

**MISSOURI OFFICE OF HOMELAND SECURITY  
DIVISION OF GRANTS**



**Administrative Guide for Homeland Security Grants**

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## **Administrative Guide for Homeland Security Grants Amendments/Changes**

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## OVERVIEW

The U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA), and Grant Programs Directorate (GPD) award various Homeland Security (HS) grants to enhance and develop state and local homeland security capabilities. These HS grants are administered by a State Administrative Agency (SAA). In Missouri, the Governor has designated the Missouri Department of Public Safety, Office of Homeland Security (OHS) as the SAA. The OHS is responsible for the management and administration of HS grants. The OHS subsequently passes the HS funding to various state and local jurisdictions and/or agencies to meet mandatory requirements. This document includes administrative guidelines and procedures to apply for, receive, manage, and close-out HS funds that are awarded to public and private, state and local jurisdictions and/or agencies.

Each federal HS grant comes with a specific Notice of Funding Opportunity. Program guidelines establish and define each grant program's unique initiatives, requirements, and restrictions, which include specific allowable and unallowable costs and activities. The OHS, Division of Grants ensures that state and local jurisdictions and/or agencies that receive funding comply with the respective federal grant guidance. The federal grant programs and guidelines may differ from year to year; therefore, the allowable and unallowable costs and activities may also differ each year. Subrecipients are responsible for reviewing and adhering to the specific grant program guidelines in order to understand each grant's unique requirements and restrictions for any particular federal fiscal year.

GPD recognizes and permits the SAA to direct or specify how grant funds will be allocated and used, as long as the allocation or the use is consistent with federal grant guidance or federal regulations. The SAA may impose guidelines and parameters that are more stringent than federal guidance. As such, the OHS, Division of Grants may issue its own specific grant program guidelines to define unique state initiatives, requirements, and restrictions including specific allowable and unallowable costs and activities.

All federal laws and rules govern the administration and spending of federal grant funds. These requirements are defined in the Code of Federal Regulations (CFR), and respective federal agency financial guides. The OHS, Division of Grants will ensure subrecipients are aware of and can comply with the federal regulations; however, the individual subrecipient is responsible for reviewing, understanding, and adhering to the federal regulations.

This administrative guide is not **all-inclusive**. If there are questions regarding eligible grant activities or costs, or state or federal guidelines, please contact the OHS, Division of Grants for clarification.

## **RESOURCES, AUTHORITIES, and COMPLIANCE INFORMATION**

### **Code of Federal Regulations**

The Missouri Office of Homeland Security, Division of Grants (OHS), as the SAA, requires subrecipients to become familiar with and adhere to the following guidance:

- OHS Administrative Guide for Homeland Security Grants
- Applicable Articles of Agreement
- OHS Applicable Grant Program Guidance/Notice of Funding Opportunity Announcement (NOFO)
- Subaward Agreement
- OHS Information Bulletins

These include general and permanent rules, instructions, and information that have been published in the Federal Register and issued by Office of Management & Budget (OMB) to address the financial and administrative management of federal grants. Recipients and subrecipients of federal funds are expected to become familiar with and adhere to the guidelines contained in the relevant CFRs. For additional information on grants management and to obtain copies of regulations, please see links listed below.

- 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards can be located at the following link: [https://www.ecfr.gov/cgi-bin/text-idx?SID=6214841a79953f26c5c230d72d6b70a1&tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?SID=6214841a79953f26c5c230d72d6b70a1&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)
- DHS/FEMA Applicable Grant Program Guidance/NOFO Announcement can be located at the following link: <https://www.fema.gov/homeland-security-grant-program>
- DHS/FEMA Grant Program Directorate Information Bulletins can be located at the following link: <https://www.fema.gov/grant-programs-directorate-information-bulletins>

### **Information Bulletins**

Information Bulletins (IB's) provide important updates, clarifications, and policy statements related to HS grant programs. Subrecipients are expected to become familiar with the relevant publications. The OHS IB's are accessible on the Department of Public Safety's (DPS) website. The following IBs have been developed to cover specific policies and guidance:

- OHS-GT-2012-001 – Policy on Monitoring Subrecipient Reporting, Recordkeeping, and Internal Operation and Accounting Control Systems
- OHS-GT-2012-002 – Policy on Advance Payment and Cash Advances

- OHS-GT-2012-003 – Policy on Funding Restrictions for Management and Administration Costs
- OHS-GT-2012-004 – Policy on Food and/or Beverage provided for Homeland Security training/exercise sessions, meetings, or conferences
- OHS-GT-2012-005 – Policy on Reimbursement Request Requirements including OHS Reimbursement Checklist
- OHS-GT-2012-006 – Policy on Utilization of Training Request Form for Approved and Non-approved Training
- OHS-GT-2018-008 – Policy on Budget and Program Revisions – Subaward Adjustments
- OHS-GT-2018-009 – Policy for Requirements of Subrecipient Pass-through Entities

(New IB's may be added and existing IB's amended, as deemed necessary)

### **System for Award Management (SAM)**

The General Service Administration's Office of the Integrated Award Environment has consolidated the government-wide acquisition and award support systems into one new system called the System for Award Management (SAM). SAM is a Federal Government owned and operated free web site that consolidates the capabilities in Central Contractor Registration/Federal Agency Registration, Online Representations and Certifications Application, and Excluded Parties List System.

