



Nonprofit Security Grant Program: Preliminary Guidance

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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@jcrny.org <http://www.jcrny.org/security>. The below guidance is for all other applicants.]

Application Overview

Administration: The Federal Emergency Management Agency (FEMA)

Purpose: The NSGP program supports physical security enhancements and other security related activities to nonprofit organizations that are at high risk of a terrorist attack and seeks to integrate the preparedness activities of nonprofit organizations with broader state and local preparedness efforts.

Note: Priority is given to projects to enhance the protection of soft targets/crowded places and mitigate the loss of life and property against threats and hazards (building capabilities against a brute force terrorist attack).

Funding Opportunity: There are two funding sources (grants) available to nonprofit organizations under NSGP. An organization would be eligible for one or the other depending on their physical location (but not both):

- Source 1-- The Nonprofit Security Grant Program - Urban Area (NSGP-UA): Available to nonprofit organizations located within one of the designated FY 2020 Urban Area Security Initiative (UASI) urban areas (TBD). Total available funding: \$50 million. Thirty-two UASI areas were designated in FY 2020:

Phoenix Area (AZ); Anaheim/Santa Ana Area, Bay Area, Los Angeles/Long Beach Area, Riverside Area, Sacramento Area, San Diego Area (CA); Denver Area (CO); National Capital Region (DC, parts of MD and VA); Miami/Fort Lauderdale Area, Orlando Area, Tampa Area (FL); Atlanta Area (GA); Honolulu Area (HI); Chicago Area (IL); New Orleans (LA); Baltimore Area (MD); Boston Area (MA); Detroit Area (MI); Twin Cities Area (MN); St. Louis Area (MO); Las Vegas Area (NV); Jersey City/Newark Area (NJ) New York City Area (NY); Portland Area (OR); Philadelphia Area, Pittsburgh Area (PA); Dallas/Fort Worth/Arlington Area, Houston Area, San Antonio Area (TX); Hampton Roads Area (VA); Seattle Area (WA). These designations only differ slightly from year-to-year.

- Source 2-- Nonprofit Security Grant Program - State (NSGP-S): Available to nonprofit organizations located outside of the FY 2020 UASI-designated urban areas. Total available funding for FY 2020: \$40 million. Each state was allocated a minimum level of funding as designated by FEMA (from \$300 thousand to \$1.7 million).

Period of Performance: 36 months, likely commencing in September 2020. (Note: The spend-down period will commence some time after the commencement start date, after some preliminary administrative requisites are satisfied.)

Eligibility: The State Administrative Agency (SAA) applies to FEMA for the NSGP grants on behalf of eligible nonprofit organizations (sub-applicants). The SAA is, typically, the Homeland Security & Emergency Management Agency. Nonprofit organizations may only apply through their SAA and not directly to FEMA.

SAA's are encouraged to notify and actively inform eligible nonprofit organizations of the availability of the NSGP funding. Some SAA's do a better job of this than others. The FY 2020 list of SAA points of contact is available at: <http://www.fema.gov/media-library/assets/documents/28689?id=6363>. (The SAA POC list might be updated when the FY 2021 NOFO is posted.)

Note: Interested nonprofits should proactively reach out to their SAA once the Notice of Funding Opportunity is posted (**I will notify the field when it is posted**).

Eligible Nonprofit Organizations: Organizations described under section 501(c)(3) of the Internal Revenue Code of 1986 (IRC) and exempt from tax under section 501(a) of such code, and automatically exempt organizations such as churches, mosques, and synagogues. Eligible organizations will have to demonstrate, through the application, that the organization is at high risk of a terrorist attack.

Key Dates/Deadlines: The Notice of Funding Opportunity will set forth key dates and deadlines for the nonprofits, SAA's and FEMA. For now, the following is a generally expected timeline:

- By statute, FEMA will have up to 60 days to post the NOFO, once funding is appropriated.
- Once the NOFO is posted, the application period will commence. By statute, this period may run between 30 and 80 days. Part of this period will be designated for the nonprofits to submit their sub-applications and the remainder will be designated for the State Administrative Agencies to review and submit the requests to FEMA. **(The period designated for the nonprofits has been between 2-6 weeks in the past, depending on when Congress appropriated funds.)**
- FEMA will then have up to 65 days to review and finalize application award decisions.
- All awards are required to be processed before the end of the fiscal year (which falls on midnight, September 30th).

Note:

- **The SAA's will establish all requirements and deadlines to manage their nonprofit sub-application process in support of their submissions to FEMA and deadlines and SAA requirements may vary from state to state.**
- **Due to the competitive nature of the NSGP, the SAA's and FEMA will not review applications that are not received by the deadline or consider late applications for funding.**

- Nonprofits experiencing technical issues in completing and submitting their applications to their SAAs, will need to alert them to their difficulties right away and ahead of the submission deadline.

