



U.S. DEPARTMENT OF HOMELAND SECURITY

**Fiscal Year 2008**

**PORT SECURITY GRANT PROGRAM**

**PROGRAM GUIDANCE AND APPLICATION KIT**

**February 2008**



U.S DEPARTMENT OF HOMELAND SECURITY

## KEY CHANGES IN FY 2008

The Fiscal Year 2008 (FY 2008) Port Security Grant Program (PSGP) contains significant improvements based on extensive outreach to grant participants and stakeholders. In addition, the risk analysis assessments that form the basis for eligibility under the program have been simplified, refined and considerably strengthened.

Under the FY 2008 PSGP, Group I and II port areas will have the option of:

1. Continuing with their current Fiduciary Agent (FA);
2. Selecting a new FA; or
3. Opting out of the FA process, in which case individual eligible entities will apply directly to FEMA for funding and applicants must comply with all administrative, programmatic, and applications requirements of Group III and All Other Port Areas (see Group III and All Other Port Areas). If opting out of the FA process, individual applicants must comply with all administrative requirements – including Investment Justifications, budgets, and application process requirements, including Field Review and the National Review Panel.

Group I and II Captain of the Ports (COTPs) must certify in writing to the FEMA programmatic office via U.S. Coast Guard Headquarters which option their respective port areas will pursue for FY 2008. **Certifications to FEMA and Coast Guard Headquarters must be done by February 16, 2008, 30 days prior to the application due date.**

**\*IMPORTANT: For those port areas where the FEMA programmatic office has not received a certification from the COTP within 30 days prior to the application due date as to which option the port area will pursue will result in the continued use in FY 2008 of the same FA which was responsible for those port areas in FY07 and under the same terms and conditions set forth in the FY 2007 Port Security Grant Program (PSGP) Supplemental Fiduciary Agents in Tier I and II.**

In a number of cases, port areas have been clustered together to reflect geographic proximity, shared risk and a common waterway. These geographic clusters should incorporate “All Other Ports” in their planning process; requesting funding for projects identified within the “All Other Port Areas” grouping having regional impact upon the overall security picture, thus allowing all other ports within the regional geographic proximity of Groups I, II and III to receive funds from the higher Group allocation.

Some Port grants will be executed as cooperative agreements, thus allowing for iterative refinements regarding an applicant's funding proposal. This will provide the opportunity to maximize communications between DHS and its external partners regarding these important homeland security investments. The allocations will build on the success of FY 2007 grant submissions through the expansion of the emphasis on port-wide partnerships, regional management of risk, and business continuity/resumption of trade. Groups I and II port areas, under the FY 2008 PSGP are to continue to fund those projects identified in the plans developed with the FY 2007 Supplemental PSGP funding.

To increase program flexibility the grant period for compliance remains 36 months. Federal law requires that the grant program comply with Federal energy policies and other administrative requirements.

As with other DHS infrastructure grant programs, port security grant award amounts are proportioned by the consideration of risk factors and return on investment. Awards will be made to the highest risk facilities and for projects offering the maximum return on investment for risk reduction systemically.

**All applicants are required to read and conform to all requirements of the grant guidance documents. Applicants also must read and accept the Program Guidance as binding.**

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## INTRODUCTION

The Port Security Grant Program (PSGP) is one of five grant programs in the Department of Homeland Security FY 2008 focused on infrastructure protection activities. The 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 bulk of US critical infrastructure is owned and/or operated by State, local and private sector partners. PSGP funds support increased port-wide risk management; enhanced domain awareness; training and exercises; and further capabilities to prevent, detect, respond to and recover from attacks involving improvised explosive devices (IEDs) and other non-conventional weapons.

The purpose of this package is two-fold: to outline the PSGP, and to provide formal grant guidance and the application materials. Also included is an explanation of DHS management requirements for implementing a successful application.

Applying for significant Federal funds under programs such as this may be quite complex. DHS understands its responsibility to provide clear guidance and efficient application tools to assist applicants. Users are entitled to effective assistance during the application process, and transparent, disciplined management controls to support grant awards. DHS administrators intend to be good stewards of precious Federal resources, and commonsense partners with their State and local colleagues.

DHS understands that each port area has specific individual needs and tested experience about how best to reduce risk within their region. DHS subject matter experts will come to the task with a sense of urgency to reduce risk, but also with an ability to listen carefully to local needs and approaches. In short, DHS commits to respect flexibility and local innovation as it funds national homeland security priorities.

## **A. Federal Investment Strategy.**

The PSGP is an important part of the Administration’s larger, coordinated effort to strengthen homeland security preparedness, including the security of the country’s critical infrastructure. The PSGP implements objectives addressed in a series of post-9/11 laws, strategy documents, plans, Executive Orders and Homeland Security Presidential Directives (HSPDs) outlined in Appendix A. Of particular significance are the National Preparedness Guidelines and its associated work products, including the National Infrastructure Protection Plan and its forthcoming sector-specific plans. The National Preparedness Guidelines provides an all-hazards vision regarding the Nation’s four core preparedness objectives: prevent, protect, respond to and recover from terrorist attacks and catastrophic natural disasters.

The Guidelines first defines a vision of what to accomplish and then provides a set of tools to forge a unified national consensus about what to do and how to work together at the Federal, State, local, and Tribal levels. Private sector participation is integral to the Guidelines’ success.<sup>1</sup> The Guidelines outlines 15 scenarios of terrorist attacks or national disasters that form the basis of much of the Federal exercise and training regime. In addition, it identifies 37 critical capabilities that will be DHS’s focus for key investments with State, local and Tribal partners.

DHS expects its critical infrastructure partners – including recipients of PSGP grants – to be familiar with this national preparedness architecture and to incorporate elements of this architecture into their planning, operations, and investment to the degree practicable. DHS funding priorities outlined in this document reflect the National Preparedness Guidelines priority investments as appropriate. Programmatic requirements or priority investment categories reflecting the national preparedness architecture for this grant program are expressly identified below.

## **B. Funding Priorities.**

The funding priorities for the FY 2008 PSGP reflect DHS’s overall investment strategy, in which two priorities have been paramount: risk-based funding and regional security cooperation.

First, DHS will focus the bulk of its available port grant dollars on the highest-risk port systems. This determination is based on ongoing intelligence analysis, extensive security reviews, and consultations with port industry partners and congressional direction. Eligible port areas were identified using a comprehensive, empirically-grounded risk analysis model that is described below in the section regarding eligible recipients.

At the recommendation of the United States Coast Guard (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 security proposals to use

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<sup>1</sup> The National Preparedness Guideline and its supporting documents were published in final form and released on September 13, 2007. The Guidelines are available at: <http://www.dhs.gov/xprepresp/publications>

PSGP grant dollars. 7 port areas, identified below, have been selected as Group I (highest risk) and 41 port areas have been selected as Group II. Each Group I and Group II port area has been designated a specific amount of money for which eligible entities within that port area may apply. Each application submitted must meet the prioritized criteria developed under the FY 2007 Supplemental PSGP guidelines. Also, the applications submitted should be for those projects that have been identified in the plan(s) developed by the Area Maritime Security Committees (AMSCs), or their designated subcommittees, in accordance with the FY 2007 Supplemental PSGP funding.

In addition, ports not identified in Group I or II are eligible for the FY 2008 PSGP as Group III or “All Other Port Areas” applicants. Group III and All Other Port Areas will compete for funding drawn from their respective pool of applicants. Additionally, under a fifth risk group eligible ferry systems may also apply for funding.

DHS plans extensive outreach and support to applicant entities to answer any questions about PSGP requirements, and to assist port areas with filing the strongest possible applications. FEMA’s Grant Programs Directorate (GPD) will take the lead in coordinating this process. The Coast Guard’s Captain of the Port (COTP) will perform a “field review and prioritization” of applications.

Second, DHS places a very high priority on ensuring that all PSGP applications reflect robust regional coordination and an investment strategy that institutionalizes regional security strategy integration. This priority is a core component in the Department’s statewide grant programs and the Urban Area Security Initiative (UASI) grants.

The FY 2007 Supplemental PSGP Guidelines required Tier (Group) I and Tier (Group) II port areas to develop a Port-Wide Risk Management/Mitigation which is to align with and support the port areas’ Area Maritime Security Plan (AMSP) and the National Preparedness Guidelines, considering the entire port system strategically as a whole, and to identify and execute a series of actions designed to effectively mitigate risks to the system’s maritime critical infrastructure. Following that directive, during FY 2008 Group I and II ports are to seek Port Security Grant funding which will ensure alignment with the programs and projects identified within the Plan being developed with FY 2007 Supplemental PSGP funds following the priorities outlined below, and on page 21 of the FY 2007 Supplemental PSGP Guidance:

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

During FY 2008, DHS will continue its effort to encourage and help coordinate port security planning efforts, such as the AMSPs, with complementary initiatives underway at the State and Urban Area levels. This will also be an important evolution in the focus

of the PSGP – from a program that is primarily focused on the security of individual facilities within ports, **to a port-wide risk management/mitigation and continuity-of-operations/resumption-of-trade program that is fully integrated into the broader regional planning construct that forms the core of the UASI, as well as applicable statewide initiatives.**

Note: Group I and II port areas are in the process of developing the plan(s) specified above as part of the FY 2007 Supplemental PSGP. The plan is to address the gaps in authorities, capabilities, capacities, competencies, and partnerships in these ports and identify their prioritized projects for the next five years. The FY 2008 PSGP should continue to fund those projects identified in the plan. Adoption of a deliberate risk management planning process, consistent with that employed in the UASI and State programs, is also a key focus of the SAFE Port Act. DHS has embedded this emphasis in its FY 2008 PSGP, and will continue to increase its efforts during the year.

In addition to these two overarching priorities, the Department has identified the following four points as its priority selection criteria for FY 2008 PSGP:

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 seaports. In support of the National Strategy for Maritime Security, port areas should seek to enhance their MDA through projects that address knowledge capabilities within the maritime domain. This could include access control/standardized credentialing, command and control, communications, and enhanced intelligence sharing and analysis.
2. **Enhancing Improvised Explosive Device (IED) prevention, protection, response and recovery capabilities.** Port areas should seek to enhance their capabilities to prevent, detect, respond to and recover from terrorist attacks employing IEDs and/or 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).
3. **Training and exercises.** Port areas should first seek to ensure that appropriate capabilities exist among staff and managers, and then regularly test these capabilities through emergency drills and exercises. Emergency drills and exercises (such as those in the Transportation Security Administration (TSA) Port Security Exercise Training Program) 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.
4. **Efforts supporting implementation of the Transportation Worker Identification Credential (TWIC).** The 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 US port facilities. Regulations outlining the initial phase of this program (card issuance) were issued by TSA in

cooperation with the Coast Guard on January 25, 2007. Additional detail about the TWIC program is found in Appendix B.

### **C. Allowable Expenses.**

Specific investments made in support of the funding priorities discussed above generally fall into one of four categories. FY 2008 PSGP allowable costs therefore fall into one of the following areas:

1. Maritime Domain Awareness/TWIC
2. IED prevention, protection, response and recovery capabilities
3. Training and exercises
4. Management and administration

Appendix B provides additional detail about each of these four allowable expense categories, additional guidance on other allowable costs (i.e. guidance on canines, employee identification programs, etc.), as well as a section that identifies several specifically unallowed cost items.

## PART I. AVAILABLE FUNDING AND ELIGIBLE APPLICANTS

This section summarizes the total amount of funding available under the FY 2008 PSGP, the basic distribution method used to administer the grants, and the port areas that are eligible for FY 2008 funding.

### A. Available Funding.

In FY 2008, PSGP has a total of \$388 million available for distribution. This is up from \$312 million in FY 2007. The available funding will be divided into five pools, as summarized in Table 1.

**Table 1.  
PSGP FY 2008 Available Funding**

Group	FY 2008 Funding
Group I	\$210,649,989
Group II	\$134,049,701
Group III	\$19,150,310
All Other Port Areas	\$19,150,000
Ferry Systems	\$5,600,000
<b>TOTAL</b>	<b>\$388,600,000</b>

Historically, the PSGP has provided full funding, rather than partial funding, for proposed PSPG projects. Typically, several applicants make requests for projects that are so large that funding is denied because there is not enough grant money available to cover the total project cost.

### B. Selection of Eligible Applicants.

Port areas for the FY 2008 PSGP were identified using comprehensive, empirically grounded risk-analysis modeling. Risk methodology for PSGP programs is consistent across the modes and is linked to the risk methodology used to determine eligibility for the core DHS State and local grant programs.

Within the 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. Then all port areas will be comparably rated. The FY 2008 risk assessment formula was further strengthened and refined from last year's risk assessment formula.

The PSGP risk formula is based on a 100 point scale comprising “threat” (20 points) and “vulnerability/consequences” (80 points). 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 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 risk (to people and physical infrastructure immediately surrounding the port). The relative weighting of variables reflects DHS’s overall risk assessment, as well as the FY 2008 program priorities described above. Specific variables include multiple data sets regarding length of port channel; military mission variables; adjacent critical asset inventories; Coast Guard Maritime Security Risk Analysis Model (MSRAM) data; and international cargo value and measures of cargo throughput (container, break bulk, international and domestic).

### C. Eligible Applicants.

46 USC 70107 states that all entities covered by an AMSP<sup>2</sup> may submit an application for consideration of funding. However, Congress has also specifically directed DHS to apply these funds to the highest risk ports. In support of this, the PSGP includes a total of 103 specifically identified critical ports, representing approximately 95 percent of the foreign waterborne commerce of the United States. Based upon United States Coast Guard (USCG) recommendations, these ports are aggregated into 74 discreet port funding areas. As described below, “All Other Port Areas” covered by an AMSP are eligible to apply for grant funds from a PSGP funding pool created for that purpose. “All Other Port Areas” within Groupings I through III are allowed to receive grant funds from their geographically proximate higher Group if the project has **regional impact**, but not from both funding groups for the same project. Additionally, under a fifth risk group eligible ferry systems may also apply for grant funds (see Appendix C).

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 open or outstanding Notices of Violation (NOVs) that have not been resolved prior to the application submission deadline will result in the applicant being denied for consideration of FY 2008 PSGP funding.

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

- Owners or operators of federally regulated terminals, facilities, US inspected passenger vessels or ferries as defined in the Maritime Transportation Security Act (MTSA) 33 Code of Federal Regulations (CFR) Parts 101, 104, 105, and 106

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<sup>2</sup> For purposes of the FY 2008 PSGP, a facility that is not expressly identified in an AMSP will be considered covered under an AMSP if the facility in question has had a risk analysis completed by the US Coast Guard utilizing the MSRAM tool.

- Port authorities or other State and local agencies that are required to provide security services to eligible Ferry System applicants (MTSA regulated facilities) pursuant to a AMSP or a facility or vessel security plan
- Consortia composed of local river organizations, ports and terminal associations, and other local stakeholder groups representing federally regulated ports, terminals, US inspected passenger vessels or ferries that are required to provide security services to federally regulated facilities in accordance with an AMSP or a facility or vessel security plan
- Group I and II Fiduciary Agents as identified under the FY 2007 Supplemental PSGP Guidance
- The twenty three newly identified Group II port areas in FY 2008 PSGP Guidance
- Ferry Systems identified in Table 3

Table 2 lists the specific port areas, by Group, that are eligible for funding through the FY 2008 PSGP. Group I and II port areas are listed with the amount of funding available for enhancing and implementing their risk management/mitigation and business-continuity/resumption-of-trade plans. Group III and All Other Port Areas may compete for the funding identified in their corresponding Group.

Table 3 lists specific ferry systems by port area that are eligible to apply for grant funds through the FY 2008 PSGP. Not all eligible ferry systems are guaranteed to receive an award. For specific guidance on ferry system requirements, applicants should refer to Appendix C.

Eligible ferry systems identified in Table 4 in the FY 2008 Transit Security Grant Program (TSGP) Guidance that elect to participate and receive funds under the FY 2008 TSGP cannot participate in the FY 2008 PSGP, and will not be considered for funding under the FY 2008 PSGP. Any ferry system that participates in the TSGP cannot be considered for funding under the PSGP.

