

**DEPARTMENT OF HOMELAND SECURITY**  
**Office of Inspector General**

**Review of the  
Buffer Zone Protection Program**



*Office of Inspector General*

**U.S. Department of Homeland Security**  
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**Homeland  
Security**

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### Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibility to promote economy, effectiveness, and efficiency within the department.

This report addresses the actions DHS has taken to identify Buffer Zone Protection Program assets and the adequacy of eligibility criteria used to determine investments at critical infrastructure and key resource sites. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, quantitative analysis, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. It is our hope that this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in cursive script that reads "Richard L. Skinner".

Richard L. Skinner  
Inspector General

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## Abbreviations

BZPP	Buffer Zone Protection Program
BZP	Buffer Zone Plan
CI/KR	Critical Infrastructure/Key Resource
DHS	Department of Homeland Security
FEMA	Federal Emergency Management Agency
G&T	Office of Grants and Training
NPPD	National Protection and Programs Directorate
OIG	Office of Inspector General
PSA	Protective Security Advisor
RMD	Risk Management Division
VRPP	Vulnerability Reduction Purchase Plan

# OIG

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*Department of Homeland Security  
Office of Inspector General*

## **Executive Summary**

The Buffer Zone Protection Program (BZPP) supports the implementation of preventive and protective measures outside the perimeter of selected critical infrastructure and key resource (CI/KR) sites throughout the United States. Buffer zone plans (BZPs) define supplemental security areas outside the CI/KR site perimeter and recommend preventive and protective measures designed to make it more difficult for terrorists to conduct surveillance or launch attacks. The BZPP provides funding to responsible jurisdictions to purchase equipment to extend the zone of protection around CI/KR facilities, expand preparedness capabilities, and enhance the security of surrounding communities.

The Department of Homeland Security (DHS) has made numerous modifications to the program since its inception in 2004 to solve administrative challenges stemming from the involvement of multiple agencies, co-management of the program within DHS, the complexity of the BZP development and submission process, and unclear program requirements. These factors, as well as state and local procurement processes and procedures, initially slowed the delivery of equipment to responsible jurisdictions and have kept spending at a deliberate pace. As of November 2006, state grantees had expended \$19.6 million or 21% of the \$91.3 million in available funding. As of April 2007, state grantees had expended \$36 million, or 40%.

Program managers continue to enhance the program and unify efforts to protect CI/KR assets and combat terrorism. Accordingly, we resolved all 12 recommendations to DHS to strengthen the site selection and BZP submission process; improve communication among the state agencies, local participants, and DHS offices; and, better define roles and responsibilities of the DHS offices managing the program. We are closing six recommendations and requesting that DHS provide additional evidence of corrective actions taken to satisfy the remaining six recommendations.

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## Background

The Homeland Security Act of 2002 assigned DHS foremost responsibility for establishing a national approach and protecting the United States against terrorist attacks and other disasters. The 2003 Homeland Security Presidential Directive: *Critical Infrastructure Identification, Prioritization, and Protection* (HSPD-7) established a national policy for federal departments and agencies to identify and prioritize critical infrastructure and key resource sectors. These documents stipulate that DHS work closely with federal departments and agencies, state and local governments, and the private sector to produce a National Infrastructure Protection Plan that provides an overarching approach for integrating CI/KR protection initiatives into a single national effort. Now located organizationally under the newly created National Protection and Programs Directorate (NPPD), the Office of Infrastructure Protection within DHS is responsible for protecting the Nation's critical infrastructure and key resources, and for implementing the plan.<sup>1</sup>

Since its inception, DHS has channeled considerable resources to a broad range of infrastructure protection activities undertaken at national, state, and local levels. In March 2004, the Office of Infrastructure Protection's Risk Management Division (RMD) launched the BZPP as a \$50 million equipment loan program designed to focus terrorism detection and prevention efforts at high-priority CI/KR sites. This was done according to the DHS Secretary's grant authority in section 102(b)(2) of Homeland Security Act of 2004. The Secretary delegated financial assistance authority to the then Under Secretary of Information Analysis and Infrastructure Protection on November 13, 2004. Responsible jurisdictions selected security equipment to extend the zone of protection beyond the gates of facilities such as chemical plants, nuclear facilities, dams, and commercial and public facilities (see Figure 1). DHS purchased the equipment and loaned it to the responsible jurisdiction for a 1-year period.

