



Cal OES
GOVERNOR'S OFFICE
OF EMERGENCY SERVICES



Planning Grant Guide

2017-18 Hazardous Materials Emergency
Preparedness (HMEP)
Planning Subgrant Program

This document is intended to provide guidance to subrecipients of the planning subgrants under the Cal OES HMEP Grant Program.

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Section One – HMEP Grant Overview

HMEP Grant Program Purpose

The Hazardous Materials Transportation Safety and Security Reauthorization Act of 2005 authorizes the US Department of Transportation (DOT) to provide assistance to public sector employees through training and planning awards to States, Territories, and federally recognized Native American Tribes for emergency response. The US DOT's Pipeline and Hazardous Materials Safety Administration (PHMSA) makes funding available to States, Territories, and federally-recognized Tribal Governments through the Hazardous Materials Emergency Preparedness (HMEP) Grant Program. The California Governor's Office of Emergency Services (Cal OES) is the state's administering agency for passing the HMEP Grant funds through to the Local Emergency Planning Committees (LEPC) and eligible applicants within the LEPC regions.

The purpose of this program is to increase State, Territorial, Tribal, and local effectiveness in safely and efficiently handling hazardous materials incidents, enhance implementation of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA), and encourage a comprehensive approach to emergency training and planning by incorporating the unique challenges of responses to transportation situations. The HMEP grant program is authorized under 49 United States Code (U.S.C.) § 5116 and is governed by program regulations at 49 Code of Federal Regulations (CFR) Part 110 and Federal grants administration regulations, now organized at 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Planning and training are the two components of the HMEP grant program. Funding is made available for eligible planning activities only. HazMat training tuition grants are made available to public agency responders through the LEPC. For more information, please contact your LEPC (<http://www.caloes.ca.gov/FireRescueSite/Pages/Local-Emergency-Planning-Committee.aspx>).

HMEP Planning Grant subawards can be used for HazMat transportation emergency response preparedness activities, including developing, improving, and carrying out emergency plans under the Emergency Planning and Community Right-To-Know Act of 1986 (42 U.S.C. 11001 et seq.), and ascertaining flow patterns of hazardous material on lands under the jurisdiction of a State or Native American tribe, and between lands under the jurisdiction of a State or tribe and lands of another State or tribe. Cal OES is the state pass-through agency for the Federal Hazardous Materials Emergency Preparedness (HMEP) Grant funds, and makes a minimum of 75 percent of the Planning Award available to eligible applicants within the Local Emergency Planning Committee (LEPC) Regions through the subgrant process.

Eligible Applicants

The Cal OES 2017-2018 HMEP Planning Subgrant Program is open to California's political subdivisions and federally-recognized Tribal Governments within California that have not applied directly to US DOT/PHMSA for HMEP Grant funding. Political subdivisions, defined:

"A county, municipality, city, town, township, local public authority (including any public and Indian housing agency under the United States Housing Act of 1937 (42 U.S.C. 1401 et seq.), school district, special district, intrastate district, council of governments (whether or not incorporated as a nonprofit corporation under State law), any other regional or interstate government entity, or any agency or instrumentality of a local government." (49 CFR § 110.20)

Cal OES will coordinate applications with the respective LEPCs for approval and prioritization.

Performance Period

Funding is not available until the State's grant project period begins, which is anticipated to be September 30, 2017. Subrecipients cannot incur costs toward their project until the Grant Award Face Sheet (GAFS) is returned to and executed by Cal OES. If the GAFS and supporting documentation are submitted to Cal OES by September 30, 2017 it is anticipated that the subrecipient project start date will be October 15, 2017. All subrecipient activities must be completed by September 15, 2018. Provisions for a one-time 30-day extension are outlined in the Amendment or Modification Requests section of this Guidance.

Guidance Purpose

This guidance is meant to supplement the US DOT/Pipeline and Hazardous Materials Safety Administration (PHMSA) HMEP Grant Expenditures Guide, and provide helpful information to assist subrecipients understanding and complying with the rules and regulations that apply to this grant program. A new Planning Grant Guide will be released each year with the subaward funding opportunity announcement, and necessary updates within the grant cycle will be distributed to all active subrecipients. Significant changes from one program year to the next will be captured in the 'What's New' section of the guide.

Applicable Laws, Regulations, and Guidance Documents

- 42 U.S.C. 11001, the Emergency Planning and Community Right-to-Know Act of 1986, Sections 301 and 303
- 49 U.S.C. 5116, Planning and training grants, monitoring, and review
- Title 2, Code of Federal Regulations (CFR) Part 200 and US DOT's implementation of this regulation in Part 1200
- Title 49, CFR Part 110
- US DOT/PHMSA HMEP Grant Expenditures Guide
- US DOT/PHMSA HMEP Best Practices Guide
- Cal OES Planning Grant Guide for Subrecipients

Definition of an LEPC

"Local Emergency Planning Committee (LEPC) means a committee appointed by the State Emergency Response Commission under section 301(c) of the Emergency Planning and Community Right-to-Know Act of 1986 ...that includes at a minimum, representatives from each of the following groups or organizations: elected State and local officials; law enforcement, firefighting, civil defense, first aid, health, local environmental, hospital, and transportation personnel; broadcast and print media; community

groups; and owners and operators of facilities subject to the emergency planning requirements." (49 CFR 110.20)

LEPC Role

LEPCs are not a political subdivision of the state, nor do they have the fiduciary ability to apply directly for the grant funds. However, Cal OES will coordinate all applications with the respective LEPCs for approval and prioritization.

Subrecipient Responsibilities

- Comply with all governing laws, regulations, guidance, terms and conditions, assurances and certifications.
- Prepare quarterly performance reports for the duration of the performance period, or until all approved work has been completed, and submit them by the due date, as outlined in the Quarterly Performance Report section of this guidance.
- Maintain financial management systems that support grant activities in accordance with 2 CFR § 200 and 49 CFR § 110.70.
- Prepare reimbursement requests to draw down awarded funds and submit them as outlined in the Reimbursement Request section of this guidance.
- Receive Cal OES approval before initiating any grant activities or incur expenses that vary from the approved grant award agreement.
- Immediately communicate any delay in the approved Work Schedule.
- Submit supporting documentation to demonstrate that the approved project was completed within the subrecipient's performance period with the Final Quarterly Performance Report and/or Reimbursement Request Form.
- Maintain property, programmatic and financial records in accordance with the grant record retention requirements.

