



Governor Douglas A. Ducey

State of Arizona Department of Homeland Security



Director Gilbert M. Orrantia

FFY 2021 Nonprofit Security Grant Program Information Sheet

As appropriated by the *Department of Homeland Security Appropriations Act, 2021* (Public Law 116-260); and authorized by Sections 2003 and 2004 of the *Homeland Security Act of 2002*, (Public Law 107-296), (codified as amended at 6 U.S.C. §§ 604, 605); the Federal Fiscal Year (FFY) 2021 Nonprofit Security Grant Program (NSGP) provides funding support for physical security enhancements and other security-related activities to nonprofit organizations that are at high risk of a terrorist attack.

In FFY 2021, multiple funding allocations have been appropriated for nonprofit organizations located inside or outside of FFY 2021 Urban Area Security Initiative (UASI)-designated urban areas. As in previous fiscal years, the **Nonprofit Security Grant Program - Urban Area (NSGP-UA)** will be a competitive grant program that funds nonprofits located in UASI-designated urban areas. Under the **Nonprofit Security Grant Program - State (NSGP-S)**, each state will receive an allocation for nonprofit organizations located outside of FFY 2021 Urban Area Security Initiative (UASI)-designated urban areas.

Priorities

The FFY 2021 NSGP provides funding support for physical security enhancements and other security activities to nonprofit organizations that are at high risk of a terrorist attack.

Given the evolving threat landscape, it is incumbent upon DHS/FEMA to continuously evaluate the national risk profile and set priorities that help ensure appropriate allocation of scarce security dollars. In assessing the national risk profile for FY 2021, one area attracts the most concern:

- 1) Enhancing the protection of soft targets/crowded places;

Likewise, there are several enduring security needs that crosscut the homeland security enterprise. The following are second-tier priorities that help recipients implement a comprehensive approach to securing communities:

- 1) Effective planning;
- 2) Training and awareness campaigns; and
- 3) Exercises.

Application Information

April 23, 2021 – Investment Justification (IJ) Applications, Arizona NSGP Supplement Forms, and Vulnerability Risk Assessments must be submitted to cbowen@azdohs.gov no later than **5:00 p.m.** Information and application forms are available at <https://azdohs.gov/nsgp>. No other forms of application will be accepted. **An application must be submitted by a current employee, personnel, official, staff or leadership that is duly authorized to apply for an award on behalf of the nonprofit organization at the time application. Consultants or contractors of the subrecipient are not permitted to be the authorized organization representative.**

Eligible nonprofit organizations may apply for an award amount:

- Up to \$150,000 for the NSGP-UA per site
- Up to \$150,000 for the NSGP-S per site

Nonprofit organizations with one site may apply for up to \$150,000 for that site. Sub-applicants with multiple sites may apply for up to \$150,000 per site, for up to three sites, for a maximum of \$450,000 per sub-applicant. If a sub-

applicant applies for projects at multiple sites, regardless of whether the projects are similar in nature, it must include an assessment of the vulnerability and risk unique to each site.

- Only nonprofit organizations as described under section 501(c)(3) of the Internal Revenue Code of 1986 (IRC), exempt from tax under section 501(a) of such code may apply.
- Applicant must provide a Dun and Bradstreet Universal Numbering System (DUNS) Number.
- Eligible nonprofit organizations **must submit a copy of their organization’s Vulnerability Risk Assessment (on which the application is based) with their application.** To request a Vulnerability Assessment, please submit a completed [TVA Request Form](#) to cikr@azdps.gov.
- **Arizona NSGP Supplement Forms document: Complete information on all 7 tabs.**
- Please note that should a nonprofit organization receive an award, an Environmental Planning and Historic Preservation (EHP) compliance review will be required prior to beginning any project. It is recommended that you reflect an EHP application submission/review in the Investment Justification application, Section V Milestones.

