



***Cal* OES**

**GOVERNOR'S OFFICE
OF EMERGENCY SERVICES**

**Fiscal Year 2025
Homeland Security Grant Program**

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

May 2026

SECTION 1—OVERVIEW	1
Federal Program Announcement	
Information Bulletins	
Grant Management Memoranda	
Purpose of the California Supplement	
Eligible Subrecipients	
Tribal Allocations	
Subrecipient Allocations	
Supplanting	
Public/Private Organizations	
Debarred/Suspended Parties	
Key Changes to the FY 2025 Homeland Security Grant Program	
SECTION 2—FEDERAL CHANGES AND INITIATIVES	6
FY 2025 National Priorities	
Whole Community Preparedness	
Soft Targets and Crowded Places	
NIMS Implementation	
Law Enforcement Terrorism Prevention Activities	
Management and Administration	
Indirect Costs	
Organization Costs – Overtime	
Personnel Cap	
Equipment Typing/Identification and Use	
Emergency Communications Projects	
Telecommunications Equipment and Services Prohibitions	
Prohibited and Controlled Equipment	
Small Unmanned Aircraft Systems	
Emergency Operations Plans	
Conflict of Interest	
Build America Buy America Act (BABAA)	
SECTION 3—STATE CHANGES AND INITIATIVES	19
FY 2025 Investments	
California Homeland Security Strategy Goals	
State Initiative Funding	
“On Behalf Of”	
Public Alert and Warning	
SECTION 4—REQUIRED STATE APPLICATION COMPONENTS	21
Financial Management Forms Workbook	
Subrecipient Grants Management Assessment	
Application Attachments	
Standard Assurances	
Operational Areas and Urban Areas	

Operational Areas Only
Urban Areas Only
Fusion Centers Only
State Agencies and Tribes Only

SECTION 5—THE STATE APPLICATION PROCESS26

Final Application Submission
Late or Incomplete Application
HSGP Contact Information
Subaward Approval

SECTION 6—POST AWARD REQUIREMENTS27

Payment Request Process
Advances and Interest Earned on Advances
Semi-Annual Drawdown Requirements
Modifications
Training Requirements
Exercises, Improvement Plans, and After-Action Reporting
Procurement Standards and Written Procedures
Procurement Thresholds
Procurement Documentation
Noncompetitive Procurement
Performance Bond
Environmental Planning and Historic Preservation
Construction and Renovation
Inventory Control and Property Management
Equipment Disposition
Performance Reporting
Extension Requests
Performance Reports on Grant Extensions
Monitoring
Failure to Submit Required Reports
Suspension/Termination
Closeout
Records Retention

ATTACHMENTS

- A – FY 2025 HSGP Allocations
- B – FY 2025 HSGP Timeline
- C – FY 2025 HSGP Program Checklist

Federal Program Announcement

On August 1, 2025, the U.S. Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA) issued a third and final version of the Fiscal Year (FY) 2025 Homeland Security Grant Program (HSGP), [Notice of Funding Opportunity](#) (NOFO) and the FEMA [Preparedness Grants Manual](#).

Subrecipients must follow the programmatic requirements 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.

Grant Management Memoranda

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

Purpose of the California Supplement

The FY 2025 HSGP California Supplement to the NOFO (State Supplement) is intended to complement, rather than replace, the NOFO and the FEMA [Preparedness Grants Manual](#). Applicants are highly encouraged to thoroughly read the NOFO and the Preparedness Grants Manual before referring to the State Supplement. The State Supplement will emphasize differences between the FY 2024 and FY 2025 HSGP and highlight additional California policies and requirements applicable to FY 2025 HSGP.

Eligible Subrecipients

Eligible Applicants, referred to as Subrecipients, include Counties/Operational Areas (OAs), Urban Areas (UAs), State Agencies (SAs), Departments, Commissions, and Boards who have or can obtain appropriate Department of Finance budget authority for awarded funds, and federally recognized tribes located in California.

Tribal Allocations	<p>The NOFO strongly encourages Cal OES to provide HSGP funds directly to tribes in California. To implement this requirement, a special Competitive Funding Opportunity (CFO) will be issued to California’s federally recognized tribes. All Subrecipients are encouraged to coordinate with tribal governments to ensure that tribal needs are considered in their grant applications.</p>
Subrecipient Allocations	<p>FY 2025 HSGP Subrecipient allocations are provided in Attachment A. These amounts do not reflect adjustments related to National Priority Area minimum funding requirements, including reductions for Subrecipients that did not meet minimum thresholds or opted out of the award, and increases for Subrecipients helping meet statewide requirements. Final adjusted amounts will be reflected in individual award letters.</p>
Supplanting	<p>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 non-federal resources that occurred for reasons other than the receipt or expected receipt of federal funds. Supplanting will result in the disallowance of the activity associated with this improper use of federal grant funds.</p>
Public/Private Organizations	<p>Subrecipients may contract with other public or private organizations to perform eligible activities on approved HSGP projects.</p>
Debarred/ Suspended Parties	<p>Subrecipients must not make or permit any award (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.</p> <p>Subrecipients must obtain documentation of eligibility before making any subaward or contract using HSGP funds and must be prepared to present supporting documentation to monitors/auditors.</p> <p>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.</p>

**Debarred/
Suspended
Parties
Cont.**

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 to local entities.

**Key Changes to
the FY 2025
HSGP**

National Priority Areas: There are now five National Priority Areas (NPA) for FY 2025, as opposed to six in FY 2024. Two new NPAs were added, and three were removed. The five NPAs, along with the relevant minimum spend percentage, are outlined below. SHSP and UASI applicants must include one Investment Justification (IJ) for each NPA that has a minimum spend requirement, where applicable. For the NPAs with no minimum spend requirement, the Department of Homeland Security strongly encourages recipients to make investments in those areas as they are of critical national concern. For those NPAs that have an associated minimum spend, **all projects related to meeting the minimum spend for those NPAs must be included in the same IJ. SHSP and UASI subrecipients must allocate at least 30% of their funds across the five NPAs. Failure to meet NPA spending requirements will result in a hold on affected funds until compliance issues are resolved.**

The five NPAs, along with the relevant minimum spend requirement, are:

- Supporting Homeland Security Task Forces and Fusion Centers (Description: Promoting coordination of activities and critical information sharing and analysis to prevent and respond to threats) – NEW: no minimum spend;
- Enhancing the protection of soft targets/crowded places (Description: Improving security at locations accessible to the public and vulnerable to attacks) – no minimum spend;
- Enhancing cybersecurity (Description: Strengthening the protection of computer systems and networks against cyber threats) – no minimum spend;

**Key Changes to
the FY 2025
HSGP
Cont.**

Supporting Border Crisis Response and Enforcement (Description: Supporting collaboration between the state and local law enforcement and U.S. Immigration and Customs Enforcement (ICE) through the 287 (g) program to identify and remove individuals who pose a threat to public safety and national security)
– NEW: 10% minimum spend.