Matching Requirements

Cal OES will document the required match share for HMEP Planning Subawards; this is no longer a requirement of the subrecipient.

Grant Administrator Contact Information

Erika Olsen
HMEP Grant Administrator
Hazardous Materials Section, Cal OES

Email:	Phone:	Fax:	Address:
erika.olsen@caloes.ca.gov	(916) 845-8765	(916) 845-8734	3650 Schriever Avenue Mather, CA 95655

Subaward Timelines

The expected HMEP Subgrant Period is October 15, 2017 to September 15, 2018.

May 2017	HMEP Planning Subgrant funding opportunity announcement and Subrecipient Guidance are released.
July 31, 2017	<p>A completed application package, signed by the Authorized Agent, must be submitted electronically by July 31, 2017 to the Cal OES HMEP Grant Administrator: erika.olsen@caloes.ca.gov.</p> <p>Hard copy original must be postmarked by July 31, 2017. Send to: California Governor's Office of Emergency Services Hazardous Materials Section.</p> <p>Attn: Erika Olsen 3650 Schriever Ave Mather, California 95655</p>
July – August 2017	Cal OES/LEPCs approves, prioritizes, and completes application review process and makes conditional offer of award via a Grant Award Face Sheet (GAFS).
September – October 2017	Subrecipient returns signed GAFS.
October 15, 2017	<p>Subrecipient Performance Period begins, contingent on Cal OES execution of subaward.</p> <p>NOTE: The signed GAFS must be counter-signed by Cal OES prior to the subrecipient being approved to initiate activities, a process that can take up to two weeks.</p>
December 2017 March 2018 June 2018 September 2018	Subaward billing period quarters end; Performance Reports and Reimbursement Requests are due. Please see the next table for more information.
September 15, 2018	Subaward Performance Period ends.

Quarterly Performance Report and Reimbursement Request Forms must be signed by the Authorized Agent and include supporting documentation for all expenditures being claimed. The package may be e-mailed to the Cal OES HMEP Grant Administrator, and is due as follows:

January 11, 2018	Activities and expenditures for October 15 – December 31.
April 11, 2018	<p>Activities and expenditures for January 1 – March 31.</p> <p>Projects that are not substantially on track with the approved timelines or budget at this point risk having their subaward reduced or terminated.</p>
July 11, 2018	<p>Activities and expenditures for April 1 – June 30.</p> <p>Projects that are not substantially on track with the approved timelines or budget at this point risk having their subaward reduced or terminated.</p>
September 15, 2018	<p>Final reconciliation of activities and expenditures for July 1 – September 15.</p> <p>An electronic copy of the project or other final documentation showing completion of the funded activity must be submitted – avoid sending printed plans/documents.</p> <p>If an extension was requested in accordance with the terms and conditions and approved, a final performance report and reimbursement request must be submitted for the extension period.</p>

Section Two – Goals and Objectives

Overview

The Hazardous Materials Transportation Safety and Security Reauthorization Act of 2005 authorizes the US Department of Transportation (DOT) to provide assistance to public sector employees through training and planning awards to States, Territories, and federally recognized Native American Tribes for emergency response. The US DOT's Pipeline and Hazardous Materials Safety Administration (PHMSA) makes some of this funding available to States, Territories, and federally-recognized Tribal Governments through the Hazardous Materials Emergency Preparedness (HMEP) Grant Program. The California Governor's Office of Emergency Services (Cal OES) is the state's administering agency for passing the HMEP Grant funds through to the Local Emergency Planning Committees (LEPC) and eligible applicants within the LEPC regions.

The purpose of this program is to increase State, Territorial, Tribal, and local effectiveness in safely and efficiently handling hazardous materials incidents, enhance implementation of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA), and encourage a comprehensive approach to emergency training and planning by incorporating the unique challenges of responses to transportation situations. The HMEP grant program is authorized under 49 United States Code (U.S.C.) § 5116 and is governed by program regulations at 49 Code of Federal Regulations (CFR) Part 110 and Federal grants administration regulations, now organized at 2 CFR Part 200.

Planning and training are the two components of the HMEP grant program. Funding is being made available for planning activities only. Hazardous materials (HazMat) training tuition grants are made available to public agency responders through the LEPC. LEPC contact information is located at: <http://www.caloes.ca.gov/FireRescueSite/Pages/Local-Emergency-Planning-Committee.aspx>.

HMEP Planning Grant Subawards can be used for HazMat transportation emergency response preparedness activities, including developing, improving, and carrying out emergency plans under the Emergency Planning and Community Right-To-Know Act of 1986 (42 U.S.C. 11001 et seq.), and ascertaining flow patterns of hazardous material on lands under the jurisdiction of a State or Native American tribe, and between lands under the jurisdiction of a State or tribe and lands of another State or tribe.

For this grant cycle, and subsequent cycles moving forward, applicants are encouraged to allocate funding toward developing or revising emergency plans to account for bulk transportation of energy products by rail and over the road. Applicants are also encouraged to conduct commodity flow studies or other HazMat transportation hazard analyses to determine the frequency and quantity of HazMat shipments being transported through local communities, and assessing the degree to which emergency responders are trained to respond appropriately to incidents involving bulk shipments of energy products as well as other hazardous materials.

When drafting project proposals, Cal OES encourages applicants to consider these topics:

- Current risk involving transport of energy products such as crude oil, ethanol, and liquefied natural gas (LNG);

- Current state of operational readiness/capability;
- Familiarity with bulk shippers' emergency response plans/procedures;
- Available training resources (sources, accessibility, gaps in training); and
- Needs of emergency responders/public safety agencies

For more information on PHMSA's Safe Transportation of Energy Products (STEP) program resulting from US DOT Secretary Foxx's Call to Action, please visit their website at <http://www.phmsa.dot.gov/hazmat/osd/calltoaction>. For information on HazMat programs in California, including the HazMat Team Typing Inspection Program, HazMat by Rail activities, and the LEPC Regional HazMat Planning Project, please visit the Cal OES HazMat Section web page at <http://www.caloes.ca.gov/FireRescueSite/Pages/Hazardous-Materials.aspx>.