Tips for Completing the NSGP Investment Justification Application

- **Review the scoring criteria** on pages 22 - 27 of the FFY 2021 NSGP Guidance (Notice of Funding Opportunity-NOFO) as well as the **NSGP Scoring Tool**.
- **Note character limits for each section of the Investment Justification Application.** You may want to consider creating the text in MS Word so that you can check the character count as well as spell-check. Copy and paste into the Excel template.
- **Excel Investment Justification Application (Template)** – The IJ Application Excel template is the **ONLY** form that will be accepted. Submissions in any other format are unacceptable and will not be scored. Review the Introduction tab of the Excel Investment Justification template prior to completion. When opening the Excel file, you may need to “enable content” to be able to enter text. The Investment Justification is not compatible with MAC products.
- **Investment Justification Application, Section V – Milestones:** Milestones should be within a one-year period starting **10/1/21 and ending 9/30/22.**
- **Save the file** using the following naming convention:
 - For **NSGP-UA**
 - FY2021_NSGP_UA_AZ_Phoenix_<Nonprofit Name>
 - For **NSGP-S**
 - FY2021_NSGP_S_AZ_<Nonprofit Name>

If using Excel 2007, applicants are required to save the final version in the Excel 97-2003 format before submitting. Excel 2007 or PDF formats cannot be accepted.

Eligible Applicants

CRITERIA

An eligible nonprofit organization must:

- Meet the description under section 501(c)(3) of the Internal Revenue Code of 1986 (IRC) and exempt from tax under section 501(a) of such code;
- **For NSGP-UA**, be located within one of the FFY 2021 UASI-designated urban areas; **OR for NSGP-S**, be located outside of the FFY 2021 UASI-designated urban areas;

- Be able to demonstrate, through the application, that the organization is at high risk of a terrorist attack.

Scope of Eligible Projects

The following information outlines general allowable and unallowable NSGP costs guidance.

Allowable Costs

Planning

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 consideration of 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.

Equipment

Allowable costs are focused on target hardening and physical security enhancements. Funding can be used for the acquisition and installation of security equipment on real property (including buildings and improvements) owned or leased by the nonprofit organization, specifically in prevention of and/or protection against the risk of a terrorist attack.

This equipment is limited to select items in the following two categories of items on the Authorized Equipment List (AEL):

- Physical Security Enhancement Equipment (Category 14)
- Inspection and Screening Systems (Category 15)
- Allowable equipment outside of Categories 14 and 15 include **ONLY** the following:
 - Handheld Radios (AEL# 06CP-01-PORT) (Individual/portable radio transceivers for on-site communication only)
 - Public Warning Systems (AEL#03OE-03-MEGA) (High-powered speaker systems or battery powered megaphone)

The two allowable prevention and protection categories and equipment standards for the NSGP are listed on DHS AEL located on the DHS/FEMA site at <http://www.fema.gov/authorized-equipment-list>. Unless otherwise stated, equipment must meet all mandatory regulatory and/or DHS-adopted standards to be eligible for purchase using these funds, including the Americans with Disabilities Act. In addition, agencies will be responsible for obtaining and maintaining all necessary certifications and licenses for the requested equipment.

Applicants should analyze the cost benefits of purchasing versus leasing equipment, especially high cost items and those subject to rapid technical advances. Large equipment purchases must be identified and explained. For more information regarding property management standards for equipment, please reference 2 C.F.R. Part 200, including 2 C.F.R. §§ 200.310, 200.313, and 200.316.

Training

Nonprofit organizations may use NSGP funds for the following training-related costs:

- Employed or volunteer security staff to attend security-related training within the United States;
- Employed or volunteer staff to attend security-related training within the United States with the intent of training other employees or members/congregants upon completing the training (i.e., “train-the-trainer” type courses);
- Nonprofit organization’s employees, or members/congregants to receive on-site security training.

Allowable training-related costs under the NSGP are limited to attendance fees for training and related expenses, such as materials, supplies, and/or equipment. Overtime, backfill, and travel expenses are not allowable costs.

