



***Cal* OES**

**GOVERNOR'S OFFICE
OF EMERGENCY SERVICES**

**Fiscal Year 2019
Nonprofit Security Grant Program**

***California Supplement to the
Federal Notice of Funding Opportunity***

September 2019

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Federal Program Announcement

In April 2019, the U.S. Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA) issued the Fiscal Year (FY) 2019 Nonprofit Security Grant Program (NSGP), [Notice of Funding Opportunity](#) (NOFO) and [FEMA Preparedness Grants Manual](#). Subrecipients must follow the programmatic requirements set forth in the NOFO, FEMA Preparedness Grants Manual, and the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located in [Title 2, Code of Federal Regulations \(C.F.R.\), Part 200](#).

Information Bulletins

DHS issues [Information Bulletins](#) (IBs) to provide updates, clarification, and new requirements throughout the life of the grant.

Purpose of the California Supplement

The [FY 2019 NSGP California Supplement to the NOFO](#) (State Supplement) is intended to complement, rather than replace, the NOFO and the Preparedness Grants Manual published by DHS/FEMA. It is recommended that Applicants thoroughly read the NOFO and Preparedness Grants Manual before referring to the State Supplement. The State Supplement will emphasize differences between the FY 2018 and FY 2019 NSGP, and highlight additional California policies and requirements applicable to the FY 2019 NSGP.

Key Changes to the FY 2019 NSGP

- Contracted Security Personnel costs are allowable.
- Subrecipients will be required to complete and include the Certification of Lobbying from as part of the application package.

Grant Management Memoranda

Cal OES issues [Grant Management Memoranda](#) (GMMs) which provide additional information and requirements regarding NSGP funds.

Eligible Subrecipients

Eligible Applicants, referred to as Subrecipients, are nonprofit organizations that are described under Section 501(c)(3) of the Internal Revenue Code of 1986 (IRC) and exempt from tax under Section 501(a) of such code.

Supplanting

Grant funds must be used to supplement existing funds, not replace (supplant) funds that have been appropriated for the same purpose. Subrecipients may be required to provide supporting documentation that certifies a reduction in

Supplanting Cont. non-federal resources occurred for reasons other than the receipt or expected receipt of federal funds. Supplanting will result in the disallowance of the activity(s) associated with this improper use of the federal grant funds.

Public/Private Organizations Subrecipients may contract with any other public or private organizations to perform eligible activities on approved NSGP projects.

Debarred/Suspended Parties Subrecipients must not make or permit any award (subgrant, subaward or contract) at any tier, to any party, that is debarred, suspended, or otherwise excluded from, or ineligible for, participation in federal assistance programs.

Subrecipients must obtain documentation of eligibility prior to making any subaward or contract funded by NSGP funds, and must be prepared to present supporting documentation to monitors/auditors.

Before entering into a Grant Subaward, the Subrecipient must notify Cal OES if it knows if any of the principals under the subaward fall under one or more of the four criteria listed at 2 C.F.R. § 180.335. The rule also applies to Subrecipients who pass-through funding to other local entities.

If at any time after accepting a subaward, Subrecipients learn that any of its principals fall under one or more of the criteria listed at 2 C.F.R. § 180.335, immediate written notice must be provided to Cal OES and all grant activities halted until further instructions are received from Cal OES. The rule also applies to subawards passed through by Subrecipients.

FY 2019 Program Priorities

DHS/FEMA annually publishes the National Preparedness Report (NPR) to report national progress in building, sustaining, and delivering the core capabilities outlined in the goal of a secure and resilient nation. This analysis provides a national perspective on critical preparedness trends for whole community partners to use to inform program priorities, allocate resources, and communicate with stakeholders about issues of concern.

NSGP will focus on building and sustaining core capabilities, strengthen governance integration between private nonprofit entities and federal, state, and local government, and encourage a whole community approach to security and emergency management.

The NSGP supports the following two priority areas to:

1. Enhance the protection of soft targets/crowded places.
2. Mitigate the loss of life and property against threats and hazards.

NSGP seeks to integrate the preparedness activities of nonprofit organizations that are at high risk of a terrorist attack with broader state and local preparedness efforts.

National Campaigns and Programs

Active Shooter Preparedness – DHS has developed a comprehensive [Active Shooter Preparedness website](#), which strives to enhance national preparedness through a whole community approach by providing the necessary products, tools, and resources to help all stakeholders prepare for and respond to an active shooter incident. Subrecipients are encouraged to review the referenced active shooter resources and evaluate their preparedness needs.

Soft Targets and Crowded Places – States, territories, Urban Areas, and public and private sector partners are encouraged to identify security gaps and build capabilities that address security needs of soft targets and crowded places, understanding the unique challenges related to protecting locations which are open to the public.