***Presence on this list does not guarantee grant funding.***

**Table 2.  
FY 2008 PSGP Port Area Groupings**

Group	State	Port Area	FY 2008 Allocation
I	CA	<b>Bay Area</b> Oakland Richmond San Francisco Stockton	\$25,533,655
		<b>Los Angeles-Long Beach</b> Long Beach Los Angeles	\$36,390,481
	DE/NJ/PA	<b>Delaware Bay</b> Camden-Gloucester, NJ Chester, PA New Castle, DE Philadelphia, PA Trenton, NJ Wilmington, DE	\$19,114,279
	LA	<b>New Orleans</b> Baton Rouge New Orleans Port of Plaquemines Port of South Louisiana	\$29,417,915
	NY/NJ	<b>New York-New Jersey</b>	\$43,397,694
	TX	<b>Houston-Galveston</b> Galveston Houston Texas City	\$30,794,672
	WA	<b>Puget Sound</b> Anacortes Everett Olympia Port Angeles Seattle Tacoma	\$26,001,293

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Group	State	Port Area	FY 2008 Allocation	
II	AL	<b>Mobile</b>	\$2,804,667	
	CA	<b>San Diego</b>	\$2,898,611	
	CT	<b>Long Island Sound</b> Bridgeport New Haven New London	\$4,314,180	
		FL	<b>Jacksonville</b>	\$5,751,002
			<b>Miami</b>	\$2,886,495
	<b>Panama City</b>		\$1,594,855	
	<b>Pensacola</b>		\$1,610,600	
	<b>Port Canaveral</b>		\$2,909,393	
	<b>Port Everglades</b>		\$4,216,566	
	<b>Tampa Bay</b> Port Manatee Tampa		\$2,306,085	
	GA	<b>Savannah</b>	\$5,035,434	
	HI	<b>Honolulu</b>	\$4,528,068	
	IL/IN	<b>Southern Tip of Lake Michigan</b> Burns Waterway Harbor Chicago Gary Indiana Harbor	\$6,247,652	
		KY	<b>Louisville</b>	\$1,514,159
		LA	<b>Lake Charles</b>	\$3,943,330
			<b>Port Fourchon/LOOP</b>	\$2,903,914
	MA	<b>Boston</b>	\$4,520,703	
	MD	<b>Baltimore</b>	\$6,239,205	
	MI	<b>Detroit</b>	\$1,520,647	
	MN	<b>Minneapolis-St. Paul</b>	\$2,020,111	
	MN/WI	<b>Duluth-Superior</b>	\$1,906,599	
	MO	<b>Kansas City</b>	\$1,550,745	
		<b>St. Louis</b>	\$2,495,586	
	NC	<b>Morehead City</b>	\$1,683,035	
		<b>Wilmington</b>	\$5,398,899	
	NY	<b>Albany</b>	\$1,948,137	
		<b>Buffalo</b>	\$1,421,504	
	OH	<b>Cincinnati</b>	\$1,706,352	
		<b>Cleveland</b>	\$1,412,620	
		<b>Huron</b>	\$2,748,724	
	OR/WA	<b>Columbia-Willamette River System</b> Portland Vancouver	\$3,110,542	
	PA	<b>Pittsburgh</b>	\$2,308,800	
	PR	<b>Ponce</b>	\$1,974,912	
	SC	<b>Charleston</b>	\$5,230,224	
	TN	<b>Memphis</b>	\$2,407,360	
		<b>Nashville</b>	\$1,469,726	
	TX	<b>Corpus Christi</b>	\$6,632,460	
		<b>Freeport</b>	\$3,281,177	
		<b>Sabine-Neches River</b> Beaumont Port Arthur	\$6,601,994	
	VA	<b>Hampton Roads</b> Newport News Norfolk Harbor	\$6,741,073	
WV	<b>Huntington</b>	\$2,253,555		

**Indicates Port Areas which moved from Group III to Group II**  
**Indicates Port Area which moved from Group I to Group II**

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Group	State	Port Area	FY 2008 Allocation
III	AK	Anchorage	\$19,150,310
		Valdez	
		Nikishka	
	CA	Port Hueneme	
	FL	Palm Beach	
	GA	Brunswick	
	GU	Apra Harbor	
	IN	Mount Vernon	
	ME	Portland	
		Searsport	
	MI	Muskegon	
	MS	Greenville	
		Gulfport	
		Pascagoula	
		Vicksburg	
	NH	Portsmouth	
	OH	Toledo	
	OK	Tulsa	
	PR	San Juan	
	RI	Providence	
	TN	Chattanooga	
	TX	Brownsville	
		Port Lavaca-Point Comfort	
Victoria			
WI	Green Bay		
	Milwaukee		
All Other Port Areas	Eligible entities not located within one of the port areas identified above, but operating under an AMSP, are eligible to compete for funding within "All Other Port Areas" Group .	\$19,150,000	
Ferry Systems	Nineteen (19) high capacity ferry systems in thirteen (13) port areas are eligible to receive funds through the FY 2008 PSGP.	\$5,600,000	
<b>Total FY 2008 PSGP Allocation</b>			<b>\$388,600,000</b>

***Presence on this list does not guarantee grant funding.***

**Table 3.  
Eligible Ferry Systems and Port Area Allocations**

State	Port Area	Eligible System	FY 2008 Ferry System Allocation
AK	Valdez	Alaska Marine Highway System	\$5,600,000
CA	San Francisco Bay Area	Golden Gate Bridge, Highway and Transportation District	
		City of Alameda Ferry Services (Blue and Gold Lines Fleet)	
		City of Vallejo Transportation Program	
	Los Angeles/Long Beach	Catalina Passenger Service	
CT/NY	Long Island Sound	The Bridgeport & Port Jefferson Steamboat Company	
		Cross Sound Ferry	
DE/NJ	Delaware Bay	Cape May Ferry System	
LA	New Orleans	Crescent City Connection Division – Louisiana Department of Transportation	
MA/RI	Boston	Massachusetts Bay Transportation Authority (MBTA)	
	Providence, RI	Martha's Vineyard Ferry	
NY/NJ	New York /New Jersey	New York City Department of Transportation	
		New York Waterways	
		Port Authority of New York and New Jersey (PANYNJ)	
		SeaStreak	
NC	Morehead City	North Carolina Ferry System	
TX	Houston-Galveston	Texas DOT (Bolivar Roads Ferry)	
VA	Hampton Roads	Jamestown Ferry	
WA	Puget Sound	Washington State Ferries	

For specific guidance on ferry system requirements, applicants should refer to Appendix C.

## PART II.

# APPLICATION EVALUATION PROCESS

This section includes three topic areas: the roles and responsibilities within DHS for managing the PSGP; the overall timetable for the FY 2008 program; and core process and priorities for assessing grant applications.

### **A. PSGP Program Management: Roles and Responsibilities at DHS.**

By law, the USCG is responsible for managing DHS's security oversight and security programs for the port industry. The USCG provides port subject matter expertise within DHS and determines the primary security architecture for the PSGP. The subject matter experts have the lead in crafting all selection criteria associated with the application review process. In situations such as those involving the TWIC program, the USCG, Transportation Security Administration (TSA) and/or the US Customs and Border Protection (CBP) will work together for program management. The USCG's Intelligence Coordination Center will coordinate daily with DHS's Chief Intelligence Officer to review and craft intelligence assessments for the maritime portion of the transportation sector.<sup>3</sup>

Federal Emergency Management Agency (FEMA) has the lead for designing and operating the administrative mechanisms needed to manage DHS's core grant programs, including this grant program. In short, FEMA is responsible for ensuring compliance with all relevant Federal grant management requirements and delivering the appropriate grant management tools, financial controls, audits and program management discipline needed to support the PSGP. While both the USCG and FEMA interface directly with port stakeholders, the USCG will have the lead on matters related to prioritizing specific investments and setting security priorities associated with the PSGP.

Effective program management involves a partnership within DHS, the boundaries of which have been defined by the Secretary of Homeland Security. To make this partnership seamless to external partners, upon award of a FY 2008 PSGP grant, each grantee will be provided a primary program manager from FEMA. This individual will be assigned to be the turnkey facilitator for grant recipients. They will meet directly with grantees as needed, and will routinely coordinate with other agencies to facilitate support for grantees in a given region. This individual will be the one-stop PSGP account manager for port industry participants.

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<sup>3</sup> TSA and CBP also coordinate regularly with USCG and with other DHS components regarding intelligence assessments relevant to maritime security.

## **B. Overview – Application Deadline and Review Process.**

Completed applications must be submitted through grants.gov (see below for details about this Federal grants application tool) and received by DHS ***no later than 11:59 PM EDT, March 17, 2008.***

### **Group I and II**

In order to receive FY 2008 PSGP funds, **ALL** Group I and II port areas are required to develop or have in place an approved Port Wide Risk Management/Mitigation Plan, per the FY 2007 Supplemental PSGP Guidance. Any projects eligible for grant funding must be certified by the Captain of the Port (COTP) as having a port wide benefit.

Each of the 7 Group I and 41 Group II port areas will receive a direct funding allocation based upon the FY 2008 risk analysis.

For FY 2008, Group I and II port areas identified by the FY 2007 Supplemental PSGP Guidance will have the option of:

1. Continuing with their current Fiduciary Agent (FA);
2. Selecting a new FA; or
3. Opting out of the FA process, in which case individual eligible entities will apply directly to FEMA for funding and applicants must comply with all requirements of Group III and All Other Port Areas (see Group III and All Other Port Areas). If opting out of the FA process, individual applicants must comply with all administrative, requirements (including Investment Justifications and budgets), programmatic requirements, and application process requirements (including the Field Review and the National Review Panel).

Group I and II COTPs identified by the FY2007 Port Security Supplemental PSGP Guidance must certify in writing to the FEMA programmatic office via USCG Headquarters which option their respective port areas will pursue for FY 2008.

**Certifications to FEMA and USCG Headquarters must be done by February 16, 2008, 30 days prior to the application due date.**

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If the port's AMSC opts to continue with the FA process, the current or newly identified FA will act as the principal point of contact with FEMA for application, management, reporting (both programmatic and financial as identified in the PSGP Guidance), and administration of the FY 2008 PSGP grant award. **The FA, whether current or new, must submit an application for the FY 2008 PSGP.**

Allocated funding will be awarded through a Cooperative Agreement (CA) to allow a higher level of Federal involvement in assisting port areas in plan development and implementation.

Investment Justifications will not be required from the FA until the final Port Wide Risk Management/Mitigation Plan and optional Business Continuity/Resumption of Trade Plan has been approved. This will correspond with the submittal of FY 2007 Supplemental funding Investment Justifications.

For FY 2008, for purposes of the Port Wide Risk Management/Mitigation Plan, Group I and II port areas may take into consideration and incorporate all other port areas in their plans and Investment Justifications.

*For those port areas which, as a result of the FY 2008 PSGP risk methodology are new to Group II, as (highlighted in yellow in Table 2, will have to select a Fiduciary Agent.* Per the FY 2007 Supplemental PSGP Guidance, the FA will serve as the principal point of contact with FEMA for application, management and administration of the FY 2008 PSGP award. Fiduciary Agents are responsible for ensuring that all sub-recipients are compliant with the terms and conditions of the award, including the organizational audit requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

**The FA, however, is not the sole decision maker on the use of these funds.** The awards are conditioned so that a regional consensus, in conjunction with the COTP and AMSC, must be reached on how the funding is to be used.

Each of the twenty-three new Group II port areas, working through its Area Maritime Security process, must identify its FA to the COTP for that port area, prior to submission of its application. Applications will only be accepted from entities that can be verified by the COTP as the agreed upon FA.

*As the FA represents the interests of the entire AMSC, it is highly recommended that AMSCs select a FA with the capacity to manage federal grants and be responsible for complying with the full breath and scope of FA responsibilities.*

Fiduciary Agents must be able to meet and comply with the Award and Reporting Requirements set forth in Appendix I. In particular, Fiduciary Agents must be able to comply with requirements set forth in applicable OMB Circulars See, <http://www.whitehouse.gov/omb/circulars/index.html>.

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

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

<b>Deliverable</b>	<b>Due Date</b>	<b>Federal Comments</b>
Concept of Operations (CONOPS) for Plan Development	No more than 30 calendar days post award	Provided within 14 calendar days
Draft Plan	No more than 180 calendar days post CONOPS approval	Provided within 21 calendar days
Final Plan	No more than 90 calendar days after review and comments are received on the Draft Plan	Provided within 21 calendar days
Investment Justifications based on the Final Plan	No more than 30 calendar days after approval of the Final Plan	Provided within 21 calendar days

**Group III and All Other Port Areas**

Group III and “All Other Port Areas” applicants apply directly for funding allocated to the entire Group. Applicants must comply with all administrative requirements – including Investment Justifications, budgets, and application process requirements – described herein. Having met all administrative requirements, applications will be subject to a series of reviews by local and national subject matter experts to ensure the most effective distribution of funding among the eligible applicants and appropriate coordination with regional and State homeland security planning efforts.

**All Applicants**

- 1. Initial Screening.** FEMA will conduct an initial review of all FY 2008 PSGP applications. Group III and All Other Port Areas applications passing this review will be grouped by port area and provided to the applicable COTP for further review. Note: All applicants who submit their packages in advance of the submission deadline will be given a time limited opportunity to address clerical errors, such as missing file attachments or misnamed files, identified during the initial screening process.

- 2. Field Review.** Field-level reviews will be managed by the applicable COTP in coordination with the Director of the US Department of Transportation’s Maritime Administration’s Gateway Office and appropriate personnel from the AMSC and/or local law enforcement, as identified by the COTP. To support coordination of and regionalization of security grant application projects with State and Urban Area homeland security strategies, as well as other State and local security plans, the COTP will coordinate the results with the applicable State administrative agency or agencies and State homeland security advisor(s).

**The COTP will submit field review evaluations that include the following:**

- Group I and II COTPs will ensure their projects are in compliance with the Plan(s) as developed with the funding priorities listed on page 21 of the FY 2007 Supplemental PSGP Guidance. The applicant must indicate the projects’ prioritized listing from the Plan(s)
- For submissions that are not incorporated in the FY 2007 Plan(s) each specific application is scored for compliance with the four core grant program criteria enumerated below
- A total score is computed; with all proposals received from each port being ranked from highest to lowest in terms of their contributions to regional risk reduction and cost effectiveness
- Specific notation if other entities within the port region have similar capabilities and the need for or lack thereof for redundancy

**The four core PSGP criteria are as follows:**

- **Criteria #1.** Projects that support PSGP funding priorities identified in this *Program Guidance and Application Kit* package:
  - Enhancement of the port area’s MDA (e.g., access control/standardized credentialing, command and control, communications, and enhanced intelligence sharing and analysis)
  - Enhancement of the port area’s prevention, protection, response and recovery capabilities (e.g., capabilities that would help mitigate potential IED attacks via small craft and underwater swimmers or onboard passenger and vehicle ferries)
  - Training and exercises (e.g., training programs approved by USCG and MARAD to ensure an appropriate level of capability on the part of port staff and management, exercises that test the ability of the port area to prevent, detect, respond to and recover from potential terrorist attacks)
  - TWIC implementation projects
- **Criteria #2.** Projects that address priorities outlined in the applicable AMSP, as mandated under the MTSA

- **Criteria #3.** Projects that address additional security priorities based on the COTP's expertise and experience with the specific port area
- **Criteria #4.** Projects that offer the highest potential for risk reduction for the least cost

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

- 3. National Review.** Following the field review, a National Review Panel will be convened with subject matter experts drawn from the USCG, TSA, FEMA, CBP, the DHS Office of Infrastructure Protection, the DHS Domestic Nuclear Detection Office and the US Department of Transportation's Maritime Administration (MARAD). The purpose of the National Review is to identify a final, prioritized list of projects for funding.

The National Review Panel 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 National Review Panel will validate the Field Review COTP Project Priority List and provide a master list of prioritized projects by port area.<sup>4</sup>

A risk-based algorithm will then be applied to the National Review Panel's validated, prioritized list for each port area in Groups III and All Other Port Areas. The algorithm 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)

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

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<sup>4</sup> The National Review Panel will have the ability to recommend partial funding for individual projects and eliminate others that are determined to be duplicative or require a sustained Federal commitment to fully realize the intended risk mitigation. The National Review Panel will also validate proposed project costs. Decisions to reduce requested funding amounts or eliminate requested items deemed inappropriate under the scope of the FY 2008 PSGP will take into consideration the ability of the revised project to address the intended national port security priorities and achieve the intended risk mitigation goal. Historically, the PSGP has placed a high priority on providing full project funding rather than partial funding.

### **C. Grant Application Support from DHS.**

During the application period, DHS will identify multiple opportunities for a cooperative dialogue between DHS and potential applicants. This commitment is intended to ensure a common understanding of the funding priorities and administrative requirements associated with the FY 2008 PSGP, and to help in submission of projects that will have the highest impact on reducing risks for the region.

## PART III. PROGRAM REQUIREMENTS

This section provides detailed information about specific application requirements and the process for submission of applications.

### A. General Program Requirements

Successful FY 2008 PSGP applicants must comply with the following general requirements:

- 1. Management and administration limits.** A maximum of three percent (3%) may be retained by the applicant, and any funds retained are to be used solely for management and administrative purposes associated with the PSGP award.

Sub-recipients receiving pass-through funds from the FA may use up to 2.5 percent of their sub-award for management and administration purposes.