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<sup>1</sup> See the National Infrastructure Protection Plan and the 17 critical infrastructure and key resource sectors at [http://www.dhs.gov/xprevprot/programs/editorial\\_0827.shtm](http://www.dhs.gov/xprevprot/programs/editorial_0827.shtm).

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Figure 1: Aerial View BZPP Site



Described as a surgical approach to protecting CI/KR, the goal of the BZPP is to provide funding for the purchase of equipment that will:

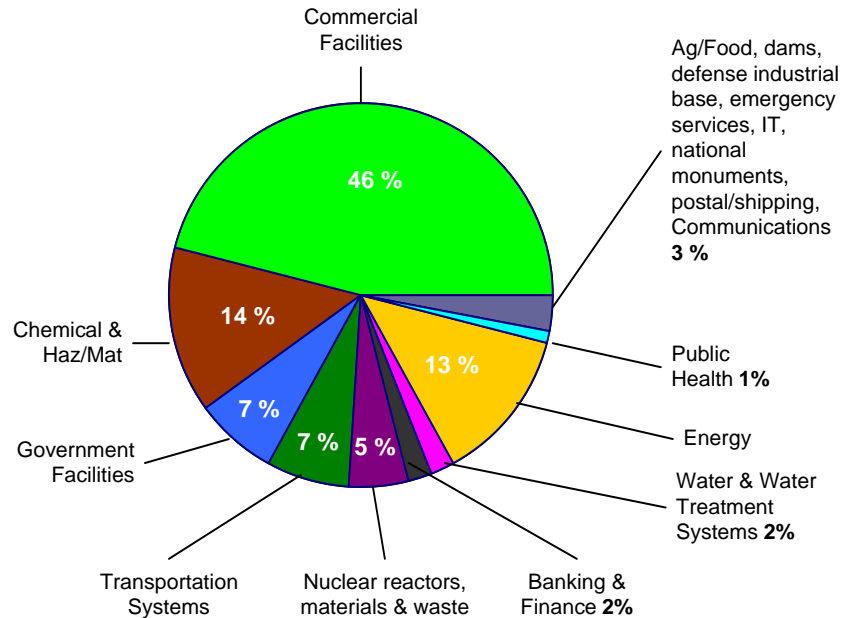
- Devalue a target by making it less attractive or too costly to attack;
- Deter an event from happening;
- Detect an aggressor planning or committing an attack, or the presence of a hazardous device or weapon; and
- Defend against attack by delaying or preventing an aggressor's movement toward the asset, or the use of weapons and explosives.

Initially, the Office of Infrastructure Protection focused efforts on the 1,849 CI/KR sites known as the Protective Measures Target List and funded each site equally at \$50,000 per site. It identified BZPP sites in all 50 states, the District of Columbia, and three territories. The 1,849 BZPP sites were more representative of CI/KR assets from the commercial, chemical/hazardous material, and energy sectors, with relatively few sites represented from the agriculture and food, emergency services, dams, and telecommunications sectors (see Figure 2). To determine appropriate equipment purchases, responsible jurisdictions were asked to perform vulnerability assessments of each BZPP site. They worked with security personnel and facility managers to conduct a vulnerability assessment, identify mitigation equipment, and develop a BZP. Following DHS approval of the plan, responsible

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jurisdictions were authorized to select specific equipment, primarily surveillance-related.

Figure 2: BZPP Sites by Sector



During 2004, RMD staff established and managed the BZP document development and submission process, conducted outreach to the state homeland security agencies and responsible jurisdictions, and responded to the states' site selection concerns. Procurement of the requested security equipment was managed under a contract arrangement with the Department of Energy's National Energy Technology Lab. Under this arrangement, 38 responsible jurisdictions received equipment.