- Enhancing election security (Description: Ensuring the integrity and security of voting systems) – 3% minimum spend.

Purchasing Under a FEMA Award: 2024 OMB Revisions:

The Office of Management and Budget (OMB) has updated parts of the OMB Guidance for Grants and Agreements in Title 2 of the Code of Federal Regulations. These updates will apply to FEMA awards with an award date on or after October 1, 2024.

Key changes include updates to the federal procurement standards at [2 C.F.R. §§ 200.318 – 200.328](#), which govern how FEMA award recipients and subrecipients must conduct purchases under a FEMA award.

FEMA will update its policy and guidance documents to incorporate these revisions, but for now, please refer to the [Purchasing Under a FEMA Award: 2024 OMB Revisions Fact Sheet](#) for more information.

Details on all the 2 C.F.R. revisions can be found on the [Federal Register's Guidance for Federal Financial Assistance webpage](#).

For more information on the federal procurement standards, visit [Contracting with Federal Funds for Goods and Services Before, During and After Disasters | FEMA.gov](#).

Payment Review Process:

All non-disaster grant program reimbursement requests must be reviewed and approved by FEMA prior to drawdowns. Supporting documentation will be required with each payment request to demonstrate that expenses are

**Key Changes to
the FY 2025
HSGP
Cont.**

allowable, allocable, reasonable, and necessary under 2 C.F.R. Part 200 and in compliance with the grant's NOFO, award terms, and applicable federal regulations.

More information on the required documentation will be forthcoming

Training Request for Federal Tracking Numbers:

To streamline and enhance workflow, CSTI has transitioned to an online form submission platform for submission of federal tracking number requests. CSTI will no longer accept emailed PDF submission. Once a form is submitted, you will receive automated notifications. To access the federal tracking number requests please visit the Cal OES webpage here: [Request for Federal Tracking Number](#)

**FY 2025 National
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.

HSGP Subrecipients are required to prioritize grant funding to demonstrate how investments support closing capability gaps or sustaining capabilities identified in the Threat Hazard Identification and Risk Assessment (THIRA)/Stakeholder Preparedness Review (SPR) process.

DHS/FEMA continually assesses changes to the threat landscape to further the National Preparedness Goal (NPG) of a secure and resilient nation. The following are national priority areas for FY 2025, including the corresponding percentage of funds required in each area:

- Supporting Homeland Security Task Forces and Fusion Centers – NEW: no minimum spend;
- Enhancing the protection of soft targets/crowded places – no minimum spend;
- Enhancing cybersecurity – no minimum spend;
- Supporting Border Crisis Response and Enforcement – NEW: 10% minimum spend;
- Enhancing election security – 3% minimum spend.

Subrecipients must spend a minimum of 30% of their SHSP and UASI awards across the five NPAs but have flexibility on how that funding is allocated. Only the Enhancing Election Security and Supporting Border Crisis Response and Enforcement NPAs have minimum spend requirements totaling 13%. The remaining 17% can be allocated across any of the NPAs.

National Priority projects will be reviewed for effectiveness by DHS/FEMA and must be deemed effective prior to the obligation or expenditure of funds.

**FY 2025 National
Priorities Cont.**

Projects requiring additional information for DHS/FEMA to determine effectiveness of the project, or projects deemed ineffective, will have a hold placed on their subaward pending submission of requested information and DHS/FEMA approval.

FEMA will evaluate the FY 2025 HSGP applications for completeness, adherence to programmatic guidelines, and anticipated effectiveness of the proposed investments. FEMA's review will include verification that each IJ and project:

- Aligns with at least one core capability identified in the Goal;
- Demonstrates how investments support building capability and/or closing capability gaps or sustaining capabilities identified in the THIRA/SPR process; and
- Supports a NIMS-typed resource and whether those assets are deployable/shareable to support emergency or disaster operations per existing EMAC agreements.

In addition to the above, FEMA will evaluate whether proposed projects are: 1) both feasible and effective at reducing the risks for which the project was designed; and 2) able to be fully completed within the three-year period of performance. FEMA will use the information provided in the application and after the submission of the first BSIR to determine the feasibility and effectiveness of a grant project. To that end, IJs should include:

- An explanation of how the proposed project(s) will achieve objectives as identified in the SPR, including expected long-term impact where applicable, and which core capability gap(s) it helps to close and how;
- A summary of the status of planning and design efforts accomplished to date (e.g., included in a capital improvement plan); and
- A project schedule with clear milestones.

A detailed description of allowable investments for each NP is included in the [FY 2025 HSGP NOFO \(Section A\)](#).

**Whole
Community
Preparedness**

Subrecipients should engage with the whole community to advance individual and community preparedness and to work as a nation to build and sustain resilience. In doing so, Subrecipients are encouraged to consider the needs of individuals with access and functional needs and limited English proficiency in the activities and projects funded by the grant.

Subrecipients should utilize [established best practices for whole community inclusion](#) and engage with stakeholders to advance individual and jurisdictional preparedness and resilience. Subrecipients are encouraged to consider the necessities of all Californians in the activities and projects funded by the grant, including children, seniors, individuals with disabilities or access and functional needs, individuals with diverse culture and language use, individuals with lower economic capacity, and other underserved populations. Additional information regarding community preparedness and resilience is available through [Individuals and Communities](#).

**Soft Targets and
Crowded Places**

States, territories, UAs, and public and private sector partners are encouraged to identify security gaps and build capabilities that address security needs and challenges related to protecting locations or environments that are easily accessible to large numbers of people on a predictable or semi-predictable basis that have limited security or protective measures in place, including town centers, shopping malls, open-air venues, outside hard targets/venue perimeters, and other places of meeting and gathering. For more information, please see DHS's [Hometown Security Program](#).

