

FY 2013 PORT SECURITY GRANT PROGRAM (PSGP) FUNDING OPPORTUNITY ANNOUNCEMENT (FOA)

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

Funding Opportunity Announcement Title

Fiscal Year (FY) 2013 Port Security Grant Program (PSGP)

Authorizing Authority for Program

Section 102 of the *Maritime Transportation Security Act of 2002*, as amended, Public Law 107-295 (46 U.S.C. § 70107).

Appropriation Authority for Program

The Department of Homeland Security Appropriations Act, 2013 (Public Law 113-6)

FOA Number

DHS-13-GPD-056-000-01

Key Dates and Time

Application Start Date: 05/21/2013

Application Submission Deadline Date: 06/24/2013 at 11:59:59 p.m. EST

Anticipated Funding Selection Date: 08/02/2013

Anticipated Award Date: 09/01/2013

Other Key Dates

Applying for FY 2013 PSGP funds requires a two-step process. Step One: initial submission to determine eligibility and Step Two: full application. Applicants are encouraged to initiate Step One immediately after the FOA is published but no later than June 17, 2013. This involves submitting a complete Standard Form 424 to Grants.gov. Successful completion of this step is necessary for FEMA to determine eligibility of the applicant. Late submissions of Step One to Grants.gov could result in applicants missing the application deadline in Step Two. Once FEMA has determined an applicant to be eligible, applicants can proceed to Step Two, which involves submitting the full application package via the Non Disaster (ND) Grants system. The

submission deadline for the full application package is June 24, 2013. For additional details see Section X of the full FOA.

Intergovernmental Review

Is an intergovernmental review required?

Yes No

FOA EXECUTIVE SUMMARY

Program Type

Select the applicable program type:

New Continuing One-time

Date of origin for Program: 11/25/2002

Opportunity Category

Select the applicable opportunity category:

Discretionary Mandatory Competitive Non-competitive

Application Process

DHS makes all funding opportunities available through the common electronic “storefront” Grants.gov, accessible on the Internet at <http://www.grants.gov>. If you experience difficulties accessing information or have any questions please call the Grants.gov customer support hotline at (800) 518-4726.

Application forms and instructions are available at Grants.gov. To access these materials, go to <http://www.grants.gov>, select “Apply for Grants,” and then select “Download Application Package.” Enter the CFDA and/or the funding opportunity number located on the cover of this announcement. Select “Download Application Package,” and then follow the prompts to download the application package. To download the instructions, go to “Download Application Package” and select “Instructions.”

For additional details on how to apply, please refer to Section X of the full FOA.

Eligible Applicants

The following entities are eligible to apply directly to FEMA under this solicitation:

Others

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

Type of Funding Instrument

Select the applicable funding instrument:

Grant Cooperative Agreement

Cost Share or Match

Select the applicable requirement:

Cost Match Cost Share None Required

The following match requirements apply for the FY 2013 PSGP (including ferry systems):

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

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

- There is no matching requirement for grant awards where the total award is \$25,000 or less (with the exception of national and/or 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, § 70107(c)(2)(C) 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 Title 46, Section 70107 of the United States Code of Federal Regulations (46 U.S.C. § 70107(c)(2)(B)). 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., purchase price of allowable contracts, equipment). 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 (e.g., FY 2013 funds are used to purchase a mobile command center from a vendor, the vendor contributes or donates communications

equipment associated with the mobile command center, the value of the donated equipment may be considered as an in-kind match for the PSGP award only). Please see Title 44, Part 13, Section 24 of the Code of Federal Regulations (44 CFR 13.24) for further guidance regarding in-kind matches. (<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?type=simple;c=ecfr;cc=ecfr;sid=183d717ad04a78067db6a831421874ea;idno=44;rgion=DIV1;q1=13;rgn=div5;view=text;node=44%3A1.0.1.1.14>).

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 (46 U.S.C. § 70107(e)(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).

Maintenance of Effort

Is there a Maintenance of Effort (MOE) requirement?

Yes No

Management and Administration

Management and administration (M&A) activities are those defined as directly relating to the management and administration of PSGP funds, such as financial management and monitoring. A maximum of five percent (5%) of the total award may be retained by the applicant. Any funds retained are to be used solely for M&A purposes associated with the PSGP award. FY 2013 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.

Indirect Costs

Indirect costs are allowable only if the applicant has an approved indirect cost rate with the 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. Indirect costs will be evaluated as part of the application for Federal funds to determine if allowable and reasonable.

FULL FOA

I. Funding Opportunity Description

Program Overview and Priorities

The FY 2013 PSGP is one of the Department's FY 2013 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.

The vast majority of U.S. maritime critical infrastructure is owned and/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, detection, response, and/or recovery from attacks involving improvised explosive devices (IED) and other non-conventional weapons.

Program Objectives

The FY 2013 PSGP plays an important role in the implementation of the National Preparedness System (NPS) by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal (NPG) 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 2013 PSGP's allowable costs support efforts to build and sustain core capabilities across Prevention, Protection, Mitigation, Response, and Recovery mission areas.

Grantees under the FY 2013 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
- Transportation Worker Identification Credential (TWIC) implementation

For additional information on program priorities and objectives for the FY 2013 PSGP, refer to Appendix B –*PSGP Priorities*.

