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Office of State and Local Government Coordination and Preparedness

Office for Domestic Preparedness

*Fiscal Year 2005
Freight Rail Security Program*

Program Guidelines and Application Kit



U.S. DEPARTMENT OF HOMELAND SECURITY

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Program Description

Overview. The FY2005 Freight Rail Security Program (FRSP) will provide financial assistance to the Railroad Research Foundation (RRF) to oversee the development and deployment of demonstration projects that offer the potential for long-term enhancement of freight rail security. The program is administered by the Office of State and Local Government Coordination and Preparedness (SLGCP), Office for Domestic Preparedness (ODP), within the Department of Homeland Security (DHS).

Background. The recent railroad accident and chlorine release from a railroad tank car in Graniteville, South Carolina, has focused attention on the risks of transporting hazardous materials by rail. In addition to the risk arising from railroad accidents – collisions and derailments – there is also a great deal of concern about the risks posed by the malicious actions of terrorists. Federal, State and local governments all have a strong interest in being able to evaluate these risks, so as to be able to design and implement more effective prevention and response plans.

SLGCP plans to meet the challenges posed by this effort through the development of teaming arrangements with the Transportation Security Administration (TSA) and the Information Analysis and Infrastructure Protection Directorate (IAIP) within DHS, and the Federal Railroad Administration (FRA), and Pipeline and Hazardous Materials Safety Administration (PHMSA) within the Department of Transportation (DOT). These projects will be carried out in accordance with the Memorandum of Understanding between DHS and DOT on roles and responsibilities that was signed by the respective Department Deputy Secretaries in September, 2004. Through this team approach, SLGCP, TSA, IAIP, FRA, and PHMSA will engage stakeholders at the ground level in designing a comprehensive and meaningful strategy for successful implementation of the proposed demonstration projects. This arrangement will also assist SLGCP in determining appropriate programmatic priorities, validating approaches, ensuring feasibility and establishing measures of effectiveness and compliance with DHS, DOT, and other Federal requirements.

As part of this process, industry representatives and regional players whose systems and activities would be impacted by the proposed projects would also be engaged as partners. SLGCP will provide funding to the Railroad Research Foundation (RRF), which will execute FY 2005 Freight Rail Security Program (FRSP) projects on behalf of the Government.

Program and Application Guidelines

1) Program Information

- a) Grants Management. This is a cooperative agreement program. The nature of the federal involvement in the execution of this program may range from joint conduct of a project to prior approval of a new project or the next phase of an approved project. A few examples of substantial involvement may include the following:
 - (1) Collaboration, participation, and/or intervention in any activity covered by the cooperative agreement.
 - (2) ODP approval prior to the selection of a new project or commencement of the next phase of an approved project.
 - (3) Authority for ODP to halt an activity if detailed performance specifications are not met.
 - (4) Authority for ODP to direct or redirect the scope of work of a project based on new circumstances.
 - (5) Authority for ODP to create an Executive Steering Committee and project management teams composed of key federal and private sector stakeholders to provide guidance and coordination for FRSP activities (See Appendix C).
- b) Authorizing Statute. Public Law 108-334, the FY2005 DHS Appropriations Act, provides funding and authority for the FRSP.
- c) Funding available through the FY2005 FRSP is \$5,000,000.00.

2) Eligibility Information

- a) Eligible Applicant. The FY 2005 DHS Appropriations Act provides discretionary funds for a financial assistance program to create the Freight Rail Security Program (FRSP). Eligibility for funding under this program is limited to the Railroad Research Foundation (RRF).
- b) Eligible Projects/Proposals. Funding will be limited to the development and implementation of the three project priorities. (See Section 4)

c) Ineligible Projects/Proposals.

- (1) Proposals that do not comply with the terms of these instructions.
- (2) Proposals in which there is a real or apparent conflict of interest.

d) Ineligible Costs.

- (1) Personnel Costs as a separate line item. (Personnel costs may be included in the Management and Administrative Costs Line Item).
- (2) Maintenance Costs.
- (3) Monthly Service charges or recurring costs.

e) Cost Sharing or Matching.

- (1) There is no cost sharing or match requirement for this program.

f) Other.