DHS 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.

**NIMS
Implementation**

Prior to the allocation of any federal preparedness awards, Subrecipients must ensure and maintain the adoption and implementation of the [National Incident Management System](#) (NIMS).

**Law Enforcement
Terrorism
Prevention
Activities**

At least 35% of the grant funding under SHSP and UASI must be dedicated to Law Enforcement Terrorism Prevention Activities (LETPA). This required LETPA allocation can be from SHSP, UASI, or both and may be met by funding projects in any combination of the five NPAs and any other investments.

Allowable expenditures can be found in the authorizing legislation, [Preparedness Grants Manual](#), [Information Bulletin \(IB\) No. 473 Supplemental Guidance for LETPA Expenditures](#), the [National Prevention Framework](#), and [National Protection Framework](#).

For an activity to be counted towards the LETPA requirement, it must have a law enforcement terrorism prevention nexus. If an activity is listed in the authorizing legislation or can be directly tied to a capability in the National Prevention Framework or shared capability in the National Protection Framework, then it is presumed to have law enforcement nexus and be a LETPA. For all other claimed activities, nexus to law enforcement and terrorism prevention must be clearly explained.

Refer to [IB 485 - FY23 LETPA Supplemental Guidance](#) in the NOFO and the [LETPA Resource Guide](#) for further direction on how to account for LETPA activities, best practices for submitting LETPA investments, and information on how to distinguish LETPA from other activities.

The Management and Administration (M&A) allowance for Subrecipients is set at a maximum of 5% for FY 2025 HSGP. M&A costs are not operational costs but are necessary costs incurred in direct support of the federal award or as a consequence of it, such as travel, meeting-related expenses, and salaries of full/part-time staff in direct support of the program.

M&A activities are those directly relating to the management and administration of HSGP funds, such as

Management and Administration Cont.

financial management and monitoring. M&A expenses must be based on actual expenses or known contractual costs. M&A requests that are simple percentages of the award, without supporting justification, will not be allowed or considered for reimbursement.

Subrecipients can apply M&A costs toward meeting the NPA spending requirements. For example, if a subrecipient spent \$5,000 on administering election security projects, it could count toward the mandatory 3% allocation for the election security NPA. (Please reference page 26 of the NOFO).

Indirect Costs

Indirect costs are allowable under the FY 2025 HSGP Grant Award. 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.

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 Tab if being claimed under the award.

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 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.

The FEMA Preparedness Grants Manual, published by FEMA, states that State and local governments are not permitted to use the de minimis rate.

**Indirect Costs
Cont.**

These costs are allowable only when an exception is granted to the SAA by FEMA per 2 C.F.R. Part 200, Appendix VII, paragraph D.1.b. Subrecipients should not include these costs in their future applications until further notice. If necessary, subrecipients may work with their Grants Analyst to modify their existing projects to remove these costs that were included in their advanced application.

**Organization
Costs – Overtime**

Operational overtime costs are allowable for increased security measures at critical infrastructure sites if associated with detecting, deterring, disrupting, and preventing acts of terrorism and other catastrophic events.

Pursuant to page 68 of the Fiscal Year (FY) 2025 Homeland Security Grant Program (HSGP), [Notice of Funding Opportunity](#), all operational overtime requests must clearly explain how the request meets the criteria of one or more of the listed Authorized Operational Overtime Categories. Requests must address the threat environment as it relates to the event or activity requiring operational overtime support and explain how the overtime activity is responsive to the threat. Post-event operational overtime requests will only be considered on a case-by-case basis, where it is demonstrated exigent circumstances prevented submission of a request in advance of the event or activity.

Requests for overtime costs must be submitted to Cal OES via Allowability Request Log (ARL) Form at the time of application, if the activity will occur within one year of the final application submission. All subsequent requests must be submitted at least 60 days in advance of the activity.

Post-event operational overtime requests will only be considered on a case-by-case basis, where it is demonstrated exigent circumstances prevented submission of a request in advance of the event or activity.

All operational overtime costs must be formally pre-approved in writing by DHS/FEMA.

Personnel Cap

Pursuant to [6 U.S.C. § 609\(b\)](#), SHSP and UASI funds may be used for personnel costs, totaling up to 50 percent of each fund source. A Subrecipient may request this requirement be waived by DHS/FEMA, via Cal OES. Requests for personnel cap waivers must be submitted separately for each fund source in writing 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 (waivers must be calculated separately for SHSP and UASI, outlining 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 the submittal of the above-mentioned information.

Please see [IB 421b](#) for more information on the waiver process.

Subrecipients that allocate HSGP funds towards equipment are required to type and identify the capability associated with that equipment. The [FEMA Resource Typing Library Tool \(RTL\)](#) can be used to help determine the type and capability.

Per FEMA policy, the purchase of weapons and weapon accessories are not allowed with HSGP funds. Special rules apply to pharmaceutical purchases, medical countermeasures, and critical emergency supplies; refer to page A-10 of the [FEMA Preparedness Grants Manual](#) for additional information.

Expenditures for general purpose equipment are allowable if they align to and support one or more core capabilities identified in the NPG, and in addition, are

**Equipment
Typing/
Identification
and Use Cont.**

deployable/sharable through the Emergency Management Assistance Compact and allowable under 6 U.S.C. § 609.

Refer to the NOFO and Preparedness Grants Manual for examples of allowable general-purpose equipment. Use of HSGP funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable as described in FEMA [IBs 336](#) as well as Grant Programs Directorate (GPD) Policy [FP-205-402-125-1](#).

**Emergency
Communications
Projects**

All Subrecipient emergency communications projects must comply with the SAFECOM Guidance on Emergency Communications Grants and describe in their FMFW how such activities align with the goals of the Statewide Communications Interoperability Plan. Emergency Communications projects are to be aligned to IJ#5: Strengthen Emergency Communications Capabilities Through Planning, Governance, Technology, and Equipment, and designated on the FMFW project description as an Emergency Communications Project with reference to the associated SCIP goal.

**Telecom
Equipment and
Services
Prohibitions**

Effective August 13, 2020, section 889(f)(2)-(3) of the [John S. McCain National Defense Authorization Act for FY 2019 \(NDAA\)](#) and [2 C.F.R. § 200.216, 200.471](#), and Appendix II to 2 C.F.R. Part 200 prohibit DHS/FEMA Recipients and Subrecipients (including their contractors and subcontractors) from using any FEMA funds under open or new awards for the following telecommunications equipment or services:

- 1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities);
- 2) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

**Telecom
Equipment and
Services
Prohibitions Cont.**

- 3) Telecommunications or video surveillance services provided by such entities or using such equipment; or
- 4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People's Republic of China.