- 2. Cost Share Requirement.** The following match requirements apply for the FY 2008 PSGP:

- **Public Sector.** Public sector applicants must provide matching funds supporting at least **25 percent of the total project cost** for each proposed project.<sup>5</sup>
- **Private Sector.** Private sector applicants must provide matching funds supporting at least **50 percent of the total project cost** for each proposed project.<sup>6</sup>
- **Exceptions.** 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 eleven (11) or more projects throughout their system(s)), If the Secretary of Homeland Security determines that a proposed project merits support and cannot be undertaken without a higher rate of Federal support, the Secretary may approve grants with a matching requirement other than that specified in accordance with 46 USC Sec. 70107(c)(2)(B).

For projects submitted through the FA as an Investment Justification request under the Port wide Strategic Risk Management Plan, the non-federal cost share requirement is twenty-five (25%) percent of the total project cost. Because the FA represents and serves on behalf of the AMSC, a public sector entity, the public cost share requirement (25%) is applicable.

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

<sup>6</sup> Applications for consortia projects submitted by public entities (where the consortia include both public and private entities) must demonstrate a 25 percent cash match.

For Group I and II ports who opt out of the FA process, the cost share requirements for projects that have a port wide benefit need only to be funded at the public sector matching fund level of twenty-five percent (25%). *These projects must be certified by the COTP as having a port wide benefit. The COTPs in Group I and II ports should exercise their leadership with their AMSCs and other maritime stakeholders to identify those entities that would benefit most from the port wide projects and encourage them to cost share the matching funding as appropriate.* **Standard match requirements (25% or 50%) apply to projects not certified by the COTP as having a port wide benefit.**

Cost share waivers 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 (i.e., reduced cost share). Applicants are advised that waivers from the match requirement are not typically granted.

Cost share requirements **must** be included in applicant's Detailed Budgets. Public and private entities are encouraged to work together to meet the cost share requirements. While applications must demonstrate the cost share, applicants are reminded that the cost share does not have to be provided up-front and that they have the full 36 month award period to provide the cost share funding.

The above public sector and private sector cost share requirements also apply to Ferry System applicants.

## **B. Application Requirements.**

The following steps must be completed using the on-line grants.gov system to ensure a successful application submission, however applicants should review the relevant program-specific sections of this Guidance for additional requirements that may apply.

1. **Application via [grants.gov](http://www.grants.gov).** DHS participates in the Administration's e-government initiative. As part of that initiative, all PSGP applicants must file their applications using the Administration's common electronic "storefront" – [grants.gov](http://www.grants.gov). Eligible applicants must apply for funding through this portal, accessible on the Internet at <http://www.grants.gov>.
2. **Application deadline.** Completed Applications must be submitted to [grants.gov](http://www.grants.gov) no later than **11:59 PM EDT, March 17, 2008**.
3. **Valid Central Contractor Registry (CCR) Registration.** The application process also involves an updated and current registration by the applicant. Eligible applicants must confirm CCR registration at <http://www.ccr.gov>, as well as apply for funding through [grants.gov](http://www.grants.gov).

While registration with [grants.gov](http://www.grants.gov) and the CCR is a one-time process, new applicants are strongly encouraged to complete their registrations at least 20 days prior to the March 17, 2008 application deadline.

**4. On-line application.** The on-line application must be completed and submitted using [grants.gov](http://grants.gov) after CCR registration is confirmed. The on-line application includes the following required forms and submissions:

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

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

**5. Project period.** The project period will be for a period not to exceed 36 months. Extensions to the period of performance will be considered on a case-by-case basis only through formal written requests to DHS.

**6. DUNS number.** The applicant must provide a Dun and Bradstreet Data Universal Numbering System (DUNS) number with their application. This number is a required field within [grants.gov](http://grants.gov) and for CCR Registration. Organizations should verify that they have a DUNS number, or take the steps necessary to obtain one, as soon as possible. Applicants can receive a DUNS number at no cost by calling the dedicated toll-free DUNS Number request line at 1-800-333-0505.

**7. Investment Justifications.** As part of the application process, all applicants in Groups III and All Other Port Areas must develop formal Investment Justifications that addresses each initiative proposed for funding. These Investment Justifications must demonstrate how proposed projects address gaps and deficiencies in current programs and capabilities. Additional details and templates or the Investment Justification may be found in Appendix E. Applicants may propose up to three investments within their Investment Justification. The individual investments comprising a single application must take place within the same port area. Private companies that operate in more than one eligible port area must submit separate applications for investments in each port area.

Group I and II Investment Justifications will not be required from the FA until the final Risk Management/Mitigation Plan and optional Continuity-of-Business-Operations/Resumption-of-Trade Plan have been approved. This will correspond with the submittal of FY 2007 Supplemental funding Investment Justifications.

8. **Detailed budget.** Applicants in Group III and All Other Port Areas, including Group I and II port areas who's COTP opts out of the FA process must also provide detailed budgets for the funds requested. The budget must be complete, reasonable, and cost-effective in relation to the proposed project. The budget should provide the basis of computation of all project-related costs and any appropriate narrative. **The budget must reflect the cost share requirement.** Additional details and templates for the Detailed Budget may be found in Appendix G.

**Group I and II Detailed Budgets will not be required from the FA until the final Risk Management/Mitigation Plan and optional Continuity-of-Business-Operations/Resumption-of-Trade Plan has been approved. This will correspond with the submittal of FY 2007 Supplemental funding Investment Justifications.**

9. **Memorandum of Understanding/Memorandum of Agreement (MOU/MOA) Requirement.** State and local agencies, as well as consortia or associations that are required to provide security services to MTSA regulated facilities pursuant to an AMSP are eligible applicants. However, the security services provided must be addressed in the regulated entities' security plans. A copy of an 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 [grants.gov](http://www.grants.gov). Additional details and a suggested MOU/MOA template may be found in Appendix H.

**10. Standard financial requirements.**

**12.1 – Non-supplanting certification.** This certification affirms that grant funds will be used to supplement existing funds, and will not replace (supplant) funds that have been appropriated for the same purpose. Applicants or grantees may be required to supply documentation certifying that a reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

**12.2 – Assurances.** Assurances forms (SF-424B and SF-424D) can be accessed at [http://www.grants.gov/agencies/aforms\\_repository\\_information.jsp](http://www.grants.gov/agencies/aforms_repository_information.jsp). It is the responsibility of the recipient of the Federal funds to understand fully and comply with these requirements. Failure to comply may result in the withholding of funds, termination of the award or other sanctions. The applicant will be agreeing to these assurances upon the submission of the application.

**12.3 – Certifications regarding lobbying; debarment, suspension, and other responsibility matters; and drug-free workplace requirement.** This certification, which is a required component of the on-line application, commits the applicant to compliance with the certification requirements under 44 CFR part 17, which contains provisions for *Government-wide Debarment and Suspension (Non-procurement) and Government-wide Requirements for Drug-Free Workplace (Grants)*; and 44 CFR part 18, *the New Restrictions on Lobbying*. All of these can be referenced at: [http://www.access.gpo.gov/nara/cfr/waisidx\\_07/44cfrv1\\_07.html](http://www.access.gpo.gov/nara/cfr/waisidx_07/44cfrv1_07.html).

## 11. Technology requirements.

**13.1 – National Information Exchange Model.** DHS requires all grantees to use the latest NIEM specifications and guidelines regarding the use of Extensible Markup Language (XML) for all PSGP awards. Further information about the required use of NIEM specifications and guidelines is available at <http://www.niem.gov>.

**13.2 – Geospatial guidance.** Geospatial technologies capture, store, analyze, transmit, and/or display location-based information, such as information that can be linked to a latitude and longitude. State, local, and industry partners are increasingly incorporating geospatial technologies and data in an effort to prevent, protect against, respond to, and recover from terrorist activity and incidents of national significance. DHS encourages grantees to align any geospatial activities with the guidance available on the FEMA website at <http://www.fema.gov/grants>.

**13.3 –** DHS requires that any information technology system funded or supported by PSGP funds comply with 28 CFR Part 23, Criminal Intelligence Systems Operating Policies, if this regulation is determined to be applicable.

## 12. Administrative requirements.

**14.1 – Freedom of Information Act (FOIA).** DHS recognizes that much of the information submitted in the course of applying for funding under this program or provided in the course of its grant management activities may be considered law enforcement sensitive or otherwise important to national security interests. While this information under Federal control is subject to requests made pursuant to the Freedom of Information Act (FOIA), 5. U.S.C. §552, all determinations concerning the release of information of this nature are made on a case-by-case basis by the DHS FOIA Office, and may likely fall within one or more of the available exemptions under the Act. The applicant is encouraged to consult its own State and local laws and regulations regarding the release of information, which should be considered when reporting sensitive matters in the grant application, needs assessment and strategic planning process. The applicant may also consult FEMA regarding concerns or questions about the release of information under State and local laws. The grantee should be familiar with the regulations governing Sensitive Security Information (49 CFR Part 1520), as it may provide additional protection to certain classes of homeland security information.

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

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

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

- *Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000 et. seq.* – no person on the grounds of race, color or national origin will be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program or activity receiving Federal financial assistance.
- *Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794* – no qualified individual with a disability in the United States, shall, by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or otherwise be subjected to discrimination in any program or activity receiving Federal financial assistance
- *Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 et. seq.* – discrimination on the basis of sex is eliminated in any education program or activity receiving Federal financial assistance.
- *The Age Discrimination Act of 1975, as amended, 20 U.S.C. 6101 et. seq.* – no person in the United States shall be, on the basis of age, excluded from participation in, denied the benefits of or subjected to discrimination under any program or activity receiving Federal financial assistance

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

**14.4 – Services to limited English proficient (LEP) persons.** Recipients of DHS financial assistance are required to comply with several Federal civil rights laws, including Title VI of the Civil Rights Act of 1964, as amended. These laws prohibit discrimination on the basis of race, color, religion, national origin, and sex in the delivery of services. National origin discrimination includes discrimination on the basis of limited English proficiency. To ensure compliance with Title VI, recipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary the

grantee is encouraged to consider the need for language services for LEP persons served or encountered both in developing their Investment Justifications and budgets and in conducting their programs and activities. Reasonable costs associated with providing meaningful access for LEP individuals are considered allowable program costs. For additional information, see <http://www.lep.gov>.

**14.5 – Integrating individuals with disabilities into emergency planning.** Section 504 of the Rehabilitation Act of 1973, as amended, prohibits discrimination against people with disabilities in all aspects of emergency mitigation, planning, response, and recovery by entities receiving financial from DHS. In addition, Executive Order #13347, entitled "Individuals with Disabilities in Emergency Preparedness" signed in July 2004, requires the Federal Government to support safety and security for individuals with disabilities in situations involving disasters, including earthquakes, tornadoes, fires, floods, hurricanes, and acts of terrorism. Executive Order 13347 requires the federal government to, among other things, encourage consideration of the needs of individuals with disabilities served by State, local, and tribal governments in emergency preparedness planning.

DHS has several resources available to assist emergency managers in planning and response efforts related to people with disabilities and to ensure compliance with Federal civil rights laws:

- **Guidelines for Accommodating Individuals with Disabilities in Disaster:** The Guidelines synthesize the array of existing accessibility requirements into a user friendly tool for use by response and recovery personnel in the field. The Guidelines are available at <http://www.fema.gov/oe/reference/>.
- **Disability and Emergency Preparedness Resource Center:** A web-based “Resource Center” that includes dozens of technical assistance materials to assist emergency managers in planning and response efforts related to people with disabilities. The “Resource Center” is available at <http://www.disabilitypreparedness.gov>.
- *Lessons Learned Information Sharing (LLIS)* resource page on **Emergency Planning for Persons with Disabilities and Special Needs:** A true one-stop resource shop for planners at all levels of government, non-governmental organizations, and private sector entities, the resource page provides more than 250 documents, including lessons learned, plans, procedures, policies, and guidance, on how to include citizens with disabilities and other special needs in all phases of the emergency management cycle.

LLIS.gov is available to emergency response providers and homeland security officials from the local, state, and federal levels. To access the resource page, log onto <http://www.LLIS.gov> and click on *Emergency Planning for Persons with Disabilities and Special Needs* under *Featured Topics*. If you meet the eligibility requirements for accessing Lessons Learned Information Sharing, you can request membership by registering online.

**14.6 – Compliance with the National Energy Conservation Policy and Energy Policy Acts.** In accordance with the Consolidated Appropriations Act of 2008 (P.L. 110-161), all FY 2008 grant funds must comply with the following two requirements:

- None of the funds made available through shall be used in contravention of the Federal buildings performance and reporting requirements of Executive Order No. 13123, part 3 of title V of the National Energy Conservation Policy Act (42 USC 8251 et. Seq.), or subtitle A of title I of the Energy Policy Act of 2005 (including the amendments made thereby).
- None of the funds made available shall be used in contravention of section 303 of the Energy Policy Act of 1992 (42 USC13212).

**14.7 – Environmental and Historic Preservation Compliance -** FEMA is required to consider the potential impacts to the human and natural environment of projects proposed for FEMA funding. FEMA, through its Environmental and Historic Preservation (EHP) Program, engages in a review process to ensure that FEMA-funded activities comply with various Federal laws including: National Environmental Policy Act, National Historic Preservation Act, Endangered Species Act, and Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental Justice (12898). The goal of these compliance requirements is to protect our nation’s water, air, coastal, wildlife, agricultural, historical, and cultural resources, as well as to minimize potential adverse effects to children and low-income and minority populations.

The grantee shall provide any information requested by FEMA to ensure compliance with applicable Federal EHP requirements. Any project with the potential to impact EHP resources (see Section E.8) cannot be initiated until FEMA has completed its review. Grantees may be required to provide detailed information about the project, including the following: location (street address or map coordinates); description of the project including any associated ground disturbance work, extent of modification of existing structures, construction equipment to be used, staging areas, access roads, etc; year the existing facility was built; natural, biological, and/or cultural resources present in the project vicinity; visual documentation such as site and facility photographs, project plans, maps, etc; and possible project alternatives.

For certain types of projects, FEMA must consult with other Federal and state agencies such as the U.S. Fish and Wildlife Service, State Historic Preservation Offices, and the U.S. Army Corps of Engineers, as well as other agencies and organizations responsible for protecting natural and cultural resources. For projects with the potential to have significant adverse effects on the environment and/or historic properties, FEMA’s EHP review and consultation may result in a substantive agreement between the involved parties outlining how the grantee will avoid the effects, minimize the effects, or, if necessary, compensate for the effects.

Because of the potential for significant adverse effects to EHP resources or public controversy, some projects may require an additional assessment or report, such as

an Environmental Assessment, Biological Assessment, archaeological survey, cultural resources report, wetlands delineation, or other document, as well as a public comment period. Grantees are responsible for the preparation of such documents, as well as for the implementation of any treatment or mitigation measures identified during the EHP review that are necessary to address potential adverse impacts. Grantees may use PSGP funds toward the costs of preparing such documents and/or implementing treatment or mitigation measures. Failure of the grantee to meet Federal, State, and local EHP requirements, obtain applicable permits, and comply with any conditions that may be placed on the project as the result of FEMA's EHP review may jeopardize Federal funding.

For more information on FEMA's EHP requirements, grantees should refer to FEMA's Information Bulletin #271, *Environmental Planning and Historic Preservation Requirements for Grants*.

### **C. PSGP Application Checklist.**

**All PSGP applicants including eligible ferry systems must complete the following:**

- 1. SF-424 Grant Application with Certifications (through [grants.gov](https://www.grants.gov)).**
  - Non-Supplanting Certification; assurances; certifications regarding lobbying; debarment, suspension, and other responsibility matters; and drug-free workplace requirement.
- 2. DUNS Number (through [grants.gov](https://www.grants.gov) form).**

**All Group III, All Other Port Areas and Group I and II port areas who opt out of the FA process must submit the following:**

- 3. Investment Justification (through [grants.gov](https://www.grants.gov) file attachment).** See Appendix E.
- 4. Detailed Budget (through [grants.gov](https://www.grants.gov) file attachment).** See Appendix G.

