

State Homeland Security Program Grant (SHSP)



**Funding Provided by
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Division of Emergency Management**

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Federal Emergency Management Agency (FEMA)**

SHSP ACTIVITIES AND ALLOWABLE COSTS

Expenses claimed under SHSP must be consistent with the Cost Principles for Federal Awards located at [2 CFR 200 subpart E](#). In general, subrecipients should consult with their state program coordinator prior to making any investment that does not clearly meet the allowable expense criteria laid out by the Notice of Funding Opportunity (NOFO) and summarized in this document.

All costs associated with SHSP must support the applicant's efforts to:

- Prevent a threat of or an actual act of terrorism;
- Prepare for all hazards and threats, while explaining the nexus to terrorism preparedness;
- Protect citizens, residents, visitors, and assets against the greatest threats and hazards, relating to acts of terrorism; and/or
- Respond quickly to save lives, protect property and the environment, and meet basic human needs in the aftermath of an act of terrorism or other catastrophic incident.

Allowable investments made in support of the Homeland Security Grant Program priorities as well as other capability-enhancing projects must have a nexus to terrorism preparedness *and* fall into the categories of **planning, organization, equipment, training, or exercise** aligned to a capability gap.

PLANNING

Allowable planning costs include:

- Public education & outreach;
- Develop scenario plans that incorporate the range of prevention, protection, response and recovery activities;
- Develop and implement homeland security support programs and adopt ongoing DHS National Initiatives;
- Develop and enhance plans and protocols;
- Develop related terrorism prevention activities;
- Develop or conducting assessments
- Establish, enhance, or evaluate Citizen Corps related volunteer programs
- Hiring of full or part-time staff or contract/consultants to assist with planning activities (not for the purpose of hiring public safety personnel fulfilling traditional public safety duties) (refer to personnel section)
- Conferences to facilitate planning activities
- Travel/per diem related to planning activities
- Overtime and backfill costs (refer to personnel section)
- Other project areas with prior approval from FEMA
- Program Evaluations
- Other Authorized Personnel

When using SHSP funding towards updating an Emergency Operations Plan (or any annexes) the plan must conform to the guidelines outlined in the [CPG 101 v.2](#).

ORGANIZATION

Allowable organizational activities include:

- Reimbursement for select operational expenses associated with increased security measures at critical infrastructure sites incurred during periods of DHS-declared alert
- Travel and Per Diem
- Vehicle and Equipment Rentals
- Vehicle/Equipment Maintenance (As outlined in Information Bulletin 336 and 348)
- Fuel Cost and/or Mileage Reimbursement
- Hiring of full- or part-time staff or contractors for emergency management activities
- Other Authorized Personnel (refer to personnel section)

Expenditures relating to a recipients organization must be justified within their investment justification submission. Additionally, recipients may utilize *up to* 50% of their award for organizational costs. More than 50% must be waived/approved by FEMA. Waiver requests must be submitted to the SAA on official letterhead.

Other organizational activities under SHSP include:

- Hiring new staff and/or contractor positions to serve as intelligence analysts to enable information/intelligence sharing capabilities, as well as support existing intelligence analyst previously covered by SHSP.
 - Potential intelligence analysts must meet one of the following criteria
 1. Successfully complete training to ensure baseline proficiency in intelligence analysis and production within six months of being hired; and/or,
 2. Previously served as an intelligence analyst for a minimum of two years either in a Federal intelligence agency, the military, or state and/or local law enforcement intelligence unit.
- See Law Enforcement Terrorism Prevention Activities

EQUIPMENT

Allowable equipment categories include all 21 AEL categories:

- Personal Protective Equipment
- Explosive Device Mitigation and Remediation Equipment
- CBRNE Operational Search and Rescue Equipment
- Information Technology
- Cybersecurity Enhancement Equipment
- Interoperable Communications Equipment
- Detection
- Decontamination
- Medical
- Power (e.g., generators, batteries, power cells)
- CBRNE Reference Materials
- CBRNE Incident Response Vehicles
- Terrorism Incident Prevention Equipment
- Physical Security Enhancement Equipment
- Inspection and Screening Systems
- Animal Care and Foreign Animal Disease
- CBRNE Prevention and Response Watercraft
- CBRNE Aviation Equipment
- CBRNE Logistical Support Equipment
- Intervention Equipment (e.g., tactical entry, crime scene processing)
- Other Authorized Equipment
 - All equipment must be on the [Authorized Equipment List](#) and approved specifically for SHSP. Also, be wary of any 'grant notes' sections for potential qualifications.