Community Lifelines – FEMA has introduced a new lifeline construct to enable the operational continuity of

National Campaigns and Programs Cont.

government and critical business essential to human health, safety, or economic security during and after a disaster. These lifelines enable a true unity of effort between government, non-governmental organizations, and the private sector, including infrastructure owners and operators. Additional information may be found at the [Community Lifelines Implementation Toolkit website](#).

Management and Administration

The Management and Administration (M&A) allowance for Subrecipients is set at a maximum of 5% for the FY 2019 NSGP.

Indirect Costs

Indirect costs are allowable under the FY 2019 NSGP Grant Award. Subrecipients who claim indirect costs may do so provided they use one of the following two methods:

1. Subrecipients with an indirect cost rate approved by their cognizant federal agency may claim indirect costs based on the established rate. Indirect costs claimed must be calculated using the base approved in the indirect cost Negotiation Agreement. A copy of the approved Negotiation Agreement is required at the time of application.
2. Subrecipients who have never received a negotiated indirect cost rate and receive *less than* \$35 million in *direct* federal funding per year may claim the 10% de minimis indirect cost rate based on Modified Total Direct Costs as described in 2 C.F.R. Part 200, § 200.68, and Subpart E.

Indirect costs are *in addition to* the M&A allowance, and must be included in the Grant Award application as a “Project” and reflected in the FMFW on the Indirect cost category ledger if being claimed under the award.

Indirect costs must be based on the claimed direct project costs, excluding equipment expenditures and other distorting items. Up to \$25,000 of each subaward may be included as a direct project cost when calculating indirect costs based on Modified Total Direct Costs.

Indirect costs must be claimed no more than once annually, and only at the end of the Subrecipient's fiscal year. An exception to this rule applies if there is a mid-year change to the approved indirect cost rate; in this case, costs incurred to

**Indirect Costs
Cont.**

date must be claimed. At that time, a Grant Subaward Modification reflecting the rate change must also be submitted to Cal OES, along with a copy of the new Indirect Cost Rate Agreement.

Personnel Cap

Pursuant to 6 U.S.C. § 609(b), NSGP funds may be used for personnel costs, totaling up to 50%. A Subrecipient may request this requirement be waived by DHS/FEMA, via Cal OES. Requests for personnel cap waivers must be submitted separately in writing to the Program Representative on official letterhead, with the following information:

- Documentation explaining why the cap should be waived;
- Conditions under which the request is being submitted; and
- A budget and method of calculation of personnel costs both in percentages of the Grant Award **and** in total dollar amount (including salary, fringe benefits, and any M&A costs).

Subrecipient requests to exceed the personnel cap must be received by Cal OES at the time of application. Subaward modifications impacting the personnel cap will be reviewed on a case-by-case basis, and may require submittal of the above-mentioned information.

**Equipment
Typing/
Identification
and Use**

Allowable NSGP equipment is listed on the [FEMA Authorized Equipment List](#) (AEL) website.

Subrecipients that allocate FY 2019 NSGP funds for equipment are required to type and identify the capability associated with that equipment. Also, per FEMA policy, the purchase of weapons and weapon accessories are not allowed with NSGP funds.

Expenditures for general purpose equipment are allowable if they align to and support one or more core capabilities identified in the National Preparedness Goal, and in addition, are deployable/sharable through the Emergency Management Assistance Compact and allowable under 6 U.S. C. § 609. Refer to the NOFO for examples of allowable general purpose equipment.

Equipment Maintenance/ Sustainment

Use of NSGP funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable as described in FEMA IBs 336 and 379, as well as Grant Programs Directorate Policy FP 205-402-125-1.

Whole Community Preparedness

Subrecipients should engage with the whole community to advance individual and community preparedness. In doing so, Subrecipients are encouraged to consider individuals with disabilities or access and functional needs, including the needs of children into their planning and exercises.

Conflict of Interest

To eliminate and reduce the impact of conflicts of interest in the subaward process, Subrecipients and pass-through entities must follow their own policies and procedures regarding the elimination or reduction of conflicts of interest when making subawards. Subrecipients and pass-through entities are also required to follow any applicable federal, state, local, and Tribal statutes or regulations governing conflicts of interest in the making of subawards.

Subrecipients must disclose to their Program Representative, in writing, any real or potential conflict of interest as defined by the federal, state, local, or Tribal statutes or regulations, which may arise during the administration of the NSGP subaward within five days of learning of the conflict of interest.