**The following documents must be submitted if applicable:**

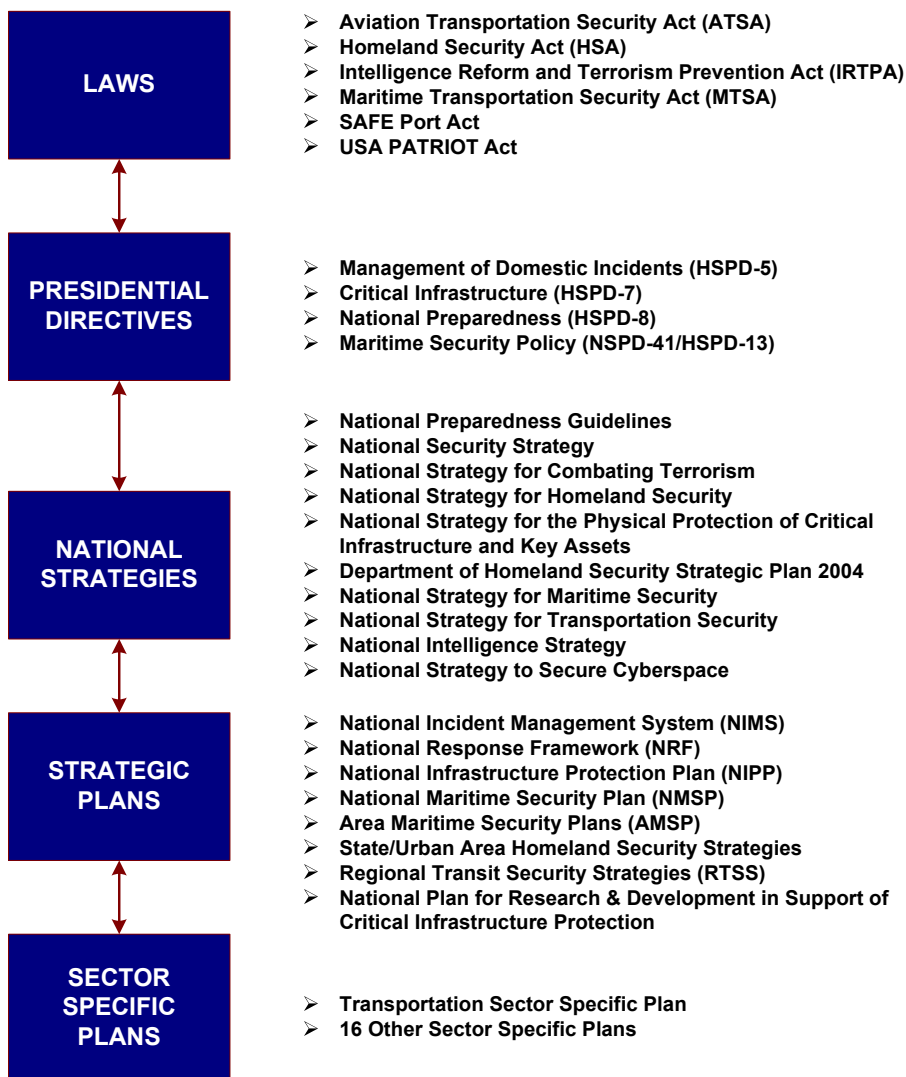
- 5. MOU/MOA (through [grants.gov](https://www.grants.gov) file attachment), if applicable.** Applicable for: (1) port authorities or other State and local agencies that provide layered security protection to federally regulated facilities; and (2) consortia composed of local stakeholder groups (i.e., river groups, ports and terminal associations) representing federally regulated ports, terminals, US-inspected passenger vessels or ferries that provide layered security protection to federally regulated facilities. See Appendix H.

# Appendix A

## Alignment with the National Preparedness Architecture

Figure 1, below, graphically summarizes key elements of the national preparedness architecture. The Implementing Recommendations of the 9/11 Commission Act is referenced below in the Laws section of Figure 1.

**Figure 1.**  
**Laws, Strategy Documents, Directives and Plans That Impact this grant program**



## Appendix B

# PSGP Allowable Expenses

### A. Overview.

Specific investments made in support of the funding priorities discussed above generally fall into one of four categories. FY 2008 PSGP allowable costs are therefore divided into the following four categories:

1. Maritime Domain Awareness/TWIC
2. IED prevention, protection, response and recovery capabilities
3. Training and exercises
4. Management and administration

The following provides guidance on allowable costs within each of these areas:

**1. Maritime Domain Awareness.** FY 2008 PSGP funds may be used for the following types of Maritime Domain Awareness projects:

- Deployment of access control/standardized credentialing systems.
- Deployment of detection and surveillance equipment.
- Development/enhancement of information sharing systems, including equipment (and software) required to receive, transmit, handle, and store classified information.
- Creation/enhancement of maritime community watch programs.
- Construction/enhancements of command and control facilities.
- Enhancement of interoperable communications/asset tracking for sharing terrorism threat information (including ensuring that mechanisms are interoperable with Federal, State, and local agencies).

Applicants interested in addressing Maritime Domain Awareness are encouraged to familiarize themselves with the National Strategy for Maritime Security: National Plan to Achieve Maritime Domain Awareness. A copy of this document can be found at:

<http://www.uscg.mil/mda/Docs.htm>.

**2. IED Prevention, Protection, Response, Recovery Capabilities.** FY 2008 PSGP funds may be used for the following types of IED prevention, protection, response and recovery capabilities for port areas:

#### **2.1– Port Facilities, Including Public Cruise Line and Terminals.**

- Explosive agent detection sensors.
- Chemical, biological, or radiological agent detection sensors.
- Canines (start-up costs and training for terminal operations).
- Intrusion detection.

- Small boats for State and local law enforcement marine patrol or security incident response.
- Video surveillance systems.
- Access control/standardized credentialing.
- Improved lighting.
- Secure gates and vehicle barriers.
- Floating protective barriers.
- Underwater intrusion detection systems.
- Communications equipment (including interoperable communications).

## 2.2– Vessels.

- Explosive agent detection sensors.
- Chemical, biological or radiological agent detection sensors.
- Restricted area protection (cipher locks, hardened doors, CCTV for bridges and engineering spaces).
- Communications equipment (including interoperable communications).
- Canines (start-up costs and training for US vehicle/passenger ferries).
- Access control and standardized credentialing.
- Floating protective barriers.

**3. Training and Exercises.** FY 2008 PSGP funds may be used for the following types of training and exercises:

**3.1– Training.** Funding used for port security training will be limited to those courses that have been approved by MARAD, the USCG or FEMA (including MTSA 109 courses). More information may be obtained at:

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

- **State and Local Government Overtime and Backfill Costs.** Overtime costs associated with sending State and local public agency personnel to training are allowable, provided that the training is DHS approved training. Overtime and backfill costs are not permitted for private sector personnel. These costs are allowed only to the extent the payment for such services are in accordance with the policies of the State or unit(s) of local government and has the approval of the state 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 pm to 5:00 pm), even though such work may benefit both activities. Fringe benefits on overtime hours are limited to Federal Insurance Contributions Act, Workers' Compensation and Unemployment Compensation. Private sector entities are not eligible for Overtime and Backfill cost reimbursement.

**3.2– Exercises.** Funding used for port security exercises will only be permitted for those exercises that are in direct support of a facility or port area’s MTSA required exercises. These exercises must be coordinated with the COTP and AMSC and adhere to the guidelines outlined in DHS Homeland Security Exercise and Evaluation Program (HSEEP). More information on HSEEP may be found at: [https://hseep.dhs.gov/pages/1001\\_hseep7.aspx](https://hseep.dhs.gov/pages/1001_hseep7.aspx).

Examples of security exercise programs include:

- Area Maritime Security Training and Exercise Program (AMStep): AMStep is the USCG developed mechanism by which AMSCs and Federal Maritime Security Coordinators will continuously improve security preparedness in the port community. It is an integral part and a strategic implementation of the DHS HSEEP for the maritime sector. Rooted in long-standing USCG exercise policy and procedures, AMStep aligns to support the National Preparedness Guidelines and the National Strategy for Maritime Security. Through a structured approach, AMStep focuses all exercise efforts, both public and private, on improving the AMSPs and individual vessel and facility security plans of the nation’s largest seaports.
- Port Security Training and Exercise Program: The Port Security Exercise Training Program (PortSTEP) was established by TSA to develop port security exercise and evaluation services and solutions for maritime and surface industry partners under TSA’s guidance and direction. In association with the USCG, TSA has assembled a Program Team to provide strategic support, planning, and analytical and technical services for the delivery of a series of port security training exercises for the transportation security community.

PortSTEP will provide forty port security training exercises through the applicable AMSCs between August 2005 and October 2008. These include a mix of basic tabletop, advanced tabletop and functional exercises. PortSTEP achieves several performance objectives aimed at improving the intermodal transportation industry’s ability to prepare for and contend with a transportation security incident. These objectives are centered on increasing awareness, improving processes, creating partnerships, and delivering port incident training.

More information on PortSTEP is available at:

[http://www.tsa.gov/what\\_we\\_do/layers/portstep/editorial\\_with\\_table\\_0061.shm](http://www.tsa.gov/what_we_do/layers/portstep/editorial_with_table_0061.shm).

- National Preparedness for Response Exercise Program: The USCG National Preparedness for Response Exercise Program (PREP) focuses on exercise and evaluation of government area contingency plans and industry spill response plans (oil and hazardous substance). PREP is a coordinated effort of the four Federal agencies with responsibility for oversight of private-sector oil and hazardous substance pollution response preparedness: USCG, the US Environmental Protection Agency, the US Department of Transportation's Research and Special Programs Administration, and the US Department of the Interior's Minerals Management Service. These agencies worked with Federal, State, and local governments, the oil and marine transportation industry, cleanup contractors, and the general public to develop the program. PREP meets the OPA mandate for exercises and represents minimum guidelines for ensuring overall preparedness within the response community. The guidelines, which are reviewed periodically through a public workshop process, outline an exercise program that satisfies the exercise requirements of the four Federal regulatory agencies.

More information on PREP is available at:

<http://www.uscg.mil/hq/nsfweb/download/PREP/MSPREP.PDF>

**4. Management and Administration (M&A) Costs.** FY 2008 PSGP funds may be approved for the following management and administrative costs:

- Hiring of full-time or part-time staff, contractors or consultants and M&A expenses related to pre-application submission management activities and application requirements or meeting compliance with grant reporting or data collection requirements, including data calls.
- Development of operating plans for information collection and processing necessary to respond to DHS data calls.
- Travel expenses.
- Meeting-related expenses (for a complete list of allowable meeting-related expenses, please review the FEMA *Financial Management Guide* at: [http://www.dhs.gov/xlibrary/assets/Grants\\_FinancialManagementGuide.pdf](http://www.dhs.gov/xlibrary/assets/Grants_FinancialManagementGuide.pdf) .

## **B. Other Authorized Expenditure Guidance.**

### **B.1 – Specific Guidance on Canines.**

The USCG has identified canine explosive detection as the most effective solution for the detection of vehicle borne IEDs. Eligibility for funding of canine explosive detection programs is restricted to US ferry systems regulated under 33 CFR Parts 101, 104 & 105 specifically US ferry vessels carrying more than 500 passengers with vehicles, US ferry vessels carrying more than 2,000 passengers and the passenger terminals these

specific ferries service. Additionally, only owners and operators of these specific ferries and terminals and port authorities or State, local authorities that provide layered protection for these operations and are defined in the vessel's/terminal's security plans as doing so are eligible.

- **Eligible costs.** Eligible costs include: purchase, training and certification of canines; all medical costs associated with initial procurement of canines; kennel cages used for transportation of the canines and other incidentals associated with outfitting and set-up of canines (such as leashes, collars, initial health costs and shots, etc.). Eligible costs also include initial training and certification of handlers.
- **Ineligible costs.** Ineligible costs include but are not limited to: hiring, costs associated with handler annual salary, travel and lodging associated with training and certification; meals and incidentals associated with travel for initial certification; vehicles used solely to transport canines; and maintenance or recurring expenses (such as annual medical exams, canine food costs, etc).
- **Certification.** Canines used to detect explosives must be certified by an appropriate, qualified organization. Such canines should receive an initial basic training course and weekly maintenance training sessions thereafter to maintain the certification. The basic training averages 10 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, the U. S. Police Canine Association or the International Explosive Detection Dog Association may be used to meet this requirement.<sup>7</sup>
- **Submission requirements.** Successful applicants will be required to submit an amendment to their approved Vessel Security Plan as per 33 CFR Part 104.415 detailing the inclusion of a canine explosive detection program into their security measures.

Applicants are encouraged thoroughly to review the fiscal obligations of maintaining a long-term canine explosive detection program. If applicable, successful applicants will be required to submit an amendment to their approved Vessel Security Plan per 33 CFR Part 104.415 detailing the inclusion of a canine explosive detection program into their security measures.

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<sup>7</sup> Training and certification information can be found at: <http://www.tsa.gov/public/display?theme=32>, <http://www.npca.net>, <http://www.uspcak9.com/html/home.shtml>, and <http://www.bombdog.org/>.

- **Additional resources available for canine costs.** DHS is aware that the financial obligations of a canine explosive detection Program can be burdensome. The PSGP, while providing the ability to defray the majority of start up costs, does not cover any recurring costs associated with such programs. However, the Transit Security Grant Program and Homeland Security Grant Program are two additional DHS grant programs 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 for these resources when developing their canine programs.

## **B.2 – Specific Guidance on Employee Identification.**

The Transportation Worker Identification Credential (TWIC) is designed to be an open architecture, standards-based system. Port projects that involve new installations or upgrades to access control and credentialing systems, should exhibit compliance with TWIC standards and program specifications. Recipients of grant funding for the implementation of TWIC systems may be requested by the Federal government to apply these systems in a field test of TWIC readers in accordance with the SAFE Port Act. Systems implemented with grant funding may be used by recipients to comply with the TWIC rulemaking requirements. However, the fees associated with the application for and issuance of the TWIC cards themselves are ineligible for award consideration.

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

## **B.3 – Specific Guidance on Lighting.**

All lighting must meet applicable Occupational Safety and Health Administration requirements.

## **B.4 – Specific Guidance on Sonar Devices.**

DHS has determined certain sonar devices that will not damage the environment or require special permitting under the National Environmental Policy Act are eligible for funding under the PSGP. The four types of allowable sonar devices are: imaging sonar, scanning sonar, side scan sonar, and 3-dimensional sonar. These types of sonar devices are intended to support the detection of underwater improvised explosive devices and enhance Maritime Domain Awareness. 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.

#### **B.5 – Specific Guidance on Security Operational and Maintenance Costs.**

Operational and allowable costs include cost of acquisition, operation, and maintenance of security equipment or facilities to be used for security monitoring and recording, security gates and fencing, marine barriers for designated security zones, security-related lighting systems remote surveillance, concealed video systems, security vessels, and other security-related infrastructure or equipment that contributes to the overall security of passengers, cargo, or crewmembers. In addition, routine maintenance costs for security monitoring, such as the cost of tapes for recording, are allowable. ***However, business operations and maintenance costs, such as personnel costs and items generally characterized as indirect or “overhead” costs, are unallowable.***

#### **B.6 – Specific Guidance on Vulnerability Assessment Costs.**

The cost of conducting vulnerability assessments to evaluate and make recommendations with respect to security is an eligible cost under the FY 2008 PSGP. ***However, the development of new risk/vulnerability assessment models and methodologies is unallowable.***

#### **B.7 – Specific Guidance on Construction.**

Section 112(b) of the SAFE Port Act of 2006 places restrictions on the use of PSGP funds for construction projects. It stipulates that funds may not be used to construct buildings or other physical facilities, except under terms and conditions consistent with the requirements under section 611(j)(7) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121(j)(7) and specifically approved by the Secretary. Costs eligible for funding may not exceed the greater of: (1) \$1,000,000 per project; or (2) a greater amount, as approved by the Secretary, which may not exceed 10 percent of the total amount of the grant.

Applicants are advised that grants authorized under the Stafford Act, or that must comply with provisions under the Stafford Act, (including the FY 2008 PSGP) must follow the standards identified in the Buy American Act. The Buy American Act requires that all materials purchased be produced in the United States, unless such materials are not available, or such a purchase would not be in the public interest. Further, FY 2008 PSGP grant recipients using funds for construction projects must comply with the Davis-Bacon Act. Additional information on the Davis-Bacon Act is available from the following website: <http://www.dol.gov/esa/programs/dbra/>.

### **C. Unallowable Costs.**

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

- The development of risk/vulnerability assessment models and methodologies.
- Projects in which Federal agencies are the primary beneficiary or that enhance Federal property.
- 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.
- Projects involving training and exercises that do not meet MTSA standards and/or requirements set by MTSA or DHS.
- Projects that do not provide a compelling security benefit (e.g., primarily economic or safety vs. security).
- 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.
- Personnel costs (except for direct management and administration of the grant awards, (i.e., preparation of mandatory post-award reports).
- Business operating expenses (certain security-related operational and maintenance costs are allowable. -- see "Specific Guidance on Security Operational and Maintenance Costs" below for further guidance).
- TWIC card fees
- Signage, projects for placarding and billboards, or hard fixed structure signage
- Reimbursement of pre-award security expenses.
- Repair of existing equipment including, but not limited to: fencing, lighting, CCTV or access controls.
- 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 and the like.
- Weapons and associated equipment (i.e. holsters, optical sights and scopes), including, but not limited to: non-lethal or less than lethal weaponry including Long Range Acoustic Devices (LRADs), firearms, ammunition, and weapons affixed to facilities, vessels or other structures.

## Appendix C

# Ferry Systems Guidance

Nineteen (19) high capacity ferry systems in thirteen (13) port areas are eligible to apply for grant funds through the FY 2008 PSGP. Each applicant must submit a fully compliant application. DHS plans to provide an extensive amount of outreach and support to applicants to answer questions about ferry system program requirements.

