security operation centers (including IOCs, MDA fusion centers, port security operations centers, etc.);
- Hiring of new personnel to support maritime security / counter-terrorism efforts in the local Joint Terrorism Task Force (JTTF) center;
- Overtime costs for existing personnel to operate patrol vessels acquired with FEMA preparedness grant funds in support of pre-planned, mission critical activities, as identified by the local COTP;
- Personnel or contracted costs for maintaining port security equipment acquired with FEMA preparedness grant funds; and
- Hiring of new or additional staff in credentialing centers that support TWIC and access to a MTSA facility.

Operational costs will only be funded in cases where a new or expanded capability is added to address port (or facility) security needs. PSGP funding for permanent operational personnel will not exceed 24 months.

There must be an assurance that the personnel costs associated with the required operational capability can be sustained beyond the 24-month award period. A sustainment plan must be submitted with the applicant's IJ to address the 12-month period beyond the award.

Equipment for new personnel, such as uniforms and personnel protective equipment, is an allowable expense. Weapons and equipment associated with weapons maintenance/security (i.e., firearms, ammunition, gun lockers) are unallowable.

1. **Maritime Domain Awareness (MDA).** Funds may be used for the following types of MDA projects in support of one or more core capabilities in the Goal:

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

Applicants are encouraged to familiarize themselves with the National Strategy for Maritime Security, National Plan to Achieve Maritime Domain Awareness that can be found at http://www.whitehouse.gov/sites/default/files/docs/national_maritime_domain_awareness_plan.pdf.

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

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

- CBRNE detection, prevention, response, and recovery equipment
- Explosives Detection Canine Teams (EDCTs)
- Small boats that are specifically designed and equipped as CBRNE detection, prevention, response, and/or recovery platforms for eligible maritime law enforcement and fire departments (CBRNE equipment must be requested in the same investment justification used to request a vessel and specifically identified in the detailed budget worksheet)
- Improved lighting to meet maritime security risk mitigation needs
- Hardened security gates and vehicle barriers
- Floating protective barriers designed to stop a small vessel threat
- Underwater intrusion detection systems
- Reconfiguring of docks access areas to prevent intruder access via small boat or swimmer/diver access

Vessels regulated under 33 C.F.R. Part 104

- CBRNE agent detection, prevention, response, and recovery equipment
- Restricted area protection (cipher locks, hardened doors, closed-circuit television (CCTV) for bridges and engineering spaces)
- Interoperable communications equipment
- Canines for explosives detection
- Access control and TWIC standardized credentialing
- Floating protective barriers

3. **Cybersecurity.** Vulnerability assessments are generally not funded under PSGP. However, considering the relative newness of Cybersecurity as a priority within the program and the need to develop and enhance the voluntary Cybersecurity Framework, vulnerability assessments may be funded as contracted costs. Personnel costs are not an allowable expense for these assessments.

Where a vulnerability assessment has been completed either through contracts or qualified personnel to identify existing gaps and required mitigation efforts, mitigating projects may be funded that include purchase of equipment, software, and infrastructure designed to harden cybersecurity. For specific questions on conducting vulnerability assessments, please refer to your program analyst.

4. **Port Resiliency and Recovery.** FY 2014 PSGP funds may be used for the following resiliency and recovery activities with an emphasis in planning in support of one or more of the core capabilities in the Goal:

- Development or Updating of Port-Wide Risk Mitigation Plans, to include the conduct of port security vulnerability assessments as necessary to support plan update/development
 - Ports that already have completed plans should pursue PSGP funds to address their identified risks and vulnerabilities, including any worthwhile projects that would help enable continuity of port operations and rapid recovery of the port following a major incident.
 - Ports that have not completed plans are highly encouraged to complete them and may apply for PSGP funding to facilitate that effort.
 - For specific questions on developing or updating a port-wide risk mitigation plan, please contact your program analyst.
- Public education and outreach (such as the America's Waterways Watch or Transit Watch). Such activities should be coordinated with local Citizen Corps Council(s), and local Coast Guard Reserves and/or USCG Auxiliary
- Public alert and warning systems and security education efforts in conjunction with America's Waterways Watch Program or similar public education or outreach programs addressing maritime security
- Development and implementation of homeland security support programs and adoption of ongoing DHS national initiatives (including building or enhancing preventive radiological and nuclear detection programs) within the maritime transportation system realm