II. Funding Information

Award Amounts, Important Dates, and Extensions

Available Funding for this FOA: \$93,207,313

Projected Number of Awards: 210

Projected Award Start Date(s): 09/01/2013

Projected Award End Date(s): 08/31/2015

Period of Performance: 24 months

Grantees must accept their grant 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 official correspondence (e.g., written, electronic signature, signed letter or fax to GPD) 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.

For details on program funding amounts, please refer to Appendix A – *FY 2013 PSGP Allocations*.

Period of Performance

Is an extension to the period of performance permitted?

Yes No

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 IB 379 located at <http://www.fema.gov/grants/grant-programs-directorate-information-bulletins>.

Additional Funding Information

In FY 2013, the total amount of funds distributed under this grant program will be \$93,207,313. The FY 2013 PSGP funds will be allocated based on the funding priorities outlined in Appendix B –*PSGP Priorities*.

III. Eligibility Information

Eligibility Criteria

Pursuant to the *Maritime Transportation Security Act of 2002, as amended* (MTSA), DHS established a risk based grant program to support maritime security risk management. Eligible applicants under the FY 2013 PSGP are listed in Appendix A – *FY 2013 PSGP Allocations*. 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 shall be taken into account.

Certain ferry systems are eligible to apply for FY 2013 PSGP funds. However, any ferry system receiving funds under the FY 2013 PSGP will not be eligible to participate under the FY 2013 Transit Security Grant Program (TSGP) and will not be considered for funding under the FY 2013 TSGP. Likewise, any ferry system that participates in the TSGP will not be eligible for funding under the PSGP.

By law, DHS must direct these funds to the Nation's highest risk ports. DHS has identified 145 critical ports. Based upon USCG recommendations, these ports are aggregated into 90 port funding areas. Eligible entities within other Port Areas covered by an AMSP may also apply for PSGP funds.

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

- Owners or operators of Federally regulated terminals, facilities, U.S. inspected passenger vessels or ferries as defined in the MTSA and 33 CFR Parts 101, 104, 105, and 106
- Members of an Area Maritime Security Committee (AMSC), per 33 CFR Part 103, who are recognized as such by the Captain of the Port (COTP) and are required to provide port security services. Specifically, eligible applicants include port authorities, port police, local law enforcement agencies, port and local fire departments, and facility fire brigades that have jurisdictional authority to respond to incidents in the port

As a condition of eligibility, all PSGP applicants are required to be fully compliant with relevant Maritime Security Regulations (33 CFR Parts 101-106). Any applicant with an open or outstanding Notice of Violation (NOV), as of the grant application submission deadline date, which has been issued to an applicant, and the applicant has (1) failed to pay within 45 days of receipt; (2) failed to decline the NOV within 45 days of receipt (in which case a finding of default will be entered by the Coast Guard in accordance with 33 CFR § 1.07-11[f][2]); or (3) the applicant has appealed the NOV as provided for in 33 CFR § 1.07-70 and is in receipt of 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 final adjudication within the timelines noted therein, will not be

allowed to make application for a Port Security Grant. The COTP will verify security compliance eligibility during the field review process.

For a listing of eligible Port Areas, please refer to Appendix A – *FY 2013 PSGP Allocations*. **Eligibility does not guarantee grant funding.**

IV. Funding Restrictions

Restrictions on Use of Award Funds

PSGP grant recipients and sub-recipients may only use PSGP grant funds for the purpose set forth in the grant, and must be consistent with the statutory authority for the award. Grant funds may not be used for matching funds for 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.

Pre-award costs are allowable only with the written consent of DHS and if they are included in the award agreement.

Federal employees are prohibited from serving in any capacity (paid or unpaid) on any proposal submitted under this program. Federal employees may not receive funds under this award.

For additional details on restrictions on the use of funds, please refer to Appendix C – *Funding Guidelines*

V. Application Review Information and Selection Process

Application Review Information

The four core PSGP funding priorities for applications are:

- **Funding Priority #1.** Projects that support development and sustainment of the core capabilities in the NPG and align to PSGP funding priorities identified in Appendix B – *PSGP Priorities*. These include:
 - Enhancing MDA
 - Enhancing IED and CBRNE prevention, protection, response and recovery capabilities within the maritime domain
 - Enhancing cybersecurity capabilities
 - Maritime security risk mitigation projects that support port resilience and recovery capabilities
 - Training and exercises
 - TWIC implementation
- **Funding Priority #2.** Projects that address priorities outlined in the applicable AMSP, FSP, and Vessel Security Plan (VSP), as mandated under the MTSA and/or the Port-Wide Risk Mitigation Plans (PRMP)

- **Funding Priority #3.** Projects that address additional maritime security priorities based on the COTP's expertise and experience of the COTP within the specific Port Area
- **Funding Priority #4.** Projects that are eligible and feasible based on program priorities, Port Area plans and priorities, and available period of performance

Initial Screening. FEMA will conduct an initial review of all FY 2013 PSGP applications to ensure each application is complete. All complete applications will be provided to the applicable COTP for further review.