Subrecipients must register with SAM online which can be found at the following link:

[https://secure.login.gov/sign\\_up/start?request\\_id=346b5fb1-f190-49e6-98e1-80e416a40c9e](https://secure.login.gov/sign_up/start?request_id=346b5fb1-f190-49e6-98e1-80e416a40c9e)

### **Excluded Parties List System (EPLS)**

Subrecipients are prohibited from utilizing HS grant funds to conduct business with any party on the Federal Government's EPLS. The EPLS can be located at the following link:

[https://sam.gov/portal/SAM/?portal:componentId=31be779b-ffb7-4907-b7b1-e74a85af25d6&interactionstate=JBPNs\\_rO0ABXc0ABBFanNmQnJpZGdlVmllld0lkAAAAAQATL2pzZi9mdW5jdGlvbmlkLmpzcAAHX19FT0ZfXw\\*\\*&portal:type=action#1](https://sam.gov/portal/SAM/?portal:componentId=31be779b-ffb7-4907-b7b1-e74a85af25d6&interactionstate=JBPNs_rO0ABXc0ABBFanNmQnJpZGdlVmllld0lkAAAAAQATL2pzZi9mdW5jdGlvbmlkLmpzcAAHX19FT0ZfXw**&portal:type=action#1)

### **Missouri's Suspended/Debarred Vendors**

Subrecipients are prohibited from utilizing HS grant funds to conduct business with any party on the State of Missouri's list of Suspended/Debarred Vendors, which can be located at the following link:

<https://oa.mo.gov/purchasing/vendor-information>.



## National Incident Management System (NIMS) Compliance

Prior to allocation of any Federal preparedness awards subrecipients 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. Utilization of the standardized resource management concepts such as typing, credentialing, and inventorying promote a strong national mutual aid capability needed to support delivery of core capabilities. Additional information on resource management, NIMS resource typing definitions and job titles/position qualifications is on DHS/FEMA's website which can be located at the following link: <https://rtlt.preptoolkit.fema.gov/Public>.

Missouri Revised Statute, Chapter 44 Civil Defense, Section 44.090.8 states: "It shall be the responsibility of each political subdivision and public safety agency to adopt and put into practice the National Incident Management System promulgated by the United States Department of Homeland Security." Additional information can be located at the following link: <http://www.moga.mo.gov/mostatutes/stathtml/04400000901.html>.

All subrecipients should strive to be NIMS compliant in order to receive HSGP grant funding. In order to continue working towards NIMS compliance, subrecipient agencies should:

- Formally endorse or sign a proclamation to adopt NIMS concepts and philosophies
- Develop a jurisdictional NIMS Implementation Plan
- Develop a NIMS training matrix applicable to their agency
- Develop and maintain a NIMS training file

NOTE: Nonprofit and quasi-governmental organizations should reference Appendix A for clarification regarding compliance requirements relating to NIMS.

## Environmental and Historic Preservation (EHP) Compliance

All projects funded with federal grant dollars must comply with EHP laws, regulations, DHS Executive Orders and be certified by DHS. **Projects must receive EHP approval from the OHS/DHS prior to project initiation.** Subrecipients are responsible for completing an EHP Screening Form when proposed grant activities have the potential to cause an adverse impact on the environment or historical preservation. No funding may be spent prior to submission and approval of an EHP. The EHP Screening Form can be located at the following link: [https://dps.mo.gov/dir/programs/ohs/documents/ohs-grant-application-forms/environmental\\_historical\\_protection\\_screening\\_form.pdf](https://dps.mo.gov/dir/programs/ohs/documents/ohs-grant-application-forms/environmental_historical_protection_screening_form.pdf)

An EHP Screening Form should be completed and submitted with any grant application for proposed project(s) that involve any of the following grant funded activities:

- Physical security enhancements

- Renovations/upgrades/modifications to structures (even if considered to be minor in nature, i.e., installation of AV/IT equipment, extending or installing electrical lines, replacing HVAC systems, installing generator transfer switch, modification to existing radio tower, etc.)
- Projects with the potential to cause adverse impacts to natural, biological or cultural resources (including historic properties)

Furthermore, subrecipients are responsible for implementing any mitigation measures required to address potential adverse impacts that may be identified during the EHP review process.

### **Articles of Agreement-Special Conditions**

In addition to the requirements addressed in the OHS guidelines, subrecipients must comply with all requirements addressed in the program specific grant guidance and Articles of Agreement and Special Conditions sections of the Subaward Agreement, which is included in the grant award package. Some Articles of Agreement and Special Conditions require reports or documents that are date specific; therefore subrecipients must review the Articles of Agreement and Special Conditions carefully prior to accepting the grant award in order to ensure they can comply.

### **PRE-AWARD**

The Pre-Award Phase of the grant process begins when the OHS announces a new funding opportunity, continues through the completion of the grant application(s), and concludes with the issuance of the grant award(s).

### **Notice of Funding Opportunity (NOFO)**

The OHS receives funding announcements from the DHS for all eligible HS programs with guidance, funding information, and application deadlines.

The OHS releases NOFO's for each available grant opportunity with guidance, funding information, and application directions and deadlines. The OHS announces and conducts an annual application workshop to provide guidance, application forms, and deadlines for applying for HSGP funds. Application training will be hosted in-person and as a webinar. The NOFO, and application instruction materials will be posted on the OHS website during the application period.

