



FEMA

June 2005

Guidance for Preparing and Managing
the Chemical Stockpile Emergency
Preparedness Program (CSEPP)

Cooperative Agreement (CA) Application

FISCAL YEAR 2006

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Prepared by:

The Office of Financial Management and
The CSEPP Program Office

DHS/FEMA uses the **Uniform Administrative Requirements For Grants And Cooperative Agreements To State And Local Governments** from Part 13 of the Code of Federal Regulations Title 44 to award Federal funds and monitor financial expenditures and project performance of a Subgrantee/Grantee. The following forms, record keeping, and other information requirements have been approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995, as amended.

The public reporting burden is estimated as follows:

- Reading, Understanding, and Using Modules, *8 hours*
- SF 424, Application for Federal Assistance, *1 hour*
- Indirect Cost Agreement, *2 hours*
- FEMA Form 20-10, Financial Status Report, *8.2 hours*
- FEMA Form 20-16, Summary Sheet for Assurances and Certifications, *1.7 hours*
- Budget Deviations, *2.2 hours*
- FEMA Form 20-18, Report of Government Property, *4.2 hours*
- FEMA Form 20-20, Budget Information—Nonconstruction Programs, *9.7 hours*
- Suggested Narrative Statement, *12.2 hours*
- FEMA Form 76-10A, Obligating Document for Award/Amendment, *1.2 hours*

The burden estimate includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing, reviewing, and submitting the data. Send comments regarding the accuracy of the burden estimate and any suggestions for reducing the burden to: Information Collections Management, DHS/FEMA, 500 C STREET, SW, WASHINGTON, DC 20472.

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Guidance for Preparing and Managing the Chemical Stockpile Emergency Preparedness Program (CSEPP) Cooperative Agreement (CA) Application

EFFECTIVE DATE: October 1, 2005

ACTION REQUIRED: Using the CSEPP CA Tools software application, prepare the narrative statement, work plans, and funding requests. The required FEMA forms will be automatically produced by the CSEPP CA Tools software.

SUBMITTAL PROCEDURES: Print the following documents from the CA Tools software, sign (where appropriate), and submit to the DHS/FEMA Regional Director.

- 1) Original and two signed copies of SF 424, Application for Federal Assistance (attach Indirect Cost Agreement if reimbursements for indirect costs are requested).
- 2) Signed FEMA Form 20-20, Budget Information—Nonconstruction Programs.
- 3) Program Narrative Statement.
- 4) Signed copy of FEMA Form 20-16, Summary Sheet for Assurances and Certifications.
- 5) Work Plans for all CSEPP-funded personnel.
- 6) Signed copy of CSEPP CA Tools Request for Funding Worksheets.

In addition, an electronic copy of the application from CSEPP CA Tools must be submitted to the DHS/FEMA Regional CSEPP Program Manager.

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Overview of CSEPP Application Changes for FY 2006

A *Translating Goals and Objectives from the CSEPP Strategic Plan into FY2006 Cooperative Agreements*

In accordance with the Government Performance and Results Act of 1993 (GPRA), the CSEPP Strategic Plan <http://www.cseppportal.net/Secure/documents/CSEPP_Info/General/CSEPP_Strat_Plan_final.pdf> includes a comprehensive mission statement; a general description of goals and objectives and how these will be achieved; a description of performance measures used; and identification of key factors that could affect achievement of the general goals and objectives.

The CSEPP Strategic Plan incorporates the CSEPP National Benchmarks (CNB) as core long-term goals of this program. The successful execution of the CSEPP mission relies on the ability of the States, Tribal, local governments, and installations to meet and sustain full compliance of the 12 CNBs. These CNBs are a key tool in the planning, programming, and budgeting of CSEPP efforts at the installations and State, Tribal and local governments. In addition, the CNBs are used to assess and report the status of CSEPP efforts at and around the chemical stockpile sites within the United States. State, Tribal and local governments should develop performance goals that are expressed in objective and quantifiable measures for each of the CNBs. This will allow for an accurate and independent determination that the program is successful in accordance with accepted GPRA guidelines.

The U.S. Army Chemical Materials Agency and Department of Homeland Security/Federal Emergency Management Agency (DHS/FEMA) has performance plans to guide the execution of their chemical demilitarization program and Federal support to State, Tribal, and local governments. The FY2006 CSEPP Performance Plan provides specific performance goals and measures for the fiscal year; a description of the processes and skills, the technology, human resources, and other resources needed to meet the goals; and a description of how the results will be verified and validated.

State, Tribal and local governments have the responsibility to develop program narratives that identify the goals/objectives and expected outcomes required to maintain CNB capabilities and address capability shortfalls in FY2006. State, Tribal and local governments will develop personnel work plans that assign tasks to implement the goals/objectives contained in the program narratives. The budget is then created based on the resources required to accomplish the assigned tasks.

B CSEPP Cooperative Agreement Software

CA Tools is the software system that guides users through each stage of the CSEPP cooperative agreement management process by prompting the user to enter information and to move from screen to screen. CA Tools must be used to create the required narrative statements, work plans, funding requests, and the financial forms that meet the requirements of the Office of Management and Budget (OMB) Circular A-102, *Grants and Cooperative Agreements with State and Local Governments*. CA Tools also provides the CSEPP Program Manager the ability to track cooperative agreement expenditures against measurable outcomes.

C CSEPP Cooperative Agreement Submission Requirements.