**California
Homeland
Security
Strategy
Goals**

The State has prioritized the following California Homeland Security Strategy Goals for the FY 2019 subawards:

1. Enhance Information Collection, Analysis, and Sharing, in Support of Public Safety Operations Across California;
2. Protect Critical Infrastructure and Key Resources From All Threats and Hazards;
3. Strengthen Security and Preparedness Across Cyberspace;
4. Strengthen Communications Capabilities Through Planning, Governance, Technology, and Equipment;
5. Enhance Community Preparedness;
6. Enhance Multi-Jurisdictional/Inter-Jurisdictional All-Hazards Incident Catastrophic Planning, Response, and Recovery Capabilities;
7. Improve Medical and Health Capabilities;
8. Enhance Incident Recovery Capabilities;
9. Strengthen Food and Agriculture Preparedness;
10. Prevent Violent Extremism Through Multi-Jurisdictional/Inter-Jurisdictional Collaboration and Coordination; and
11. Enhance Homeland Security Exercise, Evaluation, and Training Programs.

Financial Management Forms Workbook

The FY 2019 Cal OES FMFW includes:

Grant Subaward Face Sheet – Use the Grant Subaward Face Sheet to apply for grant programs. The Grant Subaward Face Sheet must be signed and printed in portrait format.

Authorized Body of 5 – Provides the contact information of Authorized Agents (AA), delegated via the Governing Body Resolution or Signature Authorization Form, including staff related to grant activities. More than one person is recommended for designation as the AA; in the absence of an AA, an alternate AA can sign requests.

Project Ledger – The Project Ledger is used in the application process to submit funding information and is used for submitting Cash Requests and Grant Subaward Modifications, and to assist with completion of the Biannual Strategy Implementation Report (BSIR).

Planning Ledger – Provides detailed information on grant-funded Planning activities with a final product identified.

Organization Ledger – Provides detailed information on grant-funded Organizational activities.

Equipment Ledger – It is an NSGP requirement that detailed information be provided under the equipment description for all grant-funded equipment. AEL numbers must be included for all items of equipment. Always refer to the AEL for a list of allowable equipment and conditions, if any.

Training Ledger – Provides detailed information on grant-funded Training activities. All training activities must receive Cal OES approval prior to starting the event, including a Training Feedback number. The [Training Request Form](#) may be obtained on the Cal OES website.

Exercise Ledger – Provides detailed information on grant-funded Exercises.

M&A Ledger – Provides information on grant-funded M&A

Indirect Costs Ledger – Provides information on Indirect Costs.

Consultant-Contractor Ledger – Provides detailed information

Financial Management Forms Workbook Cont.

on grant-funded consultants.

Personnel Ledger – Provides detailed information on grant-funded Personnel activities.

Authorized Agent Page – The AA Page must be submitted with the application, all Cash Requests, Cash Advances, and Grant Subaward Modifications. The AA must include the appropriate signature and date.

Subrecipient Grants Management Assessment

Per 2 C.F.R. § 200.331, Cal OES is required to evaluate the risk of noncompliance with federal statutes, regulations, and grant terms and conditions posed by each Subrecipient of pass-through funding. The [Subrecipient Grants Management Assessment](#) contains questions related to your organization's experience in the management of federal grant awards. It is used to determine and provide an appropriate level of technical assistance, training, and grant oversight to Subrecipients during the subaward. The questionnaire must be completed and returned with your grant application.

Application Attachments

Indirect Cost Rate Agreement – If claiming indirect costs at a federally-approved rate, please provide a copy of your approved Indirect Cost Rate Agreement.

FFATA Financial Disclosure – Use [the FFATA Financial Disclosure](#) to provide information required by the Federal Funding Accountability and Transparency Act of 2006.

Certification Regarding Lobbying – Use the [Certification Regarding Lobbying form](#) to certify lobbying activities, as stipulated by the Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352.31 U.S.C. § 1352.

501(c)(3) Certification form – Use the 501(c)(3) Certification form to certify and acknowledge if a 501(c)(3) Determination Letter is required by the Internal Revenue Service.

STD 204 Payee Data Record – A form used to assign an organization a Federal Information Processing Standard (FIPS) number.

Application Attachments Cont.

Filing Requirements – Subrecipients must comply with various filing requirements put forth by the State of California:

- Franchise Tax Board (FTB)
- Department of Justice (DOJ)
- Secretary of State (SOS)

Subrecipients must verify that the name and address listed on the STD 204 is consistent with how the organization is registered with the FTB, DOJ, and SOS. It is the Subrecipients's responsibility to ensure that the name and address are consistent between the STD 204, FTB, DOJ, and SOS. All changes to organization name and address must be provided to Cal OES in writing, and must include an updated STD 204.

Standard Assurances

The Standard Assurances list the requirements to which the Subrecipients will be held accountable. All Applicants will be required to submit a signed, **original** of the [FY 2019 Standard Assurances](#) as part of their FY 2019 NSGP application. The required Standard Assurances can be found only in PDF format on the Cal OES website.