Application Requisites:

- Eligible nonprofits will submit an **Investment Justification (IJ)**. The SAA will provide a template.
- Only complete IJs will be considered for funding.
- Each nonprofit will include its **vulnerability/risk assessment** on which the request(s) in the IJ is based.
- Each nonprofit will include its **Mission Statement** and any mission implementing policies or practices that may elevate the organization's risk.
- There will be a funding limit. In FY 2020, the limit for both NSGP-UA and NSGP-S was **\$100 thousand**. (The level of appropriations in FY 2021 could impact the funding limits determined for the FY 2021 grant cycle.)

Application Review: NSGP applications will be reviewed through a two-phase state and Federal review process for completeness, adherence to programmatic guidelines, feasibility, and how well the IJ (project description and justification) addresses the identified risk(s).

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

State Review: As part of the review, the SAAs will prioritize (score) all NSGP IJs by ranking each IJ from highest to lowest, based on the SAA's subject matter expertise and discretion. In scoring, the SAA will consider Need (the relative need for the nonprofit organization compared to the other applicants) and Impact (the feasibility of the proposed project and how effectively the proposed project addresses the identified need) of each applicant.

Federal Review: Generally speaking, both NSGP-UA and NSGP-S will be selected from the highest to lowest scores until available funding has been exhausted. There are four considerations/factors that will impact the scoring and final award decisions: 1) Whether the sub-applicant is deemed at a high risk of terrorist attacks due to their ideology, beliefs, or mission 2) Whether the sub-applicant has previously received an award; 3) U.S. intelligence community reporting on security risks; and 4) All final funding determinations will be made by the Secretary of Homeland Security, who retains the discretion to consider other factors and information in addition to DHS/FEMA's funding recommendations.

Note: Once award decisions are made, a sub-applicant is generally and most likely not going to receive a breakdown or explanation of how their application was scored (especially at the federal level of review). Some SAAs may provide some feedback but that would be the exception.

Note: We will break down the scoring process further in later guidance.

The following is the general evaluation criteria:

- For **NSGP-UA**: State and Federal verification that the nonprofit organization is located within one of the UASI-designated urban areas; and for **NSPG-S**, verification that the nonprofit is located outside of one of the UASI-designated urban areas
- Identification and substantiation of current or persistent threats or attacks (from within or outside the United States) by a terrorist organization, network, or cell against the applicant based on their **ideology, beliefs, or mission**

Note: **This is a critical criterion which will be highlighted in later guidance.**

- Symbolic value of the site(s) as a highly recognized regional and/or national or historical institution(s) that renders the site a possible target of terrorism
- Role of the applicant nonprofit organization in responding to or recovering from terrorist attacks
- Findings from previously conducted **threat and/or vulnerability assessments (Note: This is a critical criterion which will be highlighted in later guidance)**
- Integration of nonprofit preparedness with broader state and local preparedness efforts
- Complete and feasible IJ that addresses an identified risk, including the assessed threat, vulnerability, and consequence of the risk, and proposes building or sustaining a core capability identified in The National Preparedness Goal
- History of prior funding under NSGP. Not having received prior year NSGP funding is a positive factor when calculating the state score of the application (bonus points may apply)

Note: **Additional guidance on completing the IJ and satisfying the evaluation criteria will be provided in later guidance.**

Notice of Award: After the state and federal review process, FEMA will make funding recommendations to the Secretary of Homeland Security. All final funding determinations will be made by the Secretary of Homeland Security. Post-award steps:

- FEMA will make notification of award approval to the State Administrative Agencies
- The SAAs will make notification of award approval to the nonprofit organizations
- Nonprofit organizations approved for an award will be required to enter a cooperative agreement with FEMA/SAAs, which will require submission of various financial and programmatic plans and reports during the project phases as a condition of award acceptance. They will also need to comply with all Environmental Planning and Historic Preservation (EHP) regulations (this is a standard certification for all FEMA grant programs). Certain preliminary requisites will be required to be satisfied before spending down the grant will be permitted.

Note: **We will provide post-award guidance after the Notice of Award has been made.**

Permissible Costs

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.

Note: 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 **security-related training** 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 must be able to sustain this capability in future years without NSGP funding, and a sustainment plan will be required for any award funding this capability.** (Some SAAs may require that the sustainment plan be provided at the time of the application while others may require it as part of the post-award project closeout package.)
- **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 NSGP funding 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. This will be explained in greater detail in later guidance.

NSGP Investment Modification Requests:

Requesting a change in the scope or objective 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 and will be **considered on a case-by-case basis**. 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.

Note: Requested changes in scope will inevitably (and conceivably significantly) delay the release of funds for an approved award.