Medical equipment, supplies, and pharmaceuticals purchased under this grant program are allowable only to supplement normal stores, in order to provide the surge capacity necessary for CBRNE terrorism response. They are not intended for routine use.

Grant funds may be used for the procurement of medical countermeasures. Procurement of medical countermeasures must be conducted in collaboration with state, city, or local health departments that administer Federal funds from HHS. This requirement is in order to sustain long-term planning for appropriate, rapid, and local medical countermeasures, including antibiotics and antidotes for nerve agents, cyanide, and other toxins. Procurements must have a sound threat based justification with an aim to reduce the consequences of mass casualty incidents during the first crucial hours of a response. Prior to procuring pharmaceuticals, recipients must have in place an inventory management plan to avoid large periodic variations in supplies due to coinciding purchase and expiration dates. The costs of disposal cannot be carried over to another grant or grant period.

See Controlled Equipment and Unallowable Costs and Maintenance and Sustainment for additional information.

TRAINING

Allowable training costs include:

- Develop, deliver, and evaluate training;
- Overtime and backfill for emergency preparedness and response personnel attending FEMA-sponsored and approved training classes;
- Overtime and backfill expenses for part-time and volunteer emergency response personnel participating in FEMA training;
- Training workshops and conferences;
- Certification/Recertification of Instructors;
- Full- or part-time staff or contractors/consultants (refer to personnel section);
- Travel;
- Supplies;
- Tuition for higher education (requires prior approval);
- Other items (requires prior approval);
- Other Authorized Personnel (requires prior approval);

Training conducted with SHSP funding should address a performance gap identified through a TEP or other assessments and should contribute to building a capability that will be evaluated through a formal exercise. Any training gaps, including training related to under-represented diverse populations.

Recipients are encouraged to use existing training rather than developing new courses. When developing new courses, recipients are encouraged to apply the Analysis, Design, Development, Implementation and Evaluation model of instructional design. Recipients are also encouraged to utilize the FEMA training courses offered through the Emergency Management Institute, the Center for Domestic Preparedness, the National Domestic Preparedness Consortium, and other partners.

EXERCISE

Allowable exercise related costs include:

- Design, Develop, Conduct and Evaluate an Exercise (Must coordinate with State ETO);
- Exercise planning workshop (Must coordinate with State ETO);
- Full- or part-time staff or contractors/consultants (refer to personnel section);
- Overtime and backfill costs, including expenses for part-time and volunteer emergency response personnel participating in FEMA exercises;
- Implementation of HSEEP;
- Travel;
- Supplies;
- Other items;
- Other Authorized Personnel (refer to personnel section);

Exercises conducted with grant funding should be managed and conducted consistent with HSEEP. HSEEP guidance for exercise design, development, conduct, evaluation, and improvement planning is located [HERE](#).

MANAGEMENT AND ADMINISTRATION

Allowable management and administration costs include:

- Hiring of full or part-time staff or contractors/consultants to assist with the management of the respective grant program, application requirements, compliance with reporting and data collection requirements
- Travel
- Meeting related expenses
- Recurring expenses such as those associated with cell phones and faxes during the period of performance of the grant program
- Authorized office equipment
- Leasing or renting of space for newly hired personnel during the period of performance of the grant program
- Other Authorized Personnel

Check with the SHSP program manager prior to planning a project involving administrative costs. M&A is limited to 5% of the total grant award for each region/jurisdiction.

MAINTENANCE AND SUSTAINMENT

The use of SHSP funds for maintenance contracts, warranties, repairs or replacement costs, upgrades and user fees are allowable as described in FEMA Policy FP 205-402-125-1 under all active and future grant awards, unless otherwise noted. With the exception of maintenance, plans purchased incidental to the original purchase of the equipment, the period covered by maintenance or warranty must not exceed the PoP of the specific grant funds used to purchase the plan or warranty.