Subject to actual federal HMEP Planning award funding amount and a state budget, Cal OES plans to make at least \$224,481 in funding available to LEPCs and eligible applicants within the LEPC Regions this grant cycle. The expected amount of individual subawards will typically range from \$5,000 to \$35,000 and between 4 and 10 Planning projects are funded each year.

Requests for supplementation of funding for approved projects may be considered during the 2017-2018 HMEP performance period. Requests must adequately describe how the additional activities and/or funding enhances the approved project, and provide assurance that the revised project will be completed by September 15, 2018. Requests must be received by December 31, 2017.

Goals

The primary goal for the 2017-18 grant cycle is to encourage a comprehensive approach to planning and training for emergency response directly relating to hazardous materials in transportation, with a specific focus on US DOT/PHMSA's funding priorities.

Objectives

In all cases, those proposals seeking to better understand hazards and risks related to bulk transportation of energy products by rail and over the road will be prioritized higher if requests for funding exceed the amount available. The Cal OES objectives for the 2017-18 subawards are:

- Develop, improve, and implement emergency plans or procedures for incidents involving transportation of hazardous materials, including radioactive materials
 - Target CUPA's with Area Plans having a revision date older than 3 years
 - Encourage including drills or exercises in proposals
- Determine hazardous materials flow patterns into and within California.
 - Fund at least two commodity flow study projects
- Strengthen LEPC HazMat response planning and preparedness capacity
 - Fund emergency response drills and exercises associated with HazMat emergency preparedness plans
 - Fund assessing the need for regional HazMat response teams
 - Fund HazMat training needs assessments

- Funds LEPC community outreach and education projects related to preparing for and safely responding to a release/spill resulting from HazMat transportation incidents (such as hazard awareness, evacuation and shelter-in-place)
- Fund out-of-state travel to the annual NASTTPO Workshop or other allowable planning forums
- Fund other allowable projects that directly support the intent of the HMEP Grant program

Section Three – Allowable and Unallowable Activities

Allowable Activities

All activities must be approved by Cal OES before they can be initiated. HMEP planning funds may be used for activities such as:

- Development, improvement, and implementation of emergency plans required under the EPCRA. Enhancement of emergency plans, including hazards analysis, and response procedures for emergencies involving transportation of hazardous materials, including radioactive materials.
- An assessment to determine the flow patterns of hazardous materials within the state, between states or Native American lands, and development and maintenance of a system to keep such information current.
- An assessment of the need for regional hazardous materials emergency response teams.
- An assessment of local response capabilities.
- HazMat emergency response drills and exercises to test capabilities and identify gaps in planning or training.
- Provision of technical staff to support the planning effort.
- Additional activities deemed appropriate by Cal OES to implement the scope of work for the proposed project plan and approved in the grant.

See the US DOT/PHMSA HMEP Grant Expenditures Guide and the US DOT/PHMSA HMEP Best Practices Guide for examples of allowable Planning activities at <http://phmsa.dot.gov/hazmat/grants>.

Unallowable Activities

Examples of unallowable activities include:

- Fixed facility drills and exercises.
- All-hazards drills and exercises.
- Emergency Operations Center (EOC mapping).
- Development or revision of plans that do not address HazMat transportation incident response planning.
- All-hazard risk or vulnerability assessments.
- Community outreach or education activities that do not relate to HazMat transportation incident preparedness.
- LEPC expenses that are not related to HazMat transportation incident planning or the HMEP Grant.

See the US DOT/PHMSA HMEP Grant Expenditures Guide and the US DOT/PHMSA HMEP Best Practices Guide for examples of unallowable Planning activities. <http://phmsa.dot.gov/hazmat/grants>

Section Four – Applying for the Grant

Application Packages

Interested eligible parties must download the application forms associated with this funding opportunity from the Cal OES HMEP Grant Web page, under the HazMat – HMEP – Subaward Forms section at: <http://www.caloes.ca.gov/cal-oes-divisions/fire-rescue/hazardous-materials/hazmat-emergency-preparedness-grant>.

Applicants must use the most current forms posted on the website, be well written, and free of grammatical errors. Project and Budget Narratives should follow the structure and guidance in this planning guide.

Each applicant is required to:

- Be registered in SAM before submitting its application;
- Provide a valid DUNS number on the Cal OES Grant Award Face Sheet, which is provided when Cal OES extends an offer of funding; and
- Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award.

If an applicant does not fully comply with these requirements, Cal OES may determine that the applicant is not qualified to receive a Federal award.

The final date for submission is Monday, July 31, 2017. Cal OES is not obligated to consider applications that are late and/or incomplete. A completed application package, signed by the Authorized Agent, must be submitted electronically to the Cal OES HMEP Grant Administrator at erika.olsen@caloes.ca.gov by the final submission date.

The hard copy original pages containing an Authorized Agent signature must also be submitted, postmarked by July 31, 2017. Mail to:

Cal OES/Hazardous Materials Section
Attention Erika Olsen
3650 Schriever Avenue
Mather, California 95655

After submission, the Cal OES will coordinate with the appropriate Local Emergency Planning Committee (LEPC) for approval and prioritization.

Application Review Information

Criteria

Applications for HMEP Planning Sub-grant funding must contain all the required forms, signed by the identified Authorized Agent, and Indirect Cost Rate agreement (if applicable).

- Required Forms
 - Application Form
 - Designation Statement
 - Project Narrative
 - Budget Sheet
 - Budget Narrative (created by the applicant and must address each budget category)
 - Work Schedule and Deliverables Form
 - Cal OES Grant Assurances – Non-Construction Programs.

Forms are located at: <http://www.caloes.ca.gov/cal-oes-divisions/fire-rescue/hazardous-materials/hazmat-emergency-preparedness-grant>, under HazMat – HMEP – Subaward Forms.