Additional guidance is available in [FEMA Policy #405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services](#)

Some federal grant programs, including the Homeland Security Grant Program (HSGP), may allow the use of federal funds for certain military or military-style equipment, firearms, tactical vehicles, and other items classified as "controlled equipment" under applicable federal regulations (including 22 C.F.R. Part 121 and 15 C.F.R. Part 774).

However, approval to use HSGP funds for controlled equipment is limited and must be specifically authorized by DHS/FEMA. Not all controlled equipment is eligible for purchase under this program.

Subrecipients should be aware that HSGP funds generally may not be used to purchase the following types of items, including but not limited to:

- Tracked armored vehicles
- Weapons and firearms
- Ammunition
- Weapon accessories
- Camouflage uniforms or similar military-style apparel intended to replicate military use
- Other equipment not explicitly approved by DHS/FEMA

Prohibited and Controlled Equipment Cont.

Before purchasing any controlled equipment, subrecipients must confirm eligibility and receive required approval through the appropriate grant management and review processes. Unauthorized purchases are not allowable costs under HSGP and may result in disallowance or repayment of funds.

Small Unmanned Aircraft Systems

In accordance with [Executive Order 14305, Restoring American Aerospace Sovereignty \(June 6, 2025\)](#), and to the extent allowed by law, eligible state, local, tribal, and territorial grant recipients under this guidance are permitted to purchase unmanned aircraft systems, otherwise known as drones, or equipment or services for the detection, tracking, or identification of drones and drone signals, consistent with the legal authorities of state, local, tribal, and territorial agencies.

Subrecipients must comply with all applicable federal, state, and local laws and regulations, and adhere to any statutory requirements on the use of federal funds for such unmanned aircraft systems, equipment, or services.

The Authorized Equipment Listing for [03OE-07-SUAS](#) details questions that must be included in the Aviation Request justification.

The American Security Drone Act of 2023, which was enacted as part of the [National Defense Authorization Act for Fiscal Year 2024, Pub. L. No. 118-31 \(41 U.S.C. § 3901 note prec. 3901\)](#), prohibits using federal award funds to procure or operate a covered unmanned aircraft system (UAS) from covered foreign entities. **This new prohibition will apply to all FEMA awards made on or after Dec. 22, 2025.**

In August 2020, DHS, the Department of Justice (DOJ), the Federal Aviation Administration, and the Federal Communications Commission issued [the Interagency Legal Advisory on Unmanned Aircraft Systems \(UAS\) Detection and Mitigation Technologies](#). The purpose of the advisory guidance document is to help non-federal public and private entities better understand the federal laws and regulations that may apply to the use of capabilities to

Small Unmanned Aircraft Systems Cont.

detect and mitigate threats posed by UAS operations (i.e., Counter-UAS or C-UAS). Please refer to The Cybersecurity and Infrastructure Security Agency (CISA) resources on the [Unmanned Aircraft Systems Resources page](#). Additional resources may be found on the [Homeland Security Information Network – Critical Infrastructure \(HSIN-CI\)](#) site.

Subrecipients must submit Cal OES' UAS-Drone Request Form, Controlled Equipment Self-Certification Form and FEMA's Controlled Equipment Request Form for FEMA approval. Requests for drone/UAS accessories follow the same UAS process that requires FEMA review and approval.

FEMA approval is required before a UAS/SUAS can be purchased with HSGP grants funds.

Emergency Operations Plans

Subrecipients should update their Emergency Operations Plan (EOP) at least once every two years to remain compliant with the [Comprehensive Preparedness Guide 101 version 2.0](#).

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 Grants Analyst, 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 HSGP subaward within five days of learning of the conflict of interest.

Build America, Buy America Act (BABAA)

[The Build America, Buy America Act \(BABAA\)](#), requires subrecipients under FEMA financial assistance programs to ensure that certain materials used in infrastructure projects are produced in the United States. These requirements apply to:

Build America, Buy America Act (BABAA) Cont.

- New awards issued on or after January 2, 2023
- New funding obligated to existing or renewal awards on or after that date, when supporting infrastructure projects.
- Awards issued on or after October 23, 2023, which must follow updated regulations in 2 CFR Part 184 and [OMB Memorandum M-24-02](#). Subrecipients must ensure that the following materials used in infrastructure projects are produced in the United States:
 - Iron and steel products, including all manufacturing processes from initial melting through coating;
 - Manufactured products, for which the product is manufactured in the United States and the cost of U.S.-sourced components exceeds 55 percent of total component costs; and
 - Construction materials, for which all manufacturing processes occur in the United States.

Funds provided under this program may not be used for a project for infrastructure unless the iron and steel, manufactured products, and construction materials used in that infrastructure are produced in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Additionally, the Buy America preference does not apply to temporary construction items, portable equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

When necessary, Subrecipients may apply for a waiver from these requirements. Additional information regarding the BABAA can be found on FEMA's website under

Build America, Buy America Act (BABAA) Cont.

[Buy America Preference](#) FEMA Waivers. Please coordinate with your assigned Grants Analyst for submission of any waiver requests.

Failure to comply with BABAA requirements may result in corrective actions, additional oversight, or impacts to current or future funding.

**FY 2025
Investments**

The State prioritized the following investment strategies for the FY 2025 subawards:

1. Supporting Homeland Security Task Forces and Fusion Centers **(National Priority)**;
2. Enhance the Protection of Soft Targets/Crowded Places **(National Priority)**;
3. Enhance Cybersecurity **(National Priority)**;
4. Supporting Border Crisis Response and Enforcement **(National Priority)**;
5. Strengthen Emergency Communications Capabilities Through Planning, Governance, Technology, And Equipment
6. Enhance Medical and Public Health Preparedness;
7. Strengthen Information Sharing and Collaboration;
8. Enhance Multi-Jurisdictional/Inter-Jurisdictional All-Hazards/Whole Community Incident Planning, Response & Recovery Capabilities;
9. Protect Critical Infrastructure and Key Resources (including Food & Agriculture); and
10. Enhance Election Security **(National Priority)**.

