



Homeland Security

Fiscal Year 2017 Homeland Security Grant Program

Overview

As appropriated by the *Department of Homeland Security Appropriations Act, 2017*, (Pub. L. No. 115-31); and authorized by the *Homeland Security Act of 2002*, as amended (Pub. L. No. 107-296), the Department of Homeland Security's (DHS)/Federal Emergency Management Agency's (FEMA) Fiscal Year (FY) 2017 Homeland Security Grant Program (HSGP) provides funding to states, territories, urban areas, and other local and tribal governments to prevent, protect against, mitigate, respond to, and recover from potential terrorist attacks and other hazards.

In Fiscal Year 2017, DHS is providing \$1,037,000,000 to enhance the ability of states and territories to prevent, protect against, respond to, and recover from potential terrorist acts and other hazards.

The FY 2017 HSGP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal (the Goal) of a secure and resilient Nation. Delivering core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. Among the five basic homeland security missions noted in the DHS Quadrennial Homeland Security Review, HSGP supports the goal to Strengthen National Preparedness and Resilience.

HSGP is comprised of three grant programs:

- State Homeland Security Program (SHSP)
- Urban Area Security Initiative (UASI)
- Operation Stonegarden (OPSG)

Together, these grant programs fund a range of activities, including planning, organization, equipment purchase, training, exercises, and management and administration across all core capabilities and mission areas.

Per section 2006 of the *Homeland Security Act of 2002*, as amended (6 U.S.C. § 607), DHS/FEMA is required to ensure that at least 25 percent (25%) of grant funding appropriated for grants awarded under HSGP's authorizing statute is used for law enforcement terrorism prevention activities (LETPA). DHS/FEMA meets this requirement, in part, by requiring all SHSP and UASI recipients to ensure that at least twenty five percent (25%) of the combined HSGP funds allocated under SHSP and UASI are dedicated towards law enforcement terrorism prevention activities, as defined in 6 U.S.C. § 607, and linked to one or more core capabilities within the Goal.

The National Prevention Framework describes those activities that should be executed upon the discovery of intelligence or information regarding an imminent threat to the homeland, in order to thwart an initial or follow on terrorist attack, and provides guidance to ensure the Nation is prepared to prevent, avoid, or stop a threatened or actual act of terrorism. Activities outlined in the *National Prevention Framework* are eligible for use as LETPA focused funds. In addition, where capabilities are shared with the protection mission area, the *National Protection Framework* activities are also eligible. Other terrorism prevention activities proposed for funding under LETPA must be approved by the FEMA Administrator.

Funding

In FY 2017, the total amount of funds under the HSGP is \$1,037,000,000. Below is the funding distribution across the three grant programs:

HSGP Programs	FY 2017 Allocation
State Homeland Security Program	\$402,000,000
Urban Area Security Initiative	\$580,000,000
Operation Stonegarden	\$55,000,000
Total	\$1,037,000,000

Based upon the requirements of the *Homeland Security Act of 2002*, as amended, DHS/FEMA continues to inform final grant allocation decisions based upon risk. DHS defines risk as: “potential for an unwanted outcome resulting from an incident, event, or occurrence, as determined by its likelihood and the associated consequences” (see <http://www.dhs.gov/xlibrary/assets/dhs-risk-lexicon-2010.pdf>). DHS utilizes a comprehensive risk methodology focused on three principal elements:

- *Threat*
- *Vulnerability*
- *Consequence*

The risk methodology determines the relative risk of terrorism faced by a given area. It takes into account the potential risk of terrorism to people, critical infrastructure, and economic security. The threat analysis continues to account for threats from domestic violent extremists as well as international terrorist groups and those individuals inspired by terrorists abroad.

SHSP Allocations

FY 2017 SHSP funds are allocated based on two factors: minimum amounts as legislatively mandated, and DHS’s risk methodology.