The State or Tribal government receives a Request for Application (RFA) from the DHS/FEMA Regional Office. The RFA contains this guidance package for preparing a CSEPP Cooperative Agreement Application.

State, Tribal, and local governments are required to prepare a six-part CSEPP CA Application. The State or Tribal government will then review the application and, if necessary, returns it for corrections and/or additions. The final application will be signed and forwarded to the State or Tribal government.

The State or Tribal government consolidates all Subgrantee CSEPP CA Applications. The complete cooperative agreement application will then be submitted to the Regional Office. The Regional Office will then review the application and, if necessary, request any omitted information from the grantee. The review of the application by the Regional Office (including funding recommendations) will then be forwarded to FEMA Headquarters for final approval. Upon receipt of appropriated off-post funding from the U.S. Army, FEMA Headquarters will provide the approved funding to each Regional Office, which then will issue the CA award and funding to the grantee(s).

Part I Program Narratives

A Purpose

The program narrative for nonconstruction programs provides a brief description of the objective, need, approach, results or benefits expected, and the geographical location of the project and the benefits expected to be obtained from the assistance as outlined in OMB Circular A-102. In the CSEPP CA, objective and need correlate to goal; approach correlates to task description; results or benefits expected correlate to expected outcomes and geographical location correlates to the State, Tribal or local government.

B Preparation Guidance

A program narrative statement is prepared for each applicable CSEPP National Benchmark. A suggested template for CNB program narratives exist in Appendix B of the CA Tools Users Guide <http://www.cseppportal.net/Secure/applications/CA_Tools_v30_UG_FINAL_with_cover.pdf>. Narratives should be constructed in accordance with the following guidance from OMB Circular A-102:

Goal (Objectives and Need for This Assistance)

- Pinpoint any relevant physical, economic, social, financial, institutional, or other problems requiring a solution.
- Demonstrate the need for assistance and state the principle and subordinate objectives of the project. Supporting documentation or other testimonies from concerned interests other than the applicant may be used. Any relevant data based on planning studies should be included or footnote.

Task Description (Approach)

- Outline a plan of action pertaining to the scope and detail of how the proposed work will be accomplished for each cooperative agreement program.
- Cite factors which might accelerate or decelerate the work and your reason for taking this approach as opposed to others.
- Describe any unusual features of the program such as design or technological innovations, reductions in cost or time, or extraordinary social and community, involvement.
- Provide quantitative quarterly projections of the accomplishments to be achieved through the cooperative agreement.
- When accomplishments cannot be quantified by activity or function, list them in chronological order to show the schedule of accomplishments and their target dates (such as milestones).

- Identify the kinds of data to be collected and maintained and discuss the criteria to be used to evaluate the results and successes of the project.
- Explain the methodology that will be used to determine if the needs identified and discussed are being met and if the results and benefits identified are being achieved.
- List each organization, consultant, or other key individuals who will work on the project along with a short description of the nature of their effort or contribution.

Expected Outcomes (Results or Benefits Expected)

- Identify results and benefits to be derived with respect to the emergency preparedness capabilities of the grantee/subgrantee.

Geographic Location

- Complete Item 12 in the Standard Form 424 “Areas Affected by Project (Cities, Counties, States, etc.)”

Part II Work Plans for All CSEPP Funded Personnel

A Purpose

Annual Work Plans for State, Tribal and local government CSEPP personnel assign tasks to implement the goals/objectives contained in the program narratives.

B CSEPP Personnel Usage Policy

In developing the personnel Work Plans, the following must be considered:

- Fully funded CSEPP positions are restricted in their availability to perform non-CSEPP activities and must work full time on CSEPP. The only exception to this policy is for direct response to emergencies or disasters for a period of up to two weeks.
- If a position is partially funded by CSEPP, the grantee/subgrantee must ensure that the individual's time performing CSEPP-related work is proportional to the percentage paid by CSEPP.

C Work Plan Guidance

Use CA Tools software to add/edit personnel and develop individual Work Plans addressing the following:

- Identify tasks to be performed by the individual staffing each fully or partially CSEPP-funded position.
- Describe tasks in quantitative terms.
- Identify expected results of task performance.
- Identify schedules for performance of tasks.

D Sample Work Plans

Sample Work Plans are available on the CSEPP Portal in the Budget/CA section. <<http://www.cseppportal.net/Secure/category.aspx?q=38>>

Part III Preparation Guidance for CSEPP Budget Submission

A Purpose

After the Program Narratives and Work Plans have been completed, the grantee/subgrantee prepares a budget that identifies the resources needed to accomplish the assigned tasks.

B Life-Cycle Cost Estimate (LCCE)

Each CSEPP State, Tribal or local government develops a LCCE outlining the cost for all anticipated programmatic requirements. The LCCE is a component of the overall Department of Defense planning, programming, budgeting, and execution process. As Grantees/Subgrantees are aware, costs projected under the LCCE do not constitute an entitlement of funds to the State, Tribal or local governments. However, the LCCE figures should be used as the basis for preparing budget requests. Funding requests in excess of the values identified in the LCCE will require validation and prioritization as part of the budget submission process.