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

Field reviews for all Groups occur immediately following the initial screening. Each specific project is scored for compliance with criteria enumerated in the previous section 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.

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

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 2013 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)
- 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. The NRP may request additional information or clarification from applicants. The Secretary of Homeland Security will have the final approval authority on all projects.

FEMA may place minimum project effectiveness limit on all projects submitted. Projects failing to meet the minimum level of effectiveness may not be considered for funding.

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. Post-Selection and Pre-Award Guidelines

Notice of Award

All successful applicants for all DHS grant and cooperative agreements are required to comply with DHS Standard Administrative Terms and Conditions available within Section 6.1.1 of <http://www.dhs.gov/xlibrary/assets/cfo-financial-management-policy-manual.pdf>.

Upon approval of an application and associated documentation, the award will be made in the form of a grant. The date the approval of award is entered in the system is the "award date." Notification of award approval is made through the ND Grants system through an automatic e-mail to the grantee point of contact listed in the initial application. Once an award has been approved and recorded in the system, a notice is sent to the authorized grant official. Follow the directions in the notification to accept

your award documents. The authorized grant official should carefully read the award package for instructions on administering the grant and to learn more about the terms and conditions associated with responsibilities under Federal awards.

Administrative and Federal Financial Requirements

Grantees are obligated to submit various financial and programmatic reports as a condition of their award acceptance. Please see below for a summary of financial and/or programmatic reports as required. Future awards and fund drawdowns may be withheld if these reports are delinquent.

- 1. Federal Financial Report (FFR) – required quarterly.** Obligations and expenditures must be reported on a quarterly basis through the FFR (SF-425). A report must be submitted for every quarter of the period of performance, including partial calendar quarters, as well as for periods where no grant activity occurs. Future awards and fund drawdowns may be withheld if these reports are delinquent, demonstrate lack of progress, or are insufficient in detail. The final FFR is due 90 days after the end date of the performance period. FFRs must be filed electronically through Payment and Reporting System (PARS).
- 2. Grant Close-Out Process.** Within 90 days after the end of the period of performance, or after an amendment has been issued to close out a grant, whichever comes first, grantees must submit a final FFR and final progress report detailing all accomplishments and a qualitative summary of the impact of those accomplishments throughout the period of performance. After these reports have been reviewed and approved by FEMA, a close-out notice will be completed to close out the grant. The notice will indicate the period of performance as closed, list any remaining funds that will be deobligated, and address the requirement of maintaining the grant records for three years from the date of the final FFR. The grantee is responsible for returning any funds that have been drawn down but remain as unliquidated on grantee financial records. As part of the final report, grantees must submit the Tangible Personal Property Report (SF-428), available at http://www.whitehouse.gov/sites/default/files/omb/grants/approved_forms/sf-428.pdf, to provide an inventory of all tangible personal property acquired using PSGP funds. An inventory of all construction projects that used PSGP funds has to be reported using the Real Property Status Report (Standard Form SF 429) available at http://www.whitehouse.gov/sites/default/files/omb/grants/approved_forms/sf-429.pdf.

Programmatic Reporting Requirements

- 1. Performance Progress Report (SF-PPR).** Awardees are responsible for providing updated 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). The SF-PPR can be accessed online at http://www.na.fs.fed.us/fap/SF-PPR_Cover%20Sheet.pdf.

- 2. Exercise Evaluation and Improvement.** Exercises implemented with grant funds should evaluate the performance of capability against the level of capabilities required. Guidance related to exercise evaluation and the implementation of improvements is defined in the Homeland Security Exercise and Evaluation Program (HSEEP) located at <https://hseep.dhs.gov>.
- 3. Monitoring.** Grant recipients will be monitored on an annual and as needed basis by FEMA staff, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are 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.

VII. DHS FEMA Contact Information

Contact and Resource Information

This section describes several resources that may help applicants in completing a FEMA grant application. These points of contact are also available for successful applicants who may require assistance during execution of their award.

Financial and Administrative Information

- 1. Grant Programs Directorate (GPD).** 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.
- 2. 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 https://www.rkb.us/ehp_docs.cfm.

Programmatic Information

1. **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.

Systems Information

1. **Grants.gov.** For technical assistance with Grants.gov, please call the Grants.gov customer support hotline at (800) 518-4726.
2. **Non Disaster (ND) Grants.** For technical assistance with the ND Grants system, please contact ndgrants@fema.gov or (800) 865-4076.

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 2013 PSGP plays an important role in the implementation of the NPS by supporting the building, sustainment, and delivery of core capabilities. Core capabilities are essential for the execution of critical tasks for each of the five mission areas outlined in the NPG. Information on the NPS can be found in the National Preparedness System Description (released Nov 2011), which is posted on the FEMA website at <http://www.fema.gov/national-preparedness/national-preparedness-system>. Additional details regarding the NPS and how it's supported by the HSGP can be found in Appendix B – *PSGP Priorities*.

National Incident Management System (NIMS) Implementation

Prior to allocation of any Federal preparedness awards in FY 2013, 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 the standardized resource management concepts such as typing, inventorying, and cataloging promote a strong national mutual aid capability needed to support 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 multijurisdictional 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.

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.