- Development and enhancement of security plans and protocols within the AMSP, PRMP, and the BCRTP in support of maritime security planning and maritime security risk mitigation
- Hiring of part-time temporary staff and contractors or consultants to assist with planning activities (not for the purpose of hiring public safety personnel)
- Materials required to conduct the aforementioned planning activities
- Travel and per diem related to the professional planning activities noted in this section
- Other port-wide project planning activities which emphasize the ability to adapt to changing conditions and be prepared to withstand, and recover from, disruptions due to emergencies with prior approval from DHS

5. *Training and Exercises*

Training

Funding for personnel training will generally be limited to those courses that have been listed in the FEMA approved course catalog by the FEMA National Training and Education Division (NTED) or the MARAD. Approved courses are listed in the following catalogs maintained by NTED: *NTED Course Catalog*; *Federal Sponsored Course Catalog*; and the *State-Sponsored Course Catalog*. The catalogs may be viewed at <http://www.firstrespondertraining.gov>. MARAD maintains a list of approved courses that satisfy the specialized maritime security training requirements of Section 109 of the *Maritime Transportation Security Act of 2002*. These courses include Company Security Officer (CSO); Facility Security Officer (FSO); Maritime Security for Vessel Personnel with Specific Security Duties (VPSSD); Maritime Security for Facility Personnel with Specific Security Duties (FPSSD); Maritime Security Awareness (MSA), and; Maritime Security for Military, First Responder, and Law Enforcement Personnel (MSLEP). Additional information on the MARAD approved courses can be found at: http://www.marad.dot.gov/education_landing_page/mtsa_course_certification/mtsa.htm. Certain USCG approved port security training courses, such as boat operator courses, are allowed from approved vendors.

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

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

Exercises

Funding used for exercises will only be permitted for those exercises that are in direct support of a MTSA-regulated facility or Port Area's MTSA required exercises (see 33 C.F.R. 105.220 for a facility and 33 C.F.R. 103.515 for the AMSP). These exercises must be coordinated with the COTP and AMSC and adhere to the guidelines outlined in Homeland Security Exercise and Evaluation Program (HSEEP). More information on HSEEP may be found at <https://www.llis.dhs.gov/hseep>. AAR/IPs must be submitted to hseep@fema.dhs.gov.

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

- **Hiring of Full or Part-Time Staff or Contractors/Consultants.** To support training and/or maritime security exercise-related activities. Payment of salaries and fringe benefits must be in accordance with the policies of the State or unit(s) of local government and have the approval of the State or awarding agency, whichever is applicable. Such costs must be included within the funding allowed under the personnel cap for program management personnel expenses, which must not exceed 15 percent of the grantee's total award allocation. Dual compensation is not allowable.
- **Overtime and Backfill.** The entire amount of overtime costs, including payments related to backfilling personnel, which are the direct result of attendance at FEMA and approved training courses and programs and/or maritime security exercise-related activities are allowable. Reimbursement of these costs should follow the policies of the State or local unit(s) of government or the awarding agency, whichever is applicable. Dual compensation is not allowable. That is, an employee of a unit of government may not receive compensation from their unit or agency of government AND from an award for a single period of time (e.g., 1:00 p.m. to 5:00 p.m.), even though such work may benefit both activities.
- **Travel.** Travel costs (e.g., airfare, mileage, per diem, hotel) are allowable as expenses by employees who are on travel status for official business related to approved training and exercises.
- **Training workshops.** Grant funds may be used to plan and conduct training workshops to include costs related to planning, meeting space and other meeting costs, facilitation costs, materials and supplies, travel, and training plan development.
- **Funds used to deliver training.** Including costs related to administering the training, planning, scheduling, facilities, materials and supplies, reproduction of materials, and equipment. Training should provide the opportunity to demonstrate skills learned.
- **Funds used to design, develop, conduct, and evaluate a maritime security exercise.** Includes costs related to planning, meeting space and other meeting costs, facilitation costs, materials and supplies, travel, and documentation. Grantees are encouraged to use free public space/locations/facilities, whenever available, prior to the rental of space/locations/facilities. Exercises should provide the opportunity to demonstrate and validate skills learned.
- **Supplies.** Supplies are items that are expended or consumed during the course of the planning and conduct of the training project(s) (e.g., copying paper, gloves, tape, and non-sterile masks).