C General Guidance

A CSEPP CA Request for Funding worksheet in CA Tools is used to create budget line items that are related to program tasks. Data from the CSEPP CA Request for Funding worksheets automatically populates by CNB the FEMA Form 20-20. In building the budget consider the following:

- Salary and benefits of filled positions should be given first priority.
- Travel and per diem activity should be projected at about the same level as the previous year. Any significant increases require justification.
- Base Operating Cost (BOC) items are annual and recurring operation and maintenance requirements.
 - Adjustments for BOC items more than 10% above the previous year cost amount will require justification in the Agency Explanation section of the Add/Edit Funding Requests worksheet in CA Tools.
 - Justifications for new BOC items are required to be included in the Agency Explanation section of the Add/Edit Funding Requests worksheet in CA Tools.
- Projects (e.g., equipment replacement, school overpressurization, etc) must be identified and prioritized for consideration with appropriate justification and cost data. Prioritization means each project requires a separate number. Projects should be requested as complete systems rather than fragmented or non-referenced parts of a system.

- For purposes of determining which type of appropriated funding should be requested for a project, the following applies: If the **project** is valued at \$250,000 or less, request O&M appropriated funds; If the **project** is valued at more than \$250,000, request Procurement appropriated funds.
- For purposes of defining a project as “Equipment” the following definition from 44 CFR, Chapter 13.3 applies: Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.
- Matching contributions and in-kind contributions must follow the requirements of 44 CFR 13.24. <http://www.access.gpo.gov/nara/cfr/waisidx_00/44cfr13_00.html>

D Guidance for CSEPP National Benchmarks (CNBs):

CSEPP National Benchmarks (CNB) are outlined in the CSEPP Strategic Plan and CSEPP Policy Paper #18. In accordance with the CSEPP National Benchmarks and the other Program Guidance for the Chemical Stockpile Emergency Preparedness Program, funding will be allocated to establish/upgrade/maintain capabilities listed below. The composition and scope of each of the following systems will be governed by the principle of “functional equivalency,” i.e. it is not necessary to provide every jurisdiction with identical assets, as long as their basic emergency management capabilities meet CSEPP guidance. The following definitions under the allowable costs column should be used to determine the CNB for a budget line item.

| | Allowable costs include... | Unallowable costs include... | Cost apportionment items... |
|---|--|---|--|
| General rules for all Benchmarks | <ul style="list-style-type: none"> ▪ Refer to items specified in OMB Circular A-87 <http://www.whitehouse.gov/omb/circulars/a87.html> and 44 CFR Part 13 ▪ Negotiated costs requirements necessary for CSEPP response capabilities and allowed by regulation. | <ul style="list-style-type: none"> ▪ Refer to items specified in OMB Circular A-87 <http://www.whitehouse.gov/omb/circulars/a87.html> and 44 CFR Part 13 ▪ Direct funding to host Counties ▪ Reprogramming funds to cost overruns, without prior Region approval; ▪ Assigning liability to CSEPP for costs greater than an approved budget item. | <ul style="list-style-type: none"> ▪ Shared costs that contribute to CSEPP capabilities as well as other required emergency programs. Requests for apportionment of allowable cost items must be approved by the Regional Office. |

| | Allowable costs include... | Unallowable costs include... | Cost apportionment items... |
|------------------------------------|---|---|-----------------------------|
| <p>Administration (ADM)</p> | <ul style="list-style-type: none"> ▪ Costs for office operations and maintenance for all CSEPP Benchmarks, except Medical. Business cards for 100% CSEPP funded personnel ▪ Telephone charges and associated utilities such as gas, electric, and water ▪ Supplies and expendable equipment with a useful life of one year or less and an acquisition cost of less than \$5,000 ▪ Contracted services including contracted personnel not attributable to another CNB ▪ Travel and per diem for all CSEPP purposes except medical ▪ One leased vehicle for State or Tribal government CSEPP travel ▪ One leased vehicle for IRZ County CSEPP travel ▪ Vehicle operations and maintenance ▪ Any allowable item not covered by another CSEPP National Benchmark category definition | <ul style="list-style-type: none"> ▪ Stationery, subscriptions to magazines and newspapers, uniforms, and membership dues ▪ Payments for copyrights ▪ Payments for lobbying costs ▪ Mileage and per diem rates in excess of approved local, State or Tribal, or Federal rates ▪ A vehicle for CSEPP emergency response by EOC staff. Note: Vehicles for decontamination and screening response (such as equipment trailers, trailer mounted decontamination systems, or prime movers for these trailers) may be allowable and should be requested under the Protective Action benchmark. ▪ A leased vehicle for PAZ or host County CSEPP travel ▪ Travel to non-CSEPP events ▪ Compliance with the Civil Rights and Americans with Disabilities Acts | |

| | Allowable costs include... | Unallowable costs include... | Cost apportionment items... |
|---|---|--|---|
| Alert and Notification (A&N) | <ul style="list-style-type: none"> ▪ Costs, including contracts, for the planning, locating, equipment acquisition and/or leasing, installation, testing, operating, and maintaining of CSEPP public alert and notification systems. <p>Note: Systems include indoor/outdoor alerting devices such as sirens and public address speakers, tone alert radios, telephone based warning systems, hot line ring down systems, and other audible warning devices.</p> | <ul style="list-style-type: none"> ▪ Weather warning capabilities except weather alert radios used as tone alert radios/indoor alerting systems under an agreement between the grantee or sub-grantee and the National Weather Service. | |
| Automated Data Processing System (ADP) | <ul style="list-style-type: none"> ▪ Costs, including contracts, for planning, equipment acquisition and/or leasing, software acquisition, installation, and testing | <ul style="list-style-type: none"> ▪ Hardware, software, and automation equipment/ maintenance that does not support CSEPP | <ul style="list-style-type: none"> ▪ Operating and maintaining automation systems for all benchmarks that support CSEPP as well as other operations |
| Communication System (COM) | <ul style="list-style-type: none"> ▪ Costs, including contracts, for planning, locating, equipment acquisition and/or leasing, installation, testing, operating, and maintaining communications services for direct support of emergency response operations ▪ Network linkage communications, dedicated non-public telephone systems, mobile and portable radio systems, pagers, and base stations | <ul style="list-style-type: none"> ▪ Communication systems not specifically required by CSEPP or systems supporting areas outside of CSEPP response communities ▪ Cell phones and user charges for non-CSEPP employees | <ul style="list-style-type: none"> ▪ Radio communications systems, pagers, mobile communications van, upgrade of existing State or Tribal government/county communications systems, cellular telephones and user charges, and communications equipment maintenance supporting CSEPP as part of a public safety response network. |
| Coordinated Plans (COP) | <ul style="list-style-type: none"> ▪ Costs related to building, maintaining, integrating, and coordinating CSEPP plans. This includes contractual cost and planning for Recovery and Reentry. | | |