SAFECOM Guidance for Emergency Communications Grants Compliance

Grantees (including sub-grantees) that are using PSGP funds to support emergency communications activities should comply with the *FY 2013 SAFECOM Guidance for Emergency Communications Grants*. SAFECOM Guidance is available at <http://www.safecomprogram.gov/grant/Default.aspx>.

IX. How to apply

Application Instructions

1. Investment Justification (IJ). As part of the FY 2013 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. Each applicant may apply for up to three projects (national and/or regional corporations may submit three projects per port). IJs must demonstrate how proposed projects

address gaps and deficiencies in one or more core capabilities outlined in the NPG. 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.

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?
- Why is this project needed and how does it contribute to achieving a more secure and resilient nation?
- Is your organization a member of the AMSC?
- 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?

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> before or on the application deadline date and time. The individual investments comprising a single application must take place within the same Port Area. Private MTSA regulated companies that operate in more than one eligible Port Area must submit separate applications for investments within the Port Area in which the facility or vessel is located.

The Port Area is defined by project location. Agencies that have multiple facility locations should apply for projects based on the facility where the project/asset will be housed/maintained as opposed to using the agency headquarters location (for example). For entities/agencies submitting applications for projects that span multiple Port Areas, the project location is considered to be the predominant location in which the project will be housed and maintained.

Applicants will find an IJ Template in Appendix D –*PSGP Investment Justification Template and Instructions*. 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 2013 PSGP:

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

- 2. 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.

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.

- 3. 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
- 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 2013 MOUs and MOAs:

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

- 4. 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 CFR 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 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.

Environmental and Historic Preservation Review

Written approval must be provided by FEMA prior to the use of any PSGP funds for construction or renovation. 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.

When applying for funds to construct communication towers, grantees and sub-grantees must submit evidence that the FCC's Section 106 review process has been completed and submit all documentation resulting from that review to GPD prior to submitting materials for EHP review. Grantees and sub-grantees are also encouraged to have completed as many steps as possible for a successful EHP review in support of their proposal for funding (e.g., coordination with their State Historic Preservation Office to identify potential historic preservation issues and to discuss the potential for project effects; compliance with all state and EHP laws and requirements). Projects for which the grantee believes an Environmental Assessment (EA) may be needed, as defined in 44 CFR 10.8 and 10.9, must also be identified to the FEMA Program Analyst within six months of the award. Completed EHP review materials for construction and communication tower projects must be submitted no later than 12 months before the end of the period of performance. EHP review materials should be sent to gpdehpinfo@fema.gov.

FY 2013 PSGP Program grantees using funds for construction projects must comply with the *Davis-Bacon Act* (40 U.S.C. 3141 *et seq.*). 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 (DOL) wage determinations, is available from the following website: <http://www.dol.gov/compliance/laws/comp-dbra.htm>.

When applying for construction funds, including for the construction of communications towers, at the time of application, the grantee is highly encouraged to submit evidence

of approved zoning ordinances, architectural plans, any other locally required planning permits and documents, and to have completed all required steps for a successful EHP review in support of their proposal for funding (e.g., coordination consultation).

X. Application and Submission Information

Address to Request Application Package

FEMA makes all funding opportunities available on the Internet at <http://www.grants.gov>. If you experience difficulties accessing information or have any questions please call the Grants.gov customer support hotline at (800) 518-4726.

Application forms and instructions are available at Grants.gov. To access these materials, go to <http://www.grants.gov>, select “Apply for Grants,” then select the CFDA number (97.056) or the FOA Number noted in the Overview Information section of the FOA and then select “Download Application Package”. Select “Download Application Package,” and then follow the prompts to download the application package. To download the instructions, go to “Download Application Package” and select “Instructions.”

Content and Form of Application

- 1. Application via Grants.gov.** All applicants must file their applications using the Administration’s common electronic “storefront” – <http://www.grants.gov>. Eligible grantees must apply for funding through this portal, accessible on the Internet at <http://www.grants.gov>.

The application must be started and submitted using Grants.gov after registration in the System for Award Management (SAM) is confirmed. The on-line application includes the following required form:

- Standard Form 424, Application for Federal Assistance

Applying for FY 2013 PSGP funds requires a two-step process. Step One: initial submission to determine eligibility and Step Two: full application. Applicants are encouraged to initiate Step One as soon after the FOA is published but no later than June 17, 2013. This involves submitting a complete Standard Form 424 to <http://www.grants.gov>. The Standard Form 424 will be retrieved by ND Grants and the system will automatically populate the relevant data fields in the application. Successful completion of this step is necessary for FEMA to determine eligibility of the applicant. Late submissions to Grants.gov to complete Step One could result in applicants missing the application deadline in Step Two. Once FEMA has determined an applicant to be eligible, applicants can proceed to Step Two, which involves submitting the full application package via the ND Grants system. The submission deadline for the full application package is June 24, 2013.