- **Other items.** These costs may include the rental of space/locations for exercise planning and conducting approved training courses, rental of equipment, etc. For PSGP funded courses, the cost of fuel may be allowed in cases where the participating entity must provide its own equipment (such as boats, response vehicles, etc.). For maritime security exercises, the cost of fuel, exercise signs, badges, etc. may be allowed.

Approved security exercise programs include:

- *Area Maritime Security Training and Exercise Program (AMSTEP):* AMSTEP is the Coast Guard developed mechanism by which AMSCs and Federal Maritime Security Coordinators will continuously improve security preparedness in the port community. *Intermodal Security Training Exercise Program: I-STEP* was established by TSA to enhance the preparedness of our Nation’s surface-transportation sector network with meaningful evaluations of prevention, preparedness, and ability to respond to terrorist-related incidents. *I-STEP* improves the intermodal transportation industry’s ability to prepare for and respond to a transportation security incident (TSI) by increasing awareness, improving processes, creating partnerships, and delivering transportation-sector network security training exercises. More information on I-STEP is available at: <http://www.tsa.gov/stakeholders/i-step>
- *National Preparedness for Response Exercise Program (NPREP):* The Coast Guard NPREP focuses on exercise and evaluation of government area contingency plans and industry spill response plans (oil and hazardous substance). *NPREP* is a coordinated effort of the four Federal agencies with responsibility for oversight of private-sector oil and hazardous substance pollution response preparedness: Coast Guard, the U.S. Environmental Protection Agency (EPA), the U.S DOT’s Research and Special Programs Administration, and the U.S. Department of the Interior’s Bureau of Ocean Energy Management, Regulation and Enforcement. More information on NPREP is available at: <http://www.boem.gov/>.

Unauthorized exercise-related costs include:

- Reimbursement for the maintenance and wear and tear costs of general use vehicles (e.g., construction vehicles) and emergency response apparatus (e.g., fire trucks, ambulances, repair or cleaning of Personal Protection Equipment (PPE), etc.).
- Equipment that is purchased for permanent installation and use, beyond the scope of exercise conduct (e.g., electronic messaging signs).

Transportation Worker Identification Credential (TWIC)

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

Allowable costs under this section include those projects that will ensure the safe and secure transit of foreign seafarers and shore staff/support [who are not eligible for TWIC] to and from the vessel while at MTSA regulated facilities. For additional information, see IB 346, titled “Port Security Grant Program Allowable Costs for Seafarers and Shore Staff/Support.” Applicants are encouraged to utilize the Qualified Technologies List to identify TWIC equipment: <http://www.tsa.gov/stakeholders/reader-qualified-technology-list-qt1>.