### **Urban Area Security Initiative (UASI) and Regional Threat and Hazard Identification and Risk Assessment (THIRA) Meetings**

The UASI and regional THIRA meetings are conducted with subject matter experts to gather input and information in the development of the THIRA, Stakeholder Participation Report (SPR), Investment Justifications and NIMS compliance.

## **State Homeland Security Program (SHSP)**

The SHSP supports state and local preparedness activities that address high-priority preparedness gaps across all core capabilities where a nexus to terrorism exists. All supported investments are based on capability targets and gaps identified during the THIRA process, and assessed in the SPR.

Local funding requirements are met by providing application and funding opportunities to Regional Homeland Security Oversight Committees (RHSOCs). There are ten (10) RHSOCs in the State of Missouri consisting of Regions A-Urban, A-Rural, B, C, D, E, F, G, H, and I.

## **Urban Area Security Initiative (UASI) Program**

The UASI Program assists high-threat, high-density Urban Areas in efforts to build, sustain, and deliver the capabilities necessary to prevent, protect against, mitigate, respond to, and recover from acts of terrorism. Eligible high-risk Urban Areas for the UASI Program are determined annually through an analysis of relative risk of terrorism faced by the one hundred (100) most populous Metropolitan Statistical Areas (MSAs) in the United States.

UASI funding is available to local jurisdictions and non governmental organizations (NGO) in the St. Louis Urban Area and they may apply directly to the Urban Area Working Group for funding. Information regarding the St. Louis Urban Area Working Group can be located at the following link: <http://www.stl-starrs.org/>

## **Law Enforcement Terrorism Prevention Activity (LETPA)**

LETPA funding focuses on the prevention of terrorist attacks and provides law enforcement and public safety communities with funds to support intelligence gathering and information sharing. States are required to ensure that at least 25% of the HSGP funds allocated under SHSP and UASI are used for law enforcement terrorism prevention activities-oriented planning, organization, training, exercise, and equipment activities.

## **Nonprofit Security Grant Program (NSGP)**

The NSGP provides funding support for target hardening and other physical security enhancements and activities to nonprofit organizations that are at high risk of a terrorist attack, throughout the state of Missouri and located within one of the specific UASI-eligible urban areas. NSGP funds are allocated based on risk analysis, effectiveness, and integration with broader state and local preparedness efforts. Each nonprofit organization located within the UASI boundaries may apply through their Urban Area Working Group, which score the applications and make funding recommendations to the SAA. Nonprofit organizations located outside of the UASI boundaries should access the DPS website to obtain application instructions.

## **Application Review**

Applications are administratively reviewed by the OHS for content, accuracy, and to ensure that all grant requirements can be met. The OHS will provide a list of acceptable applicants to the RHSOCs, and applicable working groups for peer review.

## **Risk Assessment**

Per 2 CFR Part 200 § 200.331 (6) (b), the OHS is required to evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations and terms and conditions of the Subaward Agreement and Articles of Agreement and Special Conditions before making HS funds available to a subrecipient and to take appropriate action to mitigate the subrecipient's risk per.

## **AWARD**

The award phase starts with the acceptance of the Subaward Agreement. The award phase also includes the accomplishment of program activities, reimbursement of funds for costs associated with those activities, and submission of status reports throughout the approved project period, which is noted in the Subaward Agreement, to include any extensions to the period of performance.

## **Pass-Through Requirement**

Pass-through is defined as an obligation on the part of the SAA to make funds available to local units of government or NGOs. The DHS Guidance determines the amount of pass-through funds for the states. The OHS pass-through period must be met within forty-five (45) days of the federal award date for projects funded under the HSGP and NSGP.

## **Approval and Notification**

When the final awards have been determined, the OHS will:

- Notify awarded applicants of necessary application revisions, if applicable. The award notification will address any modifications that may be necessary and the date required to resubmit the revised application. This notification will be issued utilizing the Application Negotiations component within WebGrants
- Issue grant award packages to applicants for review, signature, and return. The award package will be delivered in person and through the Award Documents-Needs Signatures component of WebGrants
- Issue notification letters to applicants that were not awarded

## **Subaward Agreement**

The Subaward Agreement identifies the subrecipient agency period of performance, amount of federal funds, and grant award number. Articles of Agreement and special conditions, if applicable, are also included. All correspondence concerning the award must refer to the designated award number shown on the Subaward Agreement document.

## **Subrecipient Pass-Through Entities**

A pass-through entity means a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program. This would include any subrecipient entity that is providing funds, personnel costs, equipment, or supplies to a local agency to carry out part of the HS program.

If the subrecipient of an HS grant award is acting as a pass-through entity, they must adhere to OHS IB OHS-GT-2018-009 – Policy for Requirements of Subrecipient Pass-through Entities, as amended.

### **Acceptance of Award**

The Subaward Agreement constitutes a contractual agreement between the OHS and the subrecipient for the use of federal funds for approved project(s). Acceptance of the award is completed by signing and returning the original Subaward Agreement to the OHS within thirty (30) days from the date the documents are provided to the subrecipient. **No federal funds shall be disbursed to a subrecipient until the signed Subaward Agreement has been received and executed by the OHS. The fully executed copy of the Subaward Agreement will be located in the Award Docs-Final component in WebGrants.**

### **Post-Award Compliance Training**

As a subrecipient of federal funds, the subrecipient is required to attend annual compliance training hosted by the OHS. This training will be hosted in-person to provide post-award information to include, but not limited to, award acceptance, subrecipient pass-through requirements, project implementation, reporting requirements, contract changes, monitoring responsibilities, record retention, internal controls, and accounting responsibilities.