The application must be completed and final submission made through the ND Grants system located at <https://portal.fema.gov>. If you need assistance registering for the ND Grants system, please contact ndgrants@fema.gov or (800) 865-4076. Applicants are encouraged to begin their ND Grants registration at the time of solicitation to ensure they have adequate time to start and complete their application submission. Unless otherwise referenced, the ND Grants system includes the following required forms and submissions:

- Standard Form 424A, Budget Information (Non-construction)
- Standard Form 424B, Standard Assurances (Non-construction)
- Standard Form 424C, Budget Information (Construction)
- Standard Form 424D, Standard Assurances (Construction)
- Standard Form LLL, Disclosure of Lobbying Activities (if the grantee has engaged or intends to engage in lobbying activities)
- Grants.gov (GG) Lobbying Form, Certification Regarding Lobbying
- FEMA Form 112-0-3C, Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements
- Investment Justification (FEMA Form 089-5) (see *Appendix D – PSGP Investment Justification Template*)
- Detailed Budget Worksheet

The program title listed in the CFDA is “*Port Security Grant Program.*” The CFDA number is **97.056**.

- 2. 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 within <http://www.grants.gov> and for SAM. Organizations should verify that they have a DUNS number, or take the steps necessary to obtain one, as soon as possible. Applicants can receive a DUNS number at no cost by calling the dedicated toll-free DUNS Number request line at (866) 705-5711.
- 3. System for Award Management (SAM).** The application process also involves an updated and current SAM registration by the applicant at <http://www.sam.gov>. 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 FEMA awards. Future payments will be contingent on the information provided in SAM; therefore it is imperative that the information is correct.

Applicants will obtain FOA Overviews and Full Announcement information from the Grants.gov website where the full FOA is posted.

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

Applications will be processed through the Grants.gov portal and the ND Grants system.

Hard copies of the application will not be accepted.

Appendix A – FY 2013 PSGP Allocations

Port Area Group Designations

For FY 2013, there will be two Port Area Group Designations, rather than the traditional four groupings in prior years. Table 2 lists the specific Port Areas by Group that are eligible for funding through the FY 2013 PSGP and the competitive funding amount available within each Group. This change helps ensure funding is made available to the highest risk ports and funding is awarded to projects that are rated most effective in addressing program priorities and mitigating port security risks. DHS/FEMA reserves the right to re-allocate funding from one group to the other should the applications within a particular group prove insufficient in terms of quality, number, and/or total project costs.

Group I Port Areas

Eight Port Areas have been selected as Group I (highest risk) and will be allocated 60 percent (60%) of funding available. Each Group I Port Area will compete for the target funding allocation assigned to the group. The amount of available funding for the group is based on the FY 2013 DHS risk analysis. This will allow applicants to submit IJs for projects without being confined to a set dollar amount, providing DHS the opportunity to conduct field and national reviews of each project and make awards based on the two overarching priorities of PSGP, risk-based funding and regional security cooperation, as well as evaluating the extent to which each IJ decreases risk for the Port Area.

Group II Port Areas

The legacy Group II, III, and All Other Port Areas are combined into a single Port Grouping known as Group II, which will receive the remaining 40 percent (40%) of funds available. These Port Areas will compete for the target funding allocation assigned to Group II. As is the case with the Group I Port Areas, available funding is based on results of the FY 2013 DHS risk analysis. The number of legacy Group II and III ports will be adjusted to, 47 and 35, respectively; thus the total number of Group II ports under the new grouping methodology is 82. Note: The total number of Group II ports does not include All Other Port Areas.

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.

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

Legacy 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 BC RTP 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.

Building on the successes of previous years, during FY 2013, legacy Group I and Group II ports are required to seek PSGP funding that will ensure alignment with the programs and projects identified within the Plan(s), 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 best 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
- Expand the emphasis on port-wide partnerships, regional management of risk, port resilience/recovery, and business continuity/resumption of trade

Table 2: FY 2013 PSGP Port Area Groupings

Group	State/Territory	Port Area	FY 2013 Target Allocation
I	California	Los Angeles-Long Beach	\$55,924,388
		Long Beach	
		Los Angeles	
		San Francisco Bay	
		Carquinez Strait	
		Martinez	
		Oakland	
		Richmond	
		San Francisco	
		Stockton	
		San Diego	
	Louisiana	New Orleans	
		Baton Rouge	
		Gramercy	
		New Orleans	
		Plaquemines, Port of	
		South Louisiana, Port of St. Rose	

Group	State/Territory	Port Area	FY 2013 Target Allocation
I (cont.)	New Jersey / Pennsylvania / Delaware	Delaware Bay	
		Camden-Gloucester, NJ	
		Chester, PA	
		Marcus Hook, PA	
		New Castle, DE	
		Paulsboro, NJ	
		Philadelphia, PA	
		Trenton, NJ	
	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			
Group II	Eligible entities not located within the Group I Port Areas identified above, but operating under an AMSP, are eligible to compete for funding within Group II.		\$37,282,925

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

Appendix B – PSGP Priorities

The Alignment of PSGP to the National Preparedness System (NPS)

The NPS is the instrument the Nation will employ to build, sustain, and deliver core capabilities in order to achieve the National Preparedness Goal (Goal). The Goal is “a secure and resilient Nation with the capabilities required across the whole community to prevent, protect against, mitigate, respond to, and recover from the threats and hazards that pose the greatest risk.” The objective of the NPS 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 NPS 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>).