Equipment Acquisition

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

- PPE for maritime security providers
- Explosive device response and remediation equipment for maritime security providers
- CBRNE detection equipped patrol watercraft/small boat used to directly support maritime security for a facility or within a Port Area on a routine basis (CBRNE detection equipment must be requested with the watercraft/small boat in the IJ and detailed budget)
- Information sharing technology; components or equipment designed to share maritime security risk information and maritime all hazards risk information with other agencies (equipment must be compatible with generally used equipment)
- Maritime security risk mitigation interoperable communications equipment
- CBRNE decontamination equipment for direct maritime security providers and MTSA-regulated industry
- Terrorism incident prevention and response equipment for maritime security risk mitigation
- Physical security enhancement equipment (ex: fences, blast resistant glass, turnstiles, hardened doors and vehicle gates)
- Equipment such as portable fencing, CCTVs, passenger vans, mini-buses, etc. to support secure passage of vessel crewmembers through a MTSA regulated facility
- CBRNE detection equipped patrol vehicles/vessels, provided they will be used primarily for port/facility security and/or response operations.
- Marine firefighting vessels, provided they are outfitted with CBRNE detection equipment and are designed and equipped to meet NFPA 1925: Standard on Marine Fire-Fighting Vessels
- Firefighting foam and PKP powder may be purchased by public fire departments which have jurisdictions in a Port Area and would respond to an incident at an MTSA regulated facility. MTSA facilities may also receive funding for this purpose. Funding will be limited to a one-time purchase based on a worst-case incident at the facility or facilities
- Equipment such as telecommunications, computers, and systems to support State and local agency participation in IOCs for port security to include virtual IOC capabilities (this equipment must be compatible with generally used equipment, requiring no interface equipment or software other than cabling, wires, or fiber optics)

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

A comprehensive listing of allowable equipment categories and types is found on the web-based Authorized Equipment List (AEL) on the Responder Knowledge Base (RKB) at: <https://www.llis.dhs.gov/knowledgebase>.

Specific Guidance on Sonar Devices

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

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

Other Allowable Costs:

Maintenance and Sustainment

The use of FEMA preparedness grant funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable under all active and future grant awards, unless otherwise noted. With the exception of maintenance plans purchased incidental to the original purchase of the equipment, the period covered by maintenance or warranty plan must not exceed the period of performance of the specific grant funds used to purchase the plan or warrant. Additional guidance is provided in FEMA Policy FP 205-402-125-1, *Maintenance Contracts and Warranty Coverage Funded by Preparedness Grants*, located at: <http://www.fema.gov/media-library/assets/documents/32474>.

Specific Guidance on Construction and Renovation Projects

Grantees must obtain written approval from FEMA prior to the use of any PSGP funds for construction or renovation projects. Additionally, PSGP funding may not be used to construct buildings or other physical facilities that are not constructed under terms and conditions consistent with the requirements under section 611(j)(8) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121(j)(8)(1)). The following types of construction and renovation projects are allowable under the PSGP provided they

address a specific vulnerability or need identified in AMSP or otherwise support the maintenance/sustainment of capabilities and equipment acquired through PSGP funding:

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

To be considered eligible for funding, fusion centers, operations centers, and communications centers must offer a port-wide benefit and support information sharing and coordination of operations among regional interagency and other port security partners. Applicants are reminded that the period of performance for FY 2014 is limited to 24 months.

Eligible costs for construction or renovation projects may not exceed the greater of \$1,000,000 (including cost share) per project or such greater amount as may be approved by the Secretary, which may not exceed ten percent of the total amount of the award, as stated in 46 U.S.C. §§ 70107(b)(2)(A) and (B) (Section 102 of the *Maritime Transportation Security Act of 2002*, Pub. L. 107-295, Nov. 25, 2002).

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

When applying for construction funds, including communications towers, at the time of application, grantees must submit evidence of approved zoning ordinances, architectural plans, any other locally required planning permits, and a notice of Federal interest. Additionally, grantees are required to submit a SF-424C Budget and Budget detail citing the project costs.

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

PSGP recipients using funds for construction projects must comply with the *Davis-Bacon Act*. Grant recipients must ensure that their contractors or subcontractors for construction projects pay workers employed directly at the work-site no less than the prevailing wages and fringe benefits paid on projects of a similar character. Additional information, including Department of Labor wage determinations, is available at <http://www.dol.gov/compliance/laws/comp-dbra.htm>.

Specific Guidance on Explosives Detection Canine Teams (EDCT)

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

Eligibility for funding of EDCTs is restricted to:

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

Applicants may apply for up to \$300,000 (\$150,000/year for two years) per award to support this endeavor. At the end of the grant period (24 months), grantees will be responsible for maintaining the heightened level of capability provided by the EDCT.