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

3) Application and Submission Information

This cooperative agreement is offered by the U.S. Department of Homeland Security, Office for Domestic Preparedness. The program title listed in the Catalog of Federal Domestic Assistance (CFDA) is "*Office for Domestic Preparedness Rail and Transit Security Grant Program.*" The CFDA number is 97.075. When completing the on-line application, RRF should identify its submission as a new, non-construction application. The project period will be for a period not to exceed **30 months.**

The following steps must be completed using the on-line ODP Grants Management System (GMS) to ensure a successful application submission:

- a) **Applicants must apply for FY 2005 FRSP funding through GMS at <https://grants.ojp.usdoj.gov/>.** Applications must be received by ODP no later than July 21, 2005, 8:00 PM EST. Applications will not be accepted after this date and time.
- b) **On-Line Application, SF-424, Grant Application with Certifications.** The on-line application must be completed and submitted by an authorized representative of RRF using GMS. The on-line application replaces the following previously required paper forms:
- Standard Form 424, Application for Federal Assistance
 - Standard Form LLL, Disclosure of Lobbying Activities
 - OJP Form 4000/3, Assurances
 - OJP form 4061/6, Certifications
 - Equipment Coordination Certification
 - Non-Supplanting Certification
- c) **Point(s) of Contact.** The applicant must identify specific point(s) of contact (POC) to work with ODP on the implementation of the FY 2005 FRSP.
- d) **Project Narrative.** The applicant must submit a separate project narrative for each of the three project priorities. Do not combine project priorities under one narrative. Each narrative must not exceed 10 single-spaced pages and the type size shall not be smaller than 12 pitch/10 point type; page margins shall be no less than 1 inch from top and bottom, and left and right. Enter the title of the project priority on the top of each page of the attachment and number the pages. The narrative must contain the following information.
- i) **Project Priority.** The following is a list of the required project priorities under the FY 2005 FRSP. See Section 4 of this Program Guide for a description of each project priority.
- (a) Development of a Rail Corridor Risk Management Tool.
 - (b) Development of a Rail Corridor Hazmat Response and Recovery Tool.
 - (c) Development and demonstration of "Safe Haven" Concepts for In-Route Toxic Inhalation Hazard (TIH) shipments.
- ii) **Project Detail.** The following information about each project must be provided:
- (a) Management capabilities, including a description of technical plans for the project and a biographical summary of key personnel.
 - (b) Challenges and impediments to completing the project along with the proposed solutions.

Deleted: 8

(c) Major initiatives, including a chart showing milestones and target dates for project completion.

- e) **Budget Worksheet and Budget Narrative.** The applicant must submit a separate budget worksheet and budget narrative for each project priority. Do not combine project priorities under one budget and budget narrative. Enter the title of the project priority on the top of each page of the attachment and number the pages.

The applicant must provide a budget that (1) is complete, detailed, reasonable, allowable, and cost effective in relation to the proposed activities; (2) shows the cost calculations demonstrating how the applicant arrived at the total amount requested; and (3) provides a brief supporting budget narrative to link costs with project implementation (see below for more information about the budget narrative). The applicant must submit **both** a budget worksheet and a budget narrative for each project priority in one file. The worksheet provides the detailed computation for each budget item (often in spreadsheet format). The narrative justifies or explains each budget item and relates it to project activities.

- (i) **Budget Worksheet.** The budget worksheet must list the cost of each budget item and show how the cost was calculated. The budget worksheet should present a complete and detailed itemization of all proposed costs.

Note: Total costs specified in the budget detail worksheet must match the total grant amount requested.

- (ii) **Budget Narrative.** The budget narrative should closely follow the content of the budget worksheet and provide justification for all proposed costs. For example, the narrative should explain how fringe benefits were calculated, how travel costs were estimated, why particular items of equipment or supplies must be purchased, and how overhead or indirect costs (if applicable) were calculated. The budget narrative should justify the specific items listed in the budget worksheet (particularly supplies, travel, and equipment) and demonstrate that all costs are reasonable. A sample budget worksheet form that can be used as a guide to assist applicants in the preparation of the budget worksheet and budget narrative is available in Appendix A. and on OJP's web site. (www.ojp.usdoj.gov/forms.htm).

The information for each project priority in the application must be provided using one of the attachment fields within the on-line GMS application. Use separate attachment fields for each project priority in the application. Each attachment should use the following naming convention:

[Project Priority Title] Project Narrative
[Project Priority Title] Budget Narrative
[Project Priority Title] Budget Worksheet

- f) **Universal Identifier.** The applicant must provide a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number with the application. An application will not be considered complete until a valid DUNS number is provided by the applicant. This number is a required field within the on-line GMS application. 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 1-800-333-0505.

