



U.S. DEPARTMENT OF HOMELAND SECURITY

FISCAL YEAR 2009

TRUCKING SECURITY PROGRAM

GUIDANCE AND APPLICATION KIT

NOVEMBER 2008



U.S. DEPARTMENT OF HOMELAND SECURITY

Title of Opportunity: FY 2009 Trucking Security Program

Funding Opportunity Number: DHS-09-GPD-059-1960

Federal Agency Name: FEMA Grant Programs Directorate (GPD)

Announcement Type: Initial

Dates: Completed applications must be submitted **no later than 11:59 PM EST, January 13, 2009.**

Additional overview information: The following are some of the key changes impacting the Fiscal Year 2009 (FY 2009) Trucking Security Program (TSP) as compared to the previous year's program.

Security Action Item Adoption Initiative

The FY 2009 TSP will focus on the adoption and implementation of the Transportation Security Administration's (TSA) voluntary security action items for transporting Tier I Security Sensitive Materials. Applicants will be able to apply for planning, equipment, and installation or enhancement of existing installations to track and secure the transport of Tier I commodities, as defined in Part III of this grant guidance document.

Planning for Disaster Commodity Transportation

The FY 2009 TSP adds as an allowable cost development of plans to improve the effectiveness of transportation and distribution of supplies and commodities during catastrophic events.

Monitoring and Analysis

FY 2009 TSP adds as an allowable cost development of a system for DHS to monitor, collect, and analyze tractor and trailer tracking information. This information will be provided by FY 2009 TSP grantees that utilize funding for the Security Action Item Adoption Initiative.

CONTENTS

Contents.....	2
Part I. FUNDING OPPORTUNITY DESCRIPTION.....	3
Part II. AWARD INFORMATION	9
Part III. ELIGIBILITY INFORMATION	10
A. Eligible Applicants.....	10
B. Cost Sharing	11
C. Restrictions	11
Part IV. APPLICATION AND SUBMISSION INFORMATION	12
A. Address to Request Application Package	12
B. Content and Form of Application	12
C. Submission Dates and Times	22
D. Intergovernmental Review	22
E. Funding Restrictions.....	22
Part V. APPLICATION REVIEW INFORMATION	24
A. Review Criteria.....	24
B. Review and Selection Process	24
C. Anticipated Announcement and Award Dates	24
Part VI. AWARD ADMINISTRATION INFORMATION	25
A. Notice of Award	25
B. Administrative and National Policy Requirements	25
C. Reporting Requirements	32
Part VII. FEMA CONTACTS.....	36
Part VIII. OTHER INFORMATION	39

PART I.

FUNDING OPPORTUNITY DESCRIPTION

The Trucking Security Program (TSP) is one of six grant programs that constitute the Department of Homeland Security (DHS) Fiscal Year (FY) 2009 focus on transportation infrastructure security activities. The TSP is one tool among a comprehensive set of measures authorized by Congress and implemented by the Administration to help strengthen the nation's critical infrastructure against risks associated with potential terrorist attacks. The FY 2009 TSP is authorized by the *Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009* (Public Law 110-329).

The purpose of the program guidance and application kit is to provide: (1) an overview of the TSP; and (2) the formal grant guidance and application materials needed to apply for funding under the program, including an explanation of DHS requirements for submission of a grant application. The Department's intent is to provide applicants with clear guidance. All applicants are required to read and conform to all requirements of this grant guidance document and must have read and accepted all program guidance as binding.

On June 26, 2008, the Transportation Security Administration (TSA) announced the development of a Voluntary Program of Recommended Security Action items to Enhance the Shipment of Highway Security-Sensitive Materials (HSSM) (See Part VIII for additional information). These HSSM have the potential to cause significant fatalities and injuries or significant economic damage when released or detonated during a transportation security incident. The voluntary security practices have been developed by the TSA Highway and Motor Carrier Division in conjunction with stakeholders including representatives of the chemical manufacturing industry, chemical carriers and transportation industry, as well as appropriate Federal agencies. This TSP focus is being initiated to encourage the acceptance and implementation of these security practices.

Federal Investment Strategy

TSP is an important part of the Administration's larger, coordinated effort to strengthen homeland security preparedness, including the security of America's critical infrastructure. TSP implements objectives addressed in a series of post-9/11 laws, strategy documents, plans, Executive Orders, and Homeland Security Presidential Directives (HSPDs). Of particular significance are the National Preparedness Guidelines and its associated work products, including the National Infrastructure Protection Plan (NIPP) and its transportation sector-specific plans and Executive Order 13416 (Strengthening Surface Transportation Security). The National Preparedness Guidelines are an all-hazards vision regarding the Nation's four core preparedness

objectives: prevent, protect against, respond to, and recover from terrorist attacks and catastrophic natural disasters.

The National Preparedness Guidelines define a vision of what to accomplish and a set of tools to forge a unified national consensus about what to do and how to work together at the Federal, State, local, and Tribal levels. Private sector participation is also integral to the Guidelines' success.¹ They outline 15 scenarios of terrorist attacks or national disasters that form the basis of much of the Federal exercise and training regime. In addition, it identifies some 37 critical capabilities that DHS is making the focus of key investments with State, local, and Tribal partners.

DHS expects its critical infrastructure partners – including recipients of TSP– to be familiar with this national preparedness architecture and to incorporate elements of this architecture into their planning, operations, and investments to the degree practicable. DHS funding priorities outlined in this document reflect National Preparedness Guidelines' priority investments, as appropriate. Programmatic requirements or priority investment categories reflecting the national preparedness architecture for this grant program are identified below.

Funding Priorities

1. Truck Security Action Item Implementation Initiative

The funding priorities in this section represent the four most significant elements within the list of 23 security action items. While the FY 2009 TSP is intended to encourage adoption and implementation of these four items, all 23 security action items should be considered important in the improvement of a Tier I transporter's security. Funding for the four items below will be awarded through a competitive application process.

FY 2009 TSP funding will be awarded to eligible applicants to implement security improvement measures and policies deemed valuable by DHS as indicated in the Security Action Items publication of June 26, 2008. These items are primarily focused on the purchase and installation or enhancement of equipment and systems related to tractor and trailer tracking systems. The equipment elements of this truck tracking element of the grant have been pre-priced to facilitate funding calculations and requests. Please refer to Part VIII for more information on the pre-priced elements.

Tractor and Trailer Tracking Systems

- Implement methods of tracking the tractor and trailer throughout the intended route with satellite and/or land-based wireless GPS communications systems.
 - Tracking methods for a tractor and trailer shall provide current position by latitude and longitude.
 - Geofencing and route monitoring capabilities allow authorized users to define and monitor routes and risk areas. If the tractor and/or trailer deviates from a specified route or enters a risk area, an alert notification should be sent to the dispatch center.

¹ The National Preparedness Guidelines and supporting documents were published in September 2007, and are available at: <http://www.ojp.usdoj.gov/odp/assessments/hspd8.htm> .

- An employer or authorized representative shall have the ability to remotely monitor trailer “connect” and “disconnect” events.
 - An employer or authorized representative shall have the ability to poll the tractor and trailer tracking units to request a current location and status report.
 - Tractor position reporting frequency shall be configured at not more than 15-minute intervals.
 - Trailer position reporting frequency shall be configured to provide a position report periodically when the trailer has been subject to an unauthorized disconnect from the tractor.
 - The trailer reporting frequency shall be at an interval that assists the employer in locating and recovering the trailer in a timely manner.
 - The tractor and trailer tracking system shall be tested periodically and the results of the test should be recorded.
- **Technology Standards**
Tractor and Trailer Tracking Systems must conform to the TSA Universal Communications Interface (UCI) – Interface Requirements Specification (IRS) for enabling the transmission of data from commercially available tracking systems to a centralized government truck tracking center. The Universal Communications Interface – Interface Control Document provides the details to enable a commercial truck tracking system to implement the non-proprietary universal interface set of protocols.
 - **Data Requirements**
The UCI provides the means for motor carrier to provide a Centralized Truck Tracking Center with tracking data including information regarding Transportation Security Incidents involving trucks carrying hazardous materials. Companies must provide TSA tracking and event data through the UCI.

This funding priority meets the security action item #23 in the Description of Voluntary Security Action Items for Tier I Highway Security-Sensitive Materials (Tier I HSSM) and Tier II Highway Security-Sensitive Materials (Tier II HSSM) Transported by Motor Carrier.

Panic Button Capability

- Implement means for a driver to transmit an emergency alert notification to dispatch.
 - “Panic Button” technology enables a driver to remotely send an emergency alert notification message either via Satellite or Terrestrial Communications, and/or utilize the remote Panic Button to disable the vehicle.

This funding priority meets the security action item #22 in the Description of Voluntary Security Action Items for Tier I Highway Security-Sensitive Materials (Tier I HSSM) and Tier II Highway Security-Sensitive Materials (Tier II HSSM) Transported by Motor Carrier.

Note: Companies that request funding for Tractor and Trailer Tracking Systems must implement systems that have the panic button and tractor activation capability. Companies that have existing Tractor and Trailer Tracking Systems without Panic Button Capability and/or Tractor Activation Capability may request funding to retrofit current equipment with the Panic Button Capability and/or Tractor Activation Capability.

Tractor Activation Capability

- Implement security measures that require driver identification by login and password or biometric data to drive the tractor.
 - Companies should provide written policies and instructions to drivers explaining the activation process.
 - Companies that have existing Tractor and Trailer Tracking Systems without this capability may request funding to retrofit current equipment.

This funding priority meets the security action item #21 in the Description of Voluntary Security Action Items for Tier I Highway Security-Sensitive Materials (Tier I HSSM) and Tier II Highway Security-Sensitive Materials (Tier II HSSM) Transported by Motor Carrier.

Communications Plan

A communication plan should be established to include standard operating procedures (SOP) for communications between drivers, appropriate company personnel, and emergency services agencies. This plan should include the appropriate two-way communication technologies required to implement the communication plan, such as terrestrial or satellite-based systems. This is not intended to preclude the use of personal cell phones. Employers should encourage and employees should follow the proper use of cell phones including observing state and local cell phone laws.

This requirement meets the security action item #10 in the Description of Voluntary Security Action Items for Tier I Highway Security-Sensitive Materials (Tier I HSSM) and Tier II Highway Security-Sensitive Materials (Tier I HSSM) Transported by Motor Carrier.

