



FEMA

**Grant Programs Directorate
Information Bulletin No. 348
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TO: All State Administrative Agency Heads
All State Administrative Agency Points of Contact
All Urban Areas Security Initiative Points of Contact
All State Homeland Security Directors
All State Emergency Management Agency Directors
All Tribal Nation Points of Contact
All Eligible Regional Transit Agencies
All Private Sector Transportation Security Partners
All Public and Private Sector Port Security Partners
All State Department of Motor Vehicle Points of Contact

FROM: Elizabeth M. Harman
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SUBJECT: Clarification of Supplanting Prohibitions in Information Bulletin (IB) #336

On November 20, 2009, the Grant Programs Directorate (GPD) issued IB #336 regarding maintenance costs. IB #336 states, in part:

“Grantees are reminded to be sensitive to supplanting issues. Maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees previously purchased with State and or local funds cannot be replaced with Federal grant funding.”

As a result of numerous stakeholder requests, the following clarification is provided:

- Maintenance contracts and warranties, repair and replacement costs, upgrades, and/or user fees for **equipment** that **was not** originally purchased with preparedness grant funding (or provided by DHS components listed in IB #336) may not be subsequently paid for with preparedness grant funding. The only exception is the Port Security Grant Program (PSGP), in which the Repair and Replacement Section of IB # 293 remains in effect.
- Maintenance contracts and warranties, repair and replacement costs, upgrades, and/or user fees for **equipment** that **was** purchased with preparedness grant funding (or provided by DHS components) may be subsequently paid for with preparedness grant funding. This policy is in effect even for maintenance contracts, warranties, repair and replacement costs, upgrades, and/or user fees that had previously been purchased with state or local funding.

The only exception is in cases where current year State or local funds are ***appropriated*** for such purposes.

Questions related to this Information Bulletin may be directed to your FEMA Program Analyst or the Centralized Scheduling and Information Desk at askcsid@dhs.gov or 1-800-368-6498.