4) Funding Priorities.

Roughly 10 million tons of toxic inhalation hazard (TIH) chemicals are shipped by rail in the United States every year. This is a fraction of the 3.1 billion tons of hazardous materials shipped annually by all modes of transportation. However, a terrorist attack against a train carrying TIH in an urbanized area could endanger significant numbers of people. Improving the security of these shipments presents complex challenges because (1) the open infrastructure of rail transportation provides significant opportunity for attack, and (2) the need for just-in-time delivery of TIH chemicals to support essential services such as drinking water purification or important economic functions such as silicon chip production and manufacturing makes the use of TIH chemicals unavoidable. Terrorist attacks against TIH materials in transportation pose risks of fatalities and injuries due to direct exposure. Of primary concern is a catastrophic release in proximity to densely populated urban areas.

DHS and DOT are currently assessing the vulnerabilities of high-population areas where Toxic Inhalation Hazard (TIH) materials are moved by rail in significant quantity, and are working with industry to develop and implement measures for mitigating identified vulnerabilities and risks. DOT and DHS prioritized a list of high-risk locations. TSA is currently leading the DHS/DOT team to conduct vulnerability and risk assessments in selected high threat urban areas (HTUAs) and to develop protective measures that address hazardous materials security. The TSA-led team is comprised of IAIP (Protective Security Division), FRA and PHMSA (formerly RSPA). Eight cities have been selected for assessments by the end of 2005 (Houston, Chicago, New Orleans, Buffalo, Cleveland, Philadelphia, Los Angeles, and Jersey City).

As a result of these efforts, a number of specific requirements have been identified. To address these requirements and provide security solutions that offer long-term potential for freight rail security, the following required project priorities have been identified for the FY 2005 FRSP:

a) **Development of a Rail Corridor Risk Management Tool.**

This project must focus on the development of a web-based Rail Corridor Risk Management Tool (RCRMT) for use by the Federal, State and local governments and private industry. The RCRMT must leverage existing technologies and accepted risk management practices already in use by DHS and DOT where feasible, and incorporate new technologies and elements where necessary. In addition, the RCRMT must complement and support the rail corridor assessments currently being conducted by TSA, IAIP and FRA in eight locations nationwide. This project must also include the development of a comprehensive training curriculum for use of the Tool by State and local governments and industry.

The final stage of the program must include a field test of the Tool and associated training program in Chicago, Illinois. Chicago is the hub of our nation's rail transportation system, and is the busiest freight railroad gateway in North America. One-third of rail and truck cargo moves to, from or through the Chicago region. This project must leverage the work and existing structure of the Chicago Region Environmental and Transportation Efficiency Program (CREATE), a partnership of railroad industry, federal, state and local government officials^a.

Total funding available for this project priority: \$3,000,000.00

b) **Development of a Rail Corridor Hazmat Response and Recovery Tool.**

DOT is in the process of updating and revising regulatory requirements previously implemented under PHMSA docket HM-232 - Hazardous Materials: Security Requirements for Offerors and Transporters of Hazardous Materials, published on March 25, 2003 (68 FR 14509) as a result of responses to a request for comments published on August 16, 2004 (69 FR 50987) and experiences obtained through the joint DHS/DOT toxic inhalation hazard working group. One aspect the Departments are considering is the requirement to conduct safety/security risk analyses of current, and alternative, TIH routes. These requirements, if adopted, would mandate carriers to evaluate the safety and security risks present on each TIH route and at each railroad facility (yard, storage location, dispatching center) along the route, noting the specific measures the railroad has taken to ameliorate the noted risks. Among the factors to be considered in the analysis are:

^a The CREATE project represents a major effort to streamline railroad operations (passenger and freight), increase efficiency, reduce highway congestion, improve safety (rail and highway) and improve emergency response capabilities in the Chicago region. It is a collaborative effort funded by the railroad industry, the Illinois DOT, the City of Chicago and federal grants.