EDCT Eligible Costs

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

Eligible costs include:

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

Ineligible EDCT costs

Ineligible costs include but are not limited to:

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

EDCT Certification

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

EDCT Submission Requirements

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

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

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

Additional EDCT Resources Available for K-9 Costs

The PSGP, while providing the ability to defray some start-up costs, does not cover any recurring costs associated with EDCT programs. However, the Transit Security Grant Program (TSGP) is an additional DHS grant program that can provide funding for certain operational costs associated with heightened states of alert within the Port Area and nationally. DHS strongly encourages applicants to investigate their eligibility, and potential exclusions, for these resources when developing their canine programs.

Unallowable Costs

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

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

- The development of risk/vulnerability assessment models and methodologies except as required to update PRMPs
- Projects in which Federal agencies are the primary beneficiary or that enhance Federal property, including voluntary sub-components of a Federal agency
- Projects that study technology development for security of national or international cargo supply chains (e.g., e-seals, smart containers, container tracking or container intrusion detection devices)
- Proof-of-concept projects
- Development of training
- Projects that duplicate capabilities being provided by the Federal government (e.g., vessel traffic systems)
- Proposals in which there are real or apparent conflicts of interest
- Business operating expenses (certain security-related operational and maintenance costs are allowable – see “Maintenance and Sustainment” and “Operating Costs” for further guidance)
- TWIC card fees
- Signage, projects for placarding and billboards, or hard fixed structure signage
- Reimbursement of pre-award security expenses
- Outfitting facilities, vessels, or other structures with equipment or items providing a hospitality benefit rather than a direct security benefit. Examples of such equipment or items include, but are not limited to: office furniture, CD players, DVD players, AM/FM radios, TVs, stereos, entertainment satellite systems, Entertainment cable systems and other such entertainment media, unless sufficient justification is provided
- Weapons and associated equipment (i.e., holsters, optical sights, and scopes), including, but not limited to: non-lethal or less than lethal weaponry including firearms, ammunition, and weapons affixed to facilities, vessels, or other structures
- Expenditures for items such as general-use software, general-use computers, and related equipment (other than for allowable M&A activities, or otherwise associated) preparedness or response functions), general-use vehicles and licensing fees
- Other items not in accordance with the AEL or previously listed as allowable costs:
 - Land acquisitions and right of way purchases
 - Funding for standard operations vehicles utilized for routine duties, such as patrol cars and fire trucks
 - Fuel costs (except as permitted for training and exercises)
- Exercise(s) that do not support maritime security preparedness efforts
- Patrol Vehicles and Fire Fighting Apparatus, other than those CBRNE detection equipped vehicles for Port Area and/or facility patrol or response purposes
- Providing protection training to public police agencies or private security services to support protecting VIPs or dignitaries
- Aircraft pilot training

Appendix D – PSGP Investment Justification Template

Investment Heading	
Port Area	
State	
Applicant Organization	
Investment Name	
Investment Amount	\$

I. Background

Note: This section only needs to be completed once per application, regardless of the number of Investments proposed. The information in this section provides background and context for the Investment(s) requested, but does not represent the evaluation criteria used by DHS for rating individual Investment proposals.

I. Provide an overview of the Port Area, MTSA regulated facility, or MTSA regulated vessel	
Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> • Area of Operations: <ul style="list-style-type: none"> - Identify COTP Zone - Identify eligible Port Area - Identify exact location of project site (i.e., physical address of facility being enhanced) - Identify who the infrastructure (project site) is owned or operated by, if not by your own organization • Point(s) of contact for organization (include contact information): <ul style="list-style-type: none"> - Identify the organization's Authorizing Official for entering into grant agreement, including contact information - Identify the organization's primary point of contact for management of the project(s) • Ownership or Operation: <ul style="list-style-type: none"> - Identify whether the applicant is a private entity or a State or local agency • Role in providing layered protection of regulated entities (applicable to State or local agencies only): <ul style="list-style-type: none"> - Describe your organization's specific roles, responsibilities and activities in delivering layered protection • Important features: <ul style="list-style-type: none"> - Describe any operational issues you deem important to the consideration of your application (e.g., interrelationship of your operations with other eligible high-risk ports, etc.) • Ferry systems required data: • Infrastructure • Ridership data • Number of passenger miles • Number of vehicles per vessel, if any • Types of service and other important features • System map • Geographical borders of the system and the cities and counties served • Other sources of funding being leveraged for security enhancements