DHS places a high priority on ensuring that all ferry system applications reflect robust regional coordination and an investment strategy that institutionalizes regional security strategy integration. Several port areas have more than one ferry system operating agency. Close coordination of the PSGP ferry investments in each of these cases will be a requirement for all successful applications. During the upcoming year, FEMA, the U.S. Coast Guard, and the Transportation Security Administration (TSA) will work with successful grantees to strengthen and support the regional consultation processes.

In addition to these two overarching priorities, the Department identifies the following eight specific priorities as the highest priority selection criteria for the FY 2008 PSGP ferry system:

- 1. Development and enhancement of capabilities to prevent, detect, respond to and recover from terrorist attacks employing improvised explosive devices (IEDs) and vehicle borne improvised explosive devices (VBIEDs).** IEDs and VBIEDs pose a threat of great concern to ferry systems and infrastructure across the Nation.
- 2. Mitigation of other high consequence risks identified through individual ferry system risk assessments.**
- 3. Use of canine teams at the embarkation and exit points of a system, as well as during passage.**
- 4. Innovative utilization of mobile technology for prevention and detection of explosives or other threats and hazards.** This may include implementation of technology-driven surveillance.
- 5. Development and enhancement of physical and perimeter security capabilities to deny access around maintenance facilities, dry docks, and piers.**
- 6. Development of emergency preparedness and response capabilities in the event of a ferry being used as a weapon to inflict damage on critical infrastructure.**
- 7. Development and enhancement of training and awareness among ferry operators and employees.** Training and awareness should cover the detection and deterrence of efforts by terrorists to use ferries as a means to attack critical infrastructure and key resources.

## 8. Public awareness training.

### A. Allowable Expenses

Specific investments made in support of the funding priorities discussed above generally fall into one of six categories. FY 2008 ferry systems allowable costs are therefore divided into the following six categories:

1. Planning
2. Operational Packages (OPacks)
3. Equipment Acquisitions
4. Training
5. Exercises
6. Management and Administration

Operational costs were not a specific allowable cost in the FY 2007 FSGP; however, this cost category was introduced as an allowable expense in the FY 2007 Transit Security Grant Program (TSGP) Supplemental. For FY 2008, eligible applicants for OPacks are limited to entities that are required to provide security services to eligible Ferry System applicants (MTSA regulated facilities) pursuant to an AMSP.

The allowance of OPack expenses continues the initiative begun under the FY 2007 Transit Security Grant Program Supplemental, and applies exclusively to counterterrorism activities. These funds may only be used to fill new dedicated full-time OPack positions, personnel costs directly related to performing OPack counterterrorism activities, or overtime costs associated with OPack activities. Backfill costs and any associated backfill overtime costs are not allowed.

Grantees must commit to meeting minimum training standards to be set by the Department for all federally funded security personnel. Costs associated with meeting these training standards will continue to be an allowable expense with no required cost share.

Section D, Allowable Expenses, provides additional detail about each of these six allowable expense categories, as well as a section that identifies several specifically unallowable costs.

### B. Eligible Applicants

Eligible ferry systems for the FY 2008 PSGP were identified using comprehensive, empirically-grounded risk analysis modeling. The risk methodology for the PSGP program is consistent across the modes and is linked to the risk methodology used to determine eligibility for the core DHS State and local grant programs.

**Eligible ferry systems identified in Table 4 in the FY 2008 Transit Security Grant Program (TSGP) Guidance that elect to participate and receive funds under the**

**FY 2008 TSGP cannot participate in the FY 2008 Port Security Grant Program (PSGP), and will not be considered for funding under the FY 2008 PSGP.**

The PSGP risk formula is based on a 100 point scale comprised of threat, vulnerability, and consequence variables. Risk data for eligible systems in a given area are gathered individually and then aggregated by region. The formula incorporates multiple normalized variables, meaning that for a given variable, all eligible regions are empirically ranked on a relative scale from lowest to highest.

The risk assessment methodology considers critical infrastructure system assets, and characteristics that might contribute to their risk, such as: intelligence community assessments of threat; potentially affected passenger populations and the economic impact of attack. The relative weighting of variables reflects DHS's overall risk assessment and the FY 2008 program priorities (for example, presence of vehicles on ferries). Specific variables include: USCG Maritime Security Risk Assessment Methodology (MSRAM) data, annual ridership, and number of vessels.

The table summarizes the specific ferry systems that are eligible for funding through the FY 2008 ferry systems.

***Presence on this list does not guarantee grant funding.***

**Eligible Ferry Systems and Port Area Allocations**

State	Port Area	Eligible System	FY08 Ferry System Allocation
AK	Valdez	Alaska Marine Highway System	\$5,600,000
CA	San Francisco Bay Area	Golden Gate Bridge, Highway and Transportation District	
		City of Alameda Ferry Services (Blue and Gold Lines Fleet)	
		City of Vallejo Transportation Program	
	Los Angeles/Long Beach	Catalina Passenger Service	
CT/NY	Long Island Sound	The Bridgeport & Port Jefferson Steamboat Company	
		Cross Sound Ferry	
DE/NJ	Delaware Bay	Cape May Ferry System	
LA	New Orleans	Crescent City Connection Division – Louisiana Department of Transportation	
MA	Boston	Massachusetts Bay Transportation Authority (MBTA)	
	Providence, RI	Martha's Vineyard Ferry	
NY/NJ	New York /New Jersey	New York City Department of Transportation	
		New York Waterways	
		Port Authority of New York and New Jersey (PANYNJ)	
		SeaStreak	
NC	Morehead City	North Carolina Ferry System	
TX	Houston-Galveston	Texas DOT (Bolivar Roads Ferry)	
VA	Hampton Roads	Jamestown Ferry	
WA	Puget Sound	Washington State Ferries	

## C. Application Review Process

Applicants must comply with all administrative requirements -- including Investment Justifications (refer to Appendix F, Ferry System Investment Justification), budgets and application process requirements -- described herein. Having met all administrative requirements, applications will be evaluated and ranked based on:

1. **Security priorities.** Projects will be evaluated on the extent to which they address the specific security requirements outlined in the FY 2008 PSGP Program Guidelines and Application Kit.
2. **Cost effectiveness.** Projects will be evaluated on the expected impact on security relative to the investment.
3. **Ability to reduce risk of catastrophic events.** Projects will be evaluated on their ability to reduce risk.
4. **Sustainability without additional Federal funds and leveraging of other funding.** Projects will be evaluated on the extent to which they exhibit a likelihood of success, or continued success, without requiring additional Federal assistance. Projects will also be evaluated on the ability of the applicant to meet the relevant cost share requirements.
5. **Relevance to the Area Maritime Transportation Security Plan (AMSP) (if applicable).** Projects will be evaluated on the extent to which they coordinate with area maritime security planning efforts.
6. **Timelines.** Projects will be evaluated on the ability of the applicant to complete the proposed project within submitted timeframes.

## D. Ferry System Allowable Expenses

Specific investments made in support of the funding priorities discussed above generally fall into one of six categories. FY 2008 ferry systems allowable costs are therefore divided into the following six categories:

1. Planning
2. Operational Packages (OPacks)
3. Equipment Acquisitions
4. Training
5. Exercises
6. Management and Administration

The following provides guidance on allowable costs within each of these areas:

1. **Planning Costs.** FY 2008 ferry systems funds may be used for the following types of planning activities:

- Public education and outreach (such as reproduction of Transit Watch materials). Where possible, such activities should be coordinated with local Citizen Corps Council(s).
- Public Alert and warning systems and security education efforts.
- 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).
- Development and enhancement of security plans and protocols.
- Development or further strengthening of security assessments, including multi-agency and multi-jurisdictional partnerships and conferences to facilitate planning activities.
- Hiring of full or part-time staff and contractors or consultants to assist with planning activities (not for the purpose of hiring public safety personnel).
- Materials required to conduct planning activities.
- Travel and per diem related to professional planning activities.
- Other project planning activities with prior approval from DHS.

**2. Explosives Detection Canine Team Operational Packages.** As a complement to the FY 2008 Appropriations Bill, DHS has identified additional funding possibilities for Ferry systems. Explosives Detection Canine Team Operational Packages (OPacks) are available for funding only to the entities that are required to provide security services to eligible Ferry System applicants (MTSA regulated facilities) pursuant to a AMSP, and these packages are not available to any agencies eligible for funding under the FY 2008 Transit Security Grant Program (TSGP). DHS considers OPacks to be effective tactics for supporting the FY 2008 Ferry Security priorities.

When combined with the existing capability of a Ferry systems security/police force, the added value provided through the addition of a canine team is significant. OPacks are a proven, reliable resource to detect explosives and are a key component in a balanced counter-sabotage program. Canine teams also provide the added psychological deterrent achieved solely through their presence. Such operational efficiency cannot be obtained through borrowed use of local police force-operated canine teams, as the needs of the local jurisdiction will always be their first priority. Therefore, the PSGP will provide funds to establish dedicated ferry system security/police force canine teams. Each canine team will be composed of one dog and one handler. Funds for these canine teams may **not** be used to fund drug detection and apprehension technique training. Only explosives detection training for these canine teams will be funded.

DHS encourages transit systems to develop innovative layered approaches to enhance both the human and facility security on transit systems. Helping ferry systems increase

randomness, unpredictability, and ultimate effectiveness of monitoring and patrol in their security and terrorism prevention programs is critical to National transit security. Use of OPacks support these efforts.

The funding for OPacks will be a one time allowance. Applicants may apply for up to \$450,000 (\$150,000/year for 3 years) to support this endeavor. At the end of the grant period (30 months) grantees will be responsible for maintaining the heightened level of capability provided by the OPack.

PSGP ferry security OPack funds may only be used for **new** capabilities/programs and cannot be used to pay for existing capabilities/programs (e.g. canine teams) already supported by the ferry system. Non-supplanting restrictions apply.

OPacks must meet the following requirements:

- Each canine team, composed of one dog and one handler, must be certified by an appropriate, qualified organization.
- Canines should receive an initial basic training course and also weekly maintenance training sessions thereafter to maintain the certification.
- The basic training averages 10 weeks for the team, 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 United States Police Canine Association (USPCA), or the International Explosive Detection Dog Association (IEDDA) may be used to meet this requirement<sup>8</sup>). Certifications should be kept on file with the grantee and made available to DHS upon request.

The maximum Federal cost share for OPacks is 2/3 of the total project cost. For example, if the total OPack cost is \$1 million, the maximum amount that will be funded through this grant is \$667,000; the agency is responsible for providing the additional \$333 as their cost share. In 2009, DHS plans to raise this match to 50%.

The period of performance for OPacks will be 30 months.

**3. Equipment Acquisition Costs.** FY 2008 ferry systems funds may be used for the following types of equipment. A comprehensive listing of allowable equipment categories and types is on the web-based Authorized Equipment List on the Responder Knowledge Base at <https://www.rkb.us/lists.cfm>. These costs include:

- Personal protection equipment
- Explosive device mitigation and remediation equipment
- CBRNE operational search and rescue equipment, logistical support equipment, reference materials or incident response vehicles, including response watercraft

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<sup>8</sup> Training and certification information can be found at: <http://www.tsa.gov/lawenforcement/programs>, <http://www.npca.net>, <http://www.uspcak9.com>, and <http://www.bombdog.org>.

- Information technology
- Cyber security enhancement equipment
- Interoperable communications equipment
- Detection equipment
- Decontamination equipment
- Power equipment
- Terrorism incident prevention equipment
- Physical security enhancement equipment

Unless otherwise noted, equipment must be certified that it meets required regulatory and/or DHS-adopted standards to be eligible for purchase using these funds; e.g., equipment must comply with the OSHA requirement for certification of electrical equipment by a nationally recognized testing laboratory (NRTL), and demonstrate compliance with relevant DHS-adopted standards through a supplier's declaration of conformity (SDOC) with appropriate supporting data and documentation per ISO/IEC 17050, parts 1 and 2. In addition, agencies must have all necessary certifications and licenses for the requested equipment, as appropriate prior to the request.

A list of applicable standards is found at the following website: <http://rkb.mipt.org>.

**4. Training Costs.** FY 2008 ferry systems funds may be used for the following training activities:

- **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.
- **Certain full- or part-time staff and contractors or consultants.** Full- or part-time staff may be hired to support training-related activities. The services of contractors or consultants may also be procured by the State in the design, development, conduct and evaluation of CBRNE training. The applicant's formal written procurement policy or the Federal Acquisition Regulations (FAR) must be followed.
- **Public Sector Overtime and backfill costs.** Payment of overtime expenses will be for work performed by public sector employees of award or sub-award recipients in excess of the established work week (usually 40 hours). Further, overtime payments and backfill costs associated with sending personnel to training are allowable, provided that it is DHS approved training. These costs

are allowed only to the extent the payment for such services is in accordance with the policies of the State or unit(s) of local government and has the approval of the State 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 pm to 5:00 pm), even though such work may benefit both activities. Fringe benefits on overtime hours are limited to Federal Insurance Contributions Act, Workers' Compensation and Unemployment Compensation.

- **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 the planning and conduct of the training project(s) or for attending DHS-approved courses or DHS-sponsored technical assistance programs.
- **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 planning and conducting training, badges, and similar materials.

**5. Exercise Costs.** FY 2008 ferry systems funds may be used for the following exercise activities:

- **Exercise planning workshop.** Grant funds may be used to plan and conduct an exercise planning workshop, to include costs related to planning, meeting space and other meeting costs, facilitation costs, materials and supplies, travel and exercise plan development.
- **Certain full- or part-time staff and contractors or consultants.** Full- or part-time staff may be hired to support 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 the awarding agency, whichever is applicable. The services of contractors or consultants may also be procured to support the design, development, conduct and evaluation of CBRNE exercises. The applicant's formal written procurement policy or the FAR must be followed.
- **Public Sector Overtime and backfill costs.** Overtime and backfill costs associated with the design, development and conduct of CBRNE exercises are allowable expenses. Payment of overtime expenses will be for work performed public sector employees of award or sub-award recipients in excess of the established work week (usually 40 hours) related to the planning and conduct of the exercise project(s). Further, overtime payments and backfill costs associated with sending personnel to exercises are allowable, provided that the event being attended is a DHS sponsored exercise. These costs are allowed only to the extent the payment for such

services is in accordance with the policies of the State or unit(s) of local government and has the approval of the State 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 pm to 5:00 pm), even though such work may benefit both activities. Fringe benefits on overtime hours are limited to the Federal Insurance Contributions Act, Workers' Compensation and Unemployment Compensation.

- **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 the planning and conduct of the exercise project(s).
- **Supplies.** Supplies are items that are expended or consumed during the course of the planning and conduct of the exercise project(s) (e.g., copying paper, gloves, tape, non-sterile masks, and disposable protective equipment).
- **Other Items.** These costs may include the rental of space/locations for exercise planning and conduct, exercise signs, badges, etc.

**6. Management and Administration (M&A) costs.** FY 2008 ferry systems funds may be used for the following M&A costs:

- Hiring of full-time or part-time staff or contractors/consultants to assist with the management of the FY 2008 ferry systems or the design, requirements, and implementation of the ferry systems.
- Hiring of full-time or part-time staff, contractors or consultants and M&A expenses related to pre-application submission management activities and application requirements or meeting compliance with reporting/data collection requirements, including data calls.
- Development of operating plans for information collection and processing necessary to respond to DHS data calls.
- Travel expenses.
- Meeting-related expenses
- Acquisition of authorized office equipment, including personal computers or laptops.

### **Unallowable Costs**

Specific unallowable costs include:

- Expenditures for items such as general-use software (word processing, spreadsheet, graphics, etc), general-use computers and related equipment (other than for allowable M&A activities, or otherwise associated preparedness or response functions), general-use vehicles, licensing fees, weapons systems and ammunition.
- Personnel costs (except as detailed above).
- Activities unrelated to the completion and implementation of the ferry systems.
- Other items not in accordance with the AEL or previously listed as allowable costs.
- Weapons and associated equipment (i.e. holsters, optical sights and scopes), including, but not limited to: non-lethal or less than lethal weaponry including Long Range Acoustic Devices (LRADs), firearms, ammunition, and weapons affixed to facilities, vessels or other structures.

### **Specific Guidance on Training**

Funding used for ferry security training will be limited to those courses that have been approved by MARAD, the USCG or FEMA (including MTSA 109 courses). More information may be obtained at:

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

## Appendix D

# Grants.Gov Quick-Start Instructions

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

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

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

### Step 1: Registering.

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

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

Go to [www.grants.gov](http://www.grants.gov), and click on the "Get Started" tab at the top of the screen.

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

**2. DUNS number.** You must first request a Data Universal Numbering System (DUNS) number. Click "Step 1. Request a DUNS Number." If you are applying as an individual, please skip to "Authorized Organization Representative and Individuals." If you are applying on behalf of an organization that already has a DUNS number, please proceed to "Step 2. Register with

Central Contractor Registry (CCR).” You may obtain a DUNS number at no cost by calling the dedicated toll-free DUNS number request line at 1–866–705–5711.