| | Allowable costs include... | Unallowable costs include... | Cost apportionment items... |
|--|--|---|---|
| Emergency Operations Center (EOC) | <ul style="list-style-type: none"> ▪ Costs, including contracts, for planning, equipment acquisition and/or leasing, installing, testing, operating, and maintaining an EOC facility | | <ul style="list-style-type: none"> ▪ Mobile EOCs, EOC medical equipment beyond general first-aid, alternate EOCs and equipment, and routine custodial, maintenance and utility costs. If CSEPP has created an additional cost above previously in-place service, justification must be provided to Region for inclusion in the CSEPP budget. |
| Exercise Program (EX) | <ul style="list-style-type: none"> ▪ Costs, including contracts, for planning, conducting, and evaluating exercises of emergency preparedness plans and procedures in response to a simulated chemical agent incident/accident | | |
| Medical (MED) | <ul style="list-style-type: none"> ▪ CSEPP costs for planning and operating medical services and operating public health/medical support facilities ▪ Acquisition of medical equipment and supplies specific to a CSEPP response ▪ Salaries and benefits directly associated with the CSEPP medical program ▪ All travel, contractual costs, minor construction, or renovation costs associated with the CSEPP medical program ▪ Indirect costs associated with the CSEPP medical program ▪ Training and exercising of personnel associated with the CSEPP medical program | <ul style="list-style-type: none"> ▪ Construction of fixed decontamination facilities or decontamination rooms inside hospitals ▪ Mobile decontamination units for hospital use. Conversion of mobile units no longer required for field use to fixed hospital installations may be considered on a case-by-case basis. ▪ Additional personnel to perform decontamination ▪ Equipment, i.e., respirators, defibrillators ▪ Development of new CSEPP medical training courses | |

| | <p>Allowable costs include...</p> | <p>Unallowable costs include...</p> | <p>Cost apportionment items...</p> |
|-------------------------------|--|--|---|
| <p>Personnel (PER)</p> | <ul style="list-style-type: none"> ▪ Salaries and fringe benefits for full and part time State or Tribal and local government employees covered by a State or Tribal Government or local merit plan. <p>Exception: Salaries and benefits directly associated with the medical program are to be reported in the Medical Benchmark.</p> <p>Note: CSEPP positions, with approval of State and Region, may be reassigned to achieve the most benefit to the program.</p> <p>Note: CSEPP will only pay cost of living or appropriately scheduled raises for CSEPP funded personnel. A copy of the statute that approves the cost of living raise or other documentation for the salary increase must be submitted to Region.</p> | <ul style="list-style-type: none"> ▪ Reallocation of salary and benefit funds to unapproved projects or other personnel expenses without prior approval. ▪ Additional CSEPP FTEs; <p>Note: Adjustments within approved positions are allowable, as long as there is no net FTE increase.</p> | |

| | Allowable costs include... | Unallowable costs include... | Cost apportionment items... |
|--|--|---|-----------------------------|
| <p>Protective Actions (PRO)</p> | <ul style="list-style-type: none"> ▪ Equipment only for public and private-sector responders whose agencies or organizations have a defined role in CSEPP as delineated in the jurisdiction’s plan. This includes designated CSEPP hospitals. <p>Note: Equipment purchased with CSEPP funds shall be appropriate for the response activities specified in CSEPP programmatic and planning guidance.</p> <ul style="list-style-type: none"> ▪ Costs, including contracts for evacuation planning; shelter-in-place planning; sheltering improvements by expedient measures, permanent enhancements, or pressurization if required and approved; evacuation activities; reception center activities; mass care facilities; decontamination activities ▪ Costs for personal protective equipment acquisition ▪ Equipment acquisition for operating traffic and access control points, including: <ul style="list-style-type: none"> ○ barricades ○ traffic cones ○ portable visual alerting devices such as electric message signs ○ strobes ○ flares ▪ Vehicles for decontamination and screening response (such as equipment trailers, trailer mounted decontamination systems, or prime movers for these trailers) may be allowable | <ul style="list-style-type: none"> ▪ Special facility structures, equipment and supplies for prolonged collective protection or sheltering ▪ CSEPP funds may not be used to fund public or private-sector first responder positions. ▪ OSHA Level A ensembles will not be funded, as the missions typically performed in this level of protective clothing are not consistent with CSEPP guidance. | |