**California
Homeland
Security Strategy
Goals**

The State prioritized the following California Homeland Security Strategy Goals for the FY 2025 subawards:

1. Enhance Information Collection, Analysis, and Sharing, in Support of Public Safety Operations Across California;
2. Protect Critical Infrastructure, Soft Targets, and Crowded Places;
3. Strengthen Cyberspace Security and Preparedness;
4. Strengthen Communications Capabilities through Planning, Governance, Technology, and Equipment;
5. Enhance Medical and Public Health Preparedness and Capabilities;
6. Enhance Multi/Inter-Jurisdictional All Hazards/Whole of Community Incident Planning, Response, and Recovery Capabilities;
7. Enhance Community Preparedness;
8. Enhance Homeland Security Evaluation, Training, and Exercise Programs;
9. Enhance Incident Recovery Capabilities; and
10. Strengthen Food and Agricultural Outbreak and Contamination Preparedness.

**State Initiative
Funding**

For FY 2025, Cal OES shall retain 20% of the SHSP and 17.3% of the UASI funding for state initiatives.

“On Behalf Of”

Cal OES may, in conjunction with local approval authorities, designate funds “on behalf of” local entities who choose to decline or fail to utilize their subaward in a timely manner.

**Public Alert and
Warning**

Cal OES encourages Subrecipients to consider the use of this funding to assist their jurisdiction’s alignment with the [State of California Alert and Warning Guidelines](#), developed pursuant to Senate Bill 833 of the 2018 Legislative Session.

**Financial
Management
Forms
Workbook**

The [FY 2025 Cal OES FMFW](#) (FMFW V.25) 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 submitted in portrait format. An active UEI# (Formerly DUNS#) is required. UEI registration information is available sam.gov.

Authorized Body of 5 – Provide the contact information of Authorized Agents (AA), delegated via the Governing Body Resolution (GBR) 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, Grant Subaward Modifications, and assists with the completion of the Biannual Strategy Implementation Report (BSIR).

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

Organization Tab – Provides detailed information on grant-funded organizational activities.

Equipment Tab – Detailed information must 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.

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

Training Tab – 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 [Request for Federal Tracking Number Form](#) must be submitted and approved to obtain a Training Feedback number and should be submitted at **least 30 days** in advance.

Financial Management Forms Workbook Cont.

Exercise Tab – Provides detailed information on grant-funded exercises.

M&A Tab – Provides information on grant-funded M&A activities.

Indirect Costs Tab – Provides information on indirect costs.

Consultant-Contractor Tab – Provides detailed information on grant-funded consultants and contractors.

Authorized Agent Page – The AA Page must be submitted with the application, all cash requests, and Grant Subaward Modifications. The AA Page must include a valid signature on file with Cal OES and the date.

Subrecipient Grants Management Assessment

Per [2 C.F.R. § 200.332](#), Cal OES is required to evaluate the risk of non-compliance with federal statutes, regulations, and grant terms and conditions posed by each Subrecipient of pass-through funding. The [Subrecipient Grants Management Assessment Form](#) contains questions related to an 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 the grant application.

Application Attachments

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

Intelligence Analysts Certificates – Pursuant to the Preparedness Grants Manual, Cal OES must have certificates for completion of training for fusion center analytical personnel. Please provide copies of certificates for each intelligence analyst, if applicable.

UASI Footprint (UASIs Only) – The Urban Area Working Group (UAWG) establishes the 'footprint' of the UA. A map or list defining the footprint must be included with the application.

UAWG Member Roster (UASIs Only) – A list of all current UAWG members with positions or titles.

Application Attachments Cont.

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

Standard Assurances

The Standard Assurances lists the requirements to which the Subrecipients will be held accountable. All Applicants will be required to submit an electronic signed, copy of the [FY 2025 Standard Assurances](#) as part of their FY 2025 HSGP 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.

Operational Areas and Urban Areas

Governing Body Resolution – The 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 an approved GBR with their grant application. Resolutions may be valid for up to three grant years given the following:

- The resolution identifies the applicable grant program (e.g., EMPG and/or HSGP);
- The resolution identifies the applicable grant years, (e.g., FY 2025, FY 2026, FY 2027; and
- Adheres to any necessary elements required by local protocols, rules, etc., if applicable.

Resolutions that only identify a single grant program will only be valid for that single program. Resolutions that do not identify applicable grant years will only be valid for the grant year in which the resolution was submitted.

Authorized Agent Information – For each person or position appointed by the governing body, identify the individual in the Authorized Body of 5 ledger 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

Operational Areas and Urban Areas Cont.

by submitting a request on the entity's letterhead, signed by an existing AA. Cal OES will not accept signatures of an AA's designee, unless authorized by the GBR. A change to an AA's designee must be submitted on agency letterhead and signed by the AA, announcing the change to their designee. AA changes must be accompanied by an official modification request using FMFW.

Operational Areas Only

Approval Authority Body – OAs must appoint an Anti-Terrorism Approval Body (Approval Authority) to have final approval of the OA's application for HSGP funds. Each member of the Approval Authority must provide written agreement with the OA's application for HSGP funds. The Approval Authority shall consist of the following representatives, and additional voting members may be added by a simple majority vote of the following standing members:

- County Public Health Officer or designee responsible for Emergency Medical Services
- County Fire Chief or Chief of Fire Authority
- Municipal Fire Chief (selected by the OA Fire Chiefs)
- County Sheriff
- Chief of Police (selected by the OA Police Chiefs)

Urban Areas Only

Urban Area Working Groups – Membership in the UAWG must provide either direct or indirect representation for all relevant jurisdictions and response disciplines (including law enforcement, fire service, EMS, hospitals, public health, and emergency management) that comprise the defined UA. It also must be inclusive of local Citizen Corps Council and tribal representatives. The UAWG should also ensure the integration of local emergency management, public health, and health care systems into a coordinated sustained local capability to respond effectively to a mass casualty incident. Additional group composition criteria are found in the FEMA [Preparedness Grants Manual](#).

Threat Hazard Identification and Risk Assessment – Subrecipients are required to submit a THIRA for all 32 core capabilities. Beginning in 2019, UAs are required to submit a THIRA every three years. An annual capability assessment will still be required.