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

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

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

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

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

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

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

- Go to [www.grants.gov](http://www.grants.gov) and click on the “Get Started” tab at the top of the screen.
- Click the “Authorized Organization Representative (AOR)” option and click the “GO” button to the bottom right of the screen. If you are applying as an individual, click the “Individuals” option and click the “GO” button to the bottom right of the screen.

- If you have previously registered as an AOR, you may start searching for this grant opportunity from this page. Otherwise, you must complete the first-time registration by clicking “Complete First-Time Registration [Required].” You also may click on “Review Registration Checklist” and print a checklist for the following steps (see [www.grants.gov/assets/AORRegCheck.pdf](http://www.grants.gov/assets/AORRegCheck.pdf)).
- Individuals may click the “registration checklist” for help in walking through the registration process.

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

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

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

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

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

Once organization approval is complete, you will be able to submit an application and track its status.

## **Step 2: Downloading the Application Viewer.**

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

- From the [grants.gov](http://www.grants.gov) home page, select the “Apply for Grants” tab at the top of the screen.
- Under “Apply Step 1: Download a Grant Application Package and Applications Instructions,” click the link for the PureEdge Viewer

(<http://www.grants.gov/DownloadViewer>). This window includes information about computer system requirements and instructions for downloading and installation.

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

[www.grants.gov/GrantsGov\\_UST\\_Grantee!/SSL!/WebHelp/MacSupportforPureEdge.pdf](http://www.grants.gov/GrantsGov_UST_Grantee!/SSL!/WebHelp/MacSupportforPureEdge.pdf).

- Scroll down and click on the link to download the PureEdge Viewer ([www.grants.gov/PEViewer/ICSViewer602\\_grants.exe](http://www.grants.gov/PEViewer/ICSViewer602_grants.exe)).
- You will be prompted to save the application. Click the “Save” button and the “Save As” window opens. Select the location where you would like to save PureEdge Viewer and click the “Save” button.
- A window appears to show the progress of the download. When the downloading is complete, click to close the dialog box.
- To install the PureEdge Viewer, locate the file on your computer and click to open it. When you are prompted to run the file, click “RUN.” Click “Yes” to the prompt to continue with the installation. The ICS InstallShield Wizard extracts the necessary files and takes you to the “Welcome” page.
- Click “Next” to continue.
- Read the license agreement and click “Yes” to accept the agreement and continue the installation process. This takes you to the “Customer Information” screen.
- Enter a User Name and a Company Name in the designated fields and click “Next.”
- The “Choose Destination Location” window prompts you to select the folder in which PureEdge Viewer will be installed. To save the program in the default folder, click “Next.” To select a different folder, click “Browse.” Select the folder in which you would like to save the program, click on “OK,” and then click “Next.”
- The next window prompts you to select a program folder. To save program icons in the default folder, click “Next.” To select a different program folder, type a new folder name or select one from the list of existing folders, then click “Next.” Installation will begin.
- When installation is complete, the “InstallShield Wizard Complete” screen will appear. Click “Finish.” This will launch the “ICS Viewer Help Information” window. Review the information and close the window.

### **Step 3: Downloading an Application Package.**

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

- From the [grants.gov](http://www.grants.gov) home page, select the “Apply for Grants” tab at the top of the screen.

- Click “Apply Step 1: Download a Grant Application Package and Application Instructions.”
- Enter the CFDA number for this announcement, **97.056**. Then click “Download Package.” This will take you to the “Selected Grants Application for Download” results page.
- To download an application package and its instructions, click the corresponding download link below the “Instructions and Application” column.
- Once you select a grant application, you will be taken to a “Download Opportunity Instructions and Application” screen to confirm that you are downloading the correct application. If you would like to be notified of any changes to this funding opportunity, enter your e-mail address in the corresponding field, then click the “Submit” button.
- After verifying that you have downloaded the correct opportunity information, click the “Download Application Instructions” button. This will open a PDF of this grant solicitation. You may print the solicitation or save it to your computer by clicking either the print icon at the top tool bar or the “File” button on the top tool bar. If you choose to save the file, click on “Save As” and save to the location of your choice.
- Click the “Back” Navigation button to return to the “Download Opportunity Instructions and Application” page. Click the “Download Application Package” button. The application package will open in the PureEdge Viewer.
- Click the “Save” button to save the package on your computer. Because the form is not yet complete, you will see a prompt that one or more fields may be invalid. You will complete these fields in step 4, but for now, select “Yes” to continue. After you click “Yes,” the “Save Form” window will open.
- Save the application package to your desktop until after submission. Select a name and enter it in the “Application Filing Name” field. Once you have submitted the application through [grants.gov](http://grants.gov), you may then move your completed application package to the file location of your choice.
- Click the “Save” button. If you choose, you may now close your Internet browser and complete your application package offline by double clicking the icon on your desktop. You do not have to be connected to the Internet to complete the application package in step 4 below.

#### **Step 4: Completing the Application Package.**

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

- Locate the application package you saved on your computer. When you open the package, it will be in PureEdge Viewer. You may save your application at any time by clicking on the “Save” button at the top of the screen.
- Enter a name for your application package in the “Application Filing Name” field. This can be a name of your choice.

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

### **Step 5: Submitting the Application.**

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

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

### **Step 6: Tracking the Application.**

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

- **Validated.** This means your application has been scanned for errors. If no errors were found, it validates that your application has successfully been submitted to Grants.gov and is ready for the agency to download your application.

- **Received by Agency.** This means our agency DHS downloaded your application into our electronic Grants Management System (GMS) and your application is going through our validation process to be successfully received on our end.
- **Agency Tracking Number Assigned.** This means our GMS did not find any errors with your package and successfully downloaded your application into our system.
- **Rejected With Errors.** This means your application was either rejected by Grants.gov or GMS due to errors. You will receive an e-mail from [grants.gov](https://www.grants.gov) customer support, providing details of the results and the next steps required. Most applications are rejected because: (1) a virus was detected; (2) you are using a user name and password that has not yet been authorized by the organization's e-Business POC; or (3) the DUNS number you entered on the SF-424 form does not match the DUNS number that was registered in the CCR for this organization.

If you experience difficulties at any point during this process, please call the [grants.gov](https://www.grants.gov) customer support hotline at 1-800-518-4726.

## Appendix E Investment Justification

### A. Investment Justification Overview.

As part of the application process, applicants must develop a formal Investment Justification that addresses each initiative being proposed for funding. These Investment Justifications must demonstrate how proposed projects address gaps and deficiencies in current programs and capabilities.

#### **Applicants may propose up to three investments within their Investment Justification.**

The Investment Justification must demonstrate the ability of the applicant to provide tangible, physical security enhancements consistent with the purpose of the program and guidance provided by DHS. Applicants must ensure that the Investment Justification is consistent with all applicable requirements outlined in this application kit.

### B. Investment Justification Template.

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

1. Background;
2. Strategic and program priorities;
3. Impact;
4. Funding and Implementation Plan.

Investment Heading	
Port Area	
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.A. Provide a brief abstract for this Investment.	
Response Type	Narrative
Page Limit	Not to exceed 1 page

Response Instructions	Provide a succinct statement summarizing this Investment.
Response	

I.B. Provide an overview of the port system in which this Investment will take place.	
Response Type	Narrative
Page Limit	Not to exceed 2 ½ pages
Response Instructions	<ul style="list-style-type: none"> <li>• Area of Operations: <ul style="list-style-type: none"> <li>○ Identify COTP Zone</li> <li>○ Identify eligible port area</li> </ul> </li> <li>• Point(s) of contact for organization: <ul style="list-style-type: none"> <li>○ Identify the organization’s Authorizing Official for entering into grant agreement.</li> <li>○ Identify the organization’s primary point of contact for management of the project(s).</li> </ul> </li> <li>• Ownership or Operation: <ul style="list-style-type: none"> <li>○ Identify whether the applicant is: (1) a private entity; (2) a state or local agency; or (3) a consortium composed of local stakeholder groups (i.e., river groups, ports, or terminal associations) representing federally regulated ports, terminals, US inspected passenger vessels or ferries.</li> </ul> </li> <li>• Role in providing layered protection of regulated entities (applicable to State or local agencies, consortia and associations only): <ul style="list-style-type: none"> <li>○ Identify the specific regulated entities to which you are providing layered protection.</li> <li>○ Describe your organization’s specific roles, responsibilities and activities in delivering layered protection.</li> </ul> </li> <li>• Infrastructure: <ul style="list-style-type: none"> <li>○ Describe the type, quantity and significance of infrastructure to be protected through the prospective grant. Identify who the infrastructure is owned or operated by, if not by your own organization.</li> </ul> </li> <li>• Nature of Operations: <ul style="list-style-type: none"> <li>○ Provide a brief summary of the character and scope of your operations.</li> <li>○ Provide specific data/annual statistics that relate to your specific port project (for port applications), terminal project (for terminal applications), waterways, US inspected passenger vessel or ferry projects: <ul style="list-style-type: none"> <li>➢ Type and volume of cargo (annual statistics, if applicable)</li> <li>➢ Type and volume of hazardous materials (annual statistics, if applicable)</li> <li>➢ Number of passengers (annual statistics, if applicable)</li> <li>➢ Number of vessels owned (if applicable)</li> </ul> </li> </ul> </li> </ul> <p><i>Note: Terminals and vessels cannot rely on aggregated port statistics.</i></p> <ul style="list-style-type: none"> <li>• Other important features: <ul style="list-style-type: none"> <li>○ Describe any other operational issues you deem important to the consideration of your application (e.g., interrelationship of your operations with other eligible high-risk ports, etc.).</li> </ul> </li> </ul>
Response	

**I.C. Describe the applicant's current and required capabilities.**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"><li>• Describe your organization's current and required capabilities related to Maritime Domain Awareness.</li><li>• Describe your organization's current and required IED prevention, detection, response and recovery capabilities.</li><li>• Describe your organization's current and required training and exercise activities.</li></ul>
Response	

**II. Strategic and Program Priorities****II.A. Describe how the Investment will address one or more of the National Port Security Priorities.**

Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"><li>• Describe how, and the extent to which, the proposed investment addresses:<ul style="list-style-type: none"><li>○ Enhancement of Maritime Domain Awareness</li><li>○ Enhancement of prevention, detection, response and recovery capabilities for:<ul style="list-style-type: none"><li>➤ IED attacks involving small craft or underwater swimmers</li><li>➤ IED attacks on passenger and/or vehicle ferries</li></ul></li><li>○ Training and exercises</li><li>○ TWIC implementation projects</li></ul></li></ul>
Response	

**II.B. Describe how the Investment will support priorities outlined in the applicable Area Maritime Security Plan (mandated under the MTSA).**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"><li>• Describe how the investment will support priorities outlined in the applicable Area Maritime Security Plan.</li></ul>
Response	

**II.C. Describe how the Investment supports any COTP Port-specific security priorities.**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"><li>• Describe how the investment supports any port-specific security priorities as set forth by the appropriate COTP.</li></ul>
Response	

<b>II.D. Describe how this Investment will support one or more of the Priorities of the National Preparedness Guidelines.</b>	
<b>Response Type</b>	Narrative
<b>Page Limit</b>	Not to exceed ½ page
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Explain how this investment will support one or more of the following National Preparedness Priorities:               <ul style="list-style-type: none"> <li>○ Expanding regional collaboration;</li> <li>○ Implementing the National Incident Management System and the National Response Framework;</li> <li>○ Implementing the National Infrastructure Protection Plan;</li> <li>○ Strengthening information sharing and collaboration capabilities;</li> <li>○ Enhancing interoperable communications capabilities; and,</li> <li>○ Strengthening CBRNE detection and response capabilities.</li> </ul> </li> </ul> <p><i>Note: At a minimum, the Investment must support implementation of the National Infrastructure Protection Plan (NIPP).</i></p>
<b>Response</b>	

### III. Impact

<b>III.A. Describe how the project offers the highest risk reduction potential at the least cost.</b>	
<b>Response Type</b>	Narrative
<b>Page Limit</b>	Not to exceed ½ page
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Discuss the how the project will reduce risk in a cost effective manner.               <ul style="list-style-type: none"> <li>○ 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.</li> <li>○ Identify the nature of the risk, why you consider it a risk, and how the risk and need are related to show how addressing the need through this investment will also mitigate risk (e.g., reduce vulnerabilities or mitigate the consequences of an event).</li> </ul> </li> </ul>
<b>Response</b>	

<b>III.B. Describe what the potential homeland security risks of not funding this Investment are.</b>	
<b>Response Type</b>	Narrative
<b>Page Limit</b>	Not to exceed ½ page
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Consider the risks that already exist and will be more prevalent and/or any new risks that will result if this Investment is not funded and implemented.</li> <li>• Briefly discuss potential outcomes if this risk is not addressed – explain what vulnerabilities will not be reduced or what potential consequences will not be mitigated.</li> </ul>
<b>Response</b>	

## IV. Funding & Implementation Plan

IV.A. Investment Funding Plan.	
Response Type	Numeric and Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> <li>• Complete the chart below to identify the amount of funding you are requesting for <u>this investment only</u>;</li> <li>• Funds should be requested by allowable cost categories (as identified in the FY 2008 PSGP <u>Guidance and Application Kit</u>);</li> <li>• Applicants must make funding requests that are reasonable and justified by direct linkages to activities outlined in this particular Investment; and,</li> <li>• Applicants must indicate whether additional funding (non-FY 2008 PSGP) will be leveraged for this investment. Applicants must provide additional information in question IV.E, indicating the funding source(s) and how those funds will be leveraged.</li> </ul> <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 Appendix G of this document for a sample format.</i></p>
Response	

The following template illustrates how the applicants should indicate the amount of FY 2008 PSGP funding required for the investment, how these funds will be allocated across the cost elements, and the required cash match:

	FY 2008 PSGP Request Total	Cash Match	Grand Total
<i>Maritime Domain Awareness</i>			
<i>Prevention, Protection, Response and Recovery Capabilities</i>			
<i>Training</i>			
<i>Exercises</i>			
<i>TWIC Implementation</i>			
<i>M&amp;A</i>			
Total			

<b>IV.B. Identify up to five (5) potential challenges to the effective implementation of this investment (e.g., stakeholder buy-in, sustainability, aggressive timelines).</b>	
Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• For each identified challenge, provide a brief description of how the challenge will be addressed and mitigated, and indicate a probability of occurrence (high, medium, or low);</li> <li>• The response should focus on the implementation only;</li> <li>• Consider the necessary steps and stages that will be required for successful implementation of the Investment;</li> <li>• Identify areas of possible concern or potential pitfalls in terms of Investment implementation; and,</li> <li>• Explain why those areas present the greatest challenge to a successful Investment implementation.</li> </ul>
Response	

<b>IV.C. Describe the management team, including roles and responsibilities, that will be accountable for the oversight and implementation of this Investment, and the overall management approach they will apply for the implementation of this investment.</b>	
Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• Provide the high-level skill sets (e.g., budget execution, grant administration, geospatial expert, outreach and communication liaison) that members of the management team must possess for the successful implementation and oversight of the investment.</li> <li>• Discuss how those skill sets fulfill the oversight and execution responsibilities for the investment, and how the management roles and responsibilities will be distributed or assigned among the management team.</li> <li>• Explain how the management team members will organize and work together in order to successfully manage the investment.</li> </ul>
Response	

<b>IV.D. Discuss funding resources beyond FY 2008 PSGP that have been identified and will be leveraged to support the implementation and sustainment of this investment.</b>	
Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• In addition to the required cash match, discuss other funding sources (e.g., non-PSGP grant programs, public or private agreements, future fiscal year grants) that you plan on utilizing for the implementation and/or continued sustainment of this investment;</li> <li>• If no other funding resources have been identified beyond the required cash match, or if none are necessary, provide rationale as to why the requested FY 2008 PSGP funding is sufficient for the implementation and sustainment of this investment.</li> </ul>
Response	

**IV.E. Provide a high-level timeline, milestones and dates, for the implementation of this Investment. Possible areas for inclusion are: stakeholder engagement, planning, major acquisitions or purchases, training, exercises, and process/policy updates. Up to 10 milestones may be provided.**

Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> <li>• Only include major milestones that are critical to the success of the Investment;</li> <li>• While up to 10 milestones may be provided, applicants should only list as many milestones as necessary;</li> <li>• Milestones are for this discrete Investment – those that are covered by the requested FY 2008 PSGP funds and will be completed over the 36-month grant period;</li> <li>• Milestones should be kept to high-level, major tasks that will need to occur;</li> <li>• Identify the planned start date associated with the identified milestone. The start date should reflect the date at which the earliest action will be taken to start achieving the milestone;</li> <li>• Identify the planned completion date when all actions related to the milestone will be completed and overall milestone outcome is met; and,</li> <li>• 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).</li> </ul>
Response	

**IV.F. Describe the planned duration for this overall Investment. Discuss your long-term sustainability plans for the investment after your FY 2008 PSGP funds have been expended, if applicable.**

Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• Give the expected total life-span for this investment if fully implemented and sustained through completion.</li> <li>• Consider how this Investment will be sustained and funded after FY 2008 PSGP funds are expended, if applicable.</li> <li>• Include information about resource needs (e.g., personnel, processes, and tools), as well as critical governance needs.</li> <li>• List critical milestones that are outside of the FY 2008 PSGP grant period, and how those milestones will be met with the identified funding and resources.</li> </ul>
Response	

<b>IV.G. Describe the technical implementation plan for this investment. Discuss the innovativeness of the solution proposed.</b>	
Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> <li>• Define the vision, goals, and objectives for the risk reduction. Summarize how the proposed investment will fit into the overall effort to meet the critical infrastructure security priorities (including integration into existing security protocols).</li> <li>• Describe the specific needs and/or resource limitations that need to be addressed.</li> <li>• Identify specific equipment needs (e.g., number of facility cameras, number of security lights, amount of security fencing, etc.) and other details for training, awareness, exercises and other programs, if applicable (e.g., number of people to be trained, length of training, type of training, number of printed materials, number of agencies and staff members involved in exercise planning, execution, and review).</li> <li>• Describe progress made on the security project this Investment will be completing, if applicable.</li> <li>• Reference use of prior year grant funds, if applicable.</li> </ul>
Response	

### **C. Investment Justification Submission and File Naming Convention.**

Investment Justifications must be submitted with the grant application as a file attachment within [grants.gov](http://grants.gov). Applicants must use the following file naming convention when submitting required documents as part of the FY 2008 PSGP:

- COTP Zone Abbreviation\_Port Area\_Name of Applicant\_ IJ Number  
(Example: Hous\_Galveston\_XYZ Oil\_IJ#1)

## Appendix F

# Ferry System Investment Justification

### A. Investment Justification Overview.

As part of the application process, FY 2008 PSGP ferry system applicants must develop a formal Investment Justification that addresses each project being proposed for funding.