| | Allowable costs include... | Unallowable costs include... | Cost apportionment items... |
|--|--|--|---|
| Public Outreach and Education (POE) | <ul style="list-style-type: none"> ▪ Costs, including contracts, for planning, equipment acquisition, and production and distribution of materials needed to inform and educate the public about CSEPP ▪ Costs for planning, equipment acquisition and/or leasing, installation, testing, operating a Joint Information Center facility | | <ul style="list-style-type: none"> ▪ All-hazard information such as calendars, advertising promotional items and kiosks. ▪ Routine custodial, maintenance and utility costs for Joint Information Centers |
| Training (TNG) | <ul style="list-style-type: none"> ▪ Training only for public and private-sector responders whose agencies or organizations have a defined role in CSEPP as delineated in the jurisdiction’s plan. This includes hospital employees whose facilities are designated CSEPP hospitals. ▪ Costs, including contracts, consistent with the current CSEPP Training Plan and necessary to maintain the proficiency of emergency services providers/responders and CSEPP staff ▪ Training for qualifying responders that meets other statutory or regulatory requirements applicable to those responders may be funded if the majority of learning objectives are also directly applicable to CSEPP and approval is obtained in advance. | <ul style="list-style-type: none"> ▪ Travel costs for training should be accounted for under Administration ▪ Training to meet statutory or regulatory requirements (including but not limited to OSHA PPE requirements, Hazardous Waste Operations (HAZWOPER), and OSHA employee emergency response requirements) for responders that do not have a defined role in CSEPP as delineated in the jurisdiction’s plan. This includes hospital employees whose facilities are designated CSEPP hospitals but are not part of the CSEPP response plan. | <ul style="list-style-type: none"> ▪ Training with CSEPP-applicable content, where the majority of learning objectives are not directly applicable to CSEPP may be funded on a cost-apportionment basis with prior approval. |

E CSEPP Personnel Guidance:

- Requests to fund any vacant position must include a projected hire date, salary, percentage of time devoted to CSEPP, and an employee Work Plan.
- At a minimum, salaries must be reported on a budget line item indicating “Personnel,” and fringe benefits must be reported on a line item indicating “Fringe Benefits.” Positions may be entered on separate line items if desired.

In either case, the following data is required for each CSEPP position and will be entered in the Agency Explanation section: Title/position, salary, and percentage of time attributable to CSEPP.

F Indirect Cost Guidance

States, Tribal and local governments may claim indirect costs based on an approved indirect cost agreement from their cognizant agency. The approved indirect cost agreement must be attached to the Application for Federal Assistance (SF 424).

- CA Tools automatically calculates indirect costs.
- Sub-Grantees can use a cost allocation plan in lieu of an indirect cost agreement, as long as there is a written agreement signed by the proper jurisdictional authority stating the indirect cost parameters.
- An indirect cost agreement sample is located in Appendix C of the CA Tools Users guide. <http://www.cseppportal.net/Secure/applications/CA_Tools_v30_UG_FINAL_with_cover.pdf>

G Insufficient Appropriations

Once all Off-Post budget requests have been received, requested amounts will be totaled and the aggregate amount compared with available appropriated funding. If there is a shortfall between the total requested amount and available funds, DHS/FEMA will inform each State or Tribal Government of its anticipated allocation of available funds. The State or Tribal Government will then be asked to prioritize its budget requests to remain within that anticipated amount. In prioritizing its requested budget items, the State or Tribal Government should give preference to items needed to fund the most critical tasks.

Part IV Post Award Administration

A Purpose

After the cooperative agreement has been submitted and approved it must be managed until the project is completed and the cooperative agreement is closed. This Part describes the policies and procedures that govern post-award administration.

B Revisions of Program Narratives and Budget

Any major change in project scope or funding amount requires a formal amendment to the cooperative agreement. Formal amendments require the signing of the FEMA Form 76-10A. The Regional Assistance Officer, in coordination with the CSEP Program Staff, approves or denies the request for change.

1. Budget Changes

Grantees shall obtain prior approval from DHS/FEMA whenever any of the following changes are anticipated:

- Any revision that would result in the need for additional funding.
- Cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed 10 percent of the current total approved budget
- Transfer of funds allotted for training.
- No reallocation or change in scope can be made to the Cooperative Agreement after the expiration of the appropriation

2. Programmatic Changes

Grantees must obtain prior written approval from DHS/FEMA whenever any of the following actions is anticipated:

- Any revision to the scope or objectives in the program narrative (regardless of whether there is an associated budget revision requiring prior approval or not).
- Need to extend the period of performance.
- Changes in key personnel or staff in cases where specified in a cooperative agreement.
- Subgranting, contracting out, or otherwise obtaining the services of a third party to perform activities which are central to the purposes of the award. This approval requirement does not apply to the procurement of equipment, supplies, and general support services.

3. Approval Requirements

The reallocation function in CA Tools will be used to request prior approval of any budget revision and/or programmatic change.

- A request by a subgrantee for prior approval will be addressed in writing to the Grantee. The Grantee will promptly review the request and shall approve or disapprove the request in writing.
- A Grantee will not approve any budget or project revision which is inconsistent with the purpose or terms and conditions of the cooperative agreement with the Grantee.
- If the revision, requested by the subgrantee would result in a change to the Grantee's approved project which requires prior Federal approval, the Grantee will obtain DHS/FEMA's concurrence before approving the subgrantee's request.

A request for a prior approval under the applicable Federal cost principles, 44 CFR Part 13.22, may be made in writing and is accompanied with a revised CA Tools file.

4. Requirements if no approval is required:

If budget changes do not require prior DHS/FEMA approval (e.g., 10 percent rule), CA Tools will be used to make such changes. A revised CA Tools data file must be forwarded with the next quarterly report submission to the CSEPP Program Manager and a hard copy of the funding request changes forwarded to the Assistance Officer.