- Applicant Attachments to be submitted
 - Indirect Cost Agreement (if applicable)
 - Additional Optional Attachments (as applicable)
- Project Narrative - Include the following required elements:
 - Planning Needs Assessment
 - Planning Activities
 - Outputs and Objectives
 - Planning Activity Timeline
 - Monitoring and Evaluation

Please see Instructions for completing the Project Narrative for further guidance.

Review and Selection Process

It is anticipated that at least 75 percent of the state’s HMEP Planning Award, or at least \$224,481 will be available for the 2017-18 Planning subawards. There is not a minimum or maximum designated, though individual amounts typically range from \$5,000 to \$35,000. Funds may not be dispensed equitably among all the LEPC regions as distribution is based on interest, alignment with the identified funding priorities, need being addressed by the project, and prioritization by the LEPCs. Cal OES will review applications based on merit, including clarity of the project narrative and reasonableness of costs as described in the budget narrative. Cal OES reserves the right to recommend adjustments that are beneficial to the goals of the HMEP Planning Grant program, and to offer funding at less than the requested amount. Cal OES may ask an applicant to modify its objectives, work plan, or budget and/or to provide supplemental information prior to offering an award.

Applications will be reviewed by Cal OES HazMat section staff with expertise in the HMEP Grant Program and experience with the types of activities outlined in the project proposals. Each application will be evaluated against the following criteria and determined to be exceptional, acceptable or unacceptable.

Exceptional applications demonstrate the requirements of the funding announcement are very well understood and the approach will likely result in a very high quality performance. The application clearly addresses and exceeds requirements with no significant weaknesses. The application contains outstanding

features that meet or exceed on multiple dimensions the expectations of the awarding agency. Risk of poor performance is low.

Acceptable applications demonstrate the requirements of the funding announcement are understood and the proposed approach will likely result in satisfactory performance. The application addresses and meets requirements with some minor but correctable weaknesses and/or deficiencies. The application demonstrates at least minimum requisite experience, qualifications, and performance capabilities. Risk of poor performance is no more than moderate.

Unacceptable applications do not meet the requirements of the funding announcement. The approach, if approved in current form, will likely result in unsatisfactory performance. The application fails to address requirements or it only partially addresses and satisfies some requirements. Major weaknesses and/or deficiencies are noted. Risk of poor performance is high.

Special attention will be placed on whether or not the application has a coherent project narrative that follows the outline of this funding announcement, and the costs described in the budget narrative appear to be necessary, reasonable, allowable and allocable.

Projects that address one or more of the identified funding priorities will be prioritized higher than projects that do not, should the amount of funding requested exceed the amount available.

An applicant's prior performance as an HMEP Planning Grant subrecipient will be considered and the Cal OES Grants Monitoring Division will be consulted to understand the applicant's level of risk as a subrecipient of federal funds. Consequently, grant awards may include special terms and conditions.

Only acceptable or exceptional applications will be considered for funding. The Cal OES HazMat Section Supervisor will be the final approval authority to select successful applicants and offer awards of financial assistance. All applicants will receive notice of their application status following the review process.

Anticipated Announcement and Federal Award Dates

US DOT/PHMSA plans to make awards to States in September 2017 with a proposed start date of September 30, 2017. Cal OES plans to make conditional offers of subawards in August 2017 with a proposed start date of October 15, 2017. These offers will be contingent on Cal OES receiving the expected federal funding allocation and an approved State budget.

Funding is not available until the State's grant project period begins, which is anticipated to be September 30, 2017. Subrecipients cannot incur costs toward their project until the Grant Award Face Sheet (GAFS) is returned to and executed by Cal OES. If the GAFS and supporting documentation are submitted to Cal OES by September 30, 2017 it is anticipated that the subrecipient project start date will be October 15, 2017. All subrecipient activities must be completed by September 15, 2018. Provisions for a one-time 30-day extension are outlined in the Amendment or Modification Requests section of Part Five – Managing the Grant in this Guidance. These requests are expected to be uncommon and will be considered on a case-by-case basis.

Forms

Application Form

Field Name	Description of Information Required
Applicant	Full name of the public agency applying for the grant.
Project Title	A brief title of the proposed project.
Mailing Address	The address for correspondence and reimbursement checks.
Project Start/End Dates	Anticipated start and end date of the proposed project.
Project Manager, Title, Phone, and Email Address	The person in the agency who is responsible for the daily implementation of the project.
Estimated Budget	The amount of HMEP funds being requested, which represents the total project costs. Must correspond to the Budget Sheet.
Authorized Agent Certification	Signature of the person in the organization with the ultimate responsibility for the project and who has the legal authority to commit funds on behalf of the applicant, as identified on the Designation Statement.
Administrative Approvals	Leave Blank

Designation Statement

The Designation Statement identifies the people who are responsible for key roles in administering the subaward: Project Manager, Financial Officer and Authorized Agent. If more than one Authorized Agent will be identified, or if the Authorized Agent or Project Manager changes during the grant period, a separate/new Designation Statement is required.

Field Name	Description of Information Required
Applicant	Full name of the public agency applying for the grant.
Project Title	A brief title of the proposed project.
Project Manager contact information	The person in the organization who is responsible for the daily implementation of the project (may also be an Authorized Agent). If the Project Manager changes, immediate notification to the HMEP Grant Administrator and a new Designation Statement is required.