- Volume of material transported
- Presence or absence of signals and train control systems along route (dark vs. signaled territory)
- Track conditions
- Proximity to iconic targets or environmentally sensitive areas
- Population density along route
- Venues along route (stations, events, places of congregation)
- Emergency response capabilities along route
- Trip length for route
- Areas of high vulnerability along route
- Presence of passenger traffic along route (shared track)
- Number and types of grade crossings and public access points
- Grade and grade curvature
- Hazard detection equipment installed along the right-of-way
- Single vs. double track
- Density and speed of train operations

To address these challenges, the Rail Corridor Hazmat Response and Recovery Tool (RCHRRT) project must focus on the development of a web-based tool that would support assessment of routes based on risk, and assist Federal, State and local emergency response and recovery agencies in allocating appropriate resources in the most needed TIH rail corridors and rail segments. Specifically, the RCHRRT project must provide:

- A protocol for performing route-specific risk reviews to identify and evaluate hazmat risk factors and to inform route selection decisions. The protocol will identify risk factors and emergency preparedness levels of communities along specific routes, but it will not attempt to quantify associated risks.
- Route-specific risk indices for specific routes that measure relative route-level risks for hazmat shipments, and which can be implemented without an extensive, time consuming effort to identify, manipulate, and compile data.
- A rail hazmat transportation risk model to quantify the likelihood and consequences of hazmat releases due to railroad accidents that accounts for emergency response capabilities where applicable. The model should be able to meet key user requirements without requiring an excessively complex and time-consuming development effort.

The RCHRRT must also complement and benefit from the activities proposed in the first project. Whereas the RCRMT is intended to advise and inform decisions about security and countermeasure enhancements, RCHRRT would provide State and local emergency managers with a tool that would significantly enhance their response planning and incident response and recovery capabilities related

to rail operations. The RCHRRT must leverage existing commercial and government off the shelf solutions, which would in turn facilitate connectivity with a broader user community. The final stage of the project will include a field test of the Tool in Chicago, Illinois. As with the RCRMT, this project must leverage the work and existing structure of the CREATE partnership. This would also allow for side-by-side usage of the two Tools to determine their compatibility and potential for integration.

Total funding available for this project priority: \$500,000.00

c) **Development and Demonstration of “Safe Haven” Concepts for In-Route TIH Shipments.**

The safe haven concept will provide an enhanced level of security for “lock-down” facilities that handle bulk TIH shipments. The strategy will also focus on expediting the movement of trains carrying bulk TIH from lock-down facilities to customers’ secured facilities or other rail lock-down facilities.

The first phase of this project must involve the evaluation of potential procedures and technologies to reduce access to rail cars carrying TIH materials. This evaluation would include consideration of the alert level security actions developed by the railroad and chemical industries (customer storage of hazardous materials on leased track, reducing inventory in yards and plants, protocols for handling and securing in-route shipments and coordination with FBI WMD district offices).

The second phase of the project must include field tests of the solution sets at several sights along the New Jersey Freight Rail Corridor. These field tests would be conducted in partnership with industry, as well as applicable State and local authorities.

Total funding available for this project priority: \$1,500,000.00

5) Award Administration Information.

- a) **Notice of Funding.** An ODP official will notify the applicant concerning final approval of funding.
- b) **Reporting.** The following reports are required of all program participants.
 - (i) Financial Status Reports (FSRs) – Standard Form 269
Obligations and expenditures must be reported to ODP on a quarterly basis through the FSRs, which are due within 45 days of the end of each calendar quarter. A report must be submitted for every quarter the award is active, including partial calendar quarters, as well as for periods where no

grant activity occurs. The OJP OC will provide a copy of this form in the initial award package. ***Future awards and fund draw downs will be withheld if these reports are delinquent.***

- (ii) Categorical Assistance Progress Reports - OJP Form 4587/1
Categorical Assistance Progress Reports are due within 30 days after the end of the reporting periods, which are June 30 and December 31, for the life of the award. The OJP Office of the Comptroller will provide a copy of this form in the initial award package. Future awards and fund draw downs will be withheld if these reports are delinquent. Instructions for completing the Categorical Assistance Progress Report are on the reverse side of the form. A copy of these instructions is also included.
- (iii) 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 Accounting 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/index.html>. Audit reports are currently due to the Federal Audit Clearinghouse no later than 9 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 2005 FRSP assistance for audit and examination purposes, provided that, in the opinion of the Secretary of Homeland Security or the Comptroller General, these documents are related to the receipt or use of such assistance. The grantee will also give the sponsoring agency or the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers or documents related to the grant.

The State shall require that sub-recipients 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.

6) Award Requirements.