Grant funds are intended to support the Goal by funding projects that build and sustain the core capabilities necessary to prevent, protect against, mitigate the effects of, respond to, and recover from those threats that pose the greatest risk to the security of the Nation. In order to provide recipients the ability to meet this objective, the policy set forth in GPD's [IB 379](#): Guidance to State Administrative Agencies to Expedite the Expenditure of Certain grant funding. This information bulletin allows for the expansion of eligible maintenance and sustainment, costs that must be in

1. direct support of existing capabilities;
2. must be an otherwise allowable expenditure under SHSP;
3. be tied to one of the core capabilities in the five mission areas contained within the Goal; and
4. sharable through the Emergency Management Assistance Compact.

Additional eligibility costs may also be in support of equipment, training, and critical resources that have previously been purchased with either federal or any other source of funding other than preparedness grant program dollars (SHPS/EMPG).

LAW ENFORCEMENT TERRORISM PREVENTION ACTIVITIES

Activities eligible for use of LETPA focused funds include but are not limited to:

- Maturation and enhancement of designated state and major Urban Area fusion centers, including information sharing and analysis, threat recognition, terrorist interdiction, and training/hiring of intelligence analysts;
- Coordination between fusion centers and other analytical and investigative efforts including, but not limited to Joint Terrorism Task Forces (JTTFs), Field Intelligence Groups (FIGs), High Intensity Drug Trafficking Areas (HIDTAs), Regional Information Sharing Systems (RISS) Centers, criminal intelligence units, and real-time crime analysis centers;
- Implementation and maintenance of the Nationwide SAR Initiative, including training for front line personnel on identifying and reporting suspicious activities;
- Implementation of the “If You See Something, Say Something™” campaign to raise public awareness of indicators of terrorism and terrorism-related crime and associated efforts to increase the sharing of information with public and private sector partners, including nonprofit organizations. **NOTE:** DHS requires that the office of public affairs (OPA) be given the opportunity to review and approve any public awareness materials developed using HSGP grant funds for the campaign to ensure they are consistent with the department’s messaging and strategy for the campaign.
- Increase physical security, through law enforcement personnel and other protective measures, by implementing preventive and protective measures at critical infrastructure sites or at-risk nonprofit organizations; and
- Building and sustaining preventive radiological and nuclear detection capabilities, including those developed through the Securing the Cities initiative.

CONTROLLED/PROHIBITED EQUIPMENT AND UNALLOWABLE COSTS

Grant funds *may* be used for the purchase of Controlled Equipment; however, because of the nature of the equipment and the potential impact on the community, there are additional and specific requirements in order to acquire this equipment. Refer to [IB 407a](#): Use of Grant Funds for Controlled Equipment: Updated for Fiscal Year 2017, for the complete controlled equipment list and specific requirements for acquiring controlled equipment with grant funds. Prohibited equipment cannot be purchased with grant funds under any circumstances. Examples include but are not limited to:

Prohibited	Controlled
Tracked Armored Vehicles	Manned Aircraft, fixed or rotary wing
Weaponized Aircraft, Vessels, and Vehicles of Any Kind	Unmanned aerial vehicles
Camouflage Uniforms	Armored or Tactical wheeled vehicles
	Command control vehicles
	Explosives and pyrotechnics

Under SHSP, all requests to purchase Small Unmanned Aircraft Systems (SUAS) with grant funding must also include a description of the policies and procedures in place to safeguard individuals' privacy, civil rights, and civil liberties of the jurisdiction that will purchase, take title to, or otherwise use the SUAS.

Also important to note, per FEMA policy, the purchase of **weapons and weapons accessories**, including ammunition, is not allowed with SHSP funds.

CRITICAL EMERGENCY SUPPLIES AND OPACKS

Critical Emergency supplies, such as shelf stable products, water, and basic medical supplies are an allowable expense under SHSP. Prior to the allocation of grant funds for stockpiling purposes, each recipient must have approval of a five-year viable inventory management plan which should include a distribution strategy and related sustainment costs if planned grant expenditure is over \$100,000.

If grant expenditure exceed the minimum threshold, the five-year inventory management plan will be developed by the recipient and monitored by FEMA GPD and the FEMA Logistics Management Directorate.

Applicants may elect to pursue OPack funding, such as Canine Teams, Mobile Explosive Screening Teams, and Anti-Terrorism Teams, for new capabilities as well as to sustain existing OPacks. Applicants must commit to minimum training standards to be set by DHS for all federally funded security positions. Applicants must also ensure that the capabilities are able to be deployable, through EMAC, outside of their community to support regional and national efforts. When requesting new OPacks-related projects, applicants must demonstrate the need for developing a new capability at the expense of sustaining an existing core capability.