Companies that have existing Tractor and Trailer Tracking Systems without this capability may request funding to retrofit current equipment.

2. Monitoring and Analysis

Funding will be provided to develop a system for DHS to monitor, collect, and analyze tracking information. This information will be provided by FY 2009 TSP grantees that utilize funding for the Tractor and Trailer Tracking Systems priority detailed above.

3. Planning

Funding will be provided to develop plans to improve the effectiveness of transportation and distribution of supplies and commodities during catastrophic events.

Strategic Vision

The Security Action Item Initiative introduced in the FY 2009 TSP is the first phase of a strategic program for trucking industry security. The overall strategic vision for the security of the trucking industry will include additional risk mitigation efforts and activities as noted in the Security Action Items (included in Part VIII of this guidance document) designed to raise the level of security for the entire trucking industry. **In future years, this program will expand to include items including, but not limited to:**

- **Seal/Lock Control Program:** Implement a seal/lock program to prevent theft or sabotage of the contents of cargo containers and cylinders when in transport, when unattended by company personnel, or when at facilities incidental to transport.
- **Background Checks:** Conduct background checks during the hiring process for employees and contractors with unescorted access to motor vehicles, motor carrier facilities, or information critical to the transportation of hazardous materials.
- **Access Control Systems for Drivers and Facilities:** Implement access control systems including issuing photo identification or other visible forms of identification to all drivers, employees, vendors, contractors, and visitors who require unescorted access to restricted areas. Access should be controlled to restricted areas including plants, data centers, IT systems, loading and unloading facilities, storage facilities, and other critical areas.
- **Plans, Policies, and Procedures:**
 - Inventory Control process procedures
 - Business and Security critical information policies
 - Establish cargo security program to prevent theft or sabotage of cargo containers
 - Shipment pre-planning, advance notice of arrival, and receipt confirmation procedures
 - Preplanning Routes

TSP Program Management: Roles and Responsibilities at DHS

Within DHS, Transportation Security Administration (TSA) has the lead for managing the Department's security oversight and security programs for the trucking industry. TSA provides trucking system subject matter expertise within DHS and determines the primary security architecture for the TSP program. Its subject matter experts have the lead in crafting all selection criteria associated with the application review process. TSA coordinates daily with the DHS Chief Intelligence Officer to review intelligence reporting and craft intelligence risk assessments related to the transportation sector.

The Federal Emergency Management Agency (FEMA) has the lead for designing and operating the administrative mechanisms needed to manage the Department's core grant programs, including this grant program. In short, FEMA is responsible for ensuring compliance with all relevant Federal grant management requirements and delivering the appropriate grant management tools, financial controls, audits and program management discipline needed to support the TSP.

While both TSA and FEMA interface directly with our trucking industry stakeholders, TSA will prioritize specific investments and set security priorities associated with the TSP.

PART II.

AWARD INFORMATION

This section summarizes the award period of performance and the total amount of funding available under the FY 2009 TSP, describes the basic distribution method used to determine final grants awards, and identifies all eligible applicants for FY 2009 funding.

Award Period of Performance

The period of performance of this grant is 36 months. Extensions to the period of performance will be considered only through formal requests to FEMA with specific and compelling justifications why an extension is required.

Available Funding

In FY 2009, the total amount of funds distributed under the TSP will be \$7,772,000 as follows:

- \$772,000 for the development of plans and the monitoring and analysis system/center
- \$7,000,000 for the truck security action item adoption and implementation initiatives. These awards will be made following a competitive application process. Eligible entities must submit separate investment justifications for each project.

PART III.

ELIGIBILITY INFORMATION

A. Eligible Applicants

Truck Security Action Item Implementation Initiative

Eligibility for funding under this priority is limited to applicants meeting the following criteria:

- Have a current security plan subject to Title 49 CFR 172.800
- Transport Tier I Commodities as defined by TSA through the issuance of Highway Security-Sensitive Materials (HSSM) Security Action Items. The list of materials can found in Part VIII of this guidance document, and are also located at http://www.tsa.gov/assets/pdf/tsa_app_b_hssm_list.pdf

Eligible applicants will be placed into one of two tiers:

- Tier I consists of eligible applicants that have 11 or more tractors
- Tier II consists of eligible applicants that have 10 or less tractors

Other Conditions

- Grantees will be responsible for the monitoring and tracking of the shipment of Tier I commodities if they use grant funding to purchase tracking equipment.
- A grant will not be issued to a motor carrier that does not demonstrate an acceptable safety record as determined by a rating of unsatisfactory or conditional by the Federal Motor Carrier Safety Administration (FMCSA) and/or has a Hazardous Materials Out-of-Service (HMOOS) rating above the designated Hazardous Materials Safety Permit (HMSP) threshold.
- By accepting a FY 2009 TSP award, the grantee must allow DHS to perform a Corporate Security Review (CSR) upon request. Grantees will be required to provide basic information concerning critical assets, threat assessments, vulnerability assessments, management and oversight of the security plan, personnel security, training, secure areas, exercises, cyber security, and physical security countermeasures.
- Grantees must work with DHS and their representatives to ensure tracking information can be accessed remotely by DHS.

Monitoring and Analysis and Planning Priorities

There are no restrictions on who may apply for funding under these priorities. However, in order to be considered as a potential grantee, applicants must demonstrate they have the financial and resource capabilities to successfully address these priorities.

Eligible Applicants and the Role of State Administrative Agencies (SAA)

The Federal Emergency Management Agency (FEMA) will ensure that SAAs are aware of trucking projects funded under this program.

B. Cost Sharing

Cost share is only required for the Truck Security Action Item Implementation Initiative. Cost share is not a requirement for the Monitoring and Analysis and Planning initiatives as defined on page 7.

Tier I: The maximum Federal share of any project supported through the TSP is 50%. Therefore, grantees are required to provide non-Federal funding of at least 50%. For example, if the total project cost is \$100,000, the maximum DHS grant award would be \$50,000 with the grantee required to provide the remaining 50%, or \$50,000. The non-federal cost share may consist of either a cash or in-kind match.

Tier II: The maximum Federal share of any project supported through the TSP is 75%. Therefore, grantees are required to provide non-Federal funding of at least 25%. For example, if the total project cost is \$100,000, the maximum DHS grant award would be \$75,000 with the grantee required to provide the remaining 25%, or \$25,000. The non-federal cost share may consist of either a cash or in-kind match.

C. Restrictions

Please see Section IV.E. for Management & Administration limits, and allowable/unallowable costs guidance.

PART IV.

APPLICATION AND SUBMISSION INFORMATION

A. Address to Request Application Package

DHS participates in the Administration's e-government initiative. As part of that initiative, all applications must be filed using the Administration's common electronic "storefront" -- [grants.gov](http://www.grants.gov). Eligible entities must apply for funding through this portal, accessible on the Internet at <http://www.grants.gov>. To access application forms and instructions, select "Apply for Grants," and then select "Download Application Package." Enter the CFDA and/or the funding opportunity number located on the cover of this announcement. Select "Download Application Package," and then follow the prompts to download the application package. To download the instructions, go to "Download Application Package" and select "Instructions." If you experience difficulties or have any questions, please call the [grants.gov](http://www.grants.gov) customer support hotline at (800) 518-4726.

B. Content and Form of Application

1. On-line application. The on-line application must be completed and submitted using [grants.gov](http://www.grants.gov) after Central Contractor Registry (CCR) registration is confirmed. The on-line application includes the following required forms and submissions:

- Investment Justification
- Any additional Required Attachments
- Standard Form 424, Application for Federal Assistance
- Standard Form 424A, Budget Information
- Standard Form 424B Assurances
- Standard Form LLL, Disclosure of Lobbying Activities

The program title listed in the Catalog of Federal Domestic Assistance (CFDA) is "*Trucking Security Program*." The CFDA number is **97.059**.

2. Application via [grants.gov](http://www.grants.gov). FEMA participates in the Administration's e-government initiative. As part of that initiative, all applicants must file their applications using the Administration's common electronic "storefront" -- [grants.gov](http://www.grants.gov). Eligible entities must apply for funding through this portal, accessible on the Internet at <http://www.grants.gov>.

3. **DUNS number.** The applicant must provide a Dun and Bradstreet Data Universal Numbering System (DUNS) number with their application. This number is a required field within grants.gov and for CCR Registration. Organizations should verify that they have a DUNS number, or take the steps necessary to obtain one, as soon as possible. Applicants can receive a DUNS number at no cost by calling the dedicated toll-free DUNS Number request line at (866) 705-5711.
4. **Valid Central Contractor Registry (CCR) Registration.** The application process also involves an updated and current registration by the applicant. Eligible applicants must confirm CCR registration at <http://www.ccr.gov>, as well as apply for funding through grants.gov.
5. **Investment Justification.** As part of the FY 2009 TSP application process, applicants must develop a formal Investment Justification that addresses each initiative being proposed for funding. These Investment Justifications must demonstrate how proposed projects address gaps and deficiencies in current programs and capabilities. The Investment Justification must demonstrate the ability to provide enhancements consistent with the purpose of the program and guidance provided by FEMA. Applicants must ensure that the Investment Justification is consistent with all applicable requirements outlined in this application kit.

Applicants must provide information in the following categories. The Background section needs only to be completed once for the entire application; the other sections need to be completed for **each** proposed Investment as captured by the Investment Justification template detailed on pages 14-17:

1. Background
2. Strategic and Program Priorities
3. Impact
4. Funding/Implementation Plan

Investment Justifications must be submitted with the grant application as a file attachment within grants.gov. Applicants must use the following file naming convention when submitting required documents as part of the FY 2009 TSP.

Name of Applicant_ IJ Number (Example: Company A_IJ#1)

6. **Detailed Budget.**
 - For equipment acquisition, the applicant can complete the pre-priced budget worksheet to indicate the number and type of equipment being requested. The budget worksheet will automatically calculate the amount of funding to request, and must be submitted as part of the application package. The budget must be submitted with the grant application as a file attachment within grants.gov. This pre-priced budget worksheet can be found at www.tsa.gov/grants.

- For development of a communications plan, the applicant must complete a detailed budget outlining the cost elements associated with the planning, development, and implementation of the plan.

In addition to the requirements noted above, a detailed budget detail worksheet must be submitted with the grant application as a file attachment within grants.gov

Applicants must use the following file naming convention when submitting required documents as part of the FY 2009 TSP:

Name of Applicant_ IJ Number_Budget (Example: Company A_IJ#1_Budget)

A detailed budget template is provided on pages 18-21.