In early 2005, RMD converted the BZPP into a grant program. RMD retained responsibility for the technical review and approval of BZPs and equipment requested by the responsible jurisdiction in Vulnerability Reduction Purchase Plans (VRPP). The Office of Grants and Training (G&T) assumed responsibility for executing the grants. In March 2007, the Federal Emergency Management Agency's (FEMA) Office of Grants Management assumed responsibility for executing the BZPP grant program. Preparedness Officers and BZPP program managers within G&T were transitioned to FEMA, within the National Preparedness Directorate's Capabilities Division.



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RMD was reorganized into NPPD's Protective Security Coordination Division in March 2007.

In March 2005, DHS announced the availability of \$91.3 million in BZPP grant funding to continue efforts to protect areas surrounding the 1,849 CI/KR sites originally selected for the program. These funds were the combination of \$41.3 million remaining from the 2004 equipment loan program and an additional \$50 million for 2005.

G&T released the 2006 BZPP Program Guidance and Application Kit in September 2006. In January 2007, DHS released the 2007 version, which reflects a new emphasis on building and supporting state and local capabilities to develop and implement homeland security support programs by adopting ongoing DHS national initiatives. Through more focused planning and equipment purchases and targeting more specific types and limited numbers of CI/KR sites, the 2007 BZPP intends to continue supporting (1) the prevention, protection, response and recovery objectives of the National Preparedness Goal, and (2) the prevention, detection, and deterrence mission areas of the National Infrastructure Protection Plan.

## Results of Review

DHS is making strides toward meeting its BZPP program goals and establishing a unified national effort to protect CI/KR assets and combat terrorism. Since the program's inception in 2004, DHS has addressed several issues that have inhibited the program including:

- Determining the type and number of sites to participate;
- Determining the amount of money to be allotted per site;
- Defining the method used to assess site vulnerability;
- Determining the allowable equipment and planning expenditures;
- Submission and processing of program materials; and,
- Defining the grant requirements.

These adjustments are helping the program achieve its intended results.

We commend RMD for transitioning the 2004 BZPP Equipment Loan Program into a grant program under a partnership with G&T. Additionally, states and responsible jurisdictions have applauded DHS for providing

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tangible benefits beyond the provision of protective security equipment. Program participants said BZPP has brought federal, state and local entities, and the private sector “to the table” on the CI/KR protection issue. The program has identified common objectives, stimulated coordination of prevention and protection activities, and highlighted the skills and processes necessary to assess CI/KR vulnerabilities and recommend protective measures. These accomplishments are value-added benefits that were either not in place or not functioning well prior to creation of the BZPP program.

However, as of November 2006, approximately 79% of the \$91.3 million BZPP grant funds had not yet been expended. As recently as April 2007, 60% remained to be drawn down by states for disbursement to responsible jurisdictions for equipment purchases. Although program managers have initiated improvements in the site selection, BZP development and submission process, and have increased funding amounts available to each site, issues involving the implementation and administration of the program remain. The areas that DHS must continue to improve are the vetting of sites with state offices, timely distribution of funds, and the selection of appropriate security equipment. DHS must also address the processing and approval of BZPs, communication between its sub-components and with program participants, and the roles and responsibilities of those sub-components administering the program.

## **Challenges with Initial Site Selection and Size of Grant Award**

The process of selecting sites delayed BZP submission and approval, proving to be the biggest obstacle that program managers faced during early BZPP implementation. In addition, the decision to cap funding at \$50,000 per site dampened responsible jurisdiction interest in the program, led some to drop out of the program, and further complicated and delayed grant awards. Modifying the program to eliminate those issues was time consuming for program managers and frustrating and confusing for grantees.

### RMD Had to Replace Many Selected Sites

RMD derived the initial 1,849 BZPP sites from the Protective Measures Target List developed by DHS at the request of Congress in 2003. RMD officials acknowledged that DHS’ methodology was simple: it identified

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assets based on perceived threats and consequences as opposed to a risk-based formula.