Each state and territory receives a minimum allocation under SHSP using the thresholds established in the *Homeland Security Act of 2002*, as amended. All 50 states, the District of Columbia, and Puerto Rico receive 0.35 percent of the total funds allocated for grants under Section 2003 and Section 2004 of the *Homeland Security Act of 2002*. Four territories (American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands) receive a minimum allocation of 0.08

percent of the total funds allocated for grants under Section 2003 and 2004 of the *Homeland Security Act of 2002*. For details on program-specific funding amounts, refer to the FY 2017 HSGP NOFO.

UASI Allocations

In the Explanatory Statement accompanying the FY 2017 Appropriation, Congress expressed its intent that the Secretary fund up to eighty-five percent (85%) of nationwide risk in the UASI program. In accordance with that intent, the Secretary designated 33 urban areas eligible for funding under UASI program. This is an increase from the 29 urban areas eligible in FY 2016.

FY 2017 UASI funds are allocated based on DHS's risk methodology and anticipated effectiveness of proposed projects. The anticipated effectiveness is assessed based on the applicant's description of how the proposed projects, as outlined in the IJ, align with the urban area THIRA. The 33 eligible urban areas for the FY 2017 UASI program are determined through an analysis of relative risk of terrorism faced by the 100 most populous metropolitan statistical areas (MSA) in the United States, in accordance with the *Homeland Security Act of 2002*, as amended. Detailed information on MSAs is publicly available from the United States Census Bureau at <https://www.census.gov/programs-surveys/metro-micro.html>. For details on program-specific funding amounts, refer to the FY 2017 HSGP NOFO.

OPSG Allocations

The FY 2017 OPSG Risk Assessment is designed to identify the risk to border security and to assist with the distribution of funds for the grant program. Funding under OPSG is distributed based on the risk to the security of the border. Entities eligible for funding are the state, local and tribal law enforcement agencies that are located along the border of the United States.

Based upon ongoing intelligence analysis and extensive security reviews, DHS/CBP continues to focus the bulk of OPSG funds based upon risk analyses. The risk model used to allocate OPSG funds considers the potential risk that certain threats pose to border security and estimate the relative risk faced by a given area. In evaluating risk, DHS/CBP considers intelligence, situational awareness, criminal trends, and statistical data specific to each of the border sectors, and the potential impacts that these threats pose to the security of the border area. For vulnerability and consequence, DHS/CBP considers the expected impact and consequences of successful border events occurring in specific areas.

Threat and vulnerability are evaluated based on specific operational data from DHS/CBP. Threat components present in each of the Sectors are used to determine the overall threat score. These components are: terrorism, criminal aliens, drug trafficking organizations, and alien smuggling organizations.

Eligibility

All 56 states and territories, which includes any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands, are eligible to apply for SHSP funds. For those states that are eligible for

UASI and OPSG funding, the State Administrative Agency (SAA) is the only entity eligible to submit applications to DHS/FEMA on behalf of UASI and OPSG applicants.

Eligible high-risk urban areas for the FY 2017 UASI program have been determined through an analysis of relative risk of terrorism faced by the 100 most populous metropolitan statistical areas (MSAs) in the United States.

Under the FY 2017 OPSG Program, subrecipients eligible to apply for and receive a subaward directly from the SAA are divided into three Tiers. Tier 1 entities are local units of government at the county level or equivalent and Federally-recognized tribal governments that are on a physical border in states bordering Canada, states bordering Mexico, and states and territories with international water borders. Tier 2 eligible subrecipients are those not located on the physical border or international water but are contiguous to a Tier 1 county. Tier 3 eligible subrecipients are those not located on the physical border or international water but are contiguous to a Tier 2 eligible subrecipient. Tier 2 and Tier 3 eligible subrecipients may be eligible to receive funding based on border security risk as determined by the U.S. Border Patrol (USBP), as described in of the FY 2017 HSGP NOFO.