**Urban Areas
Only Cont.**

Stakeholder Preparedness Review – The SPR is an annual grant requirement for all states, territories, and UAs. It is an annual capability assessment, which helps jurisdictions identify capability gaps and prioritize investment requirements to reach the targets set in their THIRA.

**Fusion
Centers Only**

All fusion center investments must align to, and reference, specific performance areas of the assessment that the funding is intended to support.

**State
Agencies and
Tribes Only**

State Agencies, and federally recognized tribes may submit the Signature Authorization Form in lieu of a GBR, signed by the most senior ranking official, such as the Secretary, Director, President, Chancellor, or Chairperson.

Final Application Submission	<p>Subrecipients must submit an electronic copy of their completed FMFW for the current grant year to their Grants Analyst for review. After the application is approved, a completed copy of the FMFW, along with all other application components, must be submitted, with official signatures, by the application due date. During the application process, if it is determined not all allocated funds can be expended by the end of the period of performance, please inform a Grants Analyst as soon as possible. The completed application should be received by Cal OES no later than the due date provided by Cal OES.</p>
Late or Incomplete Application	<p>Late or incomplete applications may be denied. If an application is incomplete, the Grants Analyst may request additional information. Requests for late submission of applications must be made in writing to the Grants Analyst prior to the application due date. Cal OES has sole discretion to accept or reject a late or incomplete grant application.</p>
HSGP Contact Information	<p>The Grants Analyst Regional Assignments Map is linked and available on the Cal OES website under “Regional Assignments”.</p>
Subaward Approval	<p>Subrecipients will receive a formal notification of award no later than 45 days after FEMA releases the funding holds placed on the FY 2025 HSGP awards. Per FEMA IB 550, due to the widespread funding holds placed on FY 2025 HSGP awards, FEMA interprets the date that an entity “receives a grant” to be the date upon which FEMA releases any remaining funding holds in FEMA GO. Therefore, the 45-day pass-through requirement starts on the date when the amendment is issued in FEMA GO and FEMA makes the funding available to the SAA for drawdown. This guidance supersedes the guidance in the Fiscal Year 2025 NOFO.</p> <p>The award letter must be signed, dated, and 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.</p>

Payment Request Process

To request an advance or cash reimbursement of HSGP funds, Subrecipients must first complete a payment request using the Cal OES HSGP FMFW, returning it to the appropriate Grants Analyst. 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 an approved application.

Final payment requests must be submitted within 20 calendar days after the end of the POP.**Advances and Interest Earned on Advances**

An Advance payment is a payment that 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 in amounts up to \$500 per year may be retained by Subrecipients for administrative expenses; any additional interest earned on federal advance payments must be returned annually to Cal OES.

Semi-Annual Drawdown Requirements

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

Modifications

Post-award budget and scope modifications must be requested using the [Cal OES HSGP FMFW v1.25](#), signed by the Subrecipient's AA, and submitted to the Grants Analyst.

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

**Modifications
Cont.**

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

Modifications to NP Projects have additional restrictions as indicated below:

Modifications which do not change the project scope and do not decrease the overall project budget can be processed via regular modification request.

Modifications which change the project scope or decrease the overall project budget will require DHS/FEMA approval and must be requested on the [National Priority Project Modification Form](#).

**Training
Requirements**

All grant-funded training activities must receive Cal OES approval prior to starting the training event. Cal OES shall allow Subrecipients to develop a “placeholder” for future training conferences when an agenda has not been established at the time Subrecipient applications are due. Please work with a Grants Analyst and the Training Branch to identify a possible “placeholder” for these types of training activities.

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

Subrecipients must complete a [Request for Federal Tracker Number Form](#) and submit it electronically to the Cal OES Training Branch to be approved with a Training Feedback Number before beginning any training activities. This includes project components like travel to, materials for, or attendance in training courses. Training Feedback Numbers should be obtained no later than **30 days** before the first day of the training or related activities. Requests that are submitted with less than 30 days prior to the start of the training or activity are not guaranteed to be approved in time and run the risk of training being unallowable. Training

**Training
Requirements
Cont.**

Feedback numbers must be included on the FMFW Training Ledger to be considered for reimbursement.

See Procurement section for new information on training feedback numbers in relation to single source trainings. For more information on training-related inquiries, contact the [Cal OES Training Branch](mailto:Training@CalOES.ca.gov) at (916) 845-8745 or Training@CalOES.ca.gov.

**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 the THIRA and SPR process, real-world events, previous exercises, and national areas for improvement identified in the NPR.

Subrecipients must report on all exercises conducted with HSGP grant funds. An After-Action Report (AAR)/Improvement Plan (IP) or Summary Report (for Seminars and Workshops) must be completed and submitted to Cal OES within 90 days after 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.

Please e-mail AAR/IPs and Summary Reports to:

- hseep@fema.dhs.gov
- exercise@caloes.ca.gov
- [Designated HSGP Region Grant Analyst](#)

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

Exercise costs will not be considered for reimbursement until an AAR/IP is received by Cal OES.

Procurement Standards and Written Procedures

Subrecipients are required to conduct procurement activities in with documented procurement procedures that align with federal procurement standards outlined in [2 C.F.R. Part 200](#). In cases where there is a conflict between the local procedures and federal standards, the more stringent requirements must be followed. Additionally, subrecipients must implement written conflict of interest policies that govern the actions of employees involved in the selection, award, and administration of contracts. These policies should include provisions for disciplinary actions in the event of violations.

Procurement Thresholds

Under 2 C.F.R. Part 200, procurement thresholds are defined as follows:

- **Micro-purchase threshold:** This is the maximum amount for which purchases can be made without requiring competitive quotes or formal procurement processes, provided the price is reasonable. The micro-purchase threshold is set at **\$15,000**.
- **Simplified acquisition threshold:** This sets the maximum amount for which federal procurement procedures may be simplified. The threshold is **\$350,000**. For purchases at or below this amount, subrecipients may use streamlined methods, such as obtaining competitive price or rate quotations from an adequate number of qualified sources. It is encouraged to obtain a minimum of three price or rate quotations. Purchases exceeding \$350,000 require more formal procurement procedures, including sealed bids or competitive proposals.

Subrecipients must adhere to these thresholds and, in cases of conflict between local procurement procedures and federal requirements, must apply the more stringent threshold.