**Applicants may propose up to three (3) investments within their Investment Justification for individual. The format below should be followed for these file attachments.**

***The Investment Justification must demonstrate the ability of the ferry operator to provide tangible, physical security enhancements consistent with the purpose of the program and guidance provided by CD. Applicants must ensure that the Investment Justification is consistent with all applicable requirements outlined in this application kit.***

### B. Investment Justification Template.

ferry systems applicant must provide information in the following categories for **each** proposed Investment:

1. *Background;*
2. *Strategic and Program Priorities;*
3. *Impact; and,*
4. *Funding/Implementation Plan.*

Investment Heading	
State	
Urban Area (if applicable)	
Investment Name	
Investment Phase	
Is this a Multi-State Investment? If yes, which States?	
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/context for the Investment(s) requested, but does not represent the evaluation criteria used by DHS for rating individual Investment proposals.**

<b>I.A. Identify the ferry operator and that operator's point(s) of contact for this Investment.</b>	
<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<p>For the ferry operator undertaking the Investment, identify the following:</p> <ul style="list-style-type: none"> <li>• Point of contact's (POC) name and title;</li> <li>• POC's full mailing address;</li> <li>• POC's telephone number;</li> <li>• POC's fax number;</li> <li>• POC's email address; and,</li> <li>• Also include the corresponding information for the single authorizing official for your organization—i.e., the individual authorized to sign a grant award.</li> </ul>
<b>Response:</b>	

<b>I.B. Describe the operating system for the ferry operator undertaking this Investment.</b>	
<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed 2 pages</b>
<b>Response Instructions</b>	<p>For the ferry operator undertaking this Investment, describe the following:</p> <ul style="list-style-type: none"> <li>• Infrastructure;</li> <li>• Ridership data;</li> <li>• Number of passenger miles;</li> <li>• Number of vehicles and/or vessels;</li> <li>• Types of service and other important features;</li> <li>• System map;</li> <li>• Geographical borders of the system and the cities and counties served; and,</li> <li>• Other sources of funding being leveraged for security enhancements.</li> </ul>
<b>Response</b>	

**I.C. Discuss current and required capabilities of the ferry operator undertaking this Investment.**

<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed 1 page</b>
<b>Response Instructions</b>	<p>For the ferry operator undertaking this Investment, describe the following:</p> <ul style="list-style-type: none"> <li>• Discuss the ferry operator’s <i>current</i> prevention, detection and response capabilities relative to IEDs and VBIEDs generally: <ul style="list-style-type: none"> <li>○ Specific attention should be paid to any enhancements in these capabilities achieved as a result of FY 2005/2006 TSGP and/or PSGP funding;</li> </ul> </li> <li>• Discuss the ferry operator’s <i>current</i> additional high consequence risk mitigation efforts, visible/unpredictable deterrent efforts, training programs for employees, emergency drills and citizen awareness activities: <ul style="list-style-type: none"> <li>○ Specific attention should be paid to any enhancements in these capabilities achieved as a result of FY 2005/2006 TSGP and/or PSGP funding;</li> </ul> </li> <li>• Discuss the ferry operator’s <i>required</i> prevention, detection and response capabilities relative to IEDs and VBIEDs (including CCTV, canine units, other mobile technology, etc.);</li> <li>• Discuss the ferry operator’s <i>required</i> development and enhancement of physical and perimeter security capabilities</li> <li>• Discuss the ferry operator’s <i>required</i> development of emergency and response capabilities in the event of a ferry being used as a weapon to inflict damage on critical infrastructure; and,</li> <li>• Discuss the ferry operator’s <i>required</i> high consequence risk mitigation needs, anti-terrorism training programs for employees, emergency drills and citizen awareness activities.</li> </ul>
<b>Response</b>	

**I.D. Provide a brief abstract for this Investment.**

<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed 1 page</b>
<b>Response Instructions</b>	<b>Provide a succinct statement summarizing this Investment.</b>
<b>Response</b>	

## II. Strategic and Program Priorities

<b>II.A. Describe how this Investment specifically addresses one or more of the ferry security fundamentals identified in the FY 2008 PSGP Guidance.</b>	
<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<p><b>Describe how the Investment addresses one or more of the following:</b></p> <ul style="list-style-type: none"> <li>• <b>Development and enhancement of capabilities to prevent, detect, respond to, and recover from improvised explosive device (IED) attacks</b></li> <li>• <b>Mitigation of other high risk/high consequence assets and systems that have been identified through ferry system risk assessments;</b></li> <li>• <b>Use of visible, unpredictable deterrence, such as K-9 teams;</b></li> <li>• <b>Utilization of mobile technology for prevention and detection of explosives or other threats and hazards;</b></li> <li>• <b>Development and enhancement of physical and perimeter security capabilities;</b></li> <li>• <b>Targeted counter-terrorism training for key front-line staff;</b></li> <li>• <b>Emergency preparedness drills and exercises; and,</b></li> <li>• <b>Public awareness and preparedness campaigns.</b></li> </ul>
<b>Response</b>	

<b>II.B. Describe the relevance of the Investment to the <i>National Preparedness Guidelines</i>, <i>National Strategy for Transportation Security</i>, and the <i>National Strategy for Maritime Security</i>.</b>	
<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• <b>Explain how this Investment will support one or more of the following <i>National Preparedness Priorities</i>:</b> <ul style="list-style-type: none"> <li>○ <b>Expanding regional collaboration;</b></li> <li>○ <b>Implementing the National Incident Management System and the National Response Plan;</b></li> <li>○ <b>Implementing the National Infrastructure Protection Plan;</b></li> <li>○ <b>Strengthening information sharing and collaboration capabilities;</b></li> <li>○ <b>Enhancing interoperable communications capabilities; and,</b></li> <li>○ <b>Strengthening CBRNE detection and response capabilities.</b></li> </ul> </li> <li>• <b>Explain how this Investment will support the goals of the <i>National Strategy for Transportation Security</i>; and,</b></li> <li>• <b>Explain how this Investment will support the goals of the <i>National Strategy for Maritime Security</i>.</b></li> </ul>
<b>Response</b>	

**II.C. Describe the relevance of this Investment to the Regional Transit Security Strategy and applicable State and/or Urban Area Homeland Security Strategy.**

<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<b>Investments will be evaluated on the extent to which they support applicable regional and State homeland security planning efforts.</b>
<b>Key Definitions:</b>	

**III. Impact**

**III.A. Discuss the anticipated impacts of this Investment and how the requested funding will help attain/achieve expected impacts. Consider the areas affected, and other entities (smaller ferry systems, jurisdictions, disciplines) that could leverage the outcomes and impacts of the solution presented by this Investment.**

<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Outline the expected, high-level impacts this Investment is expected to attain/achieve if implemented, and potential negative impacts if the Investment is not implemented;</li> <li>• Explain at a high level how ferry systems funding will help achieve these impacts. (Do not include specific information as to the amount or type of funding requested. This information should be provided in Section IV.);</li> <li>• Ensure this response links the identified impacts to specific geographic and demographic areas outlined in Question II.A; and,</li> <li>• Ensure this response identifies other ferry systems, jurisdictions and disciplines that may benefit from an outcome or a solution presented by this Investment.</li> </ul>
<b>Key Definitions:</b>	<p><b><u>Impact</u></b> refers to the effect that this Investment will have on the identified geographic and demographic areas.</p> <p><b><u>Outcome</u></b> refers to a tangible result that can be measured and evaluated.</p>
<b>Response</b>	

**III.B. Discuss how the implementation of this Investment will decrease or mitigate risk.**

<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• 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; and,</li> <li>• Identify the nature of the risk and how the risk and need are related to show how addressing the need through this Investment will also mitigate risk (e.g., reduce vulnerabilities or mitigate the consequences of an event).</li> </ul>
<b>Response</b>	

**III.C. Describe what the potential homeland security risks of not funding this Investment are.**

<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Consider the risks that already exist and will be more prevalent and/or any new risks that will result if this Investment is not funded and implemented; and,</li> <li>• Briefly discuss potential outcomes if this risk is not addressed – explain what vulnerabilities will not be reduced or what potential consequences will not be mitigated.</li> </ul>
<b>Response</b>	

#### IV. Funding & Implementation Plan

IV.A. Investment Funding Plan.	
Response Type	Numeric and Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> <li>In addition to the required cash match, discuss other funding sources (e.g., non-PSGP grant programs, public or private agreements, future fiscal year grants) that you plan on utilizing for the implementation and/or continued sustainment of this investment;</li> <li>If no other funding resources have been identified beyond the required cash match, or if none are necessary, provide rationale as to why the requested FY 2008 PSGP funding is sufficient for the implementation and sustainment of this investment.</li> </ul>
Response	

The following template illustrates how the applicant should indicate the amount of FY 2008 PSGP ferry system funding required for the Investment, how these funds will be allocated across the cost elements, and what (if any) non-FY 2008 PSGP ferry system funds will be utilized:

	FY08 PSGP Ferry System Request Total	Cast Match	Grand Total
<i>Planning</i>			
<i>Operational Packages (OPacks)</i>			
<i>Equipment Acquisitions</i>			
<i>Training</i>			
<i>Exercises</i>			
<i>Management and Administration</i>			
<b>Total</b>			

<b>IV.B. Identify up to five (5) potential challenges to the effective implementation of this Investment (e.g., stakeholder buy-in, sustainability, aggressive timelines).</b>	
<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• For each identified challenge, provide a brief description of how the challenge will be addressed and mitigated, and indicate a probability of occurrence (high, medium, or low);</li> <li>• The response should focus on the implementation only;</li> <li>• Consider the necessary steps and stages that will be required for successful implementation of the Investment;</li> <li>• Identify areas of possible concern or potential pitfalls in terms of Investment implementation; and,</li> <li>• Explain why those areas present the greatest challenge to a successful Investment implementation.</li> </ul>
<b>Response</b>	

<b>IV.C. Describe the management team, including roles and responsibilities, that will be accountable for the oversight and implementation of this Investment, and the overall management approach they will apply for the implementation of this Investment.</b>	
<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Provide the high-level skill sets (e.g., budget execution, grant administration, geospatial expert, outreach and communication liaison) that members of the management team must possess for the successful implementation and oversight of the Investment;</li> <li>• Discuss how those skill sets fulfill the oversight and execution responsibilities for the Investment, and how the management roles and responsibilities will be distributed/assigned among the management team; and,</li> <li>• Explain how the management team members will organize and work together in order to successfully manage the Investment.</li> </ul>
<b>Response</b>	

<b>IV.D. Discuss funding resources beyond FY 2008 PSGP ferry system funding that have been identified and will be leveraged to support the implementation and sustainment of this Investment.</b>	
<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• <b>Discuss other funding sources (e.g., non- ferry systems grant programs, public or private agreements, future fiscal year grants) that you plan on utilizing for the implementation and/or continued sustainment of this Investment;</b></li> <li>• <b>If no other funding resources have been identified, or if none are necessary, provide rationale as to why the requested FY 2008 ferry systems funding is sufficient for the implementation and sustainment of this Investment; and, Investments will be evaluated on the extent to which they exhibit a likelihood of success, or continued success, without requiring additional Federal assistance.</b></li> </ul>
<b>Response</b>	

<b>IV.E. Provide a high-level timeline, milestones and dates, for the implementation of this Investment. Possible areas for inclusion are: stakeholder engagement, planning, major acquisitions/purchases, training, exercises, and process/policy updates. <u>Up to 10</u> milestones may be provided.</b>	
<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed 1 page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• <b>Only include major milestones that are critical to the success of the Investment;</b></li> <li>• <b>While up to 10 milestones may be provided, grantees should only list as many milestones as necessary;</b></li> <li>• <b>Milestones are for this discrete Investment – those that are covered by the requested FY 2008 ferry systems funds and will be completed over the 36-month grant period;</b></li> <li>• <b>Milestones should be kept to high-level, major tasks that will need to occur;</b></li> <li>• <b>Identify the planned start date associated with the identified milestone. The start date should reflect the date at which the earliest action will be taken to start achieving the milestone;</b></li> <li>• <b>Identify the planned completion date when all actions related to the milestone will be completed and overall milestone outcome is met; and,</b></li> <li>• <b>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).</b></li> </ul>
<b>Response</b>	

**IV.F. Describe the planned duration for this overall Investment. Discuss your long-term sustainability plans for the Investment after your FY 2008 PSGP ferry system funds have been expended, if applicable.**

<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Give the expected total life-span for this Investment if fully implemented and sustained through completion;</li> <li>• Consider how this Investment will be sustained and funded after FY 2008 ferry systems funds are expended, if applicable;</li> <li>• Include information about resource needs (e.g., personnel, processes, and tools), as well as critical governance needs; and,</li> <li>• List critical milestones that are outside of the FY 2008 ferry systems grant period, and how those milestones will be met with the identified funding and resources.</li> </ul>
<b>Response</b>	

**IV.G. Describe the technical implementation plan for this Investment. Discuss the innovativeness of the solution proposed.**

<b>Response Type</b>	<b>Narrative</b>
<b>Page Limit</b>	<b>Not to exceed ½ page</b>
<b>Response Instructions</b>	<ul style="list-style-type: none"> <li>• Define the vision, goals, and objectives for the risk reduction, and summarizes how the proposed Investment will fit into the overall effort to meet the critical infrastructure security priorities (including integration into existing security protocols);</li> <li>• Describe the specific needs and/or resource limitations that need to be addressed;</li> <li>• Identify any potential partners and their roles and staffing requirements, and provide information on any existing agreements such as Memoranda of Understanding (MOU);</li> <li>• Identify specific equipment needs (e.g., number of facility cameras, number of security lights, amount of security fencing, etc.) and other details for training, awareness, exercises, and other programs, if applicable (e.g., number of people to be trained, length of training, type of training, number of printed materials, number of agencies and staff members involved in exercise planning, execution, and review);</li> <li>• Describe progress made on the security project this Investment will be completing, if applicable; and,</li> <li>• Reference use of prior year grant funds, if applicable.</li> </ul>
<b>Response</b>	

## **C. Investment Justification Submission.**

***Investment Justifications must be submitted with the grant application as a file attachment within [grants.gov](https://grants.gov).***

### **1. File Naming Convention**

Applicants must use the following file naming convention when submitting required documents as part of the FY 2008 ferry systems.

#### **Investment Justification (through [grants.gov](https://grants.gov) file attachment)**

- Ferry Applicant\_IJ Number (Example: Ferry System\_IJ\_1)

***Note: For additional information on any of the requirements associated with the FY 2008 ferry systems, please contact your Transportation Preparedness Officer or the Centralized Scheduling and Information Desk. The CSID can be contacted at 1-800-368-6498 or [askcsid@dhs.gov](mailto:askcsid@dhs.gov). CSID hours of operation are from 8:00 am–6:00 pm (EST), Monday-Friday.***

# Appendix G

## Sample Budget Detail Worksheet

OMB Approval No. 1121-0188

**A. 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.

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

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
----------------------	--------------------	-------------

**Note:** Personnel costs are only allowable for direct management and administration of the grant award, i.e., preparation of mandatory post-award reports.