### **Financial Grants Management - Total Cost Budgeting and Accounting Systems**

All subrecipients are required to establish and maintain adequate accounting systems and financial records and to accurately account for funds awarded to them. Subrecipients must have a financial management system in place that is able to record and report on the receipt, obligation, and expenditure of grant funds, as well as the refunding of expenditures disallowed by audits. Subrecipients should keep detailed accounting records and documentation to track all of the following information:

- Federal and/or state funds subawarded
- Federal and/or state funds requested for reimbursement
- Matching funds, where applicable
- Program income
- Contracts and Subcontracts (amount, purpose, award conditions, and current status)
- Expenditures

The subrecipient's accounting system should include measures that enable the subrecipient to:

- Review its financial operations
- Maintain a record of all its financial activities
- Review its budget
- Account for non-state and non-federal contributions
- Ensure that all audit requirements are met
- Report irregularities
- Identify grant funding with specific data (separate from all other funding including other grants)

Accounting for all funds shall be structured and executed on a "total program cost" basis. That is, total program costs, including federal and/or state funds and local matching funds, and any other sources included in the approved project budget, shall be the foundation for fiscal administration and accounting. Grant applications and financial reports require budget and cost estimates on the basis of total costs.

### **Commingling of Funds**

The accounting systems of all subrecipients must ensure that grant funds are not commingled with funds from other sources. Each award must be accounted for separately. Subrecipients are prohibited from commingling funds on either a program-by-program or project-by-project basis.

Funds specifically budgeted and/or received for one project may not be used to support another. Where a subrecipient's accounting system cannot comply with this requirement, the subrecipient shall establish a system to provide adequate fund accountability for each awarded project.

### **Supplanting**

Federal grant guidance prohibits supplanting, which is defined as deliberately reallocating state, local or agency funds because of the existence of the federal funds. Federal funds must increase or supplement the funding available for HSGP projects. Subrecipients must maintain a level of state, local or agency financial support that is equal to or greater than the level prior to receiving the federal funds. Any potential existence of supplanting will require documentation to establish that the reduction in financial support was not due to the receipt of federal funds.

## Procurement Guidelines

With any expenditure, the subrecipient shall ensure that:

- The expenditure is an approved budget line item and shown in the application
- Necessary prior approval has been obtained
- Sufficient funds are in the budget
- Expenditures claimed are allowable, reasonable, allocable and necessary as defined in 2 CFR 200.302 (e)
- Subrecipients must have their own written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles of this part and of the terms and conditions of the Federal award (2 CFR Part 200.302 (7)). Agencies that do not have their own written policy, may adopt the OHS's Appendix B

If a subrecipient is uncertain as to whether a cost meets these requirements, please contact the OHS for clarification.

## Procurement Standards

If a subrecipient has a procurement policy, a copy must be submitted and accepted by the OHS. **If a subrecipient does not have its own policy, they are required to follow the State of Missouri's Revised Statutes Chapter 34 – State Purchasing and Printing, which can be located at the following link: <http://www.moga.mo.gov/mostatutes/ChaptersIndex/chaptIndex034.html>, and Rules of Office of Administration Division 40 – Purchasing and Materials Management Chapter 1 – Procurement <http://s1.sos.mo.gov/cmsimages/adrules/csr/current/1csr/1c40-1.pdf>**

At a minimum, the subrecipient must meet the following procurement standards:

- All procurement transactions whether negotiated or competitively bid shall be conducted in a manner so as to provide maximum open and free competition
- Contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements
- All quotations and rationale behind the selection of a source of supply shall be retained, attached to the purchase order copy, and placed in the accounting files.
- Items costing less than \$3,000 may be purchased with prudence on the open market
- All purchases estimated to total between \$3,000 but less than \$25,000.00 to a single vendor, must be competitively bid, but need not be solicited by mail or advertisement. An informal method is acceptable, for example: request for quotation, telephone quotes, online pricing, etc.

- All purchases with an estimated total expenditure of \$25,000.00 or over to a single vendor shall:
  - be advertised for bid in at least two daily newspapers for general circulation in such places as are most likely to reach prospective bidders (and may advertise in at least two (2) weekly minority newspapers and may provide such information through an electronic medium available to the general public) at least five (5) days before bids for such purchases are to be opened
  - post a notice of the proposed purchase in a public area of the subrecipient's office
  - solicit bids by mail or other reasonable methods generally available to the public from prospective supplies
- Use of single feasible source procurement is discouraged. A single feasible source procurement exists when:
  - Supplies are proprietary and only available from the manufacturer or a single distributor; or
  - Based on past procurement experience, it is determined that only one (1) distributor services the region in which the supplies are needed; or
  - Supplies are available at a discount from a single distributor for a limited period of time
- Use of single feasible source procurement of \$3,000 or over requires prior approval from the OHS.

### **Contractual Requirements**

All consultant and contractual services shall be supported by written contracts stating the services to be provided/performed, rate of compensation, and length of time over which the services will be provided/performed, which shall not exceed the length of the project period of performance.