NOTE: Self-created Standard Assurances will not be accepted.

Governing Body Resolution

The Governing Body Resolution (GBR) appoints AAs (identified by the individual's name or by a position title) to act on behalf of the governing body and the Applicant by executing any actions necessary for each application and subaward. All Applicants are required to submit a copy of their FY 2019 GBR with their application.

Authorized Agent Information

For each person or position appointed by the governing body, identify the individual in the AA and Contact Information page of the FMFW.

All changes in AA and Contact Information must be provided to Cal OES in writing. If the GBR identifies the AA by name, a new Resolution is needed when changes are made. If the GBR identifies the AA by position and/or title, changes may be made by submitting a request on entity's letterhead, signed by an existing AA. Cal OES will not accept signatures of an AA's designee.

Required Documents Submission Subrecipients must submit an electronic copy of their completed FMFW to their Program Representative for review. After the required documents are approved, a completed hardcopy of the FMFW, along with the required documents must be mailed, with original signatures, by the application due date. During the application process, if it is determined all allocated funds cannot be expended by the end of the performance period, inform your Program Representative as soon as possible. The completed application should be received by Cal OES by no later than December 6, 2019. The FY 2019 NSGP Timeline is referenced as Attachment A.

Late or Incomplete Required Documents Late or incomplete required documents may be denied. If required documents are incomplete, the Program Representative may request additional information. Requests for late submission of required documents must be made in writing to the Program Representative prior to the due date. Cal OES has sole discretion to accept or reject late or incomplete required documents.

NSGP Contact Information All Subrecipient required documents, questions, comments, and correspondence should be directed to:

California Governor's Office of Emergency Services
 ATTN: Grants Management (Building E)
 Infrastructure Protection Grants Unit
 3650 Schriever Avenue
 Mather, CA 95655

Renee Jackson, Chief (916) 845-8404
 Debbie Phillips (916) 845-8746
 Nick Murray (916) 845-8405
 Scott Sano (916) 845-8408
 Tim Reed (916) 845-8662

Subaward Approval Subrecipients will receive a formal notification of award. Subrecipient Award letters must be signed and the original be returned to Cal OES within 20 calendar days. Once the completed application along with the signed award letter is received and approved, reimbursement of eligible subaward expenditures may be requested using the Cal OES FMFW.

Payment Request Process

To request an advance or cash reimbursement payment of FY 2019 NSGP funds, Subrecipients must first complete a payment request using the Cal OES FMFW V1.19, returning it to the appropriate Program Representative. Subrecipients who fail to follow the workbook instructions may experience delays in processing the payment request.

Payments can only be made if the Subrecipient has submitted a completed and approved application.

Exercise costs will not be reimbursed until an After Action Report (AAR)/Improvement Plan (IP) has been submitted to the Program Representative.

Advances and Interest Earned on Advances

Advance payment means a payment is requested before Subrecipients have disbursed the funds for program purposes. Subrecipients may be paid an advance, provided they maintain a willingness and ability to maintain procedures to minimize the time elapsing between the receipt of funds and their disbursement. The timing and amount of advance payments must be as close as administratively feasible to the actual disbursements by the Subrecipient for project costs.

Federal rules require advances to be deposited in interest-bearing accounts. Interest earned amounts up to \$500 per year may be retained by Subrecipients for administrative expense; any additional interest earned on federal advance payments must be returned annually to Cal OES.

Requests for an advance of funds cannot exceed 50% of the subaward, and must be used pursuant to the intent of the approved advance.

Equipment purchased with advanced funds must be installed before subsequent funding is requested.

Semi-Annual Drawdown Requirements

All Subrecipients should be reporting expenditures and requesting funds at least semi-annually throughout the performance period. Semi-annual drawdowns should occur in March and October of each calendar year following final approval of the subaward application, with the exception of the final cash request, which must be submitted within 20 calendar days after the end of the subaward period of performance.

Modifications

Post award budget, scope and time modifications must be requested using the Cal OES FMFW V 1.19, signed by the Subrecipient's AA, and submitted to the Program Representative.

The Subrecipient may implement grant modification activities, and incur associated expenses, only after receiving written final approval of the modification from Cal OES.

DHS/FEMA requires prior written approval of any change in scope/objective of the grant-funded activity after the award is issued. Refer to 2 C.F.R. § 200.308 for additional information on Revision of Budget and Program Plans.

Request for change in scope or objective of the grant-funded activity after the award is made must be submitted to Cal OES. Subrecipients must also complete the Cal OES Modification Request Form. The request must include the following:

- A written request from the NSGP Subrecipient on its letterhead, outlining the scope or objective change, including the approved projects from the Subrecipient's Investment Justification (IJ), the funds and relative scope or objective significance allocated to those projects, the proposed changes, and any resulting reallocations as a result of the change of scope or objective;
- An explanation why the change of scope or objective is necessary; and
- The Subrecipient request must also address whether the proposed changes will impact its ability to complete the project within the award's period of performance.