Allowable training topics are limited to the protection of critical infrastructure key resources, including physical and cybersecurity, target hardening, and terrorism awareness/employee preparedness including programs such as Community Emergency Response Team (CERT) training, Active Shooter training, and emergency first aid training. Training conducted using NSGP funds must address a specific threat and/or vulnerability, as identified in the nonprofit organization’s IJ. Training should provide the opportunity to demonstrate and validate skills learned as well as to identify any gaps in these skills.

Proposed attendance at training courses and all associated costs using the NSGP must be included in the nonprofit organization's II.

Exercise

Funding may be used to conduct security-related exercises. This includes costs related to planning, meeting space and other meeting costs, facilitation costs, materials and supplies, and documentation. Exercises afford organizations the opportunity to validate plans and procedures, evaluate capabilities, and assess progress toward meeting capability targets in a controlled, low-risk setting. All shortcomings or gaps—including those identified for children and individuals with access and functional needs—should be identified in an improvement plan. Improvement plans should be dynamic documents with corrective actions continually monitored and implemented as part of improving preparedness through the exercise cycle.

The Homeland Security Exercise and Evaluation Program (HSEEP) provides a set of guiding principles for exercise programs, as well as a common approach to exercise program management, design and development, conduct, evaluation, and improvement planning. For additional information on HSEEP, refer to <https://www.fema.gov/exercise>. In accordance with HSEEP guidance, subrecipients are reminded of the importance of implementing corrective actions iteratively throughout the progressive exercise cycle. This link provides access to a sample AAR/IP template: <https://preptoolkit.fema.gov/web/hseep-resources/improvement-planning>. Recipients are encouraged to enter their exercise data and AAR/IP in the Preparedness Toolkit at <https://preptoolkit.fema.gov/web/hseep-resources>.

Contracted Security

Contracted security personnel are allowed under this program only as described in this NOFO and accompanying appendix in the Preparedness Grants Manual. The nonprofit organization must be able to sustain this capability in future years without NSGP funding, and a sustainment plan will be required as part of the closeout package for any award funding this capability. Contracted security costs described in the Investment Justification should include the hourly/daily rate, the number of personnel, and the anticipated number of hours/days the personnel will work over the course of the period of performance. NSGP funds may not be used to purchase equipment for contracted security.

Management and Administration (M&A) – Please contact AZDOHS Finance Staff for further clarification on allowable expenses at hs@azdohs.gov.

M&A activities are those costs defined as directly relating to the management and administration of NSGP funds, such as financial management and monitoring. The amount of M&A is specified in each fiscal year's NOFO. M&A costs include the following categories of activities:

- Hiring of full-time or part-time staff or contractors/consultants responsible for activities relating to the management and administration of NSGP funds
- Meeting-related expenses directly related to M&A of NSGP funds

M&A costs are not operational costs, they are the necessary costs incurred in direct support of the grant or as a consequence of the grant and should be allocated across the entire lifecycle of the grant. Examples include preparing and submitting required programmatic and financial reports, establishing and/or maintaining equipment inventory, documenting operational and equipment expenditures for financial accounting purposes, and responding to official informational requests from state and federal oversight authorities.

Indirect Costs

Indirect costs are allowable under this program as described in 2 C.F.R. § 200.414. With the exception of recipients who have never received a negotiated indirect cost rate as described in 2 C.F.R. § 200.414(f), recipients must have an approved indirect cost rate agreement with their cognizant Federal agency to charge indirect costs to this award. A copy of the approved rate (a fully executed, agreement negotiated with the applicant's cognizant Federal agency) is required at the time of application, and must be provided to DHS/FEMA before indirect costs are charged to the award.

Maintenance and Sustainment

The use of FEMA preparedness grant funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable under all active and future grant awards, unless otherwise noted. Preparedness grant funds may be used to purchase maintenance contracts or agreements, warranty coverage, licenses and user fees. These contracts may exceed the period of performance if they are purchased incidental to the original purchase of the system or equipment as long as the original purchase of the system or equipment is consistent with that which is typically provided for, or available through, these types of agreements,

warranties, or contracts. When purchasing a stand-alone warranty or extending an existing maintenance contract on an already-owned piece of equipment system, coverage purchased may not exceed the period of performance of the award used to purchase the maintenance agreement or warranty. As with warranties and maintenance agreements, this extends to licenses and user fees as well.