PERSONNEL

Personnel hiring, overtime, and backfill expenses are permitted under this grant in order to perform allowable HSGP planning, training, exercise, and equipment activities. Personnel may include but are not limited to training and exercise coordinators, program managers for activities directly associated with SHSP funded activities, intelligence analysts, and statewide interoperability coordinators (SWIC).

For further details, refer to [FEMA Policy 207-093-1](#) or contact the state SHSP program coordinator.

SHSP funds may **not** be used to support the hiring of any personnel for the purposes of fulfilling traditional public health and safety duties or to supplant traditional public health and safety positions and responsibilities.

The following definitions as it relates to personnel costs:

- *Hiring.* State and local entities may use grant funding to cover the salary of newly hired personnel who are exclusively undertaking allowable DHS/FEMA program activities as specified in this guidance. This may not include new personnel who are hired to fulfill any non-DHS/FEMA program activities under any circumstances. Hiring will always result in a net increase of Full Time Equivalent (FTE) Employees.
- *Overtime.* These expenses are limited to the additional costs that result from personnel working over and above 40 hours of weekly work time as a direct result of their performance of DHS/FEMA-approved activities specified in this guidance. Overtime associated with any other activity is not eligible.
- *Backfill-related Overtime.* Also called “Overtime as Backfill,” these expenses are limited to overtime costs which result from personnel who are working overtime (as identified above) to perform the duties of other personnel who are temporarily assigned to DHS/FEMA-approved activities outside their core responsibilities. Neither overtime nor backfill expenses are the result of an increase of FTE employees.
- *Supplanting.* 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 recipients 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.

ADDITIONAL TRAINING AND EXERCISE INFORMATION

Training

Per DHS/FEMA Grant Programs Directorate Policy FP 207-008-064-1, review and approval requirements for training courses funded through Preparedness Grants are no longer required to request approval from FEMA for personnel to attend non-DHS FEMA training. With the requirement that the training is coordinated with and approved by the state Point of Contact (TPOC) and falls within the FEMA mission scope and the jurisdiction's Emergency Operations Plan (EOP). The only exception to this policy is for Countering Violent Extremism courses, which must be approved in advance by the DHS Office for Civil Rights and Civil Liberties.

Exercise

Recipients that use SHSP funds to conduct (an) exercise(s) are encouraged to complete a progressive exercise series. Exercises conducted by state and Urban Areas may be used to fulfill similar exercise requirements required by other grant programs. Recipients are encouraged to invite representatives and planners involved with other federally mandated or private exercise activities. Recipients are also encouraged to share, at a minimum, the multiyear training and exercise schedule with those departments, agencies, and organizations included in the plan.

Unauthorized Exercise Costs

- Reimbursement for the maintenance and/or wear and tear costs of general use vehicles (e.g., construction vehicles), medical supplies, and emergency response apparatus (e.g., fire trucks, ambulances).
- Equipment that is purchased for permanent installation and/or use, beyond the scope of the conclusion of the exercise (e.g., electronic messaging sign).