When a subrecipient contracts for services, the following is required:

- Contracts must be reviewed by the OHS staff prior to signing
- Contracts must contain the relevant provisions listed in 2 CFR 200 Appendix II – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards
- Copy of the signed contract must be scanned and uploaded into WebGrants when the subrecipient is requesting the first reimbursement for contract expenses



## **Travel**

Individuals traveling on approved, budgeted business are eligible for reimbursement pursuant to State of Missouri travel regulations outlined in the Code of State Regulations<sup>1</sup> CSR 10-11 can be located at the following link: <http://s1.sos.mo.gov/cmsimages/adrules/csr/current/1csr/1c10-11.pdf>. The OHS will allow food and beverage costs for individuals' traveling overnight on a meal per diem basis.

When no overnight lodging is required, the State of Missouri twelve (12) hour travel rule is in effect. To qualify for reimbursement for meal(s), officials and employees must be in continuous travel status for twelve (12) hours or more. Please be aware that meals reimbursed through the twelve (12) hour travel rule may be reportable as taxable income (subject to applicable tax withholding) to the employee.

Eligible amounts to be reimbursed to subrecipients for meals, mileage and lodging cannot exceed the state rates established by the Missouri Office of Administration. These rates can be located at the following link: <https://oa.mo.gov/state-employees-new#mini-panel-state-employees-tabs6>

## **Equipment**

Equipment means tangible personal property (including information technology systems) having a useful life of more than one (1) year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$1,000.

A subrecipient may have an established capitalization amount, which defines the per-unit cost of equipment. If this is the case, the amount must meet or be more restrictive than the state definition outlined below:

Routine upkeep (i.e., gasoline, tire replacement, routine oil changes, monthly inspections, grounds and facility maintenance, etc.) is the responsibility of the subrecipient and may not be funded with preparedness grant funding through HSGP.

Subrecipients must use the equipment in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the OHS awarding agency. During the time that the equipment is used on the project or program for which it was acquired, the non-Federal entity must also make equipment available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to the other programs or projects supported by the OHS and second preference must be given to other federally supported programs or projects. Use for non-federally funded programs or projects is also permissible. User fees should be considered if appropriate.

## Vehicles

Vehicles purchased with HSGP funds must be used to build and sustain the 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. Examples of vehicles (automobile, boat, ATV, UTV, etc.)

## Usage Log

A usage log **must be maintained for all vehicles purchased with HSGP grant funds**. A sample log is attached to this document. The log will be reviewed as part of the subrecipient monitoring process and must contain, at a minimum, the following information:

- Vehicle (VIN or Make/Model)
- License Number
- Date of Travel
- Operator
- Purpose of Trip
- Beginning and Ending Odometer /Hour Meter (i.e., boat, ATV) Reading
- Destination
- Other Miscellaneous Items (i.e., vehicle issues, maintenance log)

## Equipment/Property Control

Subrecipients must develop a control system to ensure adequate safeguards to prevent loss, damage, or theft of the property.

- Subrecipients must promptly and properly investigate and fully document any loss, damage, or theft, make the documentation part of the official project records, and report the incident to OHS within 30 days
- Subrecipients must provide at a minimum, the equivalent insurance coverage for equipment acquired with HS grant funds that the subrecipient owns
- Subrecipients must develop adequate maintenance procedures to keep the property in mission ready condition
- Subrecipients are responsible for replacing or repairing property that is willfully or negligently lost, stolen, damaged, or destroyed

- Subrecipients must tag all equipment with “Purchased with U.S. Department of Homeland Security Funds”

## **Inventory**

The Inventory Report must be completed and submitted once every two (2) years. This report is due October 1 of every even numbered year. The report must contain **all** equipment items that have been purchased with HSGP or NSGP funds. The report must include the following information:

**Owner/Title Holder** – Entity that owns the equipment and bears responsibility for the equipment, and/or has the equipment titled in their name

**Region** - Geographical area (i.e., St. Louis Urban Area, Region I)

**County** – The County in which the equipment is located (i.e., Laclede County)

**Fiscal Year** - Federal fiscal year of the grant

**Grant Program** - Grant funding source (i.e., UASI, SHSP)

**Grant Award Number** - Grant Identification Number as stated on the Subaward Agreement

**Description of Equipment** - Generic description of the equipment that was purchased

Example: 16', pintle hitch, flatbed trailer with a wooden floor

Example: pickup truck, 6' open bed

Example: 4X4 pickup truck, dual wheels with van box

**EGMS/WebGrants Item ID** - Line item number on the budget form within the WebGrants approved budget, or item ID number in EGMS

**Manufacturer** - Company that made the equipment

**Model** - Style or design of particular equipment

Example of radio: XTL 2500 P25

Example of towable generator: 60REOZT

Example of trailer: 1077

**Identification Number/Serial Number** - Unique string of characters used for identification, such as, serial number or vehicle identification number. If there is not a unique identification number for the equipment, N/A should be annotated.

**Individual Item Cost** - Individual item cost

**Percent (%) of Federal Participation in the Cost** - Percentage of federal funds used to purchase the equipment

Example: A piece of equipment cost \$10,000 and \$3,000 of the costs were paid using federal funds and \$7,000 of the costs were paid using the local funds. The Federal participation in the cost would be 30%.

**Date of Delivery** - Date the equipment was received from the manufacturer or seller

**Physical Location** - Address where the equipment is located – to include the street address, city, state, and zip code (A post office box address is not a physical location for the purpose of inventory.)