Financial Officer contact information	<p>The person responsible for the fiscal management of the grant. This person must certify all financial status reports, invoices, and requests for payment submitted.</p> <p>The financial officer cannot be the Project Manager or Authorized Agent, and cannot sign Reimbursement Request Forms.</p>
Authorized Agent Certification	<p>Contact information and signature of the Authorized Agent – the person in the organization with the ultimate responsibility for the project and who has the legal authority to commit funds on behalf of the applicant. Must also sign the Application Form, Grant Assurances, Reimbursement Request Form and Quarterly Performance Report.</p> <p>If more than one Authorized Agent is desired, a Designation Statement and Grant Assurances are required for each.</p> <p>If the Authorized Agent changes, immediate notification to the HMEP Grant Administrator and a new Designation Statement and Grant Assurances are required.</p>

Project Narrative

Include the following required elements:

- *Planning Needs Assessment.* Describe the current capacity and any areas of deficiency as it concerns hazardous materials emergency preparedness planning. Address any needs for building capacity. Include:
 - An assessment of the current abilities and authorities of the applicant's program for preparedness planning;
 - A discussion of whether the applicant knows, or intends to assess, transportation flow patterns of hazardous materials within the applicant's jurisdiction and between the applicant's jurisdiction and another jurisdiction; and
 - The current degree of participation in, or intention to assess, the need for a regional HazMat response team.
- *Planning Activities.* Describe the proposed activities to be undertaken during the period of performance. Explain how the proposed grant activities will increase program effectiveness and address gaps identified in the needs assessment.
- *Outputs and Objectives.* Include measurable outputs and objectives related to hazardous materials planning to be accomplished during the grant's period of performance.
- *Planning Activity Timeline.* Provide an overview of the schedule for implementing the proposed activities in the upcoming project period. Detailed benchmarks and milestones are to be listed on the Work Schedule and Deliverables Form.
- *Monitoring and Evaluation.* Provide a description of the monitoring and evaluation activities that will be conducted to ensure that the grant activities are successfully carried out according to the

planning activity timeline. Include an explanation of quality control measures and a description of the project management oversight, including but not limited to plans, strategies, or practices to be used reach the project objectives.

Work Schedule and Deliverables Form

This is a chronological listing of significant activities that will take place during the performance period, along with project tasks and deliverables or major milestones within each activity. The expected progress of each activity is indicated by placing an “X” in the appropriate “monthly progress schedule” box. Minor changes to the activity schedule as actual progress occurs will be identified in the Quarterly Performance Report, and may require a revised Work Schedule and Deliverables Form. Major changes to the activity schedule must be communicated to Cal OES as soon as they are identified, and may require a project modification or amendment.

The process of obtaining subaward approval and signature can create delays in beginning the grant project. Pre-planning to understand the requirements necessary for receiving the award will be necessary to ensure a timely start of project activities.

Budget Sheet

Develop a Budget Narrative, as outlined below, and transfer the total dollar figures to the Budget Sheet. HMEP Share, Match Share, and Total amounts must equal those on the Application Form.

All costs must be eligible, reasonable, necessary, and allocable in accordance with 2 CFR § 200. It is important not to significantly over or under estimate costs for the project budget as this will be the amount considered for funding. Carefully consider all potential expenses and estimate project costs as diligently as possible. The intent is to award the amount necessary to complete the project without having the subrecipient pay for costs above the project amount or to de-obligate unspent funds.

Budget Narrative

Develop a Budget Narrative in the following categories, and transfer the total dollar figures to the Budget Sheet. All HMEP Share (reimbursable) costs must be detailed.

- Itemize expenses in the categories listed on the Budget Sheet
- Describe how the dollar amounts were derived and how the item(s) will be used for the project.
- If services by a consultant/contractor are expected to be performed, describe how the vendor will be selected.
- Identify and request costs that are allowable, reasonable and necessary for the successful completion of their proposed HMEP planning projects.

Personnel costs include the regular employee compensation for time spent working directly on the grant project. Overtime/backfill costs are not allowed. Include a list of the employees, position title/role, tasks to be completed, the estimated number of hours or percentage of time that will be dedicated to the project, hourly wage or annual salary, and total cost to the grant.

- This category is limited to ONLY persons employed by your organization. Those not employed by your agency shall be classified as subgrants or contractors. Those individuals should be listed under the Contractual budget category.
- Only include compensation paid for employees engaged in grant activities.
- Costs should be consistent with that paid for similar types of work within the applicant's organization.
- Refer to 2 CFR § 200 for more information on allowable Compensation costs.

Fringe Benefit costs are the allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. These benefits can include the cost of employer's share of FICA, health insurance, worker's compensation, and vacation. Explain how the fringe benefit amount is calculated (i.e., actual fringe benefits estimate, approved rate, etc.) and what is included in the rate used in this budget. Identify the specific benefits charged to a project and the benefit percentage of employee salary. DO NOT combine the fringe benefit costs with direct salaries and wages in the Personnel budget category.

- Employees listed under Personnel should have corresponding Fringe Benefit amount.
- Cal OES cannot pay Fringe Benefits for a position not listed in the Personnel section.
- If a position will have time allocated to grant activities, the level of participation (full-time or part-time) must correspond to the Fringe Benefits charged.
- Fringe benefits are only for the percentage of time devoted to the grant project.
- Refer to 2 CFR § 200 for more information on allowable Fringe Benefit costs.

Travel costs are those specifically related to the grant project. Provide the purpose, location, method of travel, number of persons traveling, number of days, and estimated cost for each trip (i.e., flights, hotel stays, rental cars, and other allowable travel costs).

- If details of each trip are not known at the time of application submission, provide the basis for determining the amount requested.
- Travel costs that will be charged to the grant must be in accordance with the applicant's written travel policy
- Refer to 2 CFR § 200 for more information on allowable Travel costs.

Equipment costs are typically not included in HMEP Planning Grant projects, and may be funded at less than the 80 percent maximum reimbursement amount. Only include those items which are tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Include a description, quantity, unit price, and how it will be used on the project. If the expense is under \$5,000 per item, it belongs under "Supplies." However, if your agency's equipment threshold is below \$5,000, provide an explanation and policy citation.

- Analyze the cost benefits of purchasing versus leasing equipment, particularly high-cost items and those subject to rapid technical advances. List rented or leased equipment costs in the "Contractual" or "Other" category, depending upon the procurement method.
- Refer to 2 CFR § 200 for more information on allowable Equipment costs and Procurement.

Supplies are tangible personal property other than equipment. Include the types of property in general terms. It is not necessary to document office supplies in great detail (for example: reams of paper, boxes of paperclips, etc.). A good way to document office supplies is to indicate the approximate expenditure of the unit as a whole. However, applicants should include a quantity and unit cost for larger cost supply items.

- Refer to 2 CFR § 200 for more information on allowable Supplies costs and Procurement.

Contractual costs are those services carried out by an individual or organization, other than the applicant, in the form of a procurement relationship. There are generally two ways to capture costs in this category: Subgrants and Contracts.