C Cooperative Agreement Administration/Monitoring

Administration and monitoring is the process by which Assistance Officers in coordination with the CSEP Program Staffs ensure that the Grantees are accomplishing their program objectives. The monitoring allows the Assistance Officer and the CSEP Program Staff to identify and address Grantee problems before they become serious. It also alerts staff to program fraud and abuse. Monitoring occurs through the following methods when staff:

- Conducts telephone interviews;
- Makes on-site visits;
- Reviews requests for prior approval; and
- Reviews audits, financial status reports, performance reports and, other documents, including quarterly reconciliation of financial reports with IFMIS and Smartlink.

D Reporting:

- Performance Reporting:
 - CA Tools will be used by the Grantee to submit performance reports to the appropriate DHS/FEMA Regional Office within 30 days after the end of each quarter.
 - Final performance reports are due 90 days after the expiration of the performance period (if the report is different from the last quarterly report).
- Financial Reporting:
 - CA Tools will be used by the Grantee to submit financial reports to the appropriate DHS/FEMA Regional Office, within 30 days after each quarter.
 - Final financial reports are due 90 days after the expiration of the performance period. If the Grantee has a Smartlink account, it also must submit a copy of the SF 272, Federal Cash Transaction Report to the DHS/FEMA Regional Office.

E Extension Policy for Cooperative Agreements:

DHS/FEMA's obligation of appropriated funds and their use by Grantees and subgrantees are governed by established principles of Federal appropriations law. Consistent with that Law, this policy establishes a standard on award considerations concerning funding amounts and on the propriety of Grantee use of DHS/FEMA funds beyond the period for which they were originally awarded.

- Descriptions:
 - Period of availability:
 - Funds that are appropriated by Congress stipulate the period during which they are available for obligation.
 - Funds are available for obligation to the Grantee during the entire fiscal year(s) for which they are appropriated.
 - No reallocation or change in scope can be made to the Cooperative Agreement after the expiration of the appropriation.
 - Period of performance:
 - The period of time shown in the Agreement Articles during which the Grantee is expected to perform the activities and obligate the funds included in the approved cooperative agreement.
 - A Grantee may not obligate CSEPP funds after the expiration of the specified period of performance unless that period is extended by DHS/FEMA.
 - The Grantee has up to 90 days following the expiration of the period

- of performance to liquidate valid obligations made during the performance period.
- Bona Fide Need Rule is a principle that applies to DHS/FEMA's obligation of appropriated funds:
 - DHS/FEMA may not obligate funds in a current period for unknown needs or for the needs of a future period.
 - Funds are awarded with the expectation that they will be used by the Grantee for the current period of performance.
- Unliquidated obligations are valid obligations incurred by the Grantee during the stated period of performance for which payment has not occurred.
- Unobligated balances are that portion of the funds that have not been obligated by the Grantee. They are determined by deducting the cumulative obligations from the cumulative funds authorized. This term refers specifically to DHS/FEMA-awarded funds remaining in the Grantee's Smartlink account that have not been obligated by the Grantee for the purposes authorized by the award.

- Extensions

A Grantee may not obligate CSEPP funds after the expiration of the specified period of performance unless that period is extended by DHS/FEMA.

- A Grantee may make formal written request, not later than 60 days prior to expiration of the period of performance, for authority to extend the period of performance and/or carry some or all of the unobligated funds forward during the extended period to complete the approved cooperative agreement projects. The request for extension must be in writing and provide adequate justification for the action requested.
 - The request for extension must include statements detailing the status of the ongoing activity, an explanation as to why the activity couldn't be completed as required, the amount of funding that is necessary to finish the activity, and an estimated completion date for the activity.
- A Grantee must have submitted all required financial status reports and performance reports, before DHS/FEMA will process a request for extension.
- DHS/FEMA will analyze the Grantee's justification and make the determination to extend the performance period.
- If DHS/FEMA is still reviewing the request at the end of the performance period and before the determination has been made, no further activity should be undertaken until written notification is received from DHS/FEMA.
 - The grantee/subgrantees may continue to liquidate obligated funds.

- DHS/FEMA will not initiate closeout of the cooperative agreement while a decision is pending.
- The first extension of a cooperative agreement can be made by the Regional Assistance Officer; subsequent extensions must be approved by DHS/FEMA Headquarters.
- Performance periods may be extended even if no funds remain available for obligation in order to complete cooperative agreement management activities, such as completion of the final report.

F Closeout

This is the phase during which DHS/FEMA determines that all administrative and programmatic actions have been completed by the Grantee and DHS/FEMA. In accordance with 44 CFR 13.50, after-the-grant requirements involve closing out the assistance agreement, including adjustment of the award amount and the amount of cash paid the Grantee.