Grant funds are intended to support the National Preparedness Goal (the Goal) and fund projects that build and sustain the core capabilities necessary to prevent, protect against, mitigate the effects of, respond to, and recover from those threats that pose the greatest risk to the security of the Nation. In order to provide recipients the ability to meet this objective, the policy set forth in IB 379: Guidance to State Administrative Agencies to Expedite the Expenditure of Certain DHS/FEMA Grant Funding allows for the expansion of eligible maintenance and sustainment costs that must be in (1) direct support of existing capabilities, (2) must be an otherwise allowable expenditure under the applicable grant program, and (3) be tied to one of the core capabilities in the five mission areas outlined in the Goal. Additionally, eligible costs may also support equipment, training, and critical resources that have previously been purchased with either federal grant or any other source of funding other than FEMA preparedness grant program dollars.

Construction and Renovation

NSGP funding may not be used for construction and renovation projects without prior written approval from DHS/FEMA. All recipients of NSGP funds must request and receive approval from DHS/FEMA before any NSGP funds are used for any construction or renovation. Additionally, recipients are required to submit a SF-424C Budget and budget detail citing the project costs. The total cost of any construction or renovation paid for using NSGP funds may not exceed the greater amount of \$1,000,000 or 15 percent (15%) of the NSGP award.

All construction and renovation projects require Environmental Planning and Historic Preservation (EHP) review. Recipients and subrecipients are also encouraged to have completed as many steps as possible for a successful EHP review in support of their proposal for funding (e.g., coordination with their State Historic Preservation Office to identify potential historic preservation issues and to discuss the potential for project effects, compliance with all state and EHP laws and requirements). Projects for which the recipient believes an Environmental Assessment (EA) may be needed, as defined in DHS Instruction Manual 023-01-001-01, Revision 01, FEMA Directive 108-1 and FEMA Instruction 108-1-1, must also be identified to the FEMA HQ Program Analyst within six months of the award and completed EHP review materials must be submitted no later than 12 months before the end of the period of performance. EHP review packets should be sent to gpdehpinfo@fema.gov.

NSGP Program recipients using funds for construction projects must comply with the Davis-Bacon Act (40 U.S.C. § 3141 et seq.). Grant recipients 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 similar to the contract work in the civil subdivision of the state in which the work is to be performed. Additional information regarding compliance with the Davis-Bacon Act, including Department of Labor (DOL) wage determinations, is available from the following website: <https://www.dol.gov/whd/govcontracts/dbra.htm>.

Hiring

Contracted Security Personnel are allowed under this program only as described in the NOFO and [FEMA Preparedness Grants Manual](#). NSGP funds may not be used to purchase equipment for contracted security. The subrecipient must be able to sustain this capability in future years without NSGP funding. Please note that if security costs are currently reflected in the organization's budget, this would not be an allowable expense. Amount requested may not exceed 50% of the total amount requested without an approved waiver. Upon written request, the 50% personnel cap established by section 2009 (b)(2)(A) of the *Homeland Security Act of 2002*, as amended, may be waived at the discretion of the FEMA Administrator pursuant to section 2009 (b)(2)(B).

Unallowable Costs

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

- Organization costs, and operational overtime costs
- Hiring of public safety personnel
- General-use expenditures
- Overtime and backfill
- Initiatives that do not address the implementation of programs/initiatives to build prevention and protection-focused capabilities directed at identified facilities and/or the surrounding communities
- The development of risk/vulnerability assessment models
- Initiatives that fund risk or vulnerability security assessments or the development of the IJ

- Initiatives in which Federal agencies are the beneficiary or that enhance Federal property
- Initiatives which study technology development
- Proof-of-concept initiatives
- Initiatives that duplicate capabilities being provided by the Federal Government
- Organizational operating expenses
- Reimbursement of pre-award security expenses
- Telecommunication and video equipment purchased from prohibited entities per section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (FY 2019 NDAA)