A subgrant is an award provided by a Grant Recipient to a subrecipient. The subrecipient carries out part of a program for which the Grant Recipient received Federal support. A subgrant may be provided through any form of legal agreement, including an agreement that the Recipient calls a contract. A subgrantee has its performance measured in relation to whether objectives of a Federal program were met; has responsibility for programmatic decision making; is responsible for adhering to applicable Federal program requirements specified in the Federal award; and, in accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

A contract is a legal instrument by which a Grant Recipient purchases property or services needed to carry out the project or program under an award. A contractor/consultant provides the goods or services within normal business operations; provides similar goods or services to many different purchasers; normally operates in a competitive environment; provides goods or services that are ancillary (necessary support to the primary activities) to the operation of the Federal program; and is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons. Include the rationale for the amount of the costs and include the specific contract goods and/or services provided and the related expenses for those goods and services. Entering the statement “contractual services” shall not be considered meeting the requirement for completing this section.

- Refer to 2 CFR § 200 for more information on allowable Professional Services (Contractual) costs and Procurement.
- Other costs do not fit any of the aforementioned categories, such as postage and printing costs, and must be itemized.
- Refer to 2 CFR § 200 for more information on allowable costs.

Indirect Costs are incurred for common or joint objectives that benefit more than one project. The applicant must include a current and fully executed negotiated Indirect Cost Rate Proposal (ICRP) agreement in the application if claiming indirect costs. Identify the basis for the rate and ensure the rate is applied to the appropriate base in the approved agreement. If the rate will not be approved by the application due date, provide the letter of renewal or letter of request that was sent to the cognizant agency, with the proposed rate used in the application budget.

- Refer to 2 CFR § 200 for more information on Indirect Costs.

NOTE: HMEP Grant funds are not to be used to purchase items or services that would otherwise be purchased with the applicant's own funds. Federal law prohibits recipients of federal funds from supplanting, or replacing state, local, or agency funds with federal funds, e.g., the grant recipient swaps funding sources without adding to, enhancing, or expanding the currently- offered activities and resources. Existing funds for a project and its activities may not be displaced by federal funds and reallocated for other organizational expenses.

Grant Assurances

The Cal OES HMEP Grant Assurances outline programmatic requirements that apply to the acceptance and implementation of an HMEP grant award, and with which the Authorized Agent certifies they will comply.

Section Five –Managing the Grant

Expectations

Subrecipients will expend the full amount of the award on eligible, approved project costs.

Quarterly reporting documentation will be submitted in accordance with identified deadlines.

Subrecipients who are not substantially on track with the approved timelines or budget by the end of the 2nd Quarter of the Performance Period risk having the award reduced or terminated.

Budgets submitted during the subgrant application process are estimates of expected costs. Frequent reconciliation of actual expenditures must be performed so awarded funds that will not be expended within the performance period can be de-obligated and reallocated to other allowable activities.

Amendment or Modification Requests

An amendment is a change to the approved grant performance period, increases/decreases to the grant award amount or changes to the Recipient name. Amendments must use the current Grant Award Amendment Form (Cal OES 2-213). The Amendment form must be signed by the Recipient's Authorized Agent. To initiate an amendment, submit a request on official letterhead, signed by the Authorized Agent, to the Cal OES HMEP Grant Administrator detailing the portion of the approved subaward agreement to be changed and the circumstances leading to this request. Upon receipt and tentative approval of the request, Cal OES will provide the Amendment Form.

Requests for supplementation of funding for approved projects may be considered during the 2017-2018 HMEP performance period. Requests must adequately describe how the additional activities and/or funding enhances the approved project, and provide assurance that the revised project will be completed by September 15, 2018. Requests must be received by December 31, 2017.

Though it is expected to be the exception rather than the rule, there may be circumstances that prevent a project from being completed as planned within the performance period. Requests for a 30-day performance period time extension will be considered on a case-by-case basis, but must be received by May 31, 2018. Cal OES is not obligated to consider requests received within 30 days of the end of the performance period.

A Modification is a change to the specifications of a Grant Award Agreement that does not change the award amount, the approved grant period, or the Recipient name. Examples include a change to a scope of work, project objectives, work schedule, or budget changes that do not change the grant award amount. Modifications requests must be submitted to the Cal OES HMEP Grant Administrator and approved/denied in writing. Email correspondence is acceptable as long as the Authorized Agent is included in the conversation thread. If submitted by formal letter, the modification request must be signed by the Authorized Agent. Modification requests will not be considered after May 31, 2018.

All changes to the approved Grant Award Agreement must be approved by Cal OES, prior to initiating the change or incurring additional expenses. Failure to request prior approval to make changes to the Grant Award Agreement could result in disallowed costs.

Reimbursement Requests

Planning funds are made available to subrecipients on a reimbursement basis using the Reimbursement Request Form. Reimbursement requests may be submitted monthly, but not less than quarterly. Retain the original documents according to the Records Retention schedule.

Scanned copies of requests and supporting documentation must be submitted by email to the Cal OES HMEP Grant Administrator at erika.olsen@caloes.ca.gov.

Examples of documents to submit with Reimbursement Requests:

- An invoice on the contracting agency’s letterhead or billing form.
- Copies of receipts, including the reason for the expense.
- Copies of event programs, agendas, registrations, etc.
- Copies of notices or letters sent, along with a list of recipients.
- Copies of rosters for funded activities (event agendas, meeting or exercise rosters, etc.).
- Copies of any subcontracts or agreements entered into by the subrecipient involving HMEP grant funds, (e.g. personal service contracts).
- Copies of functional timesheets or detailed spreadsheets to support any personnel costs.

The following costs are not eligible for reimbursement under the HMEP Grant Program:

- Expenses not related to the transportation of hazardous materials.
- Expenses claimed and/or reimbursed by another program.
- Expenses counted as match funds toward another Federal program.
- Expenses that supplant existing operational funds/programs.
- Entertainment, alcohol, morale costs.
- Any costs disallowed or stated as ineligible in 2 CFR § 200.
- Excessive costs for any approved budget item.
- Overtime or backfill.