Other Eligibility Requirements

Emergency Operation Plan (EOP)

Recipients must update their EOP at least once every two years to comply with Comprehensive Preparedness Guide (CPG) 101 Version 2.0, *Developing and Maintaining Emergency Operations Plans*. Recipients will use the Unified Reporting Tool (URT) to report their compliance with this reporting requirement.

State Preparedness Report (SPR)

The SPR is an annual capability assessment. Sec. 652(c) of the *Post-Katrina Emergency Management Reform Act of 2006* (Pub. L. No. 109-295) requires an SPR from any state or territory receiving federal preparedness assistance administered by DHS/FEMA. Each state submits an SPR to DHS/FEMA. Refer to the FY 2017 HSGP NOFO for additional guidance on SPR requirements.

Threat and Hazard Identification and Risk Assessment (THIRA)

States, territories, and Urban Areas should review and, if necessary, revise and update the THIRA on an annual basis. A single THIRA submission will support multiple grant awards received by a jurisdiction. This submission is valid for the entire period of performance of the individual grant award(s).

Further details on the THIRA as it relates to HSGP requirements can be found in the FY 2017 HSGP NOFO. For additional guidance on THIRA, please refer to CPG 201, Second Edition, available at www.fema.gov/plan.

National Incident Management System (NIMS) Implementation

Prior to allocation of any federal preparedness awards in FY 2017, recipients must ensure and maintain adoption and implementation of NIMS. Emergency management and incident response activities require carefully managed resources (personnel, teams, facilities, equipment, and/or supplies) to meet incident needs.

Although state, local, tribal, territorial, and private sector partners—including nongovernmental organizations—are not required to credential their personnel in accordance with these guidelines, DHS/FEMA strongly encourages them to do so in order to leverage the federal investment in the Federal Information Processing Standards (FIPS) 201 infrastructure and to facilitate interoperability for personnel deployed outside their home jurisdiction. Additional information on resource management and NIMS resource typing definitions and job titles/position qualifications is available under <https://www.fema.gov/national-incident-management-system>. Information regarding credentialing for personnel can be found at (NIMS Guideline for Credentialing of Personnel) http://www.fema.gov/pdf/emergency/nims/nims_alert_cred_guideline.pdf.

Funding Guidelines

For FY 2017 HSGP, allowable investments made in support of the HSGP priorities as well as other capability-enhancing projects must fall into the categories of planning, organization, equipment, training, or exercises. The period of performance for HSGP is thirty-six (36) months. For additional information regarding allowable costs, including management and administration costs, please refer to the FY 2017 HSGP NOFO.

Application Process and Evaluation Criteria

Review Criteria

Prior to making a federal award, the federal awarding agency is required by 31 U.S.C. 3321 and 41 U.S.C. 2313 to review information available through any Office of Management and Budget-designated repositories of government-wide eligibility qualification or financial integrity information. Therefore application evaluation criteria may include the following risk based considerations of the applicant: (1) financial stability; (2) quality of management systems and ability to meet management standards; (3) history of performance in managing federal award; (4) reports and findings from audits; and (5) ability to effectively implement statutory, regulatory, or other requirements.

FEMA will evaluate FY 2017 HSGP applications through a review process for completeness, adherence to programmatic guidelines, and anticipated effectiveness of the proposed investments. Applicants are required to align all projects to at least one core capability identified in the Goal. Descriptions of projects should be clear and concise and should include whether the project supports a NIMS typed resource and whether assets are deployable/shareable. All assets supported in part or entirely with FY 2017 HSGP funding must be readily deployable to support emergency or disaster operations per existing EMAC agreements.

The grant funded activities of every project must align to the HSGP solution areas: Planning, Organization, Exercises, Training and/or Equipment. A project may have activities in more than one solution area. All grant projects across all POETE elements must address capability targets and gaps identified through the annual THIRA and SPR process.