Vulnerability/Risk Assessment

Overview

The NSGP provides funding support for hardening and other physical security enhancements to nonprofit organizations that are at high risk of terrorist attack. NSGP project funding is based on the ability of proposed projects to mitigate the risk factors identified in the applications (the Investment Justifications (IJ)). **Funded projects must be both feasible and effective at reducing the risks for which the projects were designed.**

The risk factors for which the IJ is based are derived from a vulnerability/risk assessment each NSGP project applicant is required to conduct and submit with the IJ to the SAA. NSGP projects are assessed based significantly on the ability of a proposed project to mitigate the risk factors identified in the IJ. **Past applicants who have recently conducted a risk/vulnerability assessment may rely on it again for FY 2021.** However, they will be limited to addressing the risks set forth in the previously conducted assessment. It is recommended that any **risk assessment more than two-years old be reevaluated or updated** to capture emerging risks and the corollary investments.

Note: An early priority of any nonprofit applying for the grant is to get a risk assessment completed, as it becomes the building block for developing the project and completing the IJ.

Vulnerability/Risk Assessment Preliminary Guidance

In making decisions, the determination of risk is a central factor in how the SAAs and FEMA rank and prioritize the applications they review. This is why each applicant must provide a Vulnerability/Risk Assessment, which serves as a framework for the applicant to use to identify risks and weaknesses and prioritize resources that address their most critical security needs.

Often **local police departments will conduct such an assessment, as do private companies.** Also, our colleagues at the **Secure Community Network (SCN) (and related community security directors and**

regional security advisors, as applicable) may be able to help, as described in Recommendation 3, below.

In practical terms the vulnerability/risk assessment is used to complete two sections of the application (IJ): Part III. Risk and Part IV. Target Hardening & Training. These sections address risk, vulnerability and consequences of an attack and the recommend investments to mitigate them (See below under Investment Justification).

Note: A good vulnerability/risk assessment will identify any specific record of or relevant threat to the applicant and describe the vulnerabilities to be addressed through the grant award. It should spell out the specific protective measures required or recommended (whether target hardening, planning, training or exercises) that would most efficiently and effectively counter the risks, minimize the vulnerabilities and mitigate the potential consequences of an attack.

Recommendations

Recommendation 1 – Risk Assessor Should be Familiar with the IJ

Whoever is conducting the risk assessment, the applicant should make sure that assessor is familiar with (has a copy of) the IJ template, and, particularly, the Risk and Target Hardening & Training sections, and **designs or organizes the assessment report in a manner that is consistent with and helpful to completing the IJ.**

Note: A SAMPLE of the IJ is attached (it is for illustrative purposes only and should NOT to be completed). Only the IJ posted with or at the time the FY 2021 Notice of Funding Opportunity commences should be used.

Recommendation 2 -- Emergency Planning & Training Activities should be Considered

Historically the NSGP has been restricted to purchases related to target hardening and physical security equipment. In recent years, funding allowances have expanded to place a priority focus on security-related training and other planning and preparedness activities, to include the development of emergency plans and procedures. As we have seen in past incidents and attacks, training and emergency response plans are some of the best investments organizations can make as part of a comprehensive physical-security program and have saved lives. As such, **we encourage applicants to include emergency planning and training activities as part of their grant applications.**

Note: Emergency planning and training activities need to be identified within the vulnerability/risk assessment if they are to be included in the IJ.

Recommendation 3 -- The Secure Community Network, Community Security Directors, and Regional Security Advisors may be Helpful

The Secure Community Network (SCN)¹ provides a range of services to assist organizations and facilities in support of the NSGP process. With respect to grant applications, **SCN provides assessments** as well as services in support of the application process. Post-grant award, SCN can provide technical information and advice. Additionally, SCN provides several training courses, tabletop exercises and related preparedness and training opportunities that may be funded with NSGP grant funds.

We encourage you to contact SCN as you begin your planning process and for assistance with assessments and critical infrastructure planning consultation. **Communities with local Community Security Directors or Regional Security Advisors, are encouraged to connect directly with those dedicated resources.**

Note: Due to the volume of requests during grant season, SCN can conduct a limited number of assessments on a first-come, first-serve basis. For General Inquiries & Security Consultation, individuals may contact SCN by email (dutydesk@securecommunitynetwork.org) or by phone 844.SCN.DESK to be connected with SCN security experts. For Training Requests, individuals may inquire about trainings, or to schedule one for their community and/or facility, please contact our Training Desk via email at training@securecommunitynetwork.org.

¹ SCN is a non-profit organization that serves as the official safety and security organization of the Jewish community in North America, working under the auspices of The Jewish Federations of North America and the Conference of Presidents of Major American Jewish Organizations.