In preparation for the BZPP program, RMD began to assemble additional data on CI/KR sites during early 2004. However, their method to collect data from states and responsible jurisdictions was not well organized. RMD described this process as “rushed” and “ad hoc.” When issuing data calls, RMD did not inform all of the state homeland security offices of specific CI/KR priorities or clearly define a potential terrorist target. This confused and delayed the data collection process at the state and local level and led to inconsistent results. During 2004, 38 jurisdictions responsible for 45 sites received equipment under the loan program prior to the transition of the BZPP to a grant program. Delays in the procurement process managed by the National Energy Technology Laboratory were also an issue in the slow delivery of equipment.

Some state officials said DHS did not provide sufficient time to verify location, jurisdiction, ownership, and other details on the facilities. For example, DHS asked California’s State Homeland Security Agency to verify detailed information from multiple sources for over 250 sites in less than 90 days. The state agency sent the site list for verification to the responsible jurisdictions, which were in turn given 2 weeks to gather data on or visit as many as 25 sites in each jurisdiction.

Program managers selected sites to ensure wide geographic coverage across the spectrum of CI/KR. The 2004 site list had a strong focus on commercial sites based upon the prevailing threat vector at the time. States and responsible jurisdictions questioned how RMD identified and selected sites, and did not always concur that the sites RMD chose were CI/KR priorities. Each of the states we visited identified: (1) other higher priority sites—dams, bridges, and electrical substations—that better met the CI/KR criteria but were not included on the BZPP site list, and (2) sites from the original list of 1,849 that were either non-existent, non-operational, or of questionable significance. These included planned but un-built shopping malls, closed chemical plants, and seasonal theme parks without large volumes of visitors. One state official questioned why a lightly frequented seasonal water park was on the list when a large dam near the state capital was not. Another state official questioned the rationale for selecting a shopping mall over a water filtration plant that provides nearly 50% of the water for the northern region of the state.

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Throughout 2005, the inclusion of non-existent and questionable sites on the BZPP national list compelled states to renegotiate with RMD to replace original sites. This was not unreasonable given DHS' limited knowledge of these sites, and the inadequacy of the site selection methodology DHS used in 2004 to select them. However, the negotiation process was time consuming, further delaying the BZP and VRPP development and submission process. Site substitution took place in all five states in which we conducted our fieldwork; one state ultimately replaced 30% of its original BZPP site list. The process generally involved a discussion between the state homeland security agency and RMD, detailing why the original site was inappropriate and what site should be substituted. RMD retained the final approval authority.

Due to insufficient documentation regarding the process and criteria for replacing sites, and the number of sites replaced, we were unable to determine whether replacement sites met the same standards for selection as those originally included in the program, or whether replacement decisions were uniform across all states. For instance, with RMD approval, federal government facilities were removed from some states' 2005 and 2006 BZPP site lists but were represented in other state lists. Some of the responsible jurisdictions we visited said that federal sites should be removed from the BZPP list because: (1) states do not have jurisdiction over federal property; (2) responsible jurisdictions are often not the first emergency response units; and (3) responsible jurisdictions do not have ready site access to perform vulnerability assessments.

Although the 2007 BZPP grant guidance includes a prohibition that funds may not be used for the improvement of federal government buildings or for other activities solely benefiting the federal government, it does not entirely preclude responsible jurisdictions from receiving funding to protect a federal site. Without clarification that BZP funds may be used to fund federal sites that DHS has determined to be eligible for the program state agencies and responsible jurisdictions could still become confused about the status of federal facilities in the BZPP program.

Both DHS and state officials have had difficulty tracking the substitution and addition of BZPP sites. Preparedness Officers need reliable and up-to-date information on the number of outstanding BZPs and VRPPs in order to review and approve them efficiently. Preparedness Officers responsible for processing in-coming BZPs from the states said they were not always

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informed when RMD substituted a site. Many Preparedness Officers, as late as July 2006, did not have reliable data on the sites RMD had approved for their assigned states. Some Preparedness Officers commented that since there was no reliable documentation on sites replaced or added by RMD, the only way to identify the BZPs still to be submitted was by regular checks with the state homeland security agencies.