Procurement Documentation

Subrecipients must maintain records that document the procurement process, including the rationale for the procurement method, contract type, contractor selection or rejection, and the basis for the contract price. To be allowable, costs must be properly documented. Acceptable documentation includes, but is not limited to:

Procurement Documentation Cont.

- Solicitation materials (e.g., requests for quotes, bids, or proposals)
- Responses to solicitations (e.g., quotes, bids, or proposals)
- Independent cost estimates and post-solicitation cost/price analyses, if applicable
- Contract documents and amendments
- Evidence of required contract provisions
- Other documents mandated by federal regulations at the time the grant was awarded

Noncompetitive Procurement

The simplified acquisition threshold increased from \$250,000 to \$350,000, however, Cal OES maintains that all non-competitive procurements exceeding \$250,000 require Cal OES **prior** written approval to be eligible for reimbursement. This method of procurement must be approved by the local Purchasing Agent prior to submitting a request for Cal OES approval. A copy of the Purchasing Agent's approval must be included with the Cal OES [Request for Noncompetitive Procurement Authorization](#) form. Cal OES may request additional documentation that supports the procurement effort.

Cal OES will not reimburse for any noncompetitive procurement contracts for any HSGP terrorism-related training, regardless of the cost of the training. Exceptions to this policy may be approved in limited circumstances, e.g., related to a procurement effort that has resulted in inadequate competition.

Effective as of February 9, 2026, the California Specialized Training Institute (CSTI) will authorize the noncompetitive procurement of HSGP-funded single source trainings concurrently with the issuance of a feedback number.

The issuance of a feedback number will include verification that the requested training qualifies as single source. Once received, HSGP Subrecipients are authorized to proceed with procurement of the approved single source training and are not required to submit an NCPA Form.

Noncompetitive Procurement Cont.

If CSTI determines that the training does not meet single-source criteria, a feedback number will still be issued; however, the Subrecipient must procure the training through a competitive process.

This update only applies to the noncompetitive procurement of HSGP-funded single source trainings.

Please refer to GMM2017-01A, [GMM2021-05](#), and [GMM2026-04](#) for additional guidance.

Performance Bond

Due to the risks associated with delays in vendor delivery of large equipment procurements, DHS/FEMA allows Subrecipients to obtain a “performance bond” for items that are paid for up front to ensure delivery of the equipment within the grant period of performance.

Cal OES requires Subrecipients to obtain a performance bond when procuring any equipment item over \$350,000, or for any vehicle, aircraft, or watercraft that requires full or partial payment prior to receiving the final product(s).

Performance Bond Waivers may be granted on a case-by-case basis and must be submitted to Cal OES prior to procurement.

Environmental Planning and Historic Preservation (EHP)

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) that have the potential to impact the environment, or a historic structure must participate in the EHP screening process. EHP Screening Memos must include detailed project information, explain the goals and objectives of the proposed project and include supporting documentation.

DHS/FEMA may also require the Subrecipient to 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 form. Grant Analysts will provide additional instructions should this report be required.

**Environmental
Planning and
Historic
Preservation (EHP)
Cont.**

[EHP Screening Requests](#) should be submitted to Cal OES as early as possible. All projects/activities triggering EHP must receive DHS/FEMA written approval prior to commencement of the funded activity.

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

**Construction and
Renovation**

When applying for construction activity at the time of application, including communication towers, 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 an SF-424C Budget and Budget Detail that cites project costs. Communication tower construction requests also require evidence that 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.

Project construction using SHSP and UASI funds may not exceed \$1,000,000 or 15% of the grant subaward (for the purposes of limitations on funding levels, communications towers are not considered construction).

Written approval for construction must be provided by DHS/FEMA prior to the use of any HSGP funds for construction or renovation. No construction activities (including site preparation, utility installations, and any groundbreaking activities) or equipment installations on existing structures, may begin until the EHP review process is complete.

Inventory Control and Property Management

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;
- A physical inventory conducted at least every two years;
- A control system to prevent loss, damage, and theft of grant purchased equipment and supplies; and
- Adequate maintenance procedures to keep the property in good condition.

Equipment Disposition

When original or replacement equipment acquired under the HSGP is no longer needed for program activities, the Subrecipient must contact the Grants Analyst to request disposition instructions. See [2 C.F.R. § 200.313](#).

The Uniform Guidance and FEMA policy require the following:

- (1) The subrecipient determines the current fair market value (FMV) when a piece of equipment is no longer needed.
- (2) If the FMV is above the applicable threshold (currently set at \$10,000), the subrecipient requests disposition instructions from the awarding agency, utilizing FEMA's Equipment Disposition Form, before selling.
- (3) FEMA responds with instructions: retain, transfer, or sell (and how to handle the federal share of proceeds).
- (4) The subrecipient then acts accordingly and, if applicable, remits the Federal share of proceeds.

Performance Reporting

The Biannual Strategy Implementation Report (BSIR) is a required reporting component under the Homeland Security Grant Program and must be submitted in accordance with FEMA preparedness grant reporting requirements. Reports are due semiannually, with submission deadlines of July 30 for the January 1–June 30 reporting period and January 30 for the July 1–December 31 reporting period. Each BSIR submission must include all required project attributes and performance data elements as specified in applicable FEMA guidance and Cal OES instructions. Cal OES will provide additional details on BSIR requirements and due dates once the BSIR opens.

Extension Requests

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

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, must be project-specific 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.

Extension Requests Cont.

To be considered, extension requests must be received no later than **90** 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 period of performance 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 the activity/activities will be completed within the extended period of performance without any modification to the original Project Scope.

General questions regarding extension requirements and the extension request form, should be directed to your Grants Analyst.

Reminder: Requests for extension of new projects added within the last year of the POP are not recommended as it interferes with Cal OES' processing timelines.

Subrecipients with approved project extensions must submit final cash requests within **10** days of the revised Period of Performance (POP) end date. Timely submission is required to ensure compliance with Federal Emergency Management Agency (FEMA) closeout deadlines.

Performance Reports on Grant Extensions

All Subrecipients that receive Cal OES approval to extend their FY 2025 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 Subrecipient's Grants Analyst. 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, 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 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
- 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

Monitoring Cont.	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 Board of Supervisors informing them of the failure to report. County OAs and tribes who fail to report twice consecutively may have subsequent awards reduced by 10% until timely reporting is reestablished; UASIs may have a “hold” placed on any future reimbursements.
Suspension/ Termination	<p>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:</p> <ul style="list-style-type: none"> • 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 Subaward 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. <p>Before acting, Cal OES will provide the Subrecipient reasonable notice of intent to impose corrective measures and will make every effort to informally resolve the problem.</p>
Closeout	<p>Cal OES will close-out 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:</p> <ul style="list-style-type: none"> • All funds have been requested and reimbursed, or disencumbered; • Receiving all applicable Subrecipient reports indicating all

Closeout Cont.

approved work has been completed, and all funds have been distributed;

- 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.