**Use** - Local, regional, statewide, national (This is a progressive scale. If national use is indicated, it is assumed it is available at all levels.)

**Readiness Condition** – Condition of equipment as noted below:

**Mission Capable** – material condition of equipment indicates it can perform at least one and potentially all of its designated missions

**Not Mission Capable** – material condition indicates that equipment is not capable of performing any of its designated missions

**Final Disposition** - Sold, trade-in, transferred to (entity), surplus, or scrapped (must have an approved Disposition Form from the OHS before disposing of equipment)

**Date of Final Disposition** - Date control over the equipment was relinquished to another person or entity

**Final Disposition Sale Price** - Amount of money or trade-in value for which the equipment was exchanged

For additional information regarding the Inventory Report, please contact the OHS.

### **Disposition of Equipment/Property**

When original or replacement equipment acquired with HS funds is no longer needed for the original project or program, the equipment may be retained, sold, or disposed, if it is not needed in any other HS sponsored project or program. The following are the procedures to eliminate any equipment item from the inventory:

- The owner/title holder must complete and submit an Equipment Disposition Form to their appropriate awarding agency (i.e., OHS, RPC, COG, etc.), which can be located at the following link: <https://dps.mo.gov/dir/programs/ohs/grantstraining/>
- The appropriate awarding agency will request approval to transfer or dispose of the equipment from the RHSOC or applicable working group. If approved, the RHSOC/applicable working group chair will sign the form. (This step does not apply to LETPA and NSGP)
- If the appropriate awarding agency approves the disposition of equipment, they will endorse the form and submit it to the OHS for review and approval

- If the item can no longer be used by the HS program and the equipment per item fair market value is less than \$5,000, the OHS will approve for the agency to retain, sell or dispose with no further obligation to the OHS
- If the item can be used by another qualifying agency for the HS program, the OHS will approve the transfer of the equipment to the other qualifying agency if they agree to follow relevant grant requirement, and sign a transfer of equipment form
- If the item(s) cannot be used by the HS program and the equipment value is \$5,000 or more, the OHS shall have the right to the fair market value proceeds from the sale of the equipment
- No equipment may be disposed of or sold without prior approval from the OHS
- Copy of the approved Equipment Disposition Form must be maintained in the subrecipient grant file.

### **Subrecipient E-Verify**

Pursuant to Executive Order 12989 and Missouri House Bill 1549, all subrecipients are required to electronically verify employment authorization of employees performing work under HS grants. The DHS designated E-Verify which can be located at the following link: <https://www.uscis.gov/e-verify>, is the electronic employment eligibility verification system that must be used to comply with these requirements.

### **WebGrants**

WebGrants is a management software application designed to assist local users and the OHS with applying for and administering grant funding.

If required by the program, applicants and subrecipients must use WebGrants to access funding for approved projects. The WebGrants system can be located at the following link: <https://dpsgrants.dps.mo.gov/index.do>.

### **Reimbursements Requests**

OHS grants are reimbursement grants, with the exception of advance payment (described below), a subrecipient must incur a cost before it may seek reimbursement from the OHS. For more information please refer to OHS IB OHS-GT-2012-005 - Policy on Reimbursement Request Requirements including OHS Reimbursement Checklist, as amended.

Each year, the accounting system for the State of Missouri (SAMII) is taken offline to update for the next fiscal year (state fiscal year is July 1 – June 30). Claims submitted or requiring correction after June 10<sup>th</sup> may not be reimbursed until the accounting system is back online, approximately July 15<sup>th</sup>.

## **Advance Payment**

The OHS may review and approve advance payments under specific circumstances. Note: For additional information, please refer to the complete policy, OHS IB OHS-GT-2012-002 - Advance Payment and Cash Advances, as amended.

## **Budget Modifications/Scope of Work Changes/Return of Funds/Extension**

The Subaward Agreement, Articles of Agreement describes when the OHS's prior written approval is required for budget modification. Additional information is located at OHS IB OHS-GT-2018-008 - Policy on Budget and Program Revisions – Subaward Adjustments, as amended.

## **Status Report**

Subrecipients are required to prepare and submit status reports according to specific program guidelines, i.e., quarterly, semi-annually, etc. Status Reports can assist subrecipients as a self-assessment tool to ensure schedules are being met and investment justification goals are being achieved. The OHS will utilize the reports to monitor the financial and programmatic progress of the projects and to comply with federal reporting.

## **Monitoring Requirements**

Monitoring of all grants funded through the OHS is designed to provide assistance to the subrecipients from both a technical and programmatic standpoint, as well as, to assist the OHS in identifying areas of need for subrecipient support. Monitoring is used to ensure the subaward is used for authorized purposes in compliance with federal and state statutes, regulations, terms and conditions of the subaward, and that subaward performance goals are achieved. For additional information, see OHS IB OHS-GT-2012-001 - Policy on Monitoring Subrecipient Report, Recordkeeping, and Internal Operation, and Accounting Control Systems, as amended.

## **Audit Requirements and Responsibilities**

Subrecipients are required to comply with the audit requirements contained in 2 CFR Part 200, Subpart F - Audit Requirements. For additional information, see OHS IB OHS-GT-2012-001 - Policy on Monitoring Subrecipient Report, Recordkeeping, and Internal Operation, and Accounting Control Systems, as amended.