National preparedness is a shared responsibility of the whole community. Every member must be given the opportunity to contribute. The FY 2013 PSGP plays an important role in the implementation of the NPS by supporting the building, sustainment, and delivery of core capabilities. Core capabilities are essential for the execution of critical tasks for each of the five mission areas outlined in the Goal. Delivering core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. PSGP’s allowable costs support efforts to build and sustain core capabilities across the Prevention, Protection, Mitigation, Response, and Recovery mission areas.

Particular emphasis will be placed on capabilities that address the greatest risks to the security and resilience of the United States, and the greatest risks along the Nation’s borders. Funding will support deployable assets that can be utilized anywhere in the Nation through automatic assistance and mutual aid agreements, including but not limited to the EMAC.

Using the core capabilities, the FY 2013 PSGP supports the achievement of the NPG by:

- Preventing a threatened or an actual act of terrorism.
- Protecting our citizens, residents, visitors, and assets against the greatest threats and hazards.
- Mitigating the loss of life and property by lessening the impact of future disasters.
- Responding quickly to save lives, protect property and the environment, and meet basic human needs in the aftermath of a catastrophic incident.
- Recovering through a focus on the timely restoration, strengthening, and revitalization of infrastructure, housing, and a sustainable economy, as well as the health, social, cultural, historic, and environmental fabric of communities affected by a catastrophic incident.

The core capabilities contained in the Goal are highly interdependent and require us to use existing preparedness networks and activities, improve training and exercise programs, promote innovation, and ensure that the appropriate administrative, finance, and logistics systems are in place.

To support building, sustaining, and delivering these core capabilities grantees will use the components of the NPS. The components of the NPS 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>.

Building and Sustaining Core Capabilities

FY 2013 PSGP focuses on the development and sustainment of core capabilities as outlined in the Goal. Particular emphasis will be placed on building and sustaining capabilities that address high consequence events that pose the greatest risk to the security and resilience of the United States and that can be utilized nationwide. PSGP uses a comprehensive process for assessing regional and national risks and identifying capability needs in order to prioritize and invest in key deployable assets, as well as those elements that support deployment.

Capabilities are the means to accomplish a mission, function, or objective based on the performance of related tasks, under specified conditions, to target levels of performance. The most essential capabilities are the core capabilities identified in the Goal.

Working together, individuals, government officials, and elected leaders can develop plans to allocate resources effectively and use available assistance to reduce risk. For these plans to be effective, those involved must consider methods to reduce and manage risk as well as how to sustain appropriate levels of capability and address potential shortfalls in order to achieve the Goal.

Achieving the Goal will require participation and resources from the whole community. Not all capabilities can be addressed in a given local, State, or Federal funding cycle, nor can funding be expected to flow from any one source. Officials must prioritize the achievement of certain capabilities to most effectively ensure their security and resilience while understanding the effects of not addressing other identified needs. Building and sustaining capabilities will include a combination of organizational resources, equipment, training, and education. Consideration must also be given to finding, connecting to, and strengthening community resources by using the expertise and capacity of individuals, communities, private and nonprofit sectors, faith-based organizations, and all levels of government. Jurisdictions must also use mutual aid agreements to fill needs and work with partners to develop regional capabilities. Ultimately, a jurisdiction may need to rely on other levels of government or partners to

address a particular need. This expectation should be communicated well before an event occurs when the capabilities are most urgently needed.

As these issues are considered in light of the eligible activities, the results of an effective THIRA must inform jurisdictions' planning efforts. This risk picture will provide an understanding of potential consequences from the range of threats and hazards a community faces daily as well as those infrequent events that would stress the core capabilities of a jurisdiction. Coupled with the desired outcomes and capability targets established by a community, this combined perspective is crucial to enabling all levels of government to effectively estimate the level of capabilities required to manage its greatest risks.

Files and information on the NPS can be found at <http://www.fema.gov/national-preparedness/national-preparedness-system>.

Strengthening Governance Integration

DHS preparedness grant programs are intended to support the core capabilities across the five mission areas of Prevention, Protection, Mitigation, Response and Recovery that are necessary to prepare for incidents that pose the greatest risk to the Nation's security. Each program reflects the Department's intent to build and sustain an integrated network of national capabilities across all levels of government and the whole community. Disparate governance structures must be integrated and refined to ensure resources are targeted to support the most critical needs of a community based on risk driven, capabilities-based planning. Strong and inclusive governance systems better ensure that disparate funding streams are coordinated and applied for maximum impact.

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

- *Prioritization 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

In this time of limited resources, PSGP grantees should ensure that grant funding is utilized to sustain core capabilities within the NPG 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 NPG.

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 60 percent (60%) of its available port security grant dollars on the highest-risk port systems. This determination is based on ongoing intelligence analysis, extensive security reviews, and consultations with maritime industry partners.

At the recommendation of the USCG, some ports are being considered as a single cluster due to geographic proximity, shared risk, and a common waterway. As with other DHS grant programs, applications from these port clusters must be locally coordinated and include integrated maritime security risk mitigation proposals to use PSGP grant dollars to mitigate maritime security risks.

Eligible Port Areas were identified using a comprehensive, empirically-grounded risk analysis model. Risk methodology for PSGP programs is consistent across transportation modes and is linked to the risk methodology used to determine eligibility for the core DHS State and local grant programs.

