



Nonprofit Security Grant Program: Preliminary Guidance Permissible Costs

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Before proceeding, if you are a New York-based applicant, please contact David Pollock, Associate Executive Director, and Director of Public Policy & Security, JCRC of New York, on all matters pertaining to the NSGP application process at: pollockd@jrcrny.org <http://www.jrcrny.org/security>. The below guidance is for all other applicants.

The NSGP “grant recipient” is the State Administrative Agency (SAA). The NSGP “grant subrecipient” is the nonprofit agency. The SAA administers the program to the nonprofit agency. The nonprofit agency applies for the grant (submits an Investment Justification (IJ)) through the SAA. The SAA submits the IJ to the Federal Emergency Management Agency for consideration on behalf of the nonprofit agency.

The nonprofit agency may only use NSGP grant funds for the permissible uses set forth in the grant, and for only those purposes included in the IJ and approved in the award.

General allowable NSGP costs:

- **Planning:** Funding may be used for security or emergency planning expenses and the materials required to conduct planning activities. Planning must be related to the protection of the facility and the people within the facility. Examples of planning activities allowable under this program include:
 - Development and enhancement of security plans and protocols
 - Development or further strengthening of security assessments
 - Emergency contingency plans
 - Evacuation/Shelter-in-place plans
- **Equipment:** Funding is limited to target hardening and physical security enhancements. This includes the acquisition (purchase or possible leasing) and installation of security equipment on real property (including buildings and improvements) owned or leased by the nonprofit organization, specifically in prevention of and/or protection against the risk of a terrorist attack. This equipment is limited to select items within two categories on the **Authorized Equipment List (AEL)**:
 - Physical Security Enhancement Equipment (Section 14)
 - Inspection and Screening Systems (Section 15)

The two allowable prevention and protection categories and equipment standards for the NSGP are listed at <http://www.fema.gov/authorized-equipment-list>.

- **Exercises:** Funding may be used to conduct security-related exercises. This includes costs related to planning, meeting space and other meeting costs, facilitation costs, materials and supplies, and documentation. Exercises afford organizations the opportunity to validate plans and procedures, evaluate capabilities, and assess progress toward meeting capability targets in a controlled, low-risk setting.
- **Training:** Nonprofit organizations may use NSGP funds for the following training-related costs:
 - Employed or volunteer security staff to attend security-related training within the United States;
 - Employed or volunteer staff to attend security-related training within the United States with the intent of training other employees or members/congregants upon completing the training (i.e., “train-the-trainer” type courses);
 - Nonprofit organization’s employees, or members/congregants to receive on-site security training.

Allowable training-related costs under the NSGP are limited to attendance fees for training and related expenses, such as materials, supplies, and/or equipment.

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

- **Hiring:** Beginning in the FY 2019 Notice of Funding Opportunity, contracted security personnel are allowed under this program. FEMA advises that the recipient be able to sustain this capability in future years without NSGP funding.
- **Management and Administration:** Nonprofit organizations that receive an NSGP award may use and expend up to 5 percent of their funds for M&A purposes associated with the award.

Generally unallowable/ineligible costs:

- **The development of risk/vulnerability assessment models**
- **Initiatives that fund risk or vulnerability security assessments or the development of the Investment Justification**
- **Reimbursement of pre-award security expenses**
- **Initiatives that do not address the implementation of programs/initiatives to build prevention and protection-focused capabilities directed at identified facilities and/or the surrounding communities**
- **Organization costs, and operational overtime costs**

- General-use expenditures
- Overtime and backfill
- Travel expenses
- Initiatives in which federal agencies are the beneficiary or that enhance federal property
- Initiatives which study technology development
- Proof-of-concept initiatives
- Initiatives that duplicate capabilities being provided by the Federal Government
- Organizational operating expenses

Note: All permissible costs to be considered for funding using the NSGP must be included in the nonprofit organization's Investment Justification within Part IV. Target Hardening. **If not included in this section, equipment and/or activities will be ineligible for funding.** There are two parts to Part IV. to complete: 1) A narrative section to describe all target hardening activities, as well as costs related to planning, exercises, training and contacted security personnel; and 2) An equipment identification section that required the input on details pertaining to equipment to be acquired, including estimated costs.

- **NSGP Investment Modifications – Changes in Scope or Objective: Requesting a change in the scope of an approved Investment Justification is difficult, as the approval was based on a competitive process, with applications recommended for funding based on the threat, vulnerability, consequence, and mitigation specified in the IJ for a specified agency and location.** Changes in scope or objective of the award require FEMA's prior written approval. Scope/objective changes will be considered on a case-by-case basis. As NSGP project funding is based on the ability of the proposed project to mitigate the risk factors identified in the IJ. For this reason, DHS/FEMA may reject requests to significantly change the physical security enhancements that are purchased with NSGP funding where DHS/FEMA believes approval of the request would change or exceed the scope of the originally approved project.