Appendix F – FY 2017 HSGP Allowable Cost Matrix

Allowable Program Activities ⁶	SHSP	UASI	OPSG
Allowable Planning Costs			
Developing hazard/threat-specific annexes that incorporate the range of prevention, protection, response, and recovery activities	Y	Y	N
Developing and implementing homeland security support programs and adopting ongoing DHS/FEMA national initiatives	Y	Y	N
Developing related terrorism and other catastrophic event prevention activities	Y	Y	N
Developing and enhancing plans and protocols	Y	Y	N
Developing or conducting assessments	Y	Y	N
Hiring of full- or part-time staff or contract/consultants to assist with planning activities (not for the purpose of hiring public safety personnel fulfilling traditional public safety duties)	Y	Y	N
Materials required to conduct planning activities	Y	Y	N
Travel/per diem related to planning activities	Y	Y	Y
Overtime and backfill costs (in accordance with operational Cost Guidance)	Y	Y	Y
Issuance of WHTI-compliant Tribal identification cards	Y	N	N
Activities to achieve planning inclusive of people with disabilities and others with access and functional needs and limited English proficiency.	Y	Y	N
Coordination with Citizen Corps Councils for public information/education and development of volunteer programs	Y	Y	N
Update governance structures and processes and plans for emergency communications	Y	Y	N
Activities to achieve planning inclusive of people with limited English proficiency	Y	Y	Y
Allowable Organizational Activities			
Reimbursement for select operational expenses associated with increased security measures at critical infrastructure sites incurred (up to 50 percent of the allocation)	Y	Y	N
Overtime for information, investigative, and intelligence sharing activities (up to 50 percent of the allocation)	Y	Y	Y
Hiring of new staff positions/contractors/consultants for participation in information/intelligence analysis and sharing groups or fusion center activities (up to 50 percent of the allocation)	Y	Y	N
Allowable Equipment Categories			
Personal Protective Equipment	Y	Y	Y
Explosive Device Mitigation and Remediation Equipment	Y	Y	N
CBRNE Operational Search and Rescue Equipment	Y	Y	N
Information Technology	Y	Y	Y
Cybersecurity Enhancement Equipment	Y	Y	N
Interoperable Communications Equipment	Y	Y	Y
Detection	Y	Y	Y
Decontamination	Y	Y	N
Medical	Y	Y	Y
Power (e.g., generators, batteries, power cells)	Y	Y	Y
CBRNE Reference Materials	Y	Y	N
CBRNE Incident Response Vehicles	Y	Y	N
Terrorism Incident Prevention Equipment	Y	Y	Y
Physical Security Enhancement Equipment	Y	Y	Y

⁶ Current as of publication for FY 2017 Programs. This list is not all-inclusive. See the respective program guidance for additional details and/or requirements

Allowable Program Activities ⁶	SHSP	UASI	OPSG
Inspection and Screening Systems	Y	Y	Y
Animal Care and Foreign Animal Disease	Y	Y	N
CBRNE Prevention and Response Watercraft	Y	Y	N
CBRNE Aviation Equipment	Y	Y	N
CBRNE Logistical Support Equipment	Y	Y	N
Intervention Equipment (e.g., tactical entry, crime scene processing)	Y	Y	Y
Other Authorized Equipment	Y	Y	Y
Allowable Training Costs			
Overtime and backfill for emergency preparedness and response personnel attending DHS/FEMA-sponsored and approved training classes	Y	Y	Y
Overtime and backfill expenses for part-time and volunteer emergency response personnel participating in DHS/FEMA training	Y	Y	Y
Training workshops and conferences	Y	Y	Y
Activities to achieve training inclusive of people with disabilities and others with access and functional needs and limited English proficiency	Y	Y	N
Full- or part-time staff or contractors/consultants	Y	Y	Y
Travel	Y	Y	Y
Supplies	Y	Y	N
Instructor certification/re-certification	Y	Y	N
Coordination with Citizen Corps Councils in conducting training exercises	Y	Y	N
Interoperable communications training	Y	Y	N
Activities to achieve planning inclusive of people with limited English proficiency.	Y	Y	N
Allowable Exercise Related Costs			
Design, Develop, Conduct, and Evaluate an Exercise	Y	Y	N
Full- or part-time staff or contractors/consultants	Y	Y	N
Overtime and backfill costs, including expenses for part-time and volunteer emergency response personnel participating in DHS/FEMA exercises	Y	Y	N
Implementation of HSEEP	Y	Y	N
Activities to achieve exercises inclusive of people with disabilities and others with access and functional needs.	Y	Y	N
Travel	Y	Y	N
Supplies	Y	Y	N
Interoperable communications exercises	Y	Y	N
Activities to achieve planning inclusive of people with limited English proficiency.	Y	Y	N
Allowable Management & Administrative Costs			
Hiring of full- or part-time staff or contractors/consultants to assist with the management of the respective grant program, application requirements, and compliance with reporting and data collection requirements	Y	Y	Y
Development of operating plans for information collection and processing necessary to respond to DHS/FEMA data calls	Y	Y	Y
Overtime and backfill costs	Y	Y	Y
Travel	Y	Y	Y
Meeting related expenses	Y	Y	Y
Authorized office equipment	Y	Y	N
Recurring expenses such as those associated with cell phones and faxes during the PoP of the grant program	Y	Y	N
Leasing or renting of space for newly hired personnel during the PoP of the grant program	Y	Y	N