## **Conflict of Interest**

No employee, officer or agent may participate in the selection, award or administration of a contract supported by Federal funding if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of those individuals, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

Subrecipients are required by 2 CFR Part 200.318 Paragraph (c) (1), and (2) to maintain written standards of conduct covering conflicts of interest and governing the actions of its employees

engaged in the selection, award and administration of contracts.

### **Noncompliance**

If a subrecipient materially fails to comply with any term of a Subaward Agreement, whether stated in a federal statute or regulation, assurance, application, award or elsewhere, the OHS may take one or more of the following actions:

- Temporarily withhold cash payments pending correction of the deficiency by the subrecipient
- Disallow all or part of the cost of the activity or action not in compliance
- Wholly or partly suspend or terminate the current award for the subrecipient's project
- Withhold future awards
- Impose additional remedies that may be legally available

### **POST-AWARD**

The Post-Award phase starts with the close-out and reconciliation of the subrecipient award, continues through the final reconciliation and reporting to the OHS of fiscal/program costs/activities, and concludes with archival of grant materials.

### **Final Claim Request**

Approved grant funds that are obligated before the end of the period of performance can be reimbursed. The final claim request must be submitted to the OHS no later than forty-five (45) days after the end of the period of performance to be processed for payment. Funds remaining in the Subaward Agreement will be de-obligated.

### **Closeout –Final Status Report**

The submission of all claim requests, and the Final Status Report must be submitted to the OHS within forty-five (45) days after the end of the period of performance. The grant closeout will be completed when all documentation has been verified and found to be complete and accurate.

### **De-Obligation of Funds**

The OHS may request the return of any funds when it appears funds may not be expended during the current period of performance.

If grant funds are de-obligated, a proportional amount of Management and Administration (M&A) funds taken as part of the grant, must also be returned to the OHS.

## **Retention of Records**

All grant records shall be retained by the subrecipient for the period noted below.

At least five (5) years from the end of the state fiscal year in which the grant closes or following notification by the awarding agency that the grant has been programmatically and fiscally closed or at least five (5) years following the closure of the subrecipient's audit report covering the entire award period, whichever is later.

- Subrecipients of funds are expected to separately identify and maintain records from different federal fiscal periods so that information may be readily located. Subrecipients are also obligated to protect records adequately against fire or other damage.
  - Subrecipients must maintain all documentation in their own records, even those that can be located in the WebGrants system. The items in the subrecipient file should include, but is not limited to:
    - Copy of grant application(s)
    - Subaward Agreement
    - Claims
    - Subaward Adjustments
    - Status Reports
    - Final Status Report
    - Risk Assessment(s)
    - Monitoring Report(s)
    - Relevant Grant Correspondance
    - Subrecipient Documents
    - Procurement Documents
    - Disposition of Equipment Forms
    - Inventory
    - Training Request Forms



## **Criminal Penalties**

A subrecipient may be subject to criminal penalties if it: embezzles, willfully misapplies, steals, or obtains by fraud any funds, assets, or property, which is the subject of a grant, contract, or other form of assistance, whether received directly or indirectly from the OHS or the DHS, may be subject to criminal penalties, be fined, imprisoned, or both. Additionally, a subrecipient may be subject to prosecution under the provisions of Section 1001 of Title 18, United States Code if it knowingly and willfully falsifies, conceals, or covers up by trick, scheme, or device, any material fact in any application for assistance.

## SAMPLE FORM

## VEHICLE USAGE LOG

[illegible]

## **APPENDIX A**

### **National Incident Management System (NIMS) Compliance**

The Regional Planning Commission (RPC)/Council of Governments (COG) executive director and the project director are required, at a minimum, to complete the Independent Study (IS) course, IS 700: National Incident Management System (NIMS) an Introduction. The course introduces and overviews the NIMS. The NIMS provides a consistent nationwide template to enable all government, private-sector, and nongovernmental organizations to work together during domestic incidents.

Within twelve (12) months of the grant award date or date of hire/appointment, the subrecipient will submit proof of completion of the course by providing a copy of the training certificate issued by the Federal Emergency Management Agency to the OHS. The training certificate for the class is only required to be submitted one time, but must be kept on file and be accessible upon request.

## **Appendix B**

### **ALLOWABILITY OF COSTS**

The OHS ensures federal funds have been expended and accounted for and are consistent with program regulations and approved applications. Costs generally are categorized as either direct or indirect. 2 CFR Part 200.413.

- Direct costs may include salaries, fringe benefits, purchased services, supplies and equipment
  - Administrative or Clerical Staff [2 CFR Part 200.413 (c)]. Direct charging of these costs may be appropriate only if all of the following conditions are met:
    - Such services are integral to a project or activity
    - Individuals involved can be specifically identified with the project or activity
    - Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency
    - The costs are not also recovered as indirect costs
- Indirect costs are those costs which are not readily identified with the activities funded by the federal grant or contract but are nevertheless incurred for the joint benefit of those activities and other activities and programs of the recipient. Accounting, auditing, payroll, personnel, budgeting, purchasing, and operation/maintenance of plant are examples of services which typically benefit several activities and programs and for which appropriate costs may be attributed to the federal program by means of an indirect cost allocation plan. 2 CFR Part 200.56 and 2 CFR Part 200.414.
  - The indirect cost rate used in calculating the indirect costs depends on whether the grant is a restricted or unrestricted grant.