Grant projects must be: 1) both feasible and effective at reducing the risks for which the project was designed; and 2) able to be fully completed within the 3-year period of performance.

FEMA uses the information provided in the application and after the submission of the first Biannual Strategy Implementation Report, to determine the feasibility and effectiveness of the grant project. Information that assists in the feasibility and effectiveness determination includes the following:

- Scope of work (purpose and objectives of the project, identification of what is being protected, identification of core capability addressed and whether the core capability is identified in the SPR, where applicable, as a priority);
- Desired outcomes, including expected long-term impact where applicable, and discussion of which core capability gap it helps to close and how;
- Summary of status of planning and design accomplished to date (e.g. included in a capital improvement plan); and
- Project schedule.

Recipients are expected to conform, as applicable, with accepted engineering practices, established codes, standards, modeling techniques, and best practices, and participate in the development of case studies demonstrating the effective use of grant funds, as requested.

Review and Selection Process

SHSP and UASI

To ensure the effectiveness of proposed investments and projects, all applications will undergo a federal review. The federal review will be conducted by HQ Program Analysts. HQ Program Analysts will use a checklist to verify compliance with all administrative and eligibility criteria identified in the NOFO. All proposed investments in core capability Planning, Organization, Equipment, Training and Exercises (POETE) elements must align to a capability gap in the SPR. IJs will be reviewed at both the investment and project level. A program hold may be placed on any investment which is found to be noncompliant.

Fusion Center investments are jointly reviewed by FEMA and the DHS Office of Intelligence and Analysis for compliance with FY 2017 HSGP NOFO requirements to prioritize the alignment of requests with results from the annual Fusion Center Assessment Program. Investments that do not meet the requirements will be revised by the recipient and must receive approval prior to accessing funds allocated to fusion center activities.

OPSG

Applications will be reviewed by the SAA and USBP Sector Headquarters for completeness and adherence to programmatic guidelines and evaluated for anticipated feasibility, need, and impact of the Operations Orders.

DHS/FEMA will verify compliance with all administrative and eligibility criteria identified in the NOFO and required submission of Operations Orders and Inventory of Operations Orders by the established due dates. DHS/FEMA and USBP will use the results of both the risk analysis and the federal review by DHS/FEMA to make recommendations for funding to the Secretary of Homeland Security.

FY 2017 OPSG funds will be allocated competitively based on risk-based prioritization using the OPSG Risk Assessment described above. Final funding allocations are determined by the Secretary, who may consider information and input from various law enforcement offices or subject matter experts within the Department. Factors considered include, but are not limited to: threat, vulnerability, miles of border, and other border-specific law enforcement intelligence, as well as feasibility of FY 2017 Operation Orders to designated localities within the United States Border States and territories.

Prior to making a Federal award with a total amount of Federal share greater than the simplified acquisition threshold, DHS is required to review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently FAPIIS).

An applicant, at its option, may review information in the designated integrity and performance systems accessible through SAM and comment on any information about itself that a federal awarding agency previously entered and is currently in the designated integrity and performance system accessible through SAM.

DHS/FEMA will consider any comments by the applicant, in addition to the other information in the designated integrity and performance system, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants as described in 2 CFR §200.205.

HSGP Resources

There are a variety of resources available to address programmatic, technical, and financial questions, which can assist with HSGP.

- The FY 2017 HSGP NOFO is located online at: <http://www.fema.gov/grants> as well as on <http://www.grants.gov>.
- For additional program-specific information, please contact the Centralized Scheduling and Information Desk (CSID) help line at (800) 368-6498 or AskCSID@dhs.gov. CSID hours of operation are from 9:00 a.m. to 5:00 p.m. EDT, Monday through Friday.
- For support regarding financial grant management and budgetary technical assistance, applicants may contact the DHS/FEMA Grant Programs Directorate Call Center at (866) 927-5646 or via e-mail to ASK-GMD@dhs.gov.