DHS/FEMA will generally not approve change of scope requests resulting from the following situations:

- Subrecipients that relocate their facilities after submitting their application who are requesting a change of scope to allow them to use NSGP funds towards projects at the new facility; or
- Subrecipients that renovate their facilities after submitting their application in cases where the subsequent renovations would affect the vulnerability/risk assessment

**Modifications
Cont.**

upon which the IJ is based.

Subrecipients must provide a written justification with all modification requests. The justification may be included in the body of the e-mail transmitting the request, or a document attached to the transmittal e-mail. Please reference GMM 2018-17 for additional information regarding modification requests.

Planning

NSGP funding may be used for security or emergency planning expenses and the materials required to conduct planning activities. Planning must be related to the protection of the facility and the people within the facility and should include those with access and functional needs as well as those with limited English proficiency. Examples of planning activities allowable under this Program include:

- Development and enhancement of security plans and protocols
- Development or further strengthening of security assessments
- Emergency contingency plans
- Evacuation/Shelter-in-place plans
- Other project planning activities with prior approval from DHS/FEMA

Training

All grant-funded training activities must receive Cal OES approval prior to starting the training event. Allowable training-related costs under FY 2019 NSGP are limited to attendance fees for the training, and related expenses, such as materials, supplies, and/or equipment. No personnel costs, such as overtime and backfill costs, associated with attending the training courses are allowable. Travel costs are also not eligible. Training projects must be proposed in the IJ and must be presented by a pre-approved training provider. If the Applicant is selected for an award, they must obtain proof of that approval via a feedback number.

When seeking approval of non-DHS/FEMA developed courses, course materials must be submitted with the approval requests. Conditional approvals are not offered.

For more information on this or other training-related inquiries, contact the [Cal OES Training Branch](#) at (916) 845-8752.

Exercises, Improvement Plans and After Action Reporting

Subrecipients should engage stakeholders to identify long-term training and exercise priorities. These priorities should address capability targets and gaps identified through a Threat and Hazard Identification and Risk Assessment, real-world events, previous exercises, and national areas for improvement identified in the NPR.

Subrecipients must report on all exercises conducted with NSGP grant funds. An AAR/IP or Summary Report (for Seminars & Workshops) must be completed and submitted to Cal OES within 90 days after the exercise/seminars/workshops are conducted. It is acceptable to submit an *Exercise Summary Report for Seminars and Workshops* in lieu of a full AAR/IP.

AAR/IPs and Summary Reports should be e-mailed to:

- hseep@fema.dhs.gov
- exercise@caloes.ca.gov
- Your Program Representative

For exercise-related issues and/or questions, please email the Cal OES Exercise Team at exercise@caloes.ca.gov.

Contracted Security Personnel

FEMA/DHS allows for reprogramming of NSGP funding to support contracted security personnel (costs to purchase equipment for contracted security is not allowed). Please see [FEMA IB 441](#) for additional information.

Subrecipients requesting to reprogram funds in support of contracted security personnel must submit an Investment Modification to Cal OES for consideration.

The Investment Modification must include:

- A written request from the Subrecipient on formal letterhead signed by the AA; and
- Completion of the NSGP Contracted Security Personnel Request Form, which addresses the following requirements:
 - A brief description of the project(s), and indicate how much NSGP funding has been obligated towards each project(s);

Contracted Security Personnel Cont.

- Outline the scope or objective change to indicate which project(s) will be affected by the reprogramming request, and explain the financial and security impact of this change;
- An explanation why the change of scope or objective is necessary;
- Information regarding the Subrecipient's Vulnerability Assessment, and if it addressed any contracted security personnel recommendations; and
- An explanation on whether the proposed changes will impact the Subrecipient's ability to complete the project(s) within the subaward period of performance, including an implementation timeline.

Please see Cal OES GMM 2019-08 for additional information.

Procurement Standards and Written Procedures

Subrecipients must conduct procurement utilizing either their own documented procurement standards and procedures, or the federal procurement standards found in [2 C.F.R. Part 200](#), whichever is more strict. Procurement standards must also contain a written conflict of interest policy which reflect applicable federal, state, local, and tribal laws.

Procurement Thresholds

Effective June 20, 2018, the micro-purchase threshold was increased from \$3,500 to \$10,000 and the simplified acquisition threshold was increased from \$150,000 to \$250,000. These increases apply to all Subrecipient procurements executed on or after June 20, 2018. Refer to IB 434 for additional information.