There was no formal deadline established for 2005 BZP and VRPP submission, which resulted in additional delays. Grant announcements were not made until the end of the fiscal year when RMD program managers distributed the site list in March 2005 and asked states to submit BZPs and VRPPs to G&T by September 30, 2005. However, some states did not finish replacing sites and establishing their final site lists until the end of November 2005. For example, California did not finalize its site list until October 2005. The District of Columbia, which DHS authorized to replace approximately 50% of its original BZPP sites, did not complete its BZPP list until November 2005. In Illinois, as of June 2006, responsible jurisdictions were still initiating BZP and VRPPs for new sites that had been added to the BZPP list. Program officials learned from the 2005 process and implemented submission deadlines in 2006 and 2007.

#### The Size of the Grant Award Limited Equipment Purchases and Dissuaded Participants

Program managers established a maximum allocation of \$50,000 per site for the BZPP program. Along with implementing protective measures in the form of equipment purchases, RMD said its goal was to spread funding to many infrastructure sectors and generate wide interest at the local level. However, dividing the funds equally had the opposite effect in some states.

First, awarding responsible jurisdictions \$50,000 per site resulted in small equipment purchases, which in many instances did little to address the range of vulnerabilities identified at many sites. Second, this amount of funding was a disincentive to site owners or operators, states, and responsible jurisdictions, particularly those with limited resources. The funding was often considered to be inadequate for the amount of work required to conduct site vulnerability assessments and prepare BZPs. While some responsible jurisdictions with multiple sites were able to combine grants to purchase higher cost equipment, this option was not available to many jurisdictions with single sites.

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Some of the smaller responsible jurisdictions lacked the personnel necessary to do the site assessments and prepare BZPs, which we estimate, on average, took 200 hours per site to complete. Even some of the larger state agencies and responsible jurisdictions said they had difficulty identifying available, competent staff to take on the required work under the short time frames required. In addition, some site owner/operators were concerned about the exchange of security-sensitive or proprietary business information. For instance, one state estimated that 30 responsible jurisdictions from among the 89 selected sites did not want to participate and were ultimately replaced with other sites. Another state with just eight BZPP sites initially responded that it did not have sufficient resources required to meet program requirements, and agreed to participate only when RMD announced that it might withdraw funds.

All of the states we visited had one or more sites that were dropped from the program due to low interest, and other sites proposed by that state subsequently replaced those sites. State officials reported that for any BZPP sites where participation was ruled out for whatever reason, RMD allowed the state to offer replacement sites.

Program managers were not prepared for a pervasive “dropout” problem that reached 30% in one state we visited. They acknowledged that \$50,000 was “insufficient motivation for counties to engage in the program at the local level with any enthusiasm.” They also acknowledged the amount of work required to complete site assessments and prepare BZP and VRPP submissions. An unfortunate result of BZPP “dropouts” is that CI/KR sites that RMD considered high priority assets were abandoned and protective measures might still be needed around these locations. Additionally, the dropout and replacement issue creates a question as to whether 2004 and 2005 BZPP grant monies were awarded according to critical infrastructure priorities.

In response, program managers have improved the site selection methodology, and they have directed larger amounts of funding to fewer sites. DHS also increased allowable administrative and management costs from 3% to 5% of the grant award, which should help support the workload required to complete site assessments and BZPs. Additionally, program managers addressed site owner/operator concerns about the exchange of security sensitive or proprietary business information. States may voluntarily submit information

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contained in a BZP under the Protected Critical Infrastructure Information (PCII) Program.

#### Many States Have Yet to Disburse BZPP Funds

The 2005 BZPP grant guidance did not require states to disburse funds within a specific timeframe after the grant award date. DHS grant programs usually require disbursement of funds within 90 days of the end of the grant's performance period. For example, DHS' two largest grant programs, the State Homeland Security Grant Program and the Urban Area Security Initiative, both require drawdowns to be made within 90 days or less. The revised 2006 BZPP guidance required that state administrative agencies obligate funds within 60 days of the approval notification for the VRPP. Within that 60-day timeframe, the state administrative agency must submit a certification that funds have been passed through to local units of government.