The records retention period is three years from the date of the Cal OES Grant Closeout letter, 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.

For indirect cost rate proposals, cost allocation plans, or other rate computation records, the start of the record retention period is dependent on whether the proposal, plan, or other computation is required to be submitted to the federal government (or to the pass-through entity) for negotiation purposes. See [2 C.F.R. § 200.334\(f\)](#).

In order for any cost to be allowable, it must be adequately documented per [2 C.F.R. § 200.403\(g\)](#).

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. Letters will be sent to subrecipients by Cal OES Grants Processing upon FEMA closeout of each grant year. Requests for past years' closeout letters may be sent to grant analysts.

If the State Administrative Agency's 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.

**Records Retention
Cont.**

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. §§ 200.334, 200.336](#).

Attachment A – FY 2025 HSGP Allocations | 2025

*SHSP allocations may not reflect National Priority Area project adjustments

State Homeland Security Program (SHSP)				
Operational Area	Total Award		Operational Area	Total Award
ALAMEDA	1,612,108		ORANGE	3,010,955
ALPINE	76,089		PLACER	464,664
AMADOR	111,579		PLUMAS	92,461
BUTTE	266,875		RIVERSIDE	2,382,434
CALAVERAS	116,349		SACRAMENTO	1,558,726
COLUSA	95,365		SAN BENITO	136,783
CONTRA COSTA	1,145,879		SAN BERNARDINO	2,115,954
DEL NORTE	99,542		SAN DIEGO	3,154,001
EL DORADO	251,383		SAN FRANCISCO	853,526
FRESNO	1,033,845		SAN JOAQUIN	820,084
GLENN	102,155		SAN LUIS OBISPO	333,270
HUMBOLDT	198,725		SAN MATEO	766,903
IMPERIAL	140,157		SANTA BARBARA	488,412
INYO	92,381		SANTA CLARA	1,852,295
KERN	929,282		SANTA CRUZ	318,822
KINGS	217,401		SHASTA	241,611
LAKE	137,182		SIERRA	77,931
LASSEN	101,551		SISKIYOU	115,045
LOS ANGELES	9,206,964		SOLANO	490,915
MADERA	225,337		SONOMA	521,435
MARIN	310,353		STANISLAUS	588,853
MARIPOSA	90,641		SUTTER	167,695
MENDOCINO	158,053		TEHAMA	134,939
MERCED	345,978		TRINITY	89,686
MODOC	82,851		TULARE	525,467
MONO	86,727		TUOLUMNE	125,258
MONTEREY	480,737		VENTURA	841,487
NAPA	200,859		YOLO	283,432
NEVADA	167,786		YUBA	153,611
*Total				40,790,789

Fusion Centers	
Region	Total Award
SAN FRANCISCO BAY AREA	1,792,050
SACRAMENTO/CENTRAL VALLEY AREA	2,565,000
GREATER LOS ANGELES AREA	2,887,500
SAN DIEGO AREA	2,047,500
ORANGE AREA	835,000
*Total	10,127,050

* SHSP allocations reflect National Priority Area project adjustments

Urban Areas Security Initiative (UASI)			
*A minimum of 35% of UASI funding must be for Law Enforcement Terrorism Prevention			
Urban Area	Federal Allocation to State	Allocation to UASI (82.7%)	State Initiatives (17.3%)
ANAHEIM/SANTA ANA AREA	8,842,298	7,312,580	1,529,718
BAY AREA	32,451,685	26,837,543	5,614,142
LOS ANGELES/LONG BEACH AREA	38,664,255	31,975,339	6,688,916
RIVERSIDE AREA	7,134,344	5,900,102	1,234,242
SACRAMENTO AREA	4,516,008	3,734,739	781,269
SAN DIEGO AREA	17,716,678	14,651,693	3,064,985
Total	109,325,268	90,411,996	18,913,272

Attachment B – FY 2025 HSGP Timeline | **2025**

DHS/FEMA Announcement of final 2025 HSGP NOFO	August 1, 2025
Cal OES Application Due to DHS	August 15, 2025
Revised DHS Award to California	January 30, 2026
Subrecipient period of performance begins	September 1, 2025
2025 HSGP California Supplement release	May 2026
Subrecipient Workshops	TBD*
Subrecipient Awards (45 days from DHS award hold removal)	TBD*
Subrecipient Final Applications for FY25 Due to Cal OES	TBD*
Subrecipient period of performance ends	June 30, 2028
Final Cash Requests due to Cal OES	Within twenty (20) calendar days after end of grant. This does not apply to extension requests which must be submitted ten (10) calendar days after the revised extended POP end date
Cal OES's period of performance ends	August 31, 2028

***Note:** FY 2025 Subrecipient award notifications and the final application due date will be determined following FEMA's review and approval of all FY 2025 HSGP projects.

Subrecipient:

FIPS#:

Grants Analyst:

Financial Management Forms Workbook:

- Grant Award Face Sheet
- Authorized Body of 5
- Project Ledger
- Planning Tab
- Organization Tab
- Equipment Tab
- Training Tab
- Exercise Tab
- Consultant/Contractor Tab
- Management & Administration Tab
- Indirect Cost Tab
- Authorized Agent Sheet

Attachments:

- Original Counter-Signed Award Letter
- Governing Body Resolution (Certified)
- Standard Assurances
- FFATA Certification
- Subrecipient Grant Management Assessment Form
- Indirect Cost Rate Negotiation Agreement (If Applicable)
- Personnel Cap Waiver (If Applicable)
- Intelligence Analyst(s) Certificates (If Applicable)

UASI Only:

- UASI Footprint
- UAWG Roster

State Agencies and Tribes Only:

- Signature Authority Form (in lieu of Governing Body Resolution)

For Cal OES Use Only

Reviewed by: _____ Date: _____

Management Approval: _____ Date _____

UEI

LETPA 35% or >

M&A 5% or <