Allowability: To be allowable under a federal award, costs must meet the following general criteria. 2 CFR Part 200.403 and 2 CFR Part 200.406:

- Be necessary and reasonable for the performance of the federal award and be allocable there to under these principles
- Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items
- Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity

- Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to a federal award as an indirect cost
- Be determined in accordance with generally accepted accounting principles (GAAP)
- Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.
- Be adequately documented
- Be net of all applicable credits
- Comport to State law and regulations relating to Procurement

Reasonable: A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. 2 CFR Part 200.404. In determining reasonableness of a given cost, consideration must be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award
- The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local, tribal, and other laws and regulations; and terms and conditions of the Federal award
- Market prices for comparable goods or services for geographic area
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal government
- Whether the non-Federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the Federal award's cost

Allocable: A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to the Federal award or cost objective in accordance with relative benefits received. 2 CFR Part 200.405. This standard is met if the cost:

- Is incurred specifically for the Federal award

- Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods
- Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award

All activities which benefit from the non-Federal entity's indirect cost, including unallowable activities and donated services by the non-Federal entity or third parties, will receive an appropriate allocation of indirect costs.

Any cost allocable to a particular Federal award may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing federal statutes, regulations, or the terms and conditions of the Federal awards.

Direct cost allocation principles state that if a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefit two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefitted projects on any reasonable documented basis.

## ACRONYMS

AAR	After Action Report
AEL	Authorized Equipment List
ARC	American Red Cross
BSIR	Biannual Strategy Implementation Report
CAP	Corrective Action Program
CAPR	Categorical Assistance Progress Report
CBRNE	Chemical, Biological, Radiological, Nuclear, and Explosive
CDP	Center for Domestic Preparedness
CERT	Community Emergency Response Team
CIP	Critical Infrastructure Protection
CI/KR	Critical Infrastructure/Key Resources
CFDA	Catalog of Federal Domestic Assistance
CFR	Code of Federal Regulations
COG	Council of Governments
CT	Counter Terrorism
DED	Department of Economic Development
DFS	Division of Fire Safety
DHS	U.S. Department of Homeland Security
DPS	Missouri Department of Public Safety
DUNS	Data Universal Numbering System
EGMS	Electronic Grants Management System
EHP	Environmental Historical Preservation
EMAC	Emergency Management Assistance Compact
EMA	Emergency Management Agency
EMD	Emergency Management Director
EMS	Emergency Medical Services
EOC	Emergency Operations Center
EOP	Emergency Operations Plan
EPA	US Environment Protection Agency
FEIN	Federal Tax Identification Number
FEMA	Federal Emergency Management Agency
FY	Fiscal Year
GAN	Grant Adjustment Notice
GPD	Grant Programs Directorate
GSA	General Services Administration
HHS	US Department of Health and Human Services
HS	Homeland Security
HSAC	Homeland Security Advisory Council
HSEEP	Homeland Security Exercise and Evaluation Program
HSGP	Homeland Security Grant Program
HSIN	Homeland Security Information Network
HSPD	Homeland Security Presidential Directive IB Informational Bulletin
HSRT	Homeland Security Response Team
HSRRS	Homeland Security Regional Response System
IFB	Invitation for Bid
ICS	Incident Command System

ILD	Intelligence Liaison Officer
IJ	Investment Justification
IST	Incident Support Team
KCRFC	Kansas City Regional Fusion Center
LETPA	Law Enforcement Terrorism Prevention Activity
M & A	Management and Administration
MAC	Missouri Association of Counties
MACOG	Missouri Association of Council of Governments
MAFC	Missouri Association of Fire Chiefs
MEMSA	Missouri Emergency Medical Services Association
MIAC	Missouri Information Analysis Center
MIC	Missouri Interoperability Center
MOA	Memorandum of Agreement
MODEX	Missouri Data Exchange
MOFOP	Missouri Fraternal Order of Police
MOPCA	Missouri Police Chiefs Association
MOPCCF	Missouri Police Chiefs Charitable Foundation
MOSTA	Missouri Troopers Association
MOU	Memorandum of Understanding
MOVOAD	Missouri Voluntary Organizations Active in Disaster
MSA	Metropolitan Statistical Area
MSA	Missouri Sheriff's Association
MSCFF	Missouri State Council of Fire Fighters
MSHP	Missouri State Highway Patrol
NEXS	National Exercise Schedule System
NGO	Non-Governmental Organization
NIMS	National Incident Management System
NSGP	Nonprofit Security Grant Program
OHS	Office of Homeland Security
OMB	Office of Management and Budget
PIM	Policy Information Memorandum
PO	Purchase Order
POC	Point of Contact
POETE	Planning, Organization, Equipment, Training, Exercise
PSAP	Public Safety Answering Point (911)
PPE	Personal Protective Equipment
PTE	Planning, Training, Exercise
RFQ	Request for Quote
RHSOC	Regional Homeland Security Oversight Committee
RKB	Responder Knowledge Base
RPC	Regional Planning Commission
SAA	State Administrative Agency
SEMA	State of Missouri Emergency Management Agency
SEOC	State Emergency Operation Center
SHPO	State Historical Preservation Officer
SHSP	State Homeland Security Program
SPR	Stakeholder Participation Report
STLFC	St. Louis Fusion Center
TCL	Target Capability List



UASI	Urban Area Security Initiative
UAWG	Urban Area Working Group
WMD	Weapons of Mass Destruction