

**Grant Programs Directorate Information Bulletin
No. 281, March 05, 2008**

TO: All State Administrative Agency Heads
All State Administrative Agency Points of Contact
All Core City/Core County Points of Contact
All State Homeland Security Directors
All State Emergency Management Agency Directors

FROM: W. Ross Ashley, III
Assistant Administrator
Grant Programs Directorate (GPD)
Federal Emergency Management Agency

SUBJECT: Clarifications on FY 2008 Homeland Security Grant Program (HSGP) Guidance Related to Organizational Costs

This Information Bulletin will serve to clarify guidance for the FY 2008 Homeland Security Grant Program (HSGP) relative to organizational costs for fusion centers.

The FY 2008 HSGP Program Application and Guidance Kit, released on February 1, 2008, sets limitations on the availability of State Homeland Security Funding for organizational costs. Specifically, the 2008 guidance allows States *without* Urban Areas to spend no more than 15% of their State Homeland Security Program (SHSP) funds towards organizational costs. However, the guidance also prohibits use of SHSP funds for organizational costs by States *with* Urban Areas ("UASI States").

This Information Bulletin alters the organizational cost policy and hereafter allows *all* States to spend up to 15% of their 2008 SHSP dollars for organizational costs. However, this bulletin restricts the allowable organizational activities for all States. **States should carefully review the below allowable activity guidance as it has changed significantly.** All States may now use SHSP funding to support operational costs for organizational activities at fusion centers **only** including (i) the hiring of intelligence analysts, and (ii) overtime costs associated with participation in information, investigative, and intelligence sharing activities. States are reminded that funds from the FY 2008 HSGP utilized to establish or enhance state and local fusion centers must support the following:

- Development of a statewide fusion process that corresponds with the "Global Justice/Homeland Security Advisory Council (HSAC) Fusion

Center Guidelines" and Appendix 1 of the National Strategy for Information Sharing: Establishing a National Integrated Network of State and Urban Area Fusion Centers

- Achievement of baseline levels of capability as defined in the fusion capability planning tool

Funding for these activities is subject to the following conditions and restrictions:

(i) Intelligence Analyst Hiring

Under this allowance States may hire new staff and/or contractor positions to serve as full-time intelligence analysts at the States' designated **primary Statewide Fusion Center (SFC)**. The SFC must be designated by the Governor per the requirements set forth in the National Strategy for Information Sharing and as requested by DHS and DOJ in a letter to Governors dated November 28, 2007. The National Strategy for Information Sharing establishes guidelines and directs actions necessary to establish a National, Integrated Network of State and Major Urban Area Fusion Centers. States must submit an Investment Justification outlining their proposal and include:

- A description of the plan for achieving analytic capabilities in their SFC as described in the fusion capability planning tool;
- An organizational chart which outlines both the current intelligence analyst capability at the State's designated primary Statewide Fusion Center as well as the targeted intelligence analyst capability level for the center;
- A corresponding description of new analyst positions to be filled and the resultant capability level to be achieved utilizing 2008 SHSP dollars;
- A certification that any intelligence analysts funded with 2008 SHSP are new positions above current capability, and that funded positions do not represent a continuance of any positions funded from previous years' HSGP funding;
- Identification from the State regarding how the State shall take responsibility for supporting the sustainment costs of intelligence analysts after a period of two years from award of FY 2008 HSGP funding; and
- Certification from the State that their SFC activities align with national guidance noted above.

States are reminded that the Intelligence Analyst IJ does not have to be separate from an IJ that notes other Fusion Activities. All fusion activities may be part of one IJ, as long as sufficient detail (noted above) is provided for the analyst piece.

Funding over the two-year period of performance may not exceed \$275,000 for each new individual analyst position established with 2008 HSGP funds, and this funding should include all necessary costs including equipment, software, licenses, and training for the individual. States are also reminded that all intelligence analyst training should be in accordance with Global's *Minimum Criminal Intelligence Training Standards for Law Enforcement and other Criminal Justice Agencies in the United States*.

(ii) Information Sharing Overtime Costs:

Overtime costs (as defined in the 2008 guidance) are allowable for personnel to participate in information, investigative, and intelligence sharing activities specifically related to homeland security and specifically requested by a Federal agency. Allowable costs are limited to overtime associated with Federally requested participation in eligible fusion activities including anti-terrorism task forces, JTTFs, Area Maritime Security Committees (as required by the Maritime Transportation Security Act of 2002), DHS Border Enforcement Security Task Forces, and Integrated Border Enforcement Teams. States must submit to DHS a written letter from a Federal agency which explicitly requests State and local staff participation in an eligible activity or illustrates how the activities support the roles and responsibilities of fusion centers as noted in Appendix 1 of the National Strategy for Information Sharing and provides an estimate of the size of the request in man-hours. Grant funding can only be used in proportion to the Federal man-hour estimate, and only after funding for these activities from other Federal sources (i.e. FBI JTTF payments to State and local agencies) has been exhausted. Under no circumstances should DHS grant funding be used to pay for costs already supported by funding from another Federal source.

Additional questions may be directed to your GPD Program Analyst (formerly Preparedness Officers) or the Centralized Scheduling and Information Desk at askcsid@dhs.gov or 1-800-368-6498.