- Not later than 60 days prior to the expiration of the performance period, the Assistance Officer notifies the Grantee that the assistance agreement will end. This notification also includes the actions to be accomplished by Grantee in fulfillment of their responsibilities.
- Actions that must precede closeout are receipt of all required reports, disposition or recovery of all Federal property, and adjustment of the award amount and the amount of Federal cash paid the Grantee.
- Unliquidated obligations are valid obligations incurred by the Grantee during the stated period of performance for which payment has not occurred. If such obligations are not liquidated by the end of the closeout period, no further CSEPP reimbursement will be available.
- Unobligated balances are that portion of the funds that have not been obligated by the Grantee. They are determined by deducting the cumulative obligations from the cumulative funds authorized. This term refers specifically to DHS/FEMA-awarded funds remaining in the Grantee's Smartlink account that have not been obligated by the Grantee for the purposes authorized by the award. If any unobligated balance remains at the end of the period of performance, these funds are no longer available to FEMA or the Grantee and are subject to being returned to the U.S. Treasury.
- CA Tools must be used to create the forms required for closeout.
- After the 90-day closeout period the official file is reviewed and missing items needed to close out are identified. The Grantee is notified of all missing items, outstanding reports, and requirements needed to complete closeout.
- After closeout requirements have been satisfied, DHS/FEMA sends the Closeout Satisfaction Letter to the Grantee.

G *Audit*

- Grantees that expend \$500,000 or more in a year in Federal funding shall have a single or program-specific audit conducted for that year in accordance with the provisions of OMB Circular A-133 <<http://www.whitehouse.gov/omb/circulars/a133/a133.html>>.
- Grantees that expend less than \$500,000 are exempt from A-133 Federal audit requirements for that year, but records must be available for review or audit by appropriate officials of DHS/FEMA, pass-through entity and the GAO.

Part V CSEPP Cooperative Agreement Articles

Grantee: _____

Agreement Number: _____ Amendment Number: _____

Designated Agency: _____

Performance Period Using O&M Funds: _____

Period of Federal Obligational Availability, When Using O&M Funds, Ends On:

Performance Period Using Procurement Funds: _____

Period of Federal Obligational Availability, When Using Procurement Funds, Ends On: _____

ARTICLE I. AUTHORIZATION. The United States of America through the Regional Director, Department of Homeland Security/Federal Emergency Management Agency (DHS/FEMA) or his delegate, agrees to grant to the State or Tribal Govt, through its designated agency named above (hereinafter referred to as "the Grantee") funds in the amount specified on the FEMA Form 76-10A, Obligating Document for Award/Amendment, for the Federal share authorized under the Department of Defense Authorization Act of 1996, Public Law 99-145; Department of Defense Appropriation Act, 2000 (PL 106-79, October 25, 1999); Memorandum of Understanding between DHS/FEMA and the Army, dated October 8, 1997; during the period specified above and in accordance with the approved cooperative agreement and terms and conditions set out in this document and the cooperative agreement application identified below and made a part hereof by reference. By acceptance of the funds granted, the Grantee agrees to abide by the terms and conditions of the cooperative agreement as set forth in this document and the documents identified below, and made a part hereof by reference.

ARTICLE II. EFFECTIVE DATE. This cooperative agreement takes effect at the time of signing by the Regional Director or his authorized designate. Attach/append the CSEPP Agreement Articles to FEMA Form 76-10A, Obligating Document for Award/Amendment, and used for program funding information. Signature on the FEMA Form 76-10A represents agreement to these articles.

ARTICLE III. PURPOSE. This cooperative agreement is for the administration and oversight of an approved CSEPP State, Tribal and local governments. Cooperative agreement funds shall not be used for other purposes. As a condition of the cooperative agreement, the CSEPP State, Tribal and local governments shall implement the cooperative agreement as approved by the Regional Director, DHS/FEMA.

ARTICLE IV. GENERAL PROVISIONS. The following are hereby incorporated into this agreement by reference:

| | | |
|--------------------|---------|---|
| 44 CFR | | Emergency Management and Assistance Regulations |
| 44 CFR | Part 7 | Nondiscrimination in Federally-Assisted Programs (DHS/FEMA) |
| 44 CFR | Part 10 | Environmental Considerations |
| 44 CFR | Part 13 | Uniform administrative requirements for grants and cooperative agreements to State, Tribal and Local Governments |
| 44 CFR | Part 17 | Government wide debarment and suspension (non-procurement) and government wide requirements for drug-free workplace (grants) |
| 44 CFR | Part 18 | Restrictions on lobbying |
| 44 CFR | | SUBCHAPTER C - Fire Prevention and Control |
| 44 CFR | | SUBCHAPTER E - Preparedness |
| 31 CFR §205.6 | | Funding techniques |
| P.L. 101-336 | | The Americans With Disabilities Act |
| E.O. 12372 | | Intergovernmental Review of the DHS/FEMA Programs and Activities |
| OMB Circular A-21 | | Cost Principles for Educational Institutions |
| OMB Circular A-87 | | Cost Principles for State, Tribal and Local Governments |
| OMB Circular A-102 | | Uniform Administrative Requirements for Grants and Cooperative Agreements with State, Tribal and Local Governments |
| OMB Circular A-110 | | Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations |
| OMB Circular A-122 | | Cost Principles for Nonprofit Organizations |
| OMB Circular A-133 | | Audits of State, Tribal and Local Governments, and Non-Profit Organizations |
| Guidance | | Guidance for Preparing and Managing the Chemical Stockpile Emergency Preparedness Program (CSEPP) Cooperative Agreement (CA) Application for Fiscal Year 2006 |

ARTICLE V. REQUEST FOR ADVANCE/REIMBURSEMENT. The Recipient shall be paid in advance using the HHS SMARTLINK System, provided it maintains or demonstrates the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the Recipient. When

these requirements are not met, the Recipient will be required to use the reimbursement method as the preferred funding method.