Reimbursement Request Form

Field Name	Description of Information Required
Subrecipient	The Applicant (agency) identified in the grant application.
Cal OES ID #	Leave Blank
HMEP Grant #	Leave Blank

Change of Authorized Agent	<p>Indicate a change in Authorized Agent by checking the box shown and completing the new information in the Authorized Agent area of the form.</p> <p>Must submit new HMEP Grant Assurances and Designation Statement prior to or along with the Reimbursement Request Form.</p>
Billing period	The month, day and year for the beginning and the end of the period covered, which typically mirrors a Federal Fiscal Quarter (FFQ).
Quarter	<p>Mark the number of the FFQ for the indicated billing period.</p> <p>Quarter 1: October 1 – December 31 Quarter 2: January 1 – March 31 Quarter 3: April 1 – June 30 Quarter 4: July 1 – September 30</p>
Total Expenditures	<p>Enter the total amount of costs for this billing period in the first column, which are fully supported by the accompanying documentation.</p> <p>Enter the year-to-date total of costs in the second column by adding previous quarter (s) Total Expenditures to the amount for this billing period.</p>
HMEP Share	<p>Enter the total amount of Federal HMEP share of your claim for this billing period in the first column. This is the amount to be reimbursed.</p> <p>Enter the year to date total for HMEP Share in the second column by adding previous quarter (s) HMEP Share to the amount for this billing period.</p>
Authorized Agent	<p>Complete all line items/edit as necessary, and ensure that the form is signed by the Authorized Agent. If this is a different person from the previous billing period, see ‘Change of Authorized Agent’ information above.</p> <p>The date of the signature must be on or after the last day of the billing period.</p>

Quarterly Performance Reports

The HMEP grant is based on performance. Quarterly Performance Reports are used by Cal OES to ensure that the projects are kept on schedule and are within the parameters that Cal OES approved. Failure to submit quarterly reports by the due date could result in grant reduction, termination or suspension.

The Quarterly Performance Report is required for each quarter, regardless of whether there were expenditures or not. Subrecipients who are not substantially on track with the approved timelines or budget by the end of the 2nd Quarter risk de-obligation of the award. If there were expenditures for the quarter, complete a Reimbursement Request Form and submit both at the same time.

Subrecipients must submit Quarterly Performance Reports to Cal OES until all grant activities are completed. The reports must include the status of all approved activities, and should align with the Work Schedule and Deliverables form. The reports are due as follows:

- October 15 through December 31 – Report due January 11
- January 1 through March 31 – Report due April 11
- April 1 through June 30 – Report due July 11
- July 1 through September 15 – Report due September 15

Minor changes to the activity schedule as actual progress occurs will be identified in the Quarterly Performance Report, and may require a revised Work Schedule and Deliverables Form. Major changes to the activity schedule must be communicated to Cal OES as soon as they are identified, and may require a project modification or amendment.

An electronic copy of the project, or other final documentation showing completion of the funded activity, must be submitted – avoid sending printed plans/documents.

Scanned copies of reports and supporting documentation must be submitted by Email to the Cal OES HMEP Grant Administrator at erika.olsen@caloes.ca.gov.

Hazardous Materials Exercise Details

If not already provided, the following information must be included with the final Quarterly Performance Report:

- A brief statement describing the purpose of the exercise, to include what part of the emergency response plan is under evaluation and the transportation method involved. NOTE: An exercise may involve a fixed facility, but must be focused on transportation
- The objectives or planned benefits of the exercise
- The names of the members of the exercise design team
- The names of the members of the evaluation team, and identify the lead evaluator
- A list of agencies participating in the exercise
- The number of participants
- Electronic copies of exercise manuals, IAPs, etc.
- An after action report listing accomplishments and lessons learned (Draft is acceptable)

Final Report

All approved project activities must be completed and paid for by September 15, 2018. If all performance and expenditures were documented on the 3rd quarter Performance Report and Reimbursement Request form, nothing further is needed.

Final reconciliation of expenses that were incurred by September 15, but not paid by that date may be claimed on a final Reimbursement Request.

If 30-day extension was requested in accordance with the Terms and Conditions, and in the Amendment or Modification Requests section of Part Five – Managing the Grant in this Guide, a final Quarterly Performance Report and Reimbursement Request must be submitted for the extension period.

If not already provided, an electronic copy of the project, or other final documentation showing completion of the funded activity, must be submitted with the final Reimbursement Request – avoid sending printed plans/documents.

FINAL REPORT documentation is due no later than September 15, 2018.

Cal OES Closeout Review and Notification

Cal OES will review the subrecipient's final Performance Report and Reimbursement Request for compliance with all grant requirements. Once verified, the subrecipient will receive written notification that their subaward has been closed and that the records retention period has begun.

Record Retention and Accessibility of Records

Record retention and access requirements can be found in 2 CFR § 200.333 through .337 and 49 CFR 110.90 (c). Generally, records must be kept for three years after the end of the project year. Subrecipients will be notified in writing that their grant has been closed by Cal OES and that the records retention period has begun. All documents, regardless of storage medium, must remain available for the entire records retention period, unless notified otherwise.

The US DOT, the Comptroller General of the United States, Cal OES, or any of their authorized representatives, shall have the right of access to any books, documents, papers, or other records which are pertinent to the grant, in order to make audits, examinations, excerpts, and transcripts. The right of access is not limited to the required retention period but shall last as long as the records are retained.

Cal OES Monitoring

Throughout the subaward performance period, subrecipients are required to report quarterly on their progress and this information is compared to the approved project budget and work schedule to ensure the activities are on track. Discrepancies will be questioned to ensure that there is confidence in the project being completed within the performance period, and work schedules are revised as needed.

In addition to the Cal OES HMEP Grant Administrator monitoring subrecipient progress through the Quarterly Performance Reports and Reimbursement Requests, and email and phone communication, Cal OES may perform more in-depth periodic reviews of grant activities. Required by federal mandate, the Cal OES Grants Monitoring Branch assesses subrecipient grant programs to verify that expenditures submitted for reimbursement are allowable, reasonable, benefit the grant, and have been appropriately charged to the correct cost category. They also verify adequate policies, processes, and systems are in place to manage Cal OES awards effectively.

