TO: All State Administrative Agency Heads  
All State Administrative Points of Contact  
All State Homeland Security Directors  
All Urban Area Core City/Core County Points of Contact

FROM: Tracy A. Henke  
Assistant Secretary, Office of Grants and Training

SUBJECT: Eligibility of G&T Grant Funds to Support Operational Costs

The Department of Homeland Security has elevated the nation’s threat level to Severe, or Red, for commercial flights originating in the United Kingdom bound for the United States. In addition, the threat level has been raised to High, or Orange, for all commercial aviation operating in or destined for the United States. In light of these heightened alerts and current events overseas, effective immediately, jurisdictions may use available grants funds from eligible G&T programs to support select operational costs associated with providing enhanced security at the following facilities:

- Commercial Aviation sector, for operational costs incurred beginning on August 10, 2006;

Funds through the following programs may be used to support operational costs associated with providing enhanced security at the above facilities:

- FY 2006 Urban Areas Security Initiative (limited to 25% of the total allocation)  
- FY 2006 Law Enforcement Terrorism Prevention Program (limited to 25% of the total allocation)  
- FY 2005 Urban Areas Security Initiative (limited to 25% of the total allocation)  
- FY 2005 Law Enforcement Terrorism Prevention Program (limited to 25% of the total allocation)  
- FY 2004 Urban Areas Security Initiative (limited to 25% of the total allocation)  
- FY 2004 Law Enforcement Terrorism Prevention Program (limited to 25% of the total allocation)  
- FY 2003 Urban Areas Security Initiative II (limited to 25% of the total allocation)  
- FY 2003 State Homeland Security Grant Program II (Critical Infrastructure Protection allocation only)
Allowable costs under this policy are identical to those under previous Code Orange alerts. Allowable categories for reimbursement therefore include:

- Backfill and overtime expenses for staffing state or local emergency operations centers
- Hiring of contracted security to protect facilities outlined above
- Public safety overtime to protect facilities outlined above
- National Guard deployments to protect facilities outlined above

Consumable costs, such as fuel expenses, are not allowed except as part of the standard National Guard deployment package.

Additional guidance on the use of these funds can be found in the respective grant solicitation packages for these programs and Information Bulletins No. 103 and 127. Grant funds cannot be applied retroactively to costs incurred prior to the effective dates outlined above, except for previously designated periods of heightened alert. Funding may not be used to supplant ongoing, routine public safety activities of state and local emergency responders, and may not be used to hire full or part time staff for these activities.

For more information on the authorized use of grant funds for increased security measures, please contact your G&T Preparedness Officer, or the G&T Helpline at (800) 368-6498 or askcsid@dhs.gov.