- a) **Monitoring.** The applicant will be monitored periodically by ODP to ensure that the project goals, objectives, timelines, budgets and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based and on-site monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, and administrative issues relative to each program, and will identify areas where technical assistance and other support may be needed.

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

- b) **Grant Close-out Process.** Within 120 days after the end of the grant period, the grantee will submit a final FSR and a final CAPR detailing all accomplishments throughout the project. After both of these reports have been reviewed and approved by ODP, a Grant Adjustment Notice (GAN) will be completed to close-out the grant. The GAN will indicate the project as being closed, list any remaining funds that will be de-obligated, and address the requirement of maintaining the grant records for three years from the date of the final FSR. After the financial information is received and approved by the OJP Office of the Comptroller, the grant will be identified as "Closed by the Office of the Comptroller."

7) Freedom of Information Act (FOIA). ODP 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. This may include threat, risk, and needs assessment information, and discussions of demographics, transportation, public works, and industrial and public health infrastructures. While this information under federal control is subject to requests made pursuant to the Freedom of Information Act, 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 DHS FOIA Office, and may likely fall within one or more of the available exemptions under the Act. Applicants are also encouraged to consult their 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.

8) Financial Requirements.

- a) **Non-Supplanting Certification.** This certification, which is a required component of the on-line GMS application, affirms that these grant funds will be used to supplement existing funds, and will not replace (supplant) funds that have been appropriated for the same purpose. Potential supplanting will be addressed in the application review, as well as in the pre-award review, post-award monitoring and any potential audits. 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.

- b) **Match Requirement.** There is no match requirement for this program.
- c) **Assurances.** The on-line GMS application includes a list of assurances that the applicant must comply with in order to receive federal funds under this program. It is the responsibility of the recipient of the federal funds to fully understand and comply with these requirements. Failure to comply may result in the withholding of funds, termination of the award, or other sanctions. The applicant will be agreeing to these assurances upon the submission of the application.
- d) **Certifications Regarding Lobbying; Debarment, Suspension, and Other Responsibility Matters; and Drug-Free Workplace Requirement.** This certification, which is a required component of the on-line application, commits the applicant to compliance with the certification requirements under 28 CFR part 67, *Government-wide Debarment and Suspension (Non-procurement)*; 28 CFR part 69, *New Restrictions on Lobbying*; and 28 CFR part 83 *Government-wide Requirements for Drug-Free Workplace (Grants)*. All of these can be referenced at: http://www.access.gpo.gov/nara/cfr/waisidx_04/28cfrv2_04.html.
- e) The certification will be treated as a material representation of the fact upon which reliance will be placed by DHS in awarding grants.
- f) **Suspension or Termination of Funding.** DHS, by written notice, may terminate this grant, in whole or in part, when it is in the Government's interest.

9) Drawdown and Expenditure of Funds.

The Office of Justice Programs' (OJP) Office of the Comptroller (OC) will continue to provide fiscal support of the grant programs included in this solicitation. All grant and sub-grant recipients should refer to the *OJP Financial Guide*, available at: <http://www.ojp.usdoj.gov/FinGuide/>

Following **acceptance of** the grant award and release of any special conditions **withholding funds**, the grantee can drawdown and expend grant funds through the ASAP, PAPRS or LOCES payment systems.

In support of our continuing effort to meet the accelerated financial statement reporting requirements mandated by the U. S. Department of the Treasury and the Office of Management and Budget (OMB), payment processing will be interrupted during the last five (5) working days each month. SAAs should make payment requests before the last five working days of the month to avoid delays in deposit of payments.

For example, for the month of September, the last day to request (draw down) payments will be September 23, 2004. Payments requested after September 23,

2004 will be processed when the regular schedule resumes on October 1, 2004. A similar schedule will follow at the end of each month thereafter.

To avoid denial of payment requests, grantees are encouraged to submit their SF269a Financial Status Reports (see detail in Section IV, Reporting Requirements) on-line at <http://grants.ojp.usdoj.gov>. Additional information and instructions are available at this website.

10) Other Information.

These are the initial application instructions under FRSP using Fiscal Year 2005 funds. Future funding will be dependant upon appropriations from congress.

11) Contacts.