Cal OES' monitoring process gauges subrecipient compliance with federal and state policies and regulations, and includes both office-based and on-site activities. Monitoring focuses on providing technical assistance and guidance to validate or improve administrative efficiencies in managing award funds. Cal OES accomplishes this oversight function through "monitoring." There are different types of reviews performed by Cal OES monitoring staff to validate compliance: Audit Reviews, Schedule (Questionnaire) Reviews, Desk Reviews, and On-Site Reviews. Each approach differs in its scope and degree of thoroughness, which offers options depending on the needs of the review and risk associated with the subrecipient.

These reviews may include, but are not limited to:

- Comparing actual grant activities to those that were approved
- Confirming compliance with:
 - Grant Assurances
 - Information provided on the quarterly and/or final reports
 - Procurement procedures and policies
 - Supporting documentation requirements
 - Contract provisions

Additionally, the Grants Monitoring Branch reviews audit findings and corrective actions, and evaluates several factors to determine organizations' risk as a subrecipient of grant funds. The HazMat Section staff will coordinate with Grants Monitoring to understand the risk associated with potential HMEP Grant subrecipients prior to executing a subaward.

Suspension or Termination

Cal OES may suspend or terminate subrecipient funding, in whole or in part, or other measures may be imposed for any of the following reasons:

- Failing to comply with the requirements or statutory objectives of federal or state law.
- Failing to make satisfactory progress toward the goals or objectives set forth in the subrecipient's approved scope of work.
- Failing to comply with subaward terms and conditions, assurances, and other guidance or requirements.
- Proposing or implementing substantial plan changes to the extent that, if originally submitted, the application would not have been approved.
- Failing to submit required reports.
- Filing a false certification in the application or other report or document.

Before taking action, Cal OES will provide the subrecipient reasonable notice of intent to impose measures and will make efforts to resolve the problem informally.

Section Six - Abbreviations and Acronyms

Cal OES	California Governor's Office of Emergency Services
CFR	Code of Federal Regulations
CUPA	California Unified Program Agency
DOT	Department of Transportation
EPCRA	Emergency Planning and Community Right-to-Know Act of 1986
FFQ	Federal Fiscal Quarter
HazMat	Hazardous materials
HMEP	Hazardous Materials Emergency Preparedness
IAP	Incident Action Plan
LEPC	Local Emergency Planning Committee
OMB	United States Office of Management and Budget
PHMSA	Pipeline and Hazardous Materials Safety Administration
U.S.C.	United States Code
US DOT	United States Department of Transportation

Section Seven – Frequently Asked Questions

HMEP Frequently Asked Questions

1. What is the purpose of the HMEP grant?

Federal Hazardous Material Law authorizes the US Department of Transportation (DOT) to provide assistance through training and planning grants. The purpose of the HMEP grant program is to increase effectiveness in safely and efficiently handling hazardous materials accidents and incidents; enhance implementation of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA); and encourage a comprehensive approach to emergency training and planning by incorporating the unique challenges of responses to transportation situations.

2. How much funding does California receive?

The US DOT/Pipeline & Hazardous Materials Safety Administration (PHMSA) allocates HMEP Grant funding based on a formula. The amount of the Planning award is determined by (1) incident frequency, (2) average cost of incident by transport mode (rail, water, air, highway), and (3) 2010 US Census state-level population density.

3. How is the funding distributed?

Cal OES coordinates with the LEPCs to review, prioritize, and approve subgrant applications against US DOT/PHMSA's funding priorities and the intent of the HMEP Grant Program. Historically there is approximately \$600,000 available for subawards each year. However, this funding has been reduced by federal sequestration cuts. Each LEPC region in California has unique risks and capabilities, and funding may be distributed to areas with greatest need or that are of particular concern, when considering transportation-related risks rather than along LEPC regional boundaries.

4. What kinds of Planning projects are funded?

Allowable projects include: develop, improve and implement emergency plans; exercise the plans; conduct hazards analysis and update response procedures for emergencies involving transportation of hazardous materials (including radioactive materials); assess flow patterns of hazardous materials; conduct needs assessment for regional hazardous materials emergency response teams; and assess local response capabilities.

5. When are subgrant applications due?

For projects to be funded in the 2017-18 grant cycle, applications must be submitted to Cal OES no later than July 31, 2017.

6. Is there a Match requirement?

No. The HMEP Grant requires a matching contribution but starting in the 2015-16 grant cycle Cal OES will document the match share and eliminate this as a Subrecipient requirement.

7. What reports are required?

The HMEP grant is based on performance. Quarterly Performance Reports are used by Cal OES to ensure that projects are kept on schedule and are within the approved scope of work and budget. HMEP Share (reimbursable) expenditures are reported on the Reimbursement Request Form.

8. When are the reports submitted?

Performance Reports are required to be submitted by the 10th day following the end of each Federal fiscal quarter. Reimbursement Requests may be submitted at least monthly, but must be submitted at least quarterly. All approved projects must show substantial progress by the end of the second quarter or risk de-obligation of the funding.

9. What are the Federal fiscal quarters?

First Quarter – October 1 through December 31

Second Quarter – January 1 through March 31

Third Quarter – April 1 through June 30

Fourth Quarter – July 1 through September 30

10. When do we get reimbursed for our expenditures?

Once Cal OES receives a Reimbursement Request Form it is processed through to the accounting office. From there, a request is submitted, at least monthly to US DOT to have funds forwarded to the State Controller's Office. Subrecipients get reimbursed from the State Controller's Office. The process normally takes a total of six - eight weeks from the time it is received by Cal OES. Submitting requests after the reporting deadline, incomplete documentation, and/or other errors can lengthen the processing time.

11. What if we still have questions?

Many answers can be found on the Cal OES HMEP Grant Web page

(<http://www.caloes.ca.gov/cal-oes-divisions/fire-rescue/hazardous-materials/hazmat-emergency-preparedness-grant>), or by contacting your LEPC

(<http://www.caloes.ca.gov/FireRescueSite/Pages/Local-Emergency-Planning-Committee.aspx>)

or the Cal OES HMEP Grant Administrator: erika.olsen@caloes.ca.gov or (916) 845-8765.