7. Supporting Documentation. In addition, each applicant company must submit the following documentation as part of their application package:

- Current Security Plan: The company’s written Security Plan must meet the criteria as required in 49 CFR 172.800.
- Current Security Assessment. This Security Assessment must have been completed on/after June 2008.
- MCS-150 Form:
 - Motor Carrier Identification Report (Application for U.S. DOT Number)
 - The MCS-150 Form must have current information
- FMCSA Hazardous Materials Safety Permit

Investment Justification Template

Investment Heading	
Applicant Organization	
Investment Name	
Investment Amount	\$

I. Background

Note: This section only needs to be completed once per application, regardless of the number of Investments proposed. The information in this section provides background/context for the Investment(s) requested, but does not represent the evaluation criteria used by DHS for rating individual Investment proposals. It will also be used to confirm eligibility.

I.A. Identify the point(s) of contact for this Investment.	
Response Type	Narrative
Word Limit	Not to exceed ½ page

Response Instructions	<p>Identify the following:</p> <ul style="list-style-type: none"> • Point of contact's (POC) name and title; • POC's full mailing address; • POC's telephone number; • POC's fax number; • POC's email address; and, • Also include the corresponding information for the single authorizing official for your organization—i.e., the individual authorized to sign a grant award.
Response:	

II. Strategic and Program Priorities

II.A. Describe how the Investment will address one of the TSP Priorities.	
Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<p>Briefly discuss which of the following FY 2009 TSP priorities this Investment will address:</p> <ol style="list-style-type: none"> 1. Tractor and Trailer Tracking Systems 2. Panic Button Capability 3. Tractor Activation Capability 4. Communications Plan 5. Planning 6. Monitoring and Analysis <ul style="list-style-type: none"> • Describe the specific needs and/or resource limitations that need to be addressed; • Identify specific equipment needs • Describe progress made on the security project this investment will be completing
Response	

III. Impact

III.A. Discuss how the implementation of this investment will decrease or mitigate risk. Describe how the risk reduction potential of this Investment.	
Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<p>Describe the security related impact to the trucking industry if you do not receive funding for this project.</p> <ul style="list-style-type: none"> • Discuss how this investment will reduce risk (e.g., reduce vulnerabilities or mitigate the consequences of an event) in a cost effective manner by addressing the needs and priorities identified in earlier analysis and review; • Identify the nature of the risk and how the risk and need are related to show how addressing the need through this investment will also mitigate risk (e.g., reduce vulnerabilities or mitigate the consequences of an event)

Response	
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IV. Funding & Implementation Plan

IV.A. Investment Funding Plan.	
Response Type	Numeric and Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> • Complete the chart below to identify the amount of funding you are requesting for <u>this Investment only</u>; • Funds should be requested by allowable cost categories (as identified in the FY 2009 TSP Program Guidelines and Application Kit); • Applicants must make funding requests that are reasonable and justified by direct linkages to activities outlined in this particular Investment; and, • Applicants must indicate whether additional funding (non-FY 2009 TSP) will be leveraged for this Investment. <p><i>Note: Investments will be evaluated on the expected impact on security relative to the amount of the investment (i.e., cost effectiveness). An itemized Budget Detail Worksheet and Budget Narrative must also be completed for this investment.</i></p>
Response	

The following template illustrates how the applicants should indicate the amount of FY 2009 TSP funding required for the Investment, how these funds will be allocated across the cost elements, and the required match for Tier I, and any match being offered for Tier II:

	FY 2009 TSP Request Total	Match	Grand Total
<i>Tractor and Trailer Tracking System</i>			
<i>Panic Button Capability</i>			
<i>Tractor Activation Capability</i>			
<i>Communications Plan</i>			
<i>Planning</i>			
<i>Monitoring and Analysis</i>			
<i>M&A</i>			
Total			

IV.B. Discuss funding resources beyond this grant request that have been identified and will be leveraged to support the implementation and sustainment of this Investment. Discuss your long-term sustainability plans for the investment after these grant funds have been expended.	
Response Type	Narrative
Page Limit	Not to exceed ½ page
Response Instructions	<ul style="list-style-type: none"> • Give the expected total life-span for this investment if fully implemented and sustained through completion • Discuss any other funding sources (e.g., non-TSP grant programs, public or private agreements, future fiscal year grants) that you plan on utilizing for the implementation and/or continued sustainment of this Investment; • If no other funding resources have been identified, provide rationale as to why the requested FY 2009 TSP funding is sufficient for the implementation

	and sustainment of this Investment.
Response	

IV.C. Provide a high-level timeline, milestones and dates, for the implementation of this Investment. <u>Up to 10</u> milestones may be provided.	
Response Type	Narrative
Page Limit	Not to exceed 1 page
Response Instructions	<ul style="list-style-type: none"> • Only include major milestones that are critical to the success of the Investment; • While up to 10 milestones may be provided, applicants should only list as many milestones as necessary; • Milestones are for this discrete Investment – those that are covered by the requested FY 2009 TSP funds and will be completed over the 36-month grant period; • Milestones should be kept to high-level, major tasks that will need to occur; • Identify the planned start date associated with the identified milestone. The start date should reflect the date at which the earliest action will be taken to start achieving the milestone; • Identify the planned completion date when all actions related to the milestone will be completed and overall milestone outcome is met; and, • List any relevant information that will be critical to the successful completion of the milestone (such as those examples listed in the question text above).
Response	

Sample Budget Detail Worksheet

Purpose. The Budget Detail Worksheet may be used as a guide to assist applicants in the preparation of the budget and budget narrative. You may submit the budget and budget narrative using this form or in the format of your choice (plain sheets, your own form, or a variation of this form). However, all required information (including the budget narrative) must be provided. Any category of expense not applicable to your budget may be deleted.

A. Personnel. List each position by title and name of employee, if available. Show the annual salary rate and the percentage of time to be devoted to the project. Compensation paid for employees engaged in grant activities must be consistent with that paid for similar work within the applicant organization.

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
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Note: Personnel costs are only allowable for direct management and administration of the grant award, i.e., preparation of mandatory post-award reports.

TOTAL _____

B. Fringe Benefits. Fringe benefits should be based on actual known costs or an established formula. Fringe benefits are for the personnel listed in budget category (A) and only for the percentage of time devoted to the project. Fringe benefits on overtime hours are limited to FICA, Workman’s Compensation, and Unemployment Compensation.

<u>Name/Position</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL _____

Total Personnel & Fringe Benefits _____

C. Travel. Itemize travel expenses of project personnel by purpose (e.g., staff to training, field interviews, advisory group meeting, etc.). Show the basis of computation (e.g., six people to 3-day training at \$X airfare, \$X lodging, \$X subsistence). In training projects, travel and meals for trainees should be listed separately. Show the number of trainees and unit costs involved. Identify the location of travel, if known. Indicate source of Travel Policies applied, Applicant or Federal Travel Regulations.

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation Cost</u>
--------------------------	-----------------	-------------	-------------------------

TOTAL _____

D. Equipment. List non-expendable items that are to be purchased. Non-expendable equipment is tangible property having a useful life of more than two years. (Note: Organization’s own capitalization policy and threshold amount for classification of equipment may be used). Expendable items should be included either in the “Supplies” category or in the “Other” category. Applicants should analyze the cost benefits of purchasing versus leasing equipment, especially high cost items and those subject to rapid technical advances. Rented or leased equipment costs should be listed in the “Contractual” category. Explain how the equipment is necessary for the success of the project. Attach a narrative describing the procurement method to be used.

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

TOTAL _____

E. Supplies. List items by type (office supplies, postage, training materials, copying paper, and other expendable items such as books, hand held tape recorders) and show the basis for computation. (Note: Organization’s own capitalization policy and threshold amount for classification of supplies may be used). Generally, supplies include any materials that are expendable or consumed during the course of the project. These costs are applicable to the overall M&A cap of three percent (3%).

<u>Supply Items</u>	<u>Computation</u>	<u>Cost</u>
---------------------	--------------------	-------------

TOTAL _____

F. Consultants/Contracts. Indicate whether applicant’s formal, written Procurement Policy or the Federal Acquisition Regulations are followed.

Consultant Fees: For each consultant enter the name, if known, service to be provided, hourly or daily fee (8-hour day), and estimated time on the project.

<u>Name of Consultant</u>	<u>Service Provided</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

Subtotal _____

Consultant Expenses: List all expenses to be paid from the grant to the individual consultant in addition to their fees (i.e., travel, meals, lodging, etc.)

<u>Item</u>	<u>Location</u>	<u>Computation</u>	<u>Cost</u>
-------------	-----------------	--------------------	-------------

Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

Subtotal _____

Contracts: Provide a description of the product or services to be procured by contract and an estimate of the cost. Applicants are encouraged to promote free and open competition in awarding contracts. A separate justification must be provided for sole source contracts in excess of \$100,000.

<u>Item</u>	<u>Cost</u>
-------------	-------------

Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

Subtotal _____

TOTAL _____

G. Other Costs. List items (e.g., rent, reproduction, telephone, janitorial or security services, and investigative or confidential funds) by major type and the basis of the computation. For example, provide the square footage and the cost per square foot for rent, and provide a monthly rental cost and how many months to rent. These costs are applicable to the overall M&A cap of three percent (3%).

<u>Description</u>	<u>Computation</u>	<u>Cost</u>
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Budget Narrative: Provide a narrative budget justification for each of the budget items identified.

TOTAL _____

H. Indirect Costs. Indirect costs are allowed only if the applicant has a Federally approved indirect cost rate. A copy of the rate approval, (a fully executed, negotiated agreement), must be attached. If the applicant does not have an approved rate, one can be requested by contacting the applicant's cognizant Federal agency, which will review all documentation and approve a rate for the applicant organization, or if the applicant's accounting system permits, costs may be allocated in the direct costs categories.

<u>Description</u>	<u>Computation</u>	<u>Cost</u>
--------------------	--------------------	-------------

TOTAL _____

Budget Summary. When you have completed the budget worksheet, transfer the totals for each category to the spaces below. Compute the total direct costs and the total project costs. Indicate the amount of Federal funds requested and the amount of non-Federal funds that will support the project.