DHS awarded \$91.3 million to states under the FY 2005 BZPP. As of November 2006, states had drawn down 21% of the \$91.3 million with 13 states yet to draw down any funds at all and only one state, Montana - with six sites, had completely expended all obligated BZPP funds. As of April 2007, approximately 60% of the \$91.3 million remained to be drawn down and only three states - South Dakota, Wyoming, and Montana - had completely expended their obligated amounts. Seven states still have not drawn down any BZPP funds as of April 2007. Many responsible jurisdictions are frustrated that they have not received funding so they can acquire requested equipment. We found two instances where the responsible jurisdiction waited more than two years for the state to make funds available for equipment originally requested under the 2004 Equipment Loan Program. Some delays in drawdown and expenditure can be attributed to the individual states and their administrative and procurement processes. Additionally, program managers said that delays have occurred because some states or responsible jurisdictions have not been proactive in correcting rejected plans and that they have waited up to a year or more for requested revisions.

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We recommend that the Under Secretary for National Protection and Programs:

**Recommendation 1:** Verify all future BZPP site data with applicable state homeland security or equivalent agencies and establish standard procedures for the state agencies to substitute BZPP sites.

**Recommendation 2:** Ensure that the BZPP grant guidance explicitly states that funding may be used to secure buffer zones surrounding federal facilities.

**Recommendation 3:** Establish a deadline for processing all remaining 2005 BZPs.

## **DHS Improved its Site Selection Methodology and Funding Approach**

Unlike the 2004 and 2005 BZPP site selection process, RMD applied a more comprehensive and risk-based approach to select 2006 BZPP sites. RMD also selected fewer sites so that it could allocate more money to higher priority sites. Additionally, RMD launched a separate BZPP grant program to mitigate vulnerabilities at chemical facilities.

The 2006 BZPP grant guidance stipulates that selected sites would be “the most at-risk critical infrastructure based on an analysis of consequence and available vulnerability data.” The analysis entails risk calculations for all risk- and need-based grant programs directed to states, cities, and select infrastructures based on a common, scalable model. RMD employs its Terrorism Risk Model to conduct this analysis. The Terrorism Risk Model uses consequence, vulnerability, and threat to estimate the relative risk of a successful terrorist attack on a given asset. The sum of the risk plus the geographic location provides RMD with the Total Risk relative to a state, city, port, transit system, or other infrastructure type.

RMD worked with the federal agencies implementing sector-specific plans in support of the National Infrastructure Protection Plan to develop a list of BZPP sites for each sector. They also incorporated data collected from the states. For the model, RMD employed two types of risk analysis to the sites: site-specific and overall risk. The site-specific analysis focused on a site and the surrounding area to determine the degree of regional or cross-jurisdictional consequence if lost or disrupted.



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A vulnerability and threat analysis for the site was then conducted to evaluate how likely it would be for an attacker to successfully assault the site. Overall risk analysis combined *asset-based risk* and *geographically based risk* to ensure the BZPP reduced risk to a broad array of at-risk assets. Asset-based risk is a function of the risk of terrorism to potential targets within a geographic area. Geographically based risk is derived from certain prevailing attributes or characteristics intrinsic to each geographical area that may contribute to its risk of terrorism. Together, asset-based and geographically based risk analysis provided an estimate of the total terrorism risk to a given region, evaluation of risk to assets within a state, and degree of risk as it relates to the unique characteristics of each state.