**TOTAL** \_\_\_\_\_

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

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
----------------------	--------------------	-------------

**TOTAL** \_\_\_\_\_

**Total Personnel & Fringe Benefits** \_\_\_\_\_

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

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
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**TOTAL** \_\_\_\_\_

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

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

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

**TOTAL** \_\_\_\_\_

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

<u>Supply Items</u>	<u>Computation</u>	<u>Cost</u>
---------------------	--------------------	-------------

**TOTAL** \_\_\_\_\_

**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, hourly or daily fee (8-hour day), and estimated time on the project.

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

**Subtotal** \_\_\_\_\_

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

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

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

**Subtotal** \_\_\_\_\_

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

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

Subtotal \_\_\_\_\_

TOTAL \_\_\_\_\_

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

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

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

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

TOTAL \_\_\_\_\_

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

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

TOTAL \_\_\_\_\_

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

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

**B. Detailed Budget Submission and File Naming Convention.**

The Detailed Budget must be submitted with the grant application as a file attachment within [grants.gov](http://grants.gov). Applicants must use the following file naming convention when submitting required documents as part of the FY 2008 PSGP:

- COTP Zone Abbreviation\_Port Area\_Name of Applicant\_IJ Number\_Budget  
(Example: Hous\_Galveston\_XYZ Oil\_IJ#1\_Budget)

## Appendix H

# MOU/MOA Consortia or Association Guidance

### A. Requirement for State or Local Agencies and for Consortia or Associations.

Entities that are required to provide security services to eligible Ferry System applicants (MTSA regulated facilities) pursuant to an AMSP are eligible applicants for Operational Packages (OPacks) only. In addition, the security services provided must be addressed in the regulated entities' security plan. A copy of a Memorandum of Understanding (MOU) or a Memorandum of Agreement (MOA) between those identified entities will be required prior to funding, and must include an acknowledgement of the security services and roles and responsibility of all entities involved. The MOU/MOA must address the following points:

- The nature of the security 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 MARSEC levels.
- An acknowledgement by the facility that the applicant is part of their facility security plan.

If the applicant is mentioned as a provider of security services under the port's Area Maritime Security Plan, in lieu of an MOA/MOU, written acknowledgement from the Area Maritime Security Committee (AMSC) members, or a letter from the Federal Maritime Security Coordinator validating this status, will be acceptable. *In addition, MOA/MOUs submitted in previous PSGP award rounds will be acceptable, provided the activity covered also addresses the capability being requested through the FY 2008 PSGP.*

## B. 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 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 FY 2008 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)

### **C. Submitting the MOU/MOA.**

If applicable, the MOU/MOA for state or local law enforcement agencies and/or consortia providing layered protection to regulated entities must be submitted with the grant application as a file attachment within [grants.gov](https://grants.gov).

- COTP Zone Abbreviation\_Port Area\_Name of Applicant\_MOU  
(Example: Hous\_Galveston\_Harris County\_MOU)

## Appendix I

# Award and Reporting Requirements

**Prior to the transition to FEMA, the former Office of Grants and Training preparedness programs followed The Department of Justice's codified regulations, 28 CFR and the OGO Financial Management Guide. The former Office of Grants and Training is now within FEMA and all preparedness programs will follow FEMA's codified regulations, 44 CFR.**

### **A. Grant Award and Obligation of Funds.**

Upon approval of an application, the grant will be awarded to the grant recipient. The date that this is done is the “award date.”

Obligations are a legal liability to pay, under a grant, subgrant, or contract, determinable sums for services or goods incurred during the grant period. This includes, but is not limited to, amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment by the grantee during the same or a future period.

Awards made to SAAs under this program carry additional pass-through requirements. Pass-through is defined as an obligation on the part of the States to make funds available to units of local governments, combinations of local units, or other specific groups or organizations. The State's pass-through period must be met within 60 days of the award date for the PSGP<sup>9</sup>. Four requirements must be met to pass-through grant funds:

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

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

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<sup>9</sup> For purposes of the FY 2008 PSGP, receipt of funds means the date on which funds are available for expenditure (e.g., all special conditions prohibiting obligation, expenditure and draw down have been removed).

## **B. Post Award Instructions.**

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

**1. Review award and special conditions document.** Notification of award approval is made by e-mail through the Grants Management System (GMS). Once an award has been approved, a notice is sent to the e-mail address of the individual who filed the application, as well as to the authorized grantee official. Follow the directions in the notification e-mail and log into GMS to access the award documents. The authorized grantee official should carefully read the award and special condition documents. If you do not receive a notification e-mail, please contact your FEMA Program Manager for your award number. Once you have the award number, contact the GMS Help Desk at (888) 549-9901, option 3 to obtain the username and password associated with the new award.

If you agree with the terms and conditions, the authorized grantee official should sign and date both the original and the copy of the award document page in Block 19 and initial the special conditions page(s). Retain a copy and fax the documents to (202) 786-9905 Attention: Control Desk or send the original signed documents to:

**U.S. Department of Homeland Security/FEMA  
Grant Programs Directorate/Control Desk 4<sup>th</sup> Floor, TechWorld  
500 C St SW  
Washington, DC 20472**

If you do not agree with the terms and conditions, contact the awarding FEMA Program Manager named in the award package.

**2. Complete and return form SF1199A.** The SF1199A Direct Deposit Sign-up Form is used to set up direct deposit for grant payments. The SF1199A form can be found at: <http://www.fema.gov/government/grant/administration.shtm>.

NOTE: Please include your vendor number in Box C of the SF1199A form.

**3. Access to payment systems.** Grantees under this solicitation will use FEMA's online Payment and Reporting System (PARS) to request funds. The website to access PARS is [https://isource.fema.gov/sf269/execute/LogIn?sawContentMessage=true\\_](https://isource.fema.gov/sf269/execute/LogIn?sawContentMessage=true_). Questions regarding payments or how to access PARS should be directed to the FEMA Call Center at (866) 927-5646 or sent via e-mail to [ask-OGO@dhs.gov](mailto:ask-OGO@dhs.gov).

**4. Reporting requirements.** Reporting requirements must be met throughout the life of the grant (refer to the program guidance and the special conditions found in the award package for a full explanation of these requirements. Please note that PARS contains edits that will prevent access to funds if reporting requirements are not met on a timely basis.

**5. Questions about your award?** A reference sheet is provided containing frequently asked financial questions and answers. Financial management questions regarding

your award should be directed to the FEMA Call Center at (866) 927-5646 or sent via e-mail to [ask-OGO@dhs.gov](mailto:ask-OGO@dhs.gov).

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

### **C. Drawdown and Expenditure of Funds.**

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

Grant recipients should request funds based upon immediate disbursement requirements. Funds will not be paid in a lump sum, but rather disbursed over time as project costs are incurred or anticipated. Recipients should time their drawdown requests to ensure that Federal cash on hand is the minimum needed for disbursements to be made immediately or within a few days. Grantees may elect to draw down funds up to 120 days prior to expenditure/ disbursement. FEMA strongly encourages recipients to draw down funds as close to expenditure as possible to avoid accruing interest.

Funds received by grantees must be placed in an interest-bearing account and are subject to the rules outlined in 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments and 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements (Including Sub-awards) with Institutions of Higher Education, Hospitals and other Non-profit Organizations (formerly OMB Circular A-110). These regulations further provide that entities are required to promptly, but at least quarterly, remit interest earned on advances to:

**United States Department of Health and Human Services  
Division of Payment Management Services  
P.O. Box 6021  
Rockville, MD 20852**

The grantee may keep interest earned, up to \$100 per fiscal year for administrative expenses. This maximum limit is not per award; it is inclusive of all interest earned on all Federal grant program funds received.

Although advance drawdown requests are permissible, State grantees remain subject to the interest requirements of the Cash Management Improvement Act (CMIA) and its implementing regulations at 31 CFR Part 205. Interest under CMIA will accrue from the time Federal funds are credited to a State account until the time the State pays out the funds for program purposes.

## **D. Reporting Requirements.**

**1. Financial Status Report (FSR) – required quarterly.** Obligations and expenditures must be reported on a quarterly basis through the FSR, which is due within 30 days of the end of each calendar quarter (e.g., for the quarter ending March 31, FSR is due no later than April 30). 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 draw downs may be withheld if these reports are delinquent. The final FSR is due 90 days after the end date of the performance period.

FSRs must be filed online through the PARS.

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

**2. Categorical Assistance Progress Report (CAPR) – required.** Following an award, the grantee will be responsible for providing updated obligation and expenditure information on a semi-annual basis. The CAPR is due within 30 days after the end of the reporting period (July 30 for the reporting period of January 1 through June 30; and January 30 for the reporting period of July 1 through December 31).

CAPRs must be filed online through the internet at <http://grants.ojp.usdoj.gov>. Guidance and instructions for completing the CAPR can be found at <https://grants.ojp.usdoj.gov/gmsHelp/index.html>.

***Required submission: CAPR (due semi-annually)***

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

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

***Required submissions: AARs and IPs (as applicable)***

**4. Financial and Compliance Audit Report.** Recipients that expend \$500,000 or more of Federal funds during their fiscal year are required to submit an organization-wide financial and compliance audit report. The audit must be performed in accordance with the U.S. General Accountability Office, *Government Auditing Standards*, located at <http://www.gao.gov/govaud/ybk01.htm>, and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, located at <http://www.whitehouse.gov/omb/circulars/a133/a133.html>. Audit reports are currently due to the Federal Audit Clearinghouse no later than nine months after the end of the recipient's fiscal year. In addition, the Secretary of Homeland Security and the Comptroller General of the United States shall have access to any books, documents, and records of recipients of FY 2008 PSGP assistance for audit and examination purposes, provided that, in the opinion of the Secretary or the Comptroller, these documents are related to the receipt or use of such assistance. The grantee will also give the sponsoring agency or the Comptroller, through any authorized representative, access to, and the right to examine all records, books, papers or documents related to the grant.

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

**5. Federal Funding Accountability and Transparency Act.** While there are no State and Urban Area requirements in FY 2008, the Federal Funding Accountability and Transparency Act of 2006 may affect State and Urban Area reporting requirements in future years. The Act requires the Federal government to create a publicly searchable online database of Federal grant recipients by January 1, 2008 with an expansion to include sub-grantee information by January 1, 2009.

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

**7. State Preparedness Report.** Congress requires that States receiving DHS-administered Federal preparedness assistance shall submit a State Preparedness Report to the Department on the State's level of preparedness by March 31, 2008, and annually thereafter. The report shall include: (1) an assessment of State compliance with the national preparedness system, NIMS, the NRP, and other related plans and strategies; (2) an assessment of current capability levels and a description of target capability levels; and (3) an assessment of resource needs to meet the National Preparedness Priorities, including an estimate of the amount of expenditures required to attain the Priorities and the extent to which the use of Federal assistance during the preceding fiscal year achieved the Priorities.

## **E. Monitoring.**

Grant recipients will be monitored periodically by 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 will be accomplished through a combination of office-based reviews and on-site monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, performance and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed.

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

## **F. Grant Close-Out Process.**

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

### ***Required submissions:***

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

## Appendix J

# Additional Resources

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

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

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

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

For financial and administrative guidance, all state and local government grant recipients should refer to 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Institutions of higher education, hospitals, and other non-profit organizations should refer to 2 CFR Part 215 for the applicable uniform administrative requirements.

Additional guidance and information can be obtained by contacting the FEMA Call Center at (866) 927-5646 or via e-mail to [ask-OGO@dhs.gov](mailto:ask-OGO@dhs.gov).

**3. GSA's Cooperative Purchasing Program.** The U.S. General Services Administration (GSA) offers two efficient and effective procurement programs for State and local governments to purchase products and services to fulfill homeland security and other technology needs. The GSA Schedules (also referred to as the Multiple Award Schedules and the Federal Supply Schedules) are long-term, indefinite delivery, indefinite quantity, government-wide contracts with commercial firms of all sizes.

- Cooperative Purchasing Program  
Section 211 of the E-Government Act of 2002, authorized GSA sales of Schedule 70 IT products and services to State and Local Governments through the introduction of Cooperative Purchasing. The Cooperative Purchasing program allows State and local governments to purchase from Schedule 70 (the Information Technology Schedule) and the Consolidated Schedule (containing IT Special Item Numbers) **only**. Cooperative Purchasing is authorized by Federal law and was enacted when Section 211 of the E-



Government Act of 2002 amended the Federal Property and Administrative Services Act.

Under this program, State and local governments have access to over 3,500 GSA Schedule contractors who have voluntarily modified their contracts to participate in the Cooperative Purchasing program. The U.S. General Services Administration provides a definition of State and local governments as well as other vital information under the frequently asked questions section on its website at <http://www.gsa.gov/cooperativepurchasing>.

- **Disaster Recovery Purchasing Program**  
GSA plays a critical role in providing disaster recovery products and services to Federal agencies. Now State and Local Governments can also benefit from the speed and savings of the GSA Federal Supply Schedules. Section 833 of the John Warner National Defense Authorization Act for Fiscal Year 2007(Public Law 109-364) amends 40 U.S.C. 502 to authorize the GSA to provide State and Local governments the use of ALL Federal Supply Schedules of the GSA for purchase of products and services to be used to *facilitate recovery from a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act or to facilitate recovery **from** terrorism or nuclear, biological, chemical, or radiological attack.*

In the aftermath of emergency events, State or local governments' systems may be disrupted. Thus, use of Federal Supply schedule contracts prior to these events to acquire products or services to be used to facilitate recovery is authorized. State or local governments will be responsible for ensuring that purchased products or services are to be used to facilitate recovery.

GSA provides additional information on the Disaster Recovery Purchasing Program website at <http://www.gsa.gov/disasterrecovery>.

State and local governments can find a list of eligible contractors on GSA's website, <http://www.gsa.elibrary.gsa.gov>, denoted with a  or  symbol.

Assistance is available from GSA on the Cooperative Purchasing and Disaster Purchasing Program at the local and national levels. For assistance at the local level, visit <http://www.gsa.gov/csd> to find the point of contact in your area. For assistance at the national level, contact Tricia Reed at [patricia.reed@gsa.gov](mailto:patricia.reed@gsa.gov), 571-259-9921. More information is available at <http://www.gsa.gov/cooperativepurchasing> and <http://www.gsa.gov/disasterrecovery>.

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

In FY 2008, states may receive direct support for three exercises: one Training & Exercise Plan Workshop (T&EPW); one discussion-based exercise; and one operations-based exercise. While states are allowed to submit as many direct support applications as they choose, they are strongly encouraged to give careful thought to which exercises will require the additional assistance that will be provided through the direct support program. Exercises involving cross-border or mass-gathering issues will be counted against the number of direct-support exercises being provided to states.

Applications for direct support are available at [https://www.hseep.dhs.gov/pages/1001\\_hseep7.aspx](https://www.hseep.dhs.gov/pages/1001_hseep7.aspx) and are reviewed on a monthly basis. The Homeland Security Exercise and Evaluation Program offers several tools and resources to help design, develop, conduct and evaluate exercises.

**5. Homeland Security Preparedness Technical Assistance Program.** The Homeland Security Preparedness Technical Assistance Program (HSPTAP) provides technical assistance on a first-come, first-served basis (and subject to the availability of funding) to eligible organizations to enhance their capacity and preparedness to respond to CBRNE terrorist incidents. In addition to the risk assessment assistance already being provided, FEMA also offers a variety of other technical assistance programs.

More information can be found at <http://www.fema.gov/government/grant/index.shtm>.

**6. Lessons Learned Information Sharing (LLIS) System.** LLIS is a national, online, secure website that houses a collection of peer-validated lessons learned, best practices, AARs from exercises and actual incidents, and other relevant homeland security documents. LLIS facilitates improved preparedness nationwide by providing response professionals with access to a wealth of validated front-line expertise on effective planning, training, equipping, and operational practices for homeland security.

The LLIS website also includes a national directory of responders and homeland security officials, as well as an updated list of homeland security exercises, events, and conferences. Additionally, LLIS includes online collaboration tools, including secure e-mail and message boards, where users can exchange information. LLIS uses strong encryption and active site monitoring to protect all information housed on the system. The LLIS website is <https://www.llis.gov>.

**7. Information Sharing Systems.** DHS encourages all State, regional, local, and Tribal entities using PSGP funding in support of information sharing and intelligence fusion and analysis centers to leverage available Federal information sharing systems, including Law Enforcement Online (LEO) and the Homeland Security Information Network (HSIN). For additional information on LEO, contact the LEO Program Office at [leoprogramoffice@leo.gov](mailto:leoprogramoffice@leo.gov) or (202) 324-8833. For additional information on HSIN and available technical assistance, contact the HSIN Help Desk at (703) 674-3003.

**THIS IS THE END OF THE PSGP GUIDANCE.**