<u>Budget Category</u>	<u>Federal Amount</u>	<u>Non-Federal Amount</u>
A. Personnel	_____	_____
B. Fringe Benefits	_____	_____
C. Travel	_____	_____
D. Equipment	_____	_____
E. Supplies	_____	_____
F. Consultants/Contracts	_____	_____
G. Other	_____	_____
Total Direct Costs	_____	_____
H. Indirect Costs	_____	_____
* TOTAL PROJECT COSTS	_____	_____
Federal Request	_____	
Non-Federal Amount		_____

C. Submission Dates and Times

Completed applications must be submitted electronically through www.grants.gov no later than **11:59 PM EST, January 13, 2009**. Late applications will neither be considered nor reviewed. Upon successful submission, a confirmation e-mail message will be sent with a [grants.gov](http://www.grants.gov) tracking number, which is needed to track the status of the application.

D. Intergovernmental Review

Executive Order 12372 requires applicants from State and local units of government or other organizations providing services within a State to submit a copy of the application to the State Single Point of Contact (SPOC), if one exists, and if this program has been selected for review by the State. Applicants must contact their State SPOC to determine if the program has been selected for State review. Executive Order 12372 can be referenced at <http://www.archives.gov/federal-register/codification/executive-order/12372.html>. The names and addresses of the SPOCs are listed on OMB's home page available at: <http://www.whitehouse.gov/omb/grants/spoc.html>

E. Funding Restrictions

1. Management and Administration (M&A) Limits

The grant recipient may retain a maximum of three percent (3%) of the funds awarded for management and administration costs associated with the implementation of the TSP award. FY 2009 TSP funds may be used for the following M&A costs in the following manner:

- Hiring of full-time or part-time staff or contractors/consultants to assist with the management of the FY 2009 TSP
- Hiring of full-time or part-time staff or contractors/consultants and expenses related to meet compliance with reporting/data collection requirements, including data calls
- Meeting-related expenses
- Acquisition of authorized office equipment, including personal computers, laptop computers, printers and LCD projectors ***dedicated solely to the use of TSP project activities.***

2. Minimum Project Amounts

- For Tier I applicants, the minimum amount that may be requested is \$25,000
- For Tier II applicants, the minimum amount that may be requested is \$10,000

3. Allowable Costs

Funding may be used in the following categories:

- **Tractor and Trailer Tracking Systems:** Costs associated with planning, purchase, and installation, as well as up to two years of lifecycle costs, are allowable provided that these costs do not extend beyond the period of performance of the grant.
- **Panic Button Capability:** Costs associated with planning, purchase, and installation, as well as up to two years of lifecycle costs, are allowable provided that these costs do not extend beyond the period of performance of the grant.
- **Tractor Activation Capability:** Costs associated with planning, purchase, and installation, as well as up to two years of lifecycle costs, are allowable provided that these costs do not extend beyond the period of performance of the grant.
- **Communications Plan:** Costs associated with planning, development, and execution of a communications plan are allowable, including training, drills, and exercises on the plan itself.
- **Planning for Disaster Commodity Transportation:** Costs associated with developing plans to improve the effectiveness of transportation and distribution of supplies and commodities during catastrophic events are allowable.
- **Monitoring and Tracking:** Costs associated with developing a system for DHS to monitor, collect and analyze tractor and trailer tracking information are allowable.

3. Unallowable Costs

The following costs are unallowable under the FY 2009 TSP:

- Construction and renovation costs
- Personnel costs (other than those specified above)

Federal employees are prohibited from serving in any capacity (paid or unpaid) on any proposal submitted under this program. Federal employees may not receive funds under these awards.

PART V.

APPLICATION REVIEW INFORMATION

A. Review Criteria

Applicants must comply with all administrative requirements including Investment Justifications, budgets and application process requirements described herein. Having met all administrative requirements, applications will be evaluated and ranked based on:

1. **Feasibility** of the investment to improve security when implemented as designed.
2. **Timelines** with regard to the ability to complete the proposed project within specified timeframes within the overall period of performance.
3. **Sustainability** without additional Federal funds. Investments should show a high likelihood of success or continued success without additional Federal assistance, as well as offer a long-term sustainability plan.

B. Review and Selection Process

A national review panel consisting of subject matter experts from Federal agencies will review and assess applications based on the criteria outlined in Section A. Priority will be given to those applicants who put forth applications that complete the comprehensive tracking elements for the transport of Tier I commodities.

C. Anticipated Announcement and Award Dates

FEMA will evaluate and act on applications within 60 days following close of the application period, consistent with the *Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009* (Public Law 110-329). Awards will be made on or before September 30, 2009.

PART VI.

AWARD ADMINISTRATION INFORMATION

A. Notice of Award

Upon approval of an application, the grant will be awarded to the grant recipient. The date that this is done is the “award date.” Notification of award approval is made through the Grants Management System (GMS). Once an award has been approved, a notice is sent to the authorized grantee official. Follow the directions in the notification and log into GMS to access the award documents. The authorized grantee official should carefully read the award and special condition documents. If you do not receive a notification, please contact your Program Analyst for your award number. Once you have the award number, contact the GMS Help Desk at (888) 549-9901, option 3, to obtain the username and password associated with the new award.

The period of performance is 36 months. Any unobligated funds will be deobligated at the end of the 90 day close-out period. Extensions to the period of performance will be considered only through formal requests to FEMA with specific and compelling justifications why an extension is required.

B. Administrative and National Policy Requirements

1. Standard Financial Requirements. The grantee and any subgrantee shall comply with all applicable laws and regulations. A non-exclusive list of regulations commonly applicable to DHS grants are listed below:

1.1 -- Administrative Requirements.

- 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
- 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110)

1.2 -- Cost Principles.

- 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)
- 2 CFR Part 220, Cost Principles for Educational Institutions (OMB Circular A-21)
- 2 CFR Part 230, Cost Principles for Non-Profit Organizations (OMB Circular A-122)
- Federal Acquisition Regulations (FAR), Part 31.2 Contract Cost Principles and Procedures, Contracts with Commercial Organizations

1.3 -- Audit Requirements.

- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations

1.4 -- Duplication of Benefits. There may not be a duplication of any federal assistance, per A-87, Basic Guidelines Section C.3 (c), which states: Any cost allocable to a particular Federal award or cost objective under the principles provided for in this Circular may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal awards, or for other reasons. However, this prohibition would not preclude governmental units from shifting costs that are allowable under two or more awards in accordance with existing program agreements.

2. Non-supplanting Requirement. Grant funds will be used to supplement existing funds, and will not replace (supplant) funds that have been appropriated for the same purpose. Applicants or grantees may be required to supply documentation certifying that a reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

3. Technology Requirements.

3.1 -- National Information Exchange Model (NIEM). FEMA requires all grantees to use the latest NIEM specifications and guidelines regarding the use of Extensible Markup Language (XML) for all grant awards. Further information about the required use of NIEM specifications and guidelines is available at <http://www.niem.gov>.

3.2 -- Geospatial Guidance. Geospatial technologies capture, store, analyze, transmit, and/or display location-based information (i.e., information that can be linked to a latitude and longitude). FEMA encourages grantees to align any geospatial activities with the guidance available on the FEMA website at <http://www.fema.gov/grants>.

3.3 -- 28 CFR Part 23 Guidance. FEMA requires that any information technology system funded or supported by these funds comply with 28 CFR Part 23, Criminal Intelligence Systems Operating Policies, if this regulation is determined to be applicable.

4. Administrative Requirements.

4.1 -- Freedom of Information Act (FOIA). FEMA recognizes that much of the information submitted in the course of applying for funding under this program or provided in the course of its grant management activities may be considered law enforcement sensitive or otherwise important to national security interests. While this information under Federal control is subject to requests made pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. §552, all determinations concerning the release of information of this nature are made on a case-by-case basis by the

FEMA FOIA Office, and may likely fall within one or more of the available exemptions under the Act. The applicant is encouraged to consult its own State and local laws and regulations regarding the release of information, which should be considered when reporting sensitive matters in the grant application, needs assessment and strategic planning process. The applicant may also consult FEMA regarding concerns or questions about the release of information under State and local laws. The grantee should be familiar with the regulations governing Sensitive Security Information (49 CFR Part 1520), as it may provide additional protection to certain classes of homeland security information.

4.2 -- Protected Critical Infrastructure Information (PCII). The PCII Program, established pursuant to the Critical Infrastructure Information Act of 2002 (Public Law 107-296) (CII Act), created a new framework, which enables State and local jurisdictions and members of the private sector to voluntarily submit sensitive information regarding critical infrastructure to DHS. The Act also provides statutory protection for voluntarily shared CII from public disclosure and civil litigation. If validated as PCII, these documents can only be shared with authorized users who agree to safeguard the information.

PCII accreditation is a formal recognition that the covered government entity has the capacity and capability to receive and store PCII. DHS encourages all entities to pursue PCII accreditation to cover their State government and attending local government agencies. Accreditation activities include signing a memorandum of agreement (MOA) with DHS, appointing a PCII Officer, and implementing a self-inspection program. For additional information about PCII or the accreditation process, please contact the DHS PCII Program Office at pcii-info@dhs.gov.

4.3 -- Compliance with Federal civil rights laws and regulations. The grantee is required to comply with Federal civil rights laws and regulations. Specifically, the grantee is required to provide assurances as a condition for receipt of Federal funds that its programs and activities comply with the following:

- *Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000 et. seq.* – no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program or activity receiving Federal financial assistance.
- *Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794* – no qualified individual with a disability in the United States, shall, by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or otherwise be subjected to discrimination in any program or activity receiving Federal financial assistance.

- *Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 et. seq.* – discrimination on the basis of sex is eliminated in any education program or activity receiving Federal financial assistance.
- *The Age Discrimination Act of 1975, as amended, 20 U.S.C. 6101 et. seq.* – no person in the United States shall be, on the basis of age, excluded from participation in, denied the benefits of or subjected to discrimination under any program or activity receiving Federal financial assistance.

Grantees must comply with all regulations, guidelines, and standards adopted under the above statutes. The grantee is also required to submit information, as required, to the DHS Office for Civil Rights and Civil Liberties concerning its compliance with these laws and their implementing regulations.

4.4 -- Services to limited English proficient (LEP) persons. Recipients of FEMA financial assistance are required to comply with several Federal civil rights laws, including Title VI of the Civil Rights Act of 1964, as amended. These laws prohibit discrimination on the basis of race, color, religion, natural origin, and sex in the delivery of services. National origin discrimination includes discrimination on the basis of limited English proficiency. To ensure compliance with Title VI, recipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. The grantee is encouraged to consider the need for language services for LEP persons served or encountered both in developing their proposals and budgets and in conducting their programs and activities. Reasonable costs associated with providing meaningful access for LEP individuals are considered allowable program costs. For additional information, see <http://www.lep.gov>.