Response	
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II. Strategic and Program Priorities

II.A. Provide a brief abstract of the Investment list just ONE investment.	
Response Type	Narrative
Page Limit	Not to exceed 1/2 page
Response Instructions	Provide a succinct statement summarizing this Investment
Response	

II.B. Describe how the Investment will address one or more of the PSGP priorities and/or NPG core capabilities within the Area Maritime Security Plan, facility security plan, vessel security plan, or alternate security program plan	
Response Type	Narrative
Page Limit	Not to exceed 1/2 page
Response Instructions	<ul style="list-style-type: none"> • Describe how, and the extent to which, the investment addresses: <ul style="list-style-type: none"> - Enhancement of Maritime Domain Awareness - Enhancement of IED and CBRNE prevention, protection, response and recovery capabilities - Port resilience and recovery capabilities - Training and exercises - Efforts supporting the implementation of TWIC • Describe how the investment builds or sustains one or more NPG core capabilities • Area Maritime Security Plan and/or Captain of the Port Priorities
Response	

III. Impact

III.A. Describe how the project offers the highest risk reduction potential at the least cost	
Response Type	Narrative
Page Limit	Not to exceed 1/2 page
Response Instructions	<ul style="list-style-type: none"> • Discuss how the project will reduce risk in a cost effective manner <ul style="list-style-type: none"> - Discuss how this investment will reduce risk (e.g., reduce vulnerabilities or mitigate the consequences of an event) by addressing the needs and priorities identified in earlier analysis and review
Response	

III.B. Describe current capabilities similar to this Investment	
Response Type	Narrative
Page Limit	Not to exceed 1/2 page
Response Instructions	<ul style="list-style-type: none"> • Describe how many agencies within the port have existing equipment that are the same or have similar capacity as the proposed project • Include the number of existing capabilities within the port that are identical or equivalent to the proposed project
Response	

IV. Funding & Implementation Plan

- Funds should be requested by allowable cost categories as identified below
- Applicants must make funding requests that are reasonable and justified by direct linkages to activities outlined in this particular Investment

A separate detailed budget must be submitted with the cost categories provided in the Budget [Appendix E - Sample MOU/MOA Template](#).

IV.A. Provide a high-level timeline, milestones and dates, for the implementation of this Investment such as stakeholder engagement, planning, major acquisitions or purchases, training, exercises, and process/policy updates. <u>Up to 10 milestones</u> may be provided.	
Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> • Only include major milestones that are critical to the success of the Investment • Milestones are for this discrete Investment – those that are covered by the requested PSGP funds and will be completed over the 24-month grant period starting from the award date, giving consideration for review and approval process up to 12 months (estimate 24 month project period) • Milestones should be kept to high-level, major tasks that will need to occur (i.e., design and development, begin procurement process, site preparations, installation, project completion, etc.) • List any relevant information that will be critical to the successful completion of the milestone (such as those examples listed in the question text above) <p><i>Note: Investments will be evaluated on the expected impact on security relative to the amount of the investment (i.e., cost effectiveness). An itemized Budget Detail Worksheet and Budget Narrative must also be completed for this investment. See following section for a sample format</i></p>
Response	

Appendix E – Sample Budget Detail Worksheet

Purpose: The Budget Detail Worksheet may be used as a guide to assist applicants in the preparation of the budget and budget narrative. 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. Below is an example for your reference.

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

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

B. Fringe Benefits. Fringe benefits should be based on actual known costs or an established formula. Fringe benefits are for the personnel listed in budget category (A) and only for the percentage of time devoted to the project.

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

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

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

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

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

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

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

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

F. Consultants/Contracts. Indicate whether applicant’s formal, written Procurement Policy or the Federal Acquisition Regulations are followed.