Within PSGP, eligibility for all grant awards is first predicated on a systematic risk analysis that reviews and rates eligible ports in a given area for comparative risk. All Port Areas will be comparably rated. Risk will be evaluated using an analytical model developed by DHS in conjunction with other Federal entities. Risk is defined as the product of three principal variables:

- Threat – the likelihood of an attack occurring
- Vulnerability – the relative exposure to an attack
- Consequence – the expected impact of an attack

Risk data for eligible Port Areas is gathered individually and then aggregated by region. The DHS risk formula incorporates multiple normalized variables, meaning that for a given variable, all eligible Port Areas are empirically ranked on a relative scale from lowest to highest.

DHS's risk assessment methodology for PSGP considers critical maritime infrastructure system assets and characteristics from four areas that might contribute to their risk: intelligence community assessments of threat; economic consequences of attack; port

assets; and area vulnerabilities and consequences (to people and physical infrastructure immediately surrounding the port). The relative weighting of variables reflects DHS's overall risk assessment, as well as the program priorities. Specific variables include multiple data sets regarding international and domestic measure of cargo throughput (container, break bulk, petro-chemical, etc.); foreign vessel calls; the adjacent critical assets that may be associated with the Port Area; the adjacent military missions' variables; the population density; and MSRAM data.

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 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 NPG.

1. Enhancing Maritime Domain Awareness (MDA)

MDA is the critical enabler that allows leaders at all levels to make effective decisions and act early against threats to the security of the Nation's sea and inland ports. In support of the National Strategy for Maritime Security and the Prevention and Protection mission areas of the NPG, 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.

MDA requires a coordinated unity of effort within and among public and private sector organizations and international partners. The need for security is a mutual interest requiring the greatest cooperation between industry and government. MDA depends upon unparalleled information sharing. MDA must have protocols to protect private sector proprietary information. Bi-lateral or multi-lateral information sharing agreements and international conventions and treaties will greatly assist enabling MDA.

Construction and enhancements of 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. Of particular concern in the port environment are attacks that employ IEDs delivered via small craft (similar to the attack on the USS Cole), by underwater swimmers (such as underwater mines), or on ferries (both passenger and vehicle). 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

The Nation's critical infrastructure includes distributed networks, varied organizational structures and operating models (including multinational ownership), interdependent functions and systems in both the physical space and cyberspace, and governance constructs that involve multi-level authorities, responsibilities, and regulations. Critical infrastructure owners and operators are uniquely positioned to manage risks to their individual operations and assets, and to determine effective strategies to make them more secure and resilient. Presidential Policy Directive 21 (PPD 21), *Critical Infrastructure Security and Resilience*, (<http://www.whitehouse.gov/the-press-office/2013/02/12/presidential-policy-directive-critical-infrastructure-security-and-resil>) supports a national policy for Federal departments and agencies to identify and prioritize critical infrastructure and to protect them from all hazards. FY 2013 PSGP can be used to invest in functions that support and enhance ports critical infrastructure and key resources (CIKR) under PPD-21, and therefore contributes to achieving the Goal.

4. Port Resilience and Recovery Capabilities

The Nation's ability to withstand threats and hazards requires an understanding of risks and robust efforts to reduce vulnerabilities. Mitigating vulnerabilities reduces both the direct consequences and the response and recovery requirements of disasters. One of the core missions of DHS, 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.

Those responsible for the security and resilience of our Nation's ports must take appropriate action to reduce risk related vulnerabilities. Resilience spans the full spectrum of activities by exploring options and identifying processes that reduce the magnitude and duration of disruptions. 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. The efforts include live situational exercises involving various threat and disaster scenarios, table-top exercises, and methods for implementing lessons learned. AMSTEP or I-STEP exercises will follow the requirements contained in the Navigation and Inspection Circular (NVIC) 09-02 latest change.

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. Regulations outlining the initial phase of this program (card issuance) were issued by TSA in cooperation with the U.S. Coast Guard in volume 72 of the Federal Register on page 3492, dated January 25, 2007. See FEMA GPD IB 343, 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, etc.) will be given a higher priority than the purchase of TWIC card readers.

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

Management and Administration (M&A)

M&A Activities are those defined 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.

Indirect Costs

Indirect costs are allowable only if the applicant has an approved indirect cost rate with the 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. Indirect costs will be evaluated as part of the application for Federal funds to determine if allowable and reasonable.

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.**

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 NPG. 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.

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 NPG:

- Deployment of access control methods and projects;
- 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; and
- 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

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.dhs.gov/files/programs/editorial_0753.shtm.

IED and CBRNE Prevention, Protection, Response, Recovery Capabilities

To develop or sustain one or more core capabilities in the NPG, 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 CFR Part 105 and Police/Fire agencies that respond to these facilities

- CBRNE detection, prevention, response, and/or recovery equipment
- Explosives Detection Canine Teams (EDCTs)
- Intrusion detection systems for MTSA regulated facilities, vessels captured within the AMSP, or Port Areas that are in direct support of these MTSA regulated entities
- 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)
- 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)
- TWIC standardized credentialing access control
- 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
- 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)
- Reconfiguring of docks access areas to prevent intruder access via small boat or swimmer/diver access

Vessels regulated under 33 CFR Part 104

- CBRNE agent detection, prevention, response, and/or 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

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

PSGP TWIC funding recipients may be required to provide data and lessons learned from the application of card readers and associated systems. Systems implemented with grant funding may be used by recipients to comply with all TWIC rulemaking requirements once established. See IB 343 for additional guidance on funding for TWIC projects.