4.5 -- Integrating individuals with disabilities into emergency planning. Section 504 of the Rehabilitation Act of 1973, as amended, prohibits discrimination against people with disabilities in all aspects of emergency mitigation, planning, response, and recovery by entities receiving financial from FEMA. In addition, Executive Order 13347, *Individuals with Disabilities in Emergency Preparedness* signed in July 2004, requires the Federal Government to support safety and security for individuals with disabilities in situations involving disasters, including earthquakes, tornadoes, fires, floods, hurricanes, and acts of terrorism. Executive Order 13347 requires the Federal government to encourage consideration of the needs of individuals with disabilities served by State, local, and tribal governments in emergency preparedness planning.

FEMA has several resources available to assist emergency managers in planning and response efforts related to people with disabilities and to ensure compliance with Federal civil rights laws:

- **Comprehensive Preparedness Guide 301 (CPG-301): Interim Emergency Management Planning Guide for Special Needs Populations:** CPG-301 is designed to aid tribal, State, territorial, and local governments in planning for individuals with special needs. CPG-301 outlines special needs considerations for: Developing Informed Plans; Assessments and Registries; Emergency Public Information/Communication; Sheltering and Mass Care; Evacuation; Transportation; Human Services/Medical Management; Congregate Settings; Recovery; and Training and Exercises. CPG-301 is available at <http://www.fema.gov/pdf/media/2008/301.pdf>.
- **Guidelines for Accommodating Individuals with Disabilities in Disaster:** The Guidelines synthesize the array of existing accessibility requirements into a user friendly tool for use by response and recovery personnel in the field. The Guidelines are available at <http://www.fema.gov/oer/reference/>.
- **Disability and Emergency Preparedness Resource Center:** A web-based “Resource Center” that includes dozens of technical assistance materials to assist emergency managers in planning and response efforts related to people with disabilities. The “Resource Center” is available at <http://www.disabilitypreparedness.gov>.
- **Lessons Learned Information Sharing (LLIS) resource page on Emergency Planning for Persons with Disabilities and Special Needs:** A true one-stop resource shop for planners at all levels of government, non-governmental organizations, and private sector entities, the resource page provides more than 250 documents, including lessons learned, plans, procedures, policies, and guidance, on how to include citizens with disabilities and other special needs in all phases of the emergency management cycle.

LLIS.gov is available to emergency response providers and homeland security officials from the Federal, State, and local levels. To access the resource page, log onto <http://www.LLIS.gov> and click on *Emergency Planning for Persons with Disabilities and Special Needs* under *Featured Topics*. If you meet the eligibility requirements for accessing Lessons Learned Information Sharing, you can request membership by registering online.

4.6 -- Compliance with the National Energy Conservation Policy and Energy Policy Acts. In accordance with the *Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009* (Public Law 110-329), grant funds must comply with the following two requirements:

- None of the funds made available shall be used in contravention of the Federal buildings performance and reporting requirements of Executive Order 13123, part 3 of title V of the National Energy Conservation Policy Act (42 USC 8251 et. Seq.), or subtitle A of title I of the Energy Policy Act of 2005 (including the amendments made thereby).
- None of the funds made available shall be used in contravention of section 303 of the Energy Policy Act of 1992 (42 USC13212).

4.7 -- Environmental and Historic Preservation Compliance. FEMA is required to consider the potential impacts to the human and natural environment of projects proposed for FEMA funding. FEMA, through its Environmental and Historic Preservation (EHP) Program, engages in a review process to ensure that FEMA-funded activities comply with various Federal laws including: National Environmental Policy Act, National Historic Preservation Act, Endangered Species Act, and Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental Justice (12898). The goal of these compliance requirements is to protect our nation's water, air, coastal, wildlife, agricultural, historical, and cultural resources, as well as to minimize potential adverse effects to children and low-income and minority populations.

The grantee shall provide any information requested by FEMA to ensure compliance with applicable Federal EHP requirements. Any project with the potential to impact EHP resources cannot be initiated until FEMA has completed its review. Grantees may be required to provide detailed information about the project, including the following: location (street address or map coordinates); description of the project including any associated ground disturbance work, extent of modification of existing structures, construction equipment to be used, staging areas, access roads, etc.; year the existing facility was built; natural, biological, and/or cultural resources present in the project vicinity; visual documentation such as site and facility photographs, project plans, maps, etc; and possible project alternatives.

For certain types of projects, FEMA must consult with other Federal and State agencies such as the U.S. Fish and Wildlife Service, State Historic Preservation Offices, and the U.S. Army Corps of Engineers, as well as other agencies and organizations responsible for protecting natural and cultural resources. For projects with the potential to have significant adverse effects on the environment and/or historic properties, FEMA's EHP review and consultation may result in a substantive agreement between the involved parties outlining how the grantee will avoid the effects, minimize the effects, or, if necessary, compensate for the effects.

Because of the potential for significant adverse effects to EHP resources or public controversy, some projects may require an additional assessment or

report, such as an Environmental Assessment, Biological Assessment, archaeological survey, cultural resources report, wetlands delineation, or other document, as well as a public comment period. Grantees are responsible for the preparation of such documents, as well as for the implementation of any treatment or mitigation measures identified during the EHP review that are necessary to address potential adverse impacts. Grantees may use these funds toward the costs of preparing such documents and/or implementing treatment or mitigation measures. Failure of the grantee to meet Federal, State, and local EHP requirements, obtain applicable permits, and comply with any conditions that may be placed on the project as the result of FEMA's EHP review may jeopardize Federal funding.

Recipient shall not undertake any project having the potential to impact EHP resources without the prior approval of FEMA, including but not limited to communications towers, physical security enhancements, new construction, and **modifications to buildings, structures and objects** that are 50 years old or greater. Recipient must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project scope of work will require re-evaluation for compliance with these EHP requirements. If ground disturbing activities occur during project implementation, the recipient must ensure monitoring of ground disturbance, and if any potential archeological resources are discovered, the recipient will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. **Any construction activities that have been initiated without the necessary EHP review and approval will result in a non-compliance finding and will not be eligible for FEMA funding.**

For more information on FEMA's EHP requirements, grantees should refer to FEMA's Information Bulletin #271, *Environmental Planning and Historic Preservation Requirements for Grants*, available at <http://ojp.usdoj.gov/odp/docs/info271.pdf>. Additional information and resources can also be found at <http://www.fema.gov/plan/ehp/ehp-applicant-help.shtm>.

4.8 -- Royalty-free License. Applicants are advised that FEMA reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and authorize others to use, for Federal government purposes: (a) the copyright in any work developed under an award or sub-award; and (b) any rights of copyright to which an award recipient or sub-recipient purchases ownership with Federal support. Award recipients must agree to consult with FEMA regarding the allocation of any patent rights that arise from, or are purchased with, this funding.

4.9 -- FEMA GPD Publications Statement. Applicants are advised that all publications created with funding under any grant award shall prominently contain the following statement: "This document was prepared under a grant from FEMA's Grant Programs Directorate, U.S. Department of Homeland Security. Points of view or opinions expressed in this document are those of the

authors and do not necessarily represent the official position or policies of FEMA's Grant Programs Directorate or the U.S. Department of Homeland Security."

4.10 -- Equipment Marking. Applicants are advised that, when practicable, any equipment purchased with grant funding shall be prominently marked as follows: "Purchased with funds provided by the U.S. Department of Homeland Security."

4.11 -- Disadvantaged Business Requirement. Applicants are advised that, to the extent that recipients of a grant use contractors or subcontractors, such recipients shall use small, minority, women-owned or disadvantaged business concerns and contractors or subcontractors to the extent practicable.

4.12 -- National Preparedness Reporting Compliance. *The Government Performance and Results Act* (Public Law 103-62) (GPRA) requires that the Department collect and report performance information on all programs. For grant programs, the prioritized Investment Justifications and their associated milestones provide an important tool for assessing grant performance and complying with these national preparedness reporting requirements. FEMA will work with grantees to develop tools and processes to support this requirement. FEMA anticipates using this information to inform future-year grant program funding decisions. Award recipients must agree to cooperate with any assessments, national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within their grant agreement. This includes any assessments, audits, or investigations conducted by the Department of Homeland Security, Office of the Inspector General, or the Government Accountability Office.

C. Reporting Requirements

Reporting requirements must be met throughout the life of the grant (refer to the program guidance and the special conditions found in the award package for a full explanation of these requirements. Please note that FEMA Payment and Reporting System (PARS) contains edits that will prevent access to funds if reporting requirements are not met on a timely basis.

1. Financial Status Report (FSR) -- required quarterly. Obligations and expenditures must be reported on a quarterly basis through the FSR, which is due within 30 days of the end of each calendar quarter (e.g., for the quarter ending March 31, FSR is due no later than April 30). A report must be submitted for every quarter of the period of performance, including partial calendar quarters, as well as for periods where no grant activity occurs. Future awards and fund draw downs may be withheld if these reports are delinquent. The final FSR is due 90 days after the end date of the performance period.

FSRs **must be filed online** through the PARS.

Reporting periods and due dates:

- October 1 – December 31; *Due January 30*
- January 1 – March 31; *Due April 30*
- April 1 – June 30; *Due July 30*
- July 1 – September 30; *Due October 30*

- 2. Categorical Assistance Progress Report (CAPR).** Following an award, the awardees will be responsible for submitting CAPRs on a semi-annual basis; CAPRs should address performance measures and activities as described in the Investment Justification(s). The applicable entities are responsible for completing and submitting the CAPR reports.

The CAPR is due within 30 days after the end of the reporting period (July 30 for the reporting period of January 1 through June 30; and January 30 for the reporting period of July 1 through December 31). Future awards and fund drawdowns may be withheld if these reports are delinquent.

The following information should be included in these semi-annual reports:

- Status of actions to implement specific Security Action Items (SAIs) including any delays encountered
- Number of shipments tracked by DOT category
- How many days equipment associated with SAIs was not in operation

The final CAPR submitted with closeout materials should include the following information:

- Cost to implement specific SAIs
- Effectiveness of SAIs
- Challenges implementing SAIs
- Other security practices that should be considered for implementation

CAPRs must be filed online at <https://grants.ojp.usdoj.gov>. Guidance and instructions can be found at <https://grants.ojp.usdoj.gov/gmsHelp/index.html>.