The two-pronged approach enabled RMD to divide 2006 BZPP sites into three tiers:

- Tier One consists of sites that RMD determined would have “monumental consequence” if attacked, are considered mandatory for the program, and are eligible for funding up to \$1 million each. Although RMD identified approximately 25 sites in the Tier One category, only about half will be funded under the 2006 BZPP, as the rest were already funded by other DHS grant programs.
- Tier Two contains sites that RMD determined to be “high-consequence” infrastructure within certain sectors, or sites on which intelligence has indicated the possibility of an attack. Responsible jurisdictions surrounding these sites are eligible for up to \$189,000 for each site. States will be able to select Tier Two sites for funding from a larger, state-specific site list developed by RMD. For example, if a state has 20 sites determined by RMD to be eligible for BZPP funds, but the program can fund only 8 of the 20, states must choose which 8 to fund.
- Tier Three consists of the remaining BZPP sites. For FY 2006, RMD has decided to fund approximately 200 Tier One and Two sites, but no Tier Three sites. RMD believes a number of Tier Three sites may be addressed through funds provided to nearby Tier One and Tier Two sites.

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Some state officials said that during 2005, they were minimally involved in the BZPP site identification efforts. RMD officials said that states would assist in the selection of 2006 BZPP sites. As promised, RMD employed a more consultative and structured approach by permitting states to vet and prioritize the sites. RMD's decision to give states more input resulted in the inclusion of more priority CI/KR sites. It is important to note that while states want to assist DHS with the selection of CI/KR sites, many state homeland security agencies have not yet developed a risk assessment framework to guide the prioritization and selection of Tier Two BZPP sites.

Many Tier One and Tier Two sites are chemical facilities. DHS is the sector-specific agency responsible for securing the chemical sector. Due to the high-risk nature of this sector and the need to focus resources directly at it, DHS initiated the Chemical Sector Buffer Zone Grant Program. For 2006, DHS is providing an additional \$25 million to mitigate vulnerabilities within DHS-identified chemical regions. By removing these sites from the general BZPP, DHS ensured additional funding for general BZPP sites. DHS will be better able to coordinate its resources to protect chemical sector sites.

We recommend that the Under Secretary for National Protection and Programs:

**Recommendation 4:** Continue expanding the involvement of all state homeland security or equivalent agencies in the identification of potential critical infrastructure/key resource sites.

## **Thorough Review of Selected Equipment is Needed**

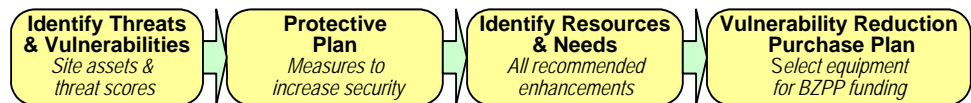
The BZPP equipment selection and approval process was not sufficiently documented at the local, state, and DHS levels. This made it difficult to determine whether the BZPP grants were adequately aligned with state and national efforts, and not duplicative of other funding sources. Additionally, BZPs and VRPPs that were completed by responsible jurisdictions usually did not list all the equipment required to address site vulnerabilities or convey why certain equipment was selected over other equipment options identified in the plan. In those instances, there was no assurance that the funded equipment was the most appropriate for the identified site vulnerability or the needs of the responsible jurisdiction.

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## The Review and Approval Process

The BZPP is intended to identify vulnerabilities of selected CI/KR assets and the protective measures necessary to help responsible jurisdictions protect them (see Figure 3). According to the BZPP grant guidance, documented reviews by the state agencies and DHS are necessary to certify that the selected equipment is the most appropriate for the identified site vulnerabilities and will not be duplicated under another funding source. The BZP template, section 8.4, requires responsible jurisdictions to document “the specific shortfalls in equipment, training, and personnel that detract from security capabilities in the buffer zone” and allows them to select up to \$50,000 in equipment that will mitigate identified vulnerabilities. Program managers described BZP and VRPP development as a process that documents all existing site vulnerabilities, the measures to increase site security, and the selection of the prioritized equipment. Managers required the identification of all recommended enhancements to assist responsible jurisdictions seeking to leverage their grant to acquire additional equipment or resources.