Noncompetitive Procurements

To be eligible for reimbursement, noncompetitive procurements exceeding the simplified acquisition threshold require Cal OES prior written approval. This method of procurement must be approved by your local Purchasing Agent prior to submitting a request for Cal OES approval. A copy of the Purchasing Agent's approval must be included with submission. Cal OES may request additional documentation that supports the procurement effort.

Warranty

In accordance with FEMA IB 336, Maintenance Contracts and Warranty Coverage Funded by Preparedness Grants:

- If purchasing a maintenance agreement/service contract/extended warranty, it must not extend beyond the period of performance of the grant, to which the contract is being charged, unless
- The maintenance agreement/service contract/extended warranty is purchased incidental (i.e. at the same time under the same Grant Subaward) to the original purchase of the system or equipment; Subrecipients may procure maintenance or warranty coverage which exceeds the performance period.

Competition

In accordance with 2 C.F.R. § 200.319, all procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. Follow the federal or your own written procurement policies, whichever is more restrictive. If you follow your policies, they must meet the following minimum requirements:

- Obtain a minimum of two written (signed and dated) bids from vendors.
- Keep a written record of the following: WHO you contacted, WHEN you contacted them, WHAT prices were quoted, and WHY you selected the vendor. The records must include all bids.

Vendor Licensing

The State of California, Contractor's State License Board (CSLB) requires that anyone charging \$500 or more to perform construction work must be licensed. Please make sure your contractor possesses the correct license certification and is qualified to install your equipment.

Check a contractor's license number online at [CSLB website](#) or by calling (800) 321-2752. Contractors are required to place their license number on their business cards, bids, and contracts.

Bids, Estimates, and Invoices

Bids and invoices must include the following:

- Contractor/service provider's License Number;
- Invoice/estimate number;
- Make – (manufacturer/brand name);
- Model – (manufacturer's model name and number);
- Quantity – (amount purchased);
- Unit cost – (dollar amount per item);
- Any miscellaneous/installation equipment should be listed separately and include the details such as: quantity ordered and price per unit;
- Labor/installation cost should be listed separately and detailed including price per hour per person; and
- State/local taxes should be listed separately.

Bids and invoices must be issued by the vendor who installed the equipment or performed the service. Bids and Invoices may not be created by the Subrecipient or representatives of the Subrecipient. Costs must be allowable according to 2 C.F.R. § 200.403, § 200.404, and § 200.405.

Environmental Planning and Historic Preservation

DHS/FEMA is required to ensure all activities and programs that are funded by the agency comply with federal Environmental Planning and Historic Preservation (EHP) regulations. Subrecipients proposing projects or activities (including, but not limited to, training, exercises, the installation of equipment, and construction or renovation projects) which have the potential to impact the environment or a historic structure must participate in the EHP review process. EHP Screening Memos must include detailed project information and explain the goals and objectives of the proposed project, and include supporting documentation.

DHS/FEMA may also require the Subrecipient provide a confidential California Historical Resources Information System (CHRIS) report in addition to the [EHP Screening Form](#). Determination on the necessity of a CHRIS report is based upon information disclosed on the EHP Screening Form. Your Program Representative will provide you with additional instructions should this report be required. EHP requests should be submitted to Cal OES as early as possible. All projects/activities triggering EHP must receive DHS/FEMA

**Environmental
Planning and
Historic
Preservation
Cont.**

written approval prior to commencement of the funded activity.

Updated information may be referenced in the [FEMA GPD EHP Policy Guidance](#).

**Construction
and
Renovation**

Project construction using NSGP funds may not exceed the greater of \$1,000,000 or 15% of the Grant Subaward. (For the purposes of the limitations on funding levels, communications towers are not considered construction). When applying for construction funds, including communications towers, at the time of application. Subrecipients must submit evidence of approved zoning ordinances, architectural plans, any other locally required planning permits, and a notice of federal interest. Additionally, Subrecipients are required to submit a SF-424C Budget and Budget Detail that cites the project costs. Communications tower construction requests also require evidence the Federal Communications Commission's Section 106 review process was completed.

Subrecipients using funds for construction projects must comply with the Davis-Bacon Act. Subrecipients must ensure that their contractors or subcontractors for construction projects pay workers no less than the prevailing wages for laborers and mechanics employed on projects of a character like the contract work in the civil subdivision of the state in which the work is to be performed.

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

**Eligible
Equipment
Costs**

Equipment costs are limited to only two categories from the FY 2019 AEL. Those categories are:

- Physical Security Enhancement Equipment (Category 14); and
- Inspection and Screening Systems (Category 15).

Allowable NSGP equipment is located on the [AEL website](#).