For further information about these instructions, contact the Centralized Scheduling and Information Desk (CSID). **The CSID may be contacted at 1-800-368-6498 or askcsid@dhs.gov. CSID hours of operation are from 8:00 am–7:00 pm (EST), Monday-Friday.**

APPENDIX A

Required Budget Worksheet Form

Required Budget Worksheet Form

OMB Approval No. 1121-0188
Expires 5-98 (Rev. 12/97)

Purpose: The Budget Detail Worksheet may be used as a guide to assist you 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>
----------------------	--------------------	-------------

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>
----------------------	--------------------	-------------

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</u>	<u>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>
-------------	--------------------	-------------

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.

<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. Consultant fees in excess of \$450 per day require additional justification and prior approval from ODP.

<u>Name of Consultant</u>	<u>Service Provided</u>	<u>Computation</u>	<u>Cost</u>
---------------------------	-------------------------	--------------------	-------------

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>
-------------	-----------------	--------------------	-------------

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>
-------------	-------------

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.

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

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>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 _____

APPENDIX B

SAMPLE AWARD PACKAGE

Sample Award Package

TAB 1: SAMPLE REVIEW OF AWARD

Office of Justice Programs Post Award Instructions for ODP Awards

1. Review Award and Special Conditions Document.

Carefully read the award and any special conditions or other attachments. There is an original plus one copy of the award page.

If you agree with the terms and conditions, the authorized official should sign and date both the original and the copy of the award document page in Block 19. You should maintain a copy and return the original signed documents to:

Office of Justice Programs
Attn: Control Desk - ODP Award
810 Seventh Street, NW – 5th Floor
Washington, DC 20531

If you do not agree with the terms and conditions, contact the awarding ODP Grants Officer as noted in the award package.

2. Read Guidelines.

Become familiar with the "*OJP Financial Guide*" which is available through the internet at the OJP, Office of the Comptroller website:

<http://www.ojp.usdoj.gov/oc/>. New award recipients are automatically placed on a mailing list to receive future Guides and their change sets.

Up to 5 copies of the Guide may be ordered at no cost through:
<http://puborder.ncjrs.org>

You may also order the Guide by calling 1-800-851-3420. Select #2 for publications, select #1 to speak with a publications specialist.

TAB 2: SAMPLE POST AWARD INSTRUCTION

U. S. Department of Justice
Office of Justice Programs
Office of the Comptroller

Post Award Instructions

The OJP is currently responsible for the financial administration of grants awarded by the ODP.

The following is provided as a guide for the administration of awards from ODP. Forms and other documents illustrating each step are attached.

Step 1. Review Award and Special Conditions.

If you agree with the terms and conditions stated in the award, sign and date the award document and the last page of the Special Conditions, and return to OJP. Notify your ODP Grants Officer when Special Conditions have been met (refer to Step 1 attachment);

If you do not agree with the terms and conditions as written, contact your ODP Grants Officer.

Step 2. Read Guidelines.

Read and become familiar with the *OJP Financial Guide* and related material (refer to Step 2 attachment).

Step 3. Complete and Return ACH Form.

The Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form (refer to Step 3 attachment) is used to arrange direct deposit of funds into your designated bank account.

Step 4. Access to Payment Systems.

OJP uses two payment systems: Phone Activated Paperless System (PAPRS) and Letter of Credit Electronic Certification System (LOCES) (refer to Step 4 attachment). Current LOCES users will see the addition of new ODP grants on the LOCES grant number listing as soon as the ODP award acceptance has been received. PAPRS grantees will receive a letter with the award package containing their PIN to access the system and Grant ID information.

Step 5. Reporting Requirements.

Reporting requirements must be met during the life of the grant (refer to the *OJP Financial Guide* for a full explanation of these requirements, special conditions and any applicable exceptions). The payment systems contain edits which will prevent access to funds if reporting requirements are not met on a timely basis. Refer to Step 5 attachments for forms, due date information, and instructions.

Step 6. Questions about your ODP award?

A reference sheet is provided containing frequently asked financial questions and answers. If you have questions concerning this checklist or any financial aspect of your award, contact the Office of the Comptroller's Customer Service Center at **1-800-458-0786** or by email at askoc@ojp.usdoj.gov. Customer Service staff are available from 9:00 a.m. to 6:00 p.m. EST, Monday-Friday.

APPENDIX C

PROJECT GOVERNANCE STRUCTURE

Project Governance Structure



Office of the Secretary
Office of State and Local Government
Coordination and Preparedness

FY 2005 Freight Rail Security Program: Project Management, Funding and Coordination