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

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

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

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

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

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

Contracts: Provide a description of the product or services to be procured by contract and an estimate of the cost. Applicants are encouraged to promote free and open competition in awarding contracts. Any sole source contracts must follow the requirements set forth in applicable state and local laws and regulations, as well as applicable Federal regulations at 44 C.F.R. § 13.36 or 2 C.F.R. §§ 215.40 – 215.48.

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

Item	Cost
Jane Doe Contractor – Engine Maintenance, 24 months	\$ 30,000
Subtotal – Contracts	\$

Total Consultants/Contracts \$

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

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

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

Description	Computation	Cost
		\$
	Total Other	\$

H. Indirect Costs. Indirect costs are 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.

Description	Computation	Cost
		\$
	Total Indirect Costs	\$

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.

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

Total Requested Federal Amount	Total Non-Federal Amount
\$ 48,525	\$ 16,175
Combined Total Project Costs	
\$ 64,700	

Appendix F – Sample MOU/MOA Template

Memorandum of Understanding / Agreement

Between [provider of layered security] and [recipient of layered security]

Regarding [provider of layered security's] use of port security grant program funds

1. PARTIES. The parties to this Agreement are the [Provider of Layered Security] and the [Recipient of security service].

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

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

4. RESPONSIBILITIES: The security roles and responsibilities of each party are understood as follows:

(1). [Recipient of security service]

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

(2) [Provider of security service]

- An acknowledgement by the facility that the applicant is part of their facility security plan.
- The nature of the security that the applicant agrees to supply to the regulated facility (waterside surveillance, increased screening, etc.).
- Roles and responsibilities in providing security to [Recipient of security service] at each MARSEC level.

5. POINTS OF CONTACT. [Identify the POCs for all applicable organizations under the Agreement; including addresses and phone numbers (fax number, e-mail, or internet addresses can also be included).]

6. OTHER PROVISIONS. Nothing in this Agreement is intended to conflict with current laws or regulations of [applicable State] or [applicable local Government]. If a term of this agreement is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this agreement shall remain in full force and effect.

7. EFFECTIVE DATE. The terms of this agreement will become effective on (EFFECTIVE DATE).

8. MODIFICATION. This agreement may be modified upon the mutual written consent of the parties.

9. TERMINATION. The terms of this agreement, as modified with the consent of both parties, will remain in effect until the grant end dates for an approved grant. Either party upon [NUMBER] days written notice to the other party may terminate this agreement.

APPROVED BY:

Organization and Title

Signature (Date)

Appendix G - Helpful Hints for Applicants

Are the following components included in the application package?

- SF 424, SF 424A, SF 424B, SF LLL
- IJs for projects
- Detailed budgets containing only allowable costs and demonstrating cost share
- Vulnerability assessments/security plan certification (if applicable)

Are the following items addressed within the IJ narratives and detailed budgets?

- Do the IJ and the detailed budget only include allowable costs?
 - Are all of the expenses in the detailed budget addressed in the IJ narrative? (For example, a camera equipment budget line item should be addressed in narrative form in the IJ as it pertains to the overall security program.)
 - Does the information in the detailed budget align with the budget summary in the IJ narrative?
 - Are planning and design costs clearly delineated in the budget, as separate from implementation/installation costs? (Planning and design costs may be released before implementation/installation costs, as planning and design costs do not require extensive EHP review.)
- Does the IJ clearly explain how the projects fit into a funding priority area (as identified in [Appendix B –PSGP Priorities](#))?
- Does the IJ align with one or more core capabilities in the Goal?
- Does the IJ discuss how this investment will specifically address one or more of the project effectiveness groups identified in the current year's grant guidance?
- Does the IJ discuss how this investment will decrease or mitigate risk?
- Is the cost effectiveness of the project clearly explained in the IJ? How does this project provide a high security return on investment?
- Are timelines realistic and detailed?
- Are possible hurdles addressed in a clear and concise fashion?
- Does the M&A total no more than five percent (5%) of the total award?