Required submission: CAPR (due semi-annually).

- 3. Exercise Evaluation and Improvement.** Exercises, implemented with grant funds, should be threat and performance-based and should evaluate performance of the targeted capabilities required to respond to the exercise scenario. Guidance related to the conduct exercise evaluations and the implementation of improvement is defined in the *Homeland Security Exercise and Evaluation Program (HSEEP) Manual* located at <http://www.fema.gov/government/grant/administration.shtm>. Grant recipients must report on scheduled exercises and ensure that an After Action Report (AAR) and Improvement Plan (IP) are prepared for each exercise conducted with FEMA support (grant funds or direct support) and submitted to the FEMA

secure Portal (<https://preparednessportal.dhs.gov/>) within 60 days following completion of the exercise.

The AAR documents the demonstrated performance of targeted capabilities and identifies recommendations for improvements. The IP outlines an exercising jurisdiction(s) plan to address the recommendations contained in the AAR. At a minimum, the IP must identify initial action items and be included in the final AAR. Guidance for the development of AARs and IPs is provided in the HSEEP manual.

Required submissions: AARs and IPs (as applicable).

- 4. Financial and Compliance Audit Report.** Recipients that expend \$500,000 or more of Federal funds during their fiscal year are required to submit an organization-wide financial and compliance audit report. The audit must be performed in accordance with the U.S. General Accountability Office, *Government Auditing Standards*, located at <http://www.gao.gov/govaud/ybk01.htm>, and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, located at <http://www.whitehouse.gov/omb/circulars/a133/a133.html>. Audit reports are currently due to the Federal Audit Clearinghouse no later than nine months after the end of the recipient's fiscal year. In addition, the Secretary of Homeland Security and the Comptroller General of the United States shall have access to any books, documents, and records of recipients of FY 2009 TSP assistance for audit and examination purposes, provided that, in the opinion of the Secretary or the Comptroller, these documents are related to the receipt or use of such assistance. The grantee will also give the sponsoring agency or the Comptroller, through any authorized representative, access to, and the right to examine all records, books, papers or documents related to the grant.

The grantee shall require that sub-grantees comply with the audit requirements set forth in *OMB Circular A-133*. Recipients are responsible for ensuring that sub-recipient audit reports are received and for resolving any audit findings.

Monitoring

Grant recipients will be monitored periodically by FEMA staff, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Programmatic monitoring may also include the Regional Federal Preparedness Coordinators, when appropriate, to ensure consistency of project investments with Regional and National goals and policies, as well as to help synchronize similar investments ongoing at the Federal, State, and local levels.

Monitoring will be accomplished through a combination of office-based reviews and on-site monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, performance and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed.

The recipient is responsible for monitoring award activities, to include sub-awards, to provide reasonable assurance that the Federal award is administered in compliance with requirements. Responsibilities include the accounting of receipts and expenditures, cash management, maintaining of adequate financial records, and refunding expenditures disallowed by audits.

Grant Close-Out Process

Within 90 days after the end of the period of performance, grantees must submit a final FSR and final CAPR detailing all accomplishments throughout the project. After these reports have been reviewed and approved by FEMA, a close-out notice will be completed to close out the grant. The notice will indicate the project as closed, list any remaining funds that will be deobligated, and address the requirement of maintaining the grant records for three years from the date of the final FSR. The grantee is responsible for returning any funds that have been drawdown but remain as unliquidated on grantee financial records.

Required submissions: (1) final SF-269a, due 90 days from end of grant period; and (2) final CAPR, due 90 days from the end of the grant period.

Post Grant Security Assessment

This assessment should cover (at a minimum) items specified in the Risk Management Self-Evaluation Form (RMSEF) which will be provided by TSA to successful applicants. The completed Post Grant Security Assessment shall be provided to TSA.

PART VII.

FEMA CONTACTS

This section describes several resources that may help applicants in completing a FEMA grant application. During the application period DHS will identify multiple opportunities for a cooperative dialogue between the Department and applicants. This commitment is intended to ensure a common understanding of the funding priorities and administrative requirements associated with the FY 2009 TSP and to help in submission of projects that will have the highest impact on reducing risks.

- 1. Centralized Scheduling & Information Desk (CSID) Help Line.** CSID is a non-emergency resource for use by emergency responders across the nation. CSID is a comprehensive coordination, management, information, and scheduling tool developed by DHS through FEMA for homeland security terrorism preparedness activities. CSID provides general information on all FEMA grant programs and information on the characteristics of CBRNE, agro-terrorism, defensive equipment, mitigation techniques, and available Federal assets and resources.

CSID maintains a comprehensive database containing key personnel contact information for homeland security terrorism preparedness programs and events. These contacts include personnel at the Federal, State and local levels. CSID can be contacted at (800) 368-6498 or askcsid@dhs.gov. CSID hours of operation are from 8:00 am–6:00 pm (EST), Monday-Friday.

- 2. Grant Programs Directorate (GPD).** FEMA GPD will provide fiscal support, including pre- and post-award administration and technical assistance, to the grant programs included in this solicitation. Additional guidance and information can be obtained by contacting the FEMA Call Center at (866) 927-5646 or via e-mail to ASK-GMD@dhs.gov.
- 3. GSA's State and Local Purchasing Programs.** The U.S. General Services Administration (GSA) offers two efficient and effective procurement programs for State and local governments to purchase products and services to fulfill homeland security and other technology needs. The GSA Schedules (also referred to as the Multiple Award Schedules and the Federal Supply Schedules) are long-term, indefinite delivery, indefinite quantity, government-wide contracts with commercial firms of all sizes.
 - Cooperative Purchasing Program
Cooperative Purchasing, authorized by statute, allows State and local governments to purchase a variety of supplies (products) and services under

specific GSA Schedule contracts to save time, money, and meet their everyday needs and missions.



The Cooperative Purchasing program allows State and local governments to purchase alarm and signal systems, facility management systems, firefighting and rescue equipment, law enforcement and security equipment, marine craft and related equipment, special purpose clothing, and related services off of Schedule 84 and Information Technology products and professional services off of Schedule 70 and the Consolidated Schedule (containing IT Special Item Numbers) **only**. Cooperative Purchasing for these categories is authorized under Federal law by the *Local Preparedness Acquisition Act* (Public Law 110-248) and Section 211 of the *E-Government Act of 2002* (Public Law 107-347).

Under this program, State and local governments have access to GSA Schedule contractors who have voluntarily modified their contracts to participate in the Cooperative Purchasing program. The U.S. General Services Administration provides a definition of State and local governments as well as other vital information under the frequently asked questions section on its website at <http://www.gsa.gov/cooperativepurchasing>.

- **Disaster Recovery Purchasing Program**

GSA plays a critical role in providing disaster recovery products and services to Federal agencies. Now State and Local Governments can also benefit from the speed and savings of the GSA Federal Supply Schedules. Section 833 of the *John Warner National Defense Authorization Act for Fiscal Year 2007* (Public Law 109-364) amends 40 U.S.C. §502 to authorize GSA to provide State and Local governments the use of ALL GSA Federal Supply Schedules for purchase of products and services to be used to *facilitate recovery from a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act or to facilitate **recovery** from terrorism or nuclear, biological, chemical, or radiological attack.*

GSA provides additional information on the Disaster Recovery Purchasing Program website at <http://www.gsa.gov/disasterrecovery>.

State and local governments can find a list of contractors on GSA's website, <http://www.gsa/library.gsa.gov>, denoted with a  or  symbol.

Assistance is available from GSA on the Cooperative Purchasing and Disaster Purchasing Program at the local and national levels. For assistance at the local level, visit <http://www.gsa.gov/csd> to find a local customer service director in your area. For assistance at the national level, contact Tricia Reed at tricia.reed@gsa.gov, (571) 259-9921. More information is available on all GSA State and local programs at: www.gsa.gov/stateandlocal.

- 4. Homeland Security Preparedness Technical Assistance Program.** The Homeland Security Preparedness Technical Assistance Program (HSPTAP) provides direct support assistance on a first-come, first-served basis (and subject to the availability of funding) to eligible organizations to enhance their capacity and preparedness to prevent, protect against, respond to, and recover from terrorist and all hazard threats. In addition to the risk assessment assistance already being provided, FEMA also offers a variety of other direct support assistance programs.

More information can be found at http://www.fema.gov/about/divisions/pppa_ta.shtm.

- 5. Lessons Learned Information Sharing (LLIS) System.** LLIS is a national, online, secure website that houses a collection of peer-validated lessons learned, best practices, AARs from exercises and actual incidents, and other relevant homeland security documents. LLIS facilitates improved preparedness nationwide by providing response professionals with access to a wealth of validated front-line expertise on effective planning, training, equipping, and operational practices for homeland security.

The LLIS website also includes a national directory of homeland security officials, as well as an updated list of homeland security exercises, events, and conferences. Additionally, LLIS includes online collaboration tools, including secure email and message boards, where users can exchange information. LLIS uses strong encryption and active site monitoring to protect all information housed on the system. The LLIS website is <https://www.llis.gov>.

- 6. Information Sharing Systems.** FEMA encourages all State, regional, local, and Tribal entities using FY 2009 funding in support of information sharing and intelligence fusion and analysis centers to leverage available Federal information sharing systems, including Law Enforcement Online (LEO) and the Homeland Security Information Network (HSIN). For additional information on LEO, contact the LEO Program Office at leoprogramoffice@leo.gov or (202) 324-8833. For additional information on HSIN and available technical assistance, contact the HSIN Help Desk at (703) 674-3003.

PART VIII.

OTHER INFORMATION

Specific to For-Profit Entities

For-profit organizations are eligible to apply for funding under the TSP. The following requirements apply specifically to for-profit entities receiving Federal funding from FEMA.