ARTICLE VI. SPECIFIC TERMS AND CONDITIONS. The specific terms and conditions of this agreement are as follows:

- 1) The recipients of CSEPP funding must use CA Tools software for preparing and managing their CSEPP Cooperative Agreement.
- 2) The scope and conditions of the tasks to be undertaken by the grantee with the amount of money identified on FEMA Form 76-10A as the "AMOUNT AWARDED THIS ACTION" during the time identified as the "PERFORMANCE PERIOD" are contained in the statement of work, which is made a part of this grant/cooperative agreement by reference.
- 3) The funds for the grant/cooperative agreement shall only be used to cover allowable costs which are incurred during the agreement period. In addition, valid obligations incurred before the end of the agreement period for purchased services, equipment and supplies specifically identified in the approved application shall be considered allowable grant/cooperative agreement period costs to the extent of actual subsequent expenditures. If obligations are included in the claimed grant/cooperative agreement costs, adequate records shall be maintained to disclose fully the date and amount incurred and the date and amount of subsequent payment. Obligations claimed in one grant/cooperative agreement period shall be excluded from expenditures claimed in prior or subsequent periods.
- 4) The Grantee shall follow prior approval requirements found in 44 CFR Part 13.30. For nonconstruction grants/cooperative agreements, transfers of funds between total direct cost categories in the approved budget shall receive the prior approval of DHS/FEMA when such transfers exceed ten percent of the total budget.
- 5) No transfer of funds to agencies other than those identified in the approved grant/cooperative agreement application shall be made without prior approval of DHS/FEMA.
- 6) The Grantee shall submit financial reports 30 days after the end of each quarter. Reporting dates are: January 30, April 30, July 30, October 30. Final financial report is due 90 days after the close of the grant. Copies of the financial reports and SF 272 are to be submitted to the DHS/FEMA Regional Office, Attn: Assistance Officer.
- 7) The Grantee shall submit performance reports 30 days after the end of each quarter. Reporting dates are: January 30, April 30, July 30, October 30. The final performance report is due 90 days after the close of the Cooperative Agreement. Copies of the performance report are to be submitted to the DHS/FEMA Regional Office, ATTN: Assistance Officer.
- 8) The Grantee shall transfer to DHS/FEMA the appropriate share, based on the Federal support percentage, of any refund, rebate, credit or other amounts arising from the performance of this agreement, along with accrued interest, if any. The

- Grantee shall take necessary action to effect prompt collection of all monies due or which may become due and to cooperate with DHS/FEMA in any claim or suit in connection with amounts due. When reporting CSEEP Program Income the amount is to be deducted from total allowable costs to determine the net allowable costs committed to the cooperative agreement by DHS/FEMA and the Grantee. The program income shall be used for the purposes and under conditions for the cooperative agreement. (44 CFR 13.25 (g)(1). Deductive Method).
- 9) Prior to the start of any construction activity, the Grantee shall ensure that all applicable Federal, State or Tribal government and local permits and clearances are obtained.
 - 10) The Grantee may copyright any original work developed in the course of or under the agreement. DHS/FEMA reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use, and to authorize others to use, the work for Government purposes. Any publication resulting from work performed under this agreement shall include an acknowledgement of DHS/FEMA financial support and a statement that the publication does not necessarily reflect DHS/FEMA's views.
 - 11) No subsequent grants/cooperative agreements, monetary increase amendments, or time extension amendments will be approved unless all overdue financial or performance reports have been submitted by the recipient to the appropriate Regional Office. Exceptions to this policy can be approved only by the Chief, Nuclear and Chemical Hazards Branch, or their designate.
 - 12) The grantee agrees, by accepting the funds in the aforementioned cooperative agreement from DHS/FEMA, to comply with all the provisions of 44 CFR Subsection 13.32, Equipment.
 - 13) CSEPP funds may not be used to fund other programs required by other laws for existing needs. CSEPP funds may not be used to supplant other forms of emergency management funding. An example of the inappropriate use of CSEPP funds would be charging all or a substantial portion of personnel costs or Emergency Operations Center (EOC) costs to CSEPP when they should be and/or were previously part of the ongoing emergency management budget.
 - 14) For cost allocation projects, CSEPP is not necessarily responsible for any or all of the maintenance or replacement costs. Although, CSEPP may have paid for certain equipment in its entirety, if that equipment is being used for non-CSEPP activities, CSEPP is only obligated to pay the portion of Operations and Maintenance (O&M) costs commensurate to its CSEPP use.
 - 15) CSEPP funds may not be commingled with other, non-CSEPP funds. In keeping with the intent of the Congressional appropriations, and to assure proper programmatic accountability, CSEPP funds must at all times remain separate and apart from any other DHS/FEMA or non-DHS/FEMA funding sources.
 - 16) CSEPP personnel positions fully funded by CSEPP are restricted in their availability to perform non-CSEPP activities and must work full time on CSEPP. When a position is only partially funded by the CSEPP, this should be reflected in

the work plan and the supervisor is responsible and accountable for ensuring that the individual's time performing for CSEPP is in direct proportion to the percent paid by the CSEPP.

- 17) If a recipient estimates that it will have unobligated funds remaining after the end of the performance period, the recipient should report this to the DHS/FEMA Regional Office at the earliest possible time and ask for disposition instructions.

ARTICLE VII. All Sub-Recipients that follow OMB Circular No. A-110 must follow the audit requirements of OMB Circular No. A-133 Revised.

ARTICLE VIII. DHS/FEMA will conduct on-site monitoring visits to review both the program and financial progress of the Cooperative Agreement's activities. Technical assistance will be provided upon request. As a result of these on-site visits, DHS/FEMA will make recommendations to resolve any identified negative findings.