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. The IJ must also provide assurance that the requested course:

- Falls within the maritime security risk mitigation mission scope to prepare State, local, tribal, and territorial personnel to prevent, protect against, respond to, and recover from acts of maritime terrorism and catastrophic events
- Builds additional capabilities that support a specific training need identified as a maritime security risk vulnerability in the AMSP, FSP, and/or VSP if the vessel is listed as a vulnerability in the AMSP
- Addresses specific maritime security risk mitigation tasks and/or competencies articulated in FEMA's *Emergency Responder Guidelines* and the *Homeland Security Guidelines for Prevention and Deterrence*
- Addresses specific maritime security risk mitigation capabilities and related tasks articulated in the core capabilities identified in the NPG
- Supports PSGP priorities

There is no limit to the number of deliveries of training courses not approved by FEMA or MARAD or listed within the State or Federal Sponsored course catalog if:

- The course meets the five criteria listed above
- The course is offered only within a jurisdiction or an agency within a jurisdiction (i.e., the course is not intended for delivery outside of the jurisdiction).

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 CFR 105.220 for a facility and 33 CFR 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://hseep.dhs.gov>.

PSGP funds may be used for the following training and/or 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 (15%) of the grantee's total award allocation. In no case is dual compensation 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/or 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. In no case is dual compensation 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 and conferences.** Grant funds may be used to plan and conduct training workshops or conferences 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/what we do/layers/istep/index.shtm](http://www.tsa.gov/what_we_do/layers/istep/index.shtm).

- *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.boemre.gov/offshore/OilSpillProgram/Assets/PDFs/PREPGuidelines.pdf>.

Unauthorized exercise-related costs include:

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

Planning

FY2013 PSGP funds may be used for the following types of planning activities in support of one or more of the core capabilities in the NPG:

- 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
- 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/or the BCRTP in support of maritime security planning and maritime security risk mitigation

- Hiring of part-time staff and contractors or consultants to assist with planning activities (not for the purpose of hiring public safety personnel)
- Overtime costs associated with eligible planning activities
- Materials required to conduct the aforementioned planning activities
- Travel and per diem related to the professional planning activities noted in this section
- Other project planning activities with prior approval from DHS

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 NPG:

- 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)

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 a maintenance or warranty plan must not exceed the period of performance of the specific grant funds used to purchase the plan or warranty.

Grant funds are intended to support the NPG by funding projects that build and sustain the core capabilities necessary to prevent, protect against, mitigate the effects of, respond to, and recover from those threats that pose the greatest risk to the security of the Nation. In order to provide grantees the ability to meet this objective, the policy set forth in GPD’s IB 379 (Guidance to State Administrative Agencies to Expedite the Expenditure of Certain DHS/FEMA Grant Funding) allows for the expansion of eligible maintenance and sustainment costs which must be in 1) direct support of existing capabilities; (2) must be an otherwise allowable expenditure under the applicable grant program; (3) be tied to one of the core capabilities in the five mission areas contained within the NPG, and (4) shareable through the EMAC. Additionally, eligible costs must also be in support of equipment, training, and critical resources that have previously been purchased with either

Federal grant or any other source of funding other than DHS/FEMA preparedness grant program dollars.

Specific Guidance on Construction and Renovation Projects

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 2013 is limited to 24 months.

Eligible costs for construction may not exceed the greater of \$1,000,000 per project or such greater amount as may be approved by the Secretary, which may not exceed ten percent (10%) of the total amount of the award, as stated in 46 U.S.C. § 70107(b)(2) (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.

Written approval must be provided by FEMA prior to the use of any PSGP funds for construction or renovation. 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.

When applying for funds to construct communication towers, grantees and sub-grantees must submit evidence that the FCC's Section 106 review process has been completed and submit all documentation resulting from that review to GPD prior to submitting materials for EHP review. Grantees and sub-grantees are also encouraged to have completed as many steps as possible for a successful EHP review in support of their proposal for funding (e.g., coordination with their State Historic Preservation Office to identify potential historic preservation issues and to discuss the potential for project effects; compliance with all state and EHP laws and requirements). Projects for which the grantee believes an Environmental Assessment (EA) may be needed, as defined in 44 CFR 10.8 and 10.9, must also be identified to the FEMA Program Analyst within six months of the award. Completed EHP review materials for construction and communication tower projects must be submitted no later than 12 months before the end of the Period of Performance. 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 from the following website <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 CFR Parts 101, 103, 104, and the passenger terminals these specific ferries service under 33 CFR 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. Non-supplanting restrictions apply.

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 CFR 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:

- 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 project 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

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: <ul style="list-style-type: none"> • 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	

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.

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

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). 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 44 CFR Section 13.36.

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
(Date)

Signature
(Date)