Inventory Control and Property Management

FY 2019 NSGP Subrecipients must use standardized resource management concepts for resource typing and credentialing, in addition to maintaining an inventory by which to facilitate the effective identification, dispatch, deployment, tracking, and recovery of resources.

Subrecipients must have an effective inventory management system, to include:

- Property records that document description, serial/ID number, fund source, title information, acquisition date, cost, federal cost share, location, use, condition, and ultimate disposition;
- Conducting a physical inventory at least every two years;
- A control system to prevent loss, damage, and theft of grant purchased equipment and supplies; and
- Adequate maintenance procedures must be developed to keep the property in good condition.

Equipment Disposition

When original or replacement equipment acquired under the NSGP is no longer needed for program activities, the Subrecipient must contact the Program Representative to request disposition instructions.

Performance Reporting

Subrecipients must complete a BSIR each Winter and Summer using the DHS/FEMA [Grants Reporting Tool](#) (GRT) for the duration of the subaward period of performance or until all grant activities are completed and the subaward is formally closed by Cal OES. Failure to submit a BSIR could result in subaward reduction, suspension, or termination.

Access to the BSIR may be obtained through the GRT. To create a new account, please click the link that reads, "Register for an account" and follow the instructions provided. The Subrecipient will be required to ensure up-to-date project information is entered. The Project Ledger in the FMFW may assist with the BSIR data entry process. For additional assistance with the GRT, please contact your Program Representative.

Extension Requests

Extensions to the initial period of performance identified in the subaward will only be considered through formal, written requests to your Program Representative. Upon receipt of the extension request, Cal OES will:

Extension Requests Cont.

1. Verify compliance with performance reporting requirements by confirming the Subrecipient has submitted all necessary performance reports;
2. Confirm the Subrecipient has provided sufficient justification for the request; and
3. If applicable, confirm the Subrecipient has demonstrated sufficient progress in past situations where an extension was authorized by Cal OES.

Extension requests will be granted only due to compelling legal, policy, or operational challenges, and will only be considered for the following reasons:

1. Contractual commitments with vendors that prevent completion of the project within the period of performance;
2. The project must undergo a complex environmental review which cannot be completed within this timeframe;
3. Projects are long-term by design and therefore; acceleration would compromise core programmatic goals; and
4. Where other special circumstances exist.

To be considered, extension requests must be received no later than 60 days prior to the end of the Subrecipient's period of performance, and must contain specific and compelling justifications as to why an extension is required. All extension requests must address the following:

1. Grant program, fiscal year, and award number;
2. Reason for delay;
3. Current status of the activity/activities;
4. Approved performance period termination date and new project completion date;
5. Amount of funds drawn down to date;
6. Remaining available funds, both federal and non-federal;
7. Budget outlining how remaining federal and non-federal funds will be expended;
8. Plan for completion, including milestones and timeframes for each milestone and the position/person responsible for implementing the plan for completion; and
9. Certification that the activity/activities will be completed within the extended period of performance without any

Extension Requests Cont.

modification to the original Statement of Work.

General questions regarding extension requirements and the Extension Request form should be directed to your Program Representative. For additional information, please see IB 379 at: [FEMA Information Bulletin \(IB\) No. 379](#). Extension requests for personnel and salaries do not meet the requirements of IB 379 and will not be granted. Subrecipients are expected to complete all grant funded personnel activity by the end of the subaward period of performance.

Progress Reports on Grant Extensions

All Subrecipients that receive Cal OES approval to extend their FY 2019 Grant Subaward period of performance may be required to submit progress reports indicating completed and future project milestones on all extended projects. Progress reports must be submitted electronically to the Program Representative. Deadlines for the submission of progress reports will be established at the time of extension approval.

Monitoring

Cal OES Grants Monitoring actively monitors Subrecipients, through day-to-day communications, programmatic site visits, and desk and on-site compliance assessments. The purpose of the compliance assessment is to ensure Subrecipients are in compliance with applicable state and federal regulations, grant guidelines, and programmatic requirements. Monitoring activities may include, but are not limited to:

- Verifying that entries recorded on the FMFW categories are properly supported with source documentation;
- Eligibility of and support for expenditures, typically covering two to three years of data;
- Comparing actual Subrecipient activities to those approved in the grant application and subsequent modifications, including the review of timesheets and invoices as applicable;
- Procurements and contracts;
- Ensuring equipment lists are properly maintained and physical inventories are conducted;
- Ensuring advances have been disbursed in accordance with applicable guidelines; and
- Confirming compliance with:
 - Standard Assurances, and

Monitoring Cont.