1. Recipients of TSP funds must comply with the contract cost principles as defined in the Federal Acquisition Regulations (FAR), Part 31.2 Contract Cost Principles and Procedures, Contracts with Commercial Organizations.
2. For purposes of financial and procedural administration of the TSP, recipients must comply with 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations (OMB Circular A-110) will apply, excluding Sections 40-48.
3. Recipient of TSP funds agree that this award may be terminated in accordance with 2 CFR Part 215.61. If the Federal Government determines that a grant will be terminated, it will be carried out in accordance with the process specified in Part 49 of the FAR.
4. Recipients of TSP funds may not make a profit as a result of this award or charge a management fee for the performance of this award.
5. Recipients of TSP funds must have a financial audit and compliance audit performed by qualified individuals who are organizationally, personally, and externally independent from those who authorize the expenditure of federal funds. This audit must be performed in accordance with the United States General Accountability Office Government Auditing Standards. The audit threshold contained in OMB Circular A-133 applies. This audit must be performed on a program-wide basis to ascertain the effectiveness of financial management systems and internal procedures that have been established to meet the terms and conditions of the award. The management letter must be submitted with the audit report. Recipient audit reports must be submitted no later than nine (9) months after the close of each fiscal year during the term of the award. The distribution of audit reports shall be based on requirements in the current edition of 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110). Note: If your audit disclosed findings or recommendations, you must include with your audit report a corrective action plan containing the following: (1) The name and number of the contact person responsible for the corrective action plan; (2) specific

steps taken to comply with the recommendations; (3) a timetable for performance or implementation dates for each recommendation; and (4) descriptions of monitoring to be conducted to ensure implementation.

Security Action Items

General Security:

- 1) **Security Assessment and Security Plan Requirements (TIER I HSSM, TIER II HSSM)** – Motor carriers are required by Pipeline and Hazardous Materials Safety Administration (PHMSA) regulations in 49 CFR Part 172, Subpart I to develop and implement security plans to address security risks related to the transportation of hazardous materials. TSA recommends that employers review their security assessment and determine the security action items which may be appropriate to address their assessed risks. To obtain further guidance on the security planning process, employers should review the Federal Motor Carrier Safety Administration (FMCSA) ***Guide to Developing an Effective Security Plan*** and the PHMSA document ***Risk Management Self-Evaluation Framework (RMSEF)***. These guidance materials can be found on the FMCSA website at <http://www.fmcsa.dot.gov/> and the PHMSA website at <http://www.phmsa.dot.gov/>.
- 2) **Awareness of Industry Security Practices (TIER I HSSM, TIER II HSSM)** – Employers should become familiar with security practices recommended by industry groups and trade associations to further enhance transportation security. Examples include the American Chemistry Council's (ACC) Responsible Care Program, the Chlorine Institute's Security Management Plan, the International Cargo Security Council and other entities offering similar security guidance. Employers should review these security practices and consider their use in mitigating the assessed risks.
- 3) **Inventory Control Process (TIER I HSSM, TIER II HSSM)** – Employers should implement procedures to maintain accountability for their containers, cylinders, and vehicles at all times while in transport throughout the supply chain. Inventory control information should include: pertinent shipping information; material location; tracking processes; and verification procedures.
- 4) **Business and Security Critical Information (TIER I HSSM, TIER II HSSM)** – Employers should implement policies to protect security critical information. This policy should address current methods of communication between shippers, carriers, third-party logistic companies, and receivers. Information flow should be reduced to that which is essential to accomplish the task of transporting the hazardous material shipments. Communications and information systems should be protected from unauthorized access. This includes telecommunications, computer systems, printed materials, verbal communications and all networks on which they operate.

Personnel Security:

- 5) **Possession of a Valid Commercial Drivers License-Hazardous Materials Endorsement (TIER I HSSM, TIER II HSSM)** – TSA is aware that motor carriers are required by FMCSA regulations in 49 CFR Part 383 to verify that a person employed to drive a vehicle containing hazardous materials (which includes TIER I HSSM and TIER II HSSM) has a valid commercial drivers license (CDL) with a hazardous materials endorsement (HME). A driver with a valid CDL with an HME will have undergone a Security Threat Assessment conducted by the Transportation Security Administration (TSA) under 49 CFR Part 1572. TSA is not recommending that drivers with HMEs undergo additional background checks under these voluntary action items.

- 6) **Background checks for highway transportation sector employees other than motor vehicle drivers with a valid CDL with hazardous materials endorsement (TIER I HSSM, TIER II HSSM)** – During the hiring process, an employer in the highway-related hazmat supply chain should conduct a background check for employees and contractors with unescorted access to motor vehicles (in transport), the motor carrier facility, or information critical to the hazmat transportation. Further guidance on the recommended scope and procedures for these voluntary background checks, to include a criminal background check, verification of social security number, and verification of immigration status, is available on the TSA website http://www.tsa.gov/what_we_do/tsnm/highway/hssm_sai.shtm. An employer should also establish a method of redress as described on the website above. This SAI may also be satisfied by the CDL HME background check requirement or background checks mandated by other Government agencies, such as the ATF's Employee Possessor Questionnaire, provided that the background check meets or exceeds the guidance on the website.

- 7) **Security Awareness Training for Employees (TIER I HSSM, TIER II HSSM)** – In support of the PHMSA security training requirements in 49 CFR 172.704, employers should have employees complete TSA-sponsored domain awareness training, the TSA Hazmat Motor Carrier Security Self-Assessment Training Program or other equivalent security training programs. For more information see www.tsa.gov/what_we_do/tsnm/highways.shtm. Employers may wish to establish security awareness training programs that at a minimum address methods to: restrict access to sensitive information on HSSM such as shipping papers, dates of shipment and arrival, destination and routing information; recognize suspicious activities of potential terrorists; assess vulnerabilities and apply security measures; and notify the appropriate authorities of unusual activities.

Unauthorized Access:

- 8) **Access Control System for Drivers (in addition to CDL) (TIER I HSSM, TIER II HSSM)** – Employers should implement an access control system that includes issuing company photo IDs or other visible forms of company identification to all drivers. These company IDs should be used by drivers to gain access to company designated restricted areas (such as vehicle key control room, loading or unloading processes), as appropriate, and also for shippers, consignees and others to verify the drivers' current employment status.
- 9) **Access Control System for Facilities Incidental to Transport (TIER I HSSM, TIER II HSSM)** – Employers should implement an access control system that includes issuing company photo IDs or other visible forms of employee identification to all employees, vendors, contractors, and visitors who require unescorted access to restricted areas on a permanent or temporary basis, as appropriate. This system should control access to restricted areas including plants, data centers and IT systems, loading and unloading facilities, storage facilities, and other critical areas as designated by company management. Company-issued ID cards and other forms of employee identification should be required to be displayed by the holder at all times while on company property. Employers should also establish a method of challenging individuals who do not display the appropriate identification. It is expected that such a system will be unnecessary at businesses with fewer than 10 employees.

En-route Security:

- 10) **Establish Communications Plan (TIER I HSSM, TIER II HSSM)** - A communication plan should be established to include standard operating procedures (SOP) for communications between drivers, appropriate company personnel, and emergency services agencies. This plan should include the appropriate two-way communication technologies required to implement the communication plan, such as terrestrial or satellite-based systems. This is not intended to preclude the use of personal cell phones. Employers should encourage and employees should follow the proper use of cell phones including observing state and local cell phone laws.
- 11) **Establish Appropriate Vehicle Security Program (TIER I HSSM, TIER II HSSM)** – Employers should ensure that all company vehicles (power units including but not limited to tractors, straight trucks, pickups, and service units) are secured when unattended through use of a primary and secondary securement systems. Primary methods should include the following:
 - a) Ensuring that all company vehicles have the capability to be locked.
 - b) Adopt a written security policy that includes:

- i) procedures such as a key control program when a vehicle is not in active use, and;
- ii) ensuring the vehicle engine is turned off, remove keys from vehicle, closing windows, and locking doors when the vehicle is in active use but unattended.

Secondary securement methods should include the following:

- a) Steering wheel locking system,
- b) Air brake locking system,
- c) Wheel locks, or
- d) Other appropriate lockout control process.

12) Establish Appropriate Cargo Security Program to Prevent Theft or Sabotage of Cargo Containers (TIER I HSSM, TIER II HSSM) –

Employers should ensure that all cargo containers (including but not limited to trailers, tankers, straight trucks, security cages, and flatbeds) are secured when in use but unattended through use of a primary and secondary securement system. The primary methods should include the following:

- a) Ensuring that all cargo containers have the capability to be locked.
- b) Adopt a written security policy that includes:
 - i) a key control program (if appropriate), and
 - ii) ensuring a container is provided with a mechanical or electrical method of locking.

Secondary securement method should include the following:

- a) Glad hand locks,
- b) King pin locks,
- c) Wheel locks, or
- d) Other appropriate lockout control process

13) Implement a Seal/Lock Control Program to Prevent Theft or Sabotage of Cargo (TIER I HSSM, TIER II HSSM) –

Employers should implement a seal/lock program to prevent theft or sabotage of the contents of cargo containers and cylinders when in transport, when unattended by company personnel, or when at facilities incidental to transport. The following is recommended:

- Tier I HSSM – High security locks or electronic seals
- Tier II HSSM – Tamper evident (indicative) seals.

When establishing a seal/lock control program employers should review the “User’s Guide on Security Seals for Domestic Cargo” (January 2007) developed jointly by the Department of Homeland Security and Department of Defense. A copy of this document may be requested by sending electronic mail to highwaysecurity@dhs.gov.

14) High Alert Level Protocols (TIER I HSSM, TIER II HSSM) – Employers should establish policies governing operations during periods of increased threat conditions under the Homeland Security Advisory System (for

example when the DHS Threat Condition is raised from Orange to Red). These protocols should be capable of being implemented when deemed appropriate by an employer or appropriate law enforcement or homeland security officials. Alternatives to continued routine operations include:

- a) Identifying secure locations to seek refuge,
- b) For shipments exceeding 200 miles, identify private sector or law enforcement escorts to provide increased vehicle security, surveillance, and communications between local law enforcement officials and the motor vehicle while en route for shipments exceeding 200 miles or
- c) Other appropriate security measures identified by the employer.

Examples of planning for secure locations include mutual agreements with industry partners and stakeholders or utilizing state weigh stations and inspection facilities that can provide law enforcement protection.