- Information provided on performance reports and payment requests

NOTE: It is the responsibility of all Subrecipients that pass down grant funds to other entities, to maintain and utilize a formal process to monitor the grant activities of their subawards. This requirement includes, but is not limited to, on-site verification of grant activities, as required. It is common for Subrecipients to receive findings in a programmatic site visit or compliance assessment, which require a Corrective Action Plan (CAP) to be submitted by Subrecipients. Those Subrecipients who fail to submit a CAP, as required, shall have a “hold” placed on any future reimbursements until the “finding” is resolved.

Failure to Submit Required Reports

Periodic reporting is required by the grant. Subrecipients who miss a single reporting deadline may receive a letter addressed to their Governing Body informing them of the failure to report. Subrecipients who fail to report twice in a row may have subsequent awards reduced by 10% until timely reporting is reestablished.

Suspension/ Termination

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

- Failure to submit required reports.
- Failure to expend funds in a timely manner consistent with the grant milestones, guidance, and assurances.
- Failure to comply with the requirements or statutory progress toward the goals or objectives of federal or state law.
- Failure to make satisfactory progress toward the goals or objectives set forth in the Subrecipient application.
- Failure to follow grant agreement requirements or special conditions.
- Proposing or implementing substantial plan changes to the extent that, if originally submitted, the application would not have been selected for funding.
- False certification in the application or document.
- Failure to adequately manage, monitor, or direct the grant funding activities of their Subrecipients.

Before taking action, Cal OES will provide the Subrecipient reasonable notice of intent to impose corrective measures and will make every effort to informally resolve the problem.

Closeout

Cal OES will closeout Subrecipient awards when it determines all applicable administrative actions and all required work of the federal award have been completed. Subawards will be closed after:

- Receiving any applicable Subrecipient Performance Report indicating that all approved work has been completed, and all funds have been distributed;
- All funds have been requested and reimbursed, or disencumbered;
- Completing a review to confirm the accuracy of reported information;
- Reconciling actual costs to subawards, modifications, and payments; and
- Verifying the Subrecipient has submitted a final BSIR showing all grant funds have been expended.

Records Retention

The records retention period is three years from the date of the Subrecipient's final BSIR submittal showing all grant funds have been expended, or until any pending litigation, claim, or audit started before the expiration of the three-year retention period has been resolved and final action is taken.

The Cal OES Grant Closeout Letter will notify the Subrecipient of the start of the records retention period for all programmatic and financial grant-related records. If the State Administrative Agency award remains open after the Subrecipient's submission of the final BSIR, Cal OES will complete any additional BSIR reporting required under the award on behalf of the Subrecipient. Closed grants may still be monitored and audited. Failure to maintain all grant records for the required retention period could result in a reduction of grant funds, and an invoice to return costs associated with the unsupported activities. If documents are retained longer than the required retention period, FEMA, the DHS Office of Inspector General, Government Accountability Office, and pass-through entity have the right to access these records as well. See 2 C.F.R. §§ 200.333, 200.336.

Attachment A – FY 2019 NSGP Timeline | 2019

DHS Announcement of FY 2019 NSGP NOFO	April 12, 2019
Cal OES Application due to DHS	May 29, 2019
DHS/FEMA Award to California	September 4, 2019
Subrecipient period of performance begins	September 1, 2019
FY 2019 NSGP California Supplement release	September 2019
Notification of Subrecipient Award	September 2019*
Subrecipient Required Document Workshops	September/October 2019
Subrecipient Required documents due to Cal OES	December 6, 2019
Final Cash Advance Request submitted	December 31, 2021
Subrecipient period of performance ends	May 31, 2022*
Final Requests for Reimbursement due	Within 20 calendar days of the subaward expiration date
Cal OES's performance period ends	August 31, 2022

*These dates are approximate and based on anticipated date of DHS award to California

Attachment B – FY 2019 NSGP Program Checklist | 2019

Subrecipient: _____ **FIPS#:** _____

Program Representative: _____

Financial Management Forms Workbook:

- _____ Grant Subaward Face Sheet
- _____ Authorized Body of 5 Sheet
- _____ Project Ledger
- _____ Planning Ledger
- _____ Equipment Ledger
- _____ Training Ledger
- _____ Exercise Ledger
- _____ Management and Administration Ledger
- _____ Indirect Cost Ledger
- _____ Consultant-Contractor Ledger
- _____ Personnel Ledger
- _____ Authorized Agent Sheet

Required Documents:

- _____ Original Counter-signed Award Letter
- _____ EHP Screening Form
- _____ FFATA Financial Disclosure
- _____ Certification Regarding Lobbying
- _____ Governing Body Resolution
- _____ Subrecipient Grants Management Assessment
- _____ 2019 NSGP Standard Assurances
- _____ Indirect Cost Rate Agreement (If Applicable)
- _____ 501(c)(3) Certification Form
- _____ STD 204/Payee Data Record