- 15) **Establish Security Inspection Policy and Procedures (TIER I HSSM, TIER II HSSM)** – Employers should establish a security inspection policy and procedures for drivers to conduct security inspections. Security inspections should be performed in conjunction with required safety inspections conducted under 49 CFR Part 392 before operation of the vehicle. These security inspections should occur initially at the beginning of the driver’s shift or trip (pre-departure) and after any stop en-route in which the vehicle is left unattended. The security inspection should consist of all areas where a suspicious item could be placed, training to recognize suspicious items, and reporting and response procedures to follow if a suspicious item or package is found.
- 16) **Establish Reporting Policy and Procedures (TIER I HSSM, TIER II HSSM)** – Employers should implement reporting procedures for drivers and non-driver employees to follow when reporting suspicious incidents, threats, or concerns regarding transportation facilities (terminal, distribution center, etc.) or company vehicles. These procedures should include at a minimum; appropriate company points of contact, appropriate law enforcement agencies, and the appropriate emergency response telephone number required in 49 CFR 172.604 and 172.606.
- 17) **Shipment Pre-Planning, Advance Notice of Arrival and Receipt Confirmation Procedures with Receiving Facility (TIER I HSSM only)** – The shipper (consignor), motor carrier and receiver (consignee) should conduct shipment pre-planning to ensure shipments are not released to the motor carrier until they can be transported to destination with the least public exposure and minimal delay in transit. Shipment pre-planning should include establishing the estimated time of arrival (ETA) agreeable to consignor, motor carrier, and consignee; load specifics (shipping paper information); and driver identification. When shipments are in transit, the motor carrier should coordinate with consignee to confirm the pre-established ETA will be met, or agree on a new ETA. Upon receipt of the

shipment consignees should notify the shipper that the shipment has arrived on schedule and materials are accounted for. Methods for advance notice and confirmation of receipt of shipments include electronic mail and voice communications. When practical, consignees should immediately alert the appropriate shipper or motor carrier if the shipment fails to arrive on schedule or if a material shortage is discovered. Methods for immediate alert notifications should be made by voice communications only. Where immediate notification is not practical (for example at unmanned facilities), the consignor, the motor carrier, and consignee should agree on alternate confirmation (method and time) of delivery and receipt. Consignees should make every effort possible to accept a shipment that arrives during non-business hours due to unforeseen circumstances.

- 18) **Preplanning Routes (TIER I HSSM only)** – Employers should ensure preplanning of primary and alternate routes. This preplanning should seek to avoid or minimize proximity to highly populated urban areas or critical infrastructure such as bridges, dams, and tunnels. Policies governing operations during periods of Orange or Red alert levels under the Homeland Security Advisory System should plan for alternate routing for TIER I HSSM shipments away from highly populated urban areas and critical infrastructure. The motor carrier or law enforcement officials may determine when to implement alternate routing. Drivers should be encouraged to notify the company's dispatch center when substantial or non-routine deviation from the route is necessary.
- 19) **Security for Trips Exceeding Driving Time under the Hours of Service of Drivers Regulation (49 CFR Part 395) - (TIER I HSSM only)** – Employers should examine security in light of hours of service available and take steps to mitigate the vulnerabilities associated with extended rest stops for driver relief. Examples include methods such as constant vehicle attendance or visual observation with the vehicle, driver teams, or vetted companions. Other examples include arranging secure locations along the route through mutual agreement with industry partners and stakeholders or State weigh stations and inspection facilities that provide law enforcement protection.
- 20) **Dedicated Truck (TIER I HSSM only)** – Employers should implement policies to ensure that, except under emergency circumstances, contracted shipments remain with the primary carrier and are not subcontracted, driver/team substitutions are not made, and transloading does not occur unless the subcontractor has been confirmed to comply with applicable Federal safety and security guidance and regulations and company security policies.
- 21) **Tractor Activation Capability (TIER I HSSM only)** – Employers should implement security measures that require driver identification by login and

password or biometric data to drive the tractor. Companies should provide written policies and instructions to drivers explaining the activation process.

22) **Panic Button Capability (TIER I HSSM only)** – Employers should implement means for a driver to transmit an emergency alert notification to dispatch. “Panic Button” technology enables a driver to remotely send an emergency alert notification message either via Satellite or Terrestrial Communications, and/or utilize the remote Panic Button to disable the vehicle.

23) **Tractor and Trailer Tracking Systems (TIER I HSSM only)** – Employers should have the ability of implementing methods of tracking the tractor and trailer throughout the intended route with satellite and/or land-based wireless GPS communications systems. Tracking methods for the tractor and trailer should provide current position by latitude and longitude. Geofencing and route monitoring capabilities allow authorized users to define and monitor routes and risk areas. If the tractor and/or trailer deviates from a specified route or enters a risk area, an alert notification should be sent to the dispatch center. An employer or an authorized representative should have the ability to remotely monitor trailer “connect” and “disconnect” events. Employers or an authorized representative should have the ability to poll the tractor and trailer tracking units to request a current location and status report. Tractor position reporting frequency should be configured at not more than 15-minute intervals.

Trailer position reporting frequency should be configured to provide a position report periodically when the trailer has been subject to an unauthorized disconnect from the tractor. The reporting frequency should be at an interval that assists the employer in locating and recovering the trailer in a timely manner. The tractor and trailer tracking system should be tested periodically and the results of the test should be recorded.

Listing of Tier I Highway Security Sensitive Materials

DOT Hazard Class (see 49 CFR 171.8 for definitions of these hazard classes)	Threshold Quantity (unless otherwise noted see 49 CFR 171.8 for definitions)
Division 1.1 Explosives	Any quantity
Division 1.2 Explosives	Any quantity
Division 1.3 Explosives	Any quantity
Division 2.2 Non-Flammable Gas (also meeting the definition of a material poisonous by inhalation ²)	Anhydrous ammonia (UN 1005) in single bulk packaging \geq 3000 L (792 gal) or 3000 kg (6614 lbs) ³
Division 2.3 Toxic (Poison) Gas	Hazard zone A & B \geq 5 lbs. in a single package.
Division 2.3 Toxic (Poison) Gas	Hazard zone C & D in single bulk packaging \geq 3000 L (792 gal) or 3000 kg (6614 lbs).
Class 3 Flammable Liquids (also meeting the definition of a material poisonous by inhalation ⁴)	PG I in single bulk packaging \geq 3000 L (792 gal) or 3000 kg (6614 lbs.)
Division 6.1 Poisonous Materials (also meeting the definition of a material poisonous by inhalation ⁵)	Hazard zone A & B \geq 5 lbs. in a single package
Division 6.1 Poisonous Materials (also meeting the definition of a material poisonous by inhalation ⁶)	Hazard zone C & D in single bulk packaging \geq 3000 L (792 gal) or 3000 kg (6614 lbs).
Class 7 Radioactive Materials, (10 CFR part 110, Appendix P, Category 1 materials)	International Atomic Energy Agency (IAEA) Code of Conduct Category 1 and 2 materials including Highway Route Controlled quantities as defined in 49 CFR 173.403 or known as radionuclides in forms listed as RAM-QC by the Nuclear Regulatory Commission.
Class 8 Corrosive Materials (also meeting the definition of a materials poisonous by inhalation ⁷)	Packing group I and II in single bulk packaging \geq 3000 L (792 gal) or 3000 kg (6614 lbs.)
Other Materials	Any quantity of chemicals listed by the Chemical Weapons Convention on Schedules 1, 2, or 3. ⁸

*Inasmuch as gasoline does not meet the definition of Tier 1 Highway Safety Sensitive Materials, grant funds cannot be used to install tracking equipment on gasoline tankers.

² See 49 CFR 171.8 for the definition of materials poisonous by inhalation

³ TSA recognizes the provisions for agricultural operations contained in 49 CFR 173.5

⁴ See 49 CFR 171.8 for the definition of materials poisonous by inhalation

⁵ See 49 CFR 171.8 for the definition of materials poisonous by inhalation

⁶ See 49 CFR 171.8 for the definition of materials poisonous by inhalation

⁷ See 49 CFR 171.8 for the definition of materials poisonous by inhalation

⁸ Chemicals listed under this designation as Chemicals Weapons Convention are expected to be captured under the previously listed DOT Hazard Classes. They are listed in this Appendix as Other Materials for completeness and are not intended to indicate a new hazard class.

Pre-Priced Comprehensive Tracking Elements

Tractor and Trailer Tracking Systems Pricing

As part of the HAZMAT Truck Security Pilot Objective 1 efforts, research was conducted by the Evaluation Team to identify applicable technology systems for testing. Part of this effort involved documenting system capabilities and collection of pricing information (as available). The results show a broad range of pricing options/schemas for commercially available mobile communications/vehicle tracking systems. For the mobile communications/vehicle tracking systems that could support the Truck Tracking Center concept, hardware costs including installation range from **\$175 to \$2,575 per power unit**. Ongoing monthly costs (service) range from **\$20 to \$90 per power unit per month**, depending on messages/polling rates and type of service—terrestrial, satellite, or a combination of both.

For this analysis, initial costs are assumed to be amortized over 3 years to derive a monthly cost for initial investment, plus the cost of monthly service. The result is a range of monthly costs from **\$25 to \$136 per power unit per month**, with the mean cost approximately **\$75 per power unit per month**.

- **3 Year Cost: \$2700 per power unit**
- **3 Year Cost: \$2700 per trailer unit**

Retrofit Panic Button Capability Pricing

This cost was calculated based on information presented in the FMCSA “Hazardous Materials Safety and Security Technology Field Operational Test” report prepared by SAIC for panic button technology. From this cost information, panic buttons resulted in an incremental cost of \$200 over a three-year period.

- **3 Year Cost: \$200**

Retrofit Tractor Activation Capability Costs

This cost was calculated based on information costs presented in the FMCSA “Hazardous Materials Safety and Security Technology Field Operational Test” report prepared by SAIC and contacted several vendors of this technology. Based on this research, we assumed an average price of \$520 per tractor for the initial technology investment. There would then be an annual service fee of \$100 per tractor. These costs were summed to obtain the cost estimates of \$620 for the first year and then \$100 for each additional year.

- **3 Year Cost: \$820 per power unit**

Helpful Hints for Applicants

Are the following components included in the application package?

- SF 424, SF 424 A, SF 424B, SF LLL
- Investment Justifications for projects
- Detailed Budgets containing only allowable costs
- Current Security Plan
- Current Security Assessment
- MCS-150 Form
- FMCSA Hazardous Materials Safety Permit

Are the following items addressed within the investment justification narratives and detailed budgets?

- Are minimum funding requirements satisfied, as addressed in Part IV?
- For Tier I and II, is the cost-share requirement addressed?
- Do the IJ and the detailed budget only include allowable costs?
 - Are all of the expenses in the detailed budget addressed in the IJ narrative?
 - Does the information in the detailed budget align with the budget summary in the IJ narrative?
- Does the M&A total no more than 3% of the total project cost?