Figure 3: Key Steps BZP Development



In 2004, DHS authorized responsible jurisdictions to select any type of equipment, up to a value of \$50,000, considered necessary and appropriate to mitigate the vulnerabilities identified in their BZP. In 2005, BZPP program managers standardized the equipment identification, selection, and approval process and suggested that responsible jurisdictions select equipment from these Authorized Equipment List categories:

- Explosive device mitigation and remediation;
- Interoperable communications;
- Detection;
- Physical security enhancement; and
- Inspection and screening systems.

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The Office of Grant Programs now maintains the Authorized Equipment List to assist federal, state, and local public safety organizations to identify and procure security-related equipment available through DHS grant programs. The list consists of 21 equipment categories and offers information on available equipment, technologies, certification standards, and agencies using the equipment. It contains a description of the item, the item's identifier number, and the permissibility of its purchase using DHS grant funds.

Under the 2005 BZPP grant program procedures, responsible jurisdictions completed a VRPP listing the type and cost of equipment needed to protect the CI/KR asset, again up to a value of \$50,000. DHS automatically approved for procurement the equipment requested from the five suggested Authorized Equipment List categories, provided the responsible jurisdiction documented the need in the BZP. Program managers approved equipment requests from other equipment categories on a case-by-case basis. According to the program guidance, the state administrative or state homeland security agency reviews each BZP and VRPP to determine that equipment and other recommended enhancements align with state or urban area strategy goals and will be leveraged, as appropriate, with additional resources from other funding sources.

#### Approval of Equipment Purchases Was Not Well-Documented

We visited California, Georgia, Illinois, Virginia, and the District of Columbia and reviewed 412 BZPs and related documents submitted in 2004 and 2005 by the four states. The District of Columbia had not submitted any BZPs and VRPPs at that time. While the BZPP Memorandum of Agreement and the grant guidance stipulates that states, G&T, and RMD were required to review and approve BZPs and VRPPs, neither the states nor the DHS sub-components documented their assessments. We were unable to obtain sufficient documentation supporting approval of the VRPP at the state- and DHS-approval stages and in 100% of the BZPs, neither the state administrative agency nor DHS documented their review and approval of the equipment purchase plans. Furthermore, the BZP template was not designed to capture such written reviews. G&T Preparedness Officers said that they reviewed only the equipment requested in the VRPP to assure that it was included in the Authorized Equipment List and listed in BZP section 8.4, recommended enhancements.

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Without written documentation that the states and DHS have reviewed and certified the BZPP protective strategy and equipment request, DHS has no assurance that:

- The BZP and approved equipment are coordinated with DHS' and the state's homeland security strategy goals and objectives, other programs, and funding sources;
- Similar equipment has not or will not be acquired by responsible jurisdictions from another funding source; and
- The equipment is the most appropriate for the identified site vulnerabilities.

Program officials are taking steps to improve the BZP document submission, review, and approval process. For 2006, the state homeland security agency was required to provide a summary description of how the BZP supports state or urban area security strategies and national priorities, to discuss additional funding sources that leverage the implementation of the plan, and to list the target capabilities that it supports. This information is required for an assessment of each BZP's protective security strategy. For the 2006 BZPP, states that submitted VRPPs that were not initially approved received specific guidance from the G&T Preparedness Officer or IP reviewer as to why the plan failed.

#### Equipment Selected May Not Target Site Vulnerabilities or Program Priorities

When comparing the equipment identified in the BZP's recommended enhancement sections with equipment requested in the VRPPs, we could not determine why certain equipment was selected over other equipment types. In some instances, responsible jurisdictions could have selected equipment recommended in their BZP within the \$50,000 cap and listed in one of the five suggested Authorized Equipment List categories but instead, chose equipment listed under other categories, such as personal protective, intervention, and operational and logistical support categories (see Appendix C). The BZP and VRPP submission process does not require responsible jurisdictions to prioritize needed equipment or document the reason for their selection of equipment, nor is the equipment review and approval documented by RMD.

Responsible jurisdiction officials said that, given the large amount and types of equipment listed under each of the Authorized Equipment List categories, it was difficult to identify the types of the equipment best suited to address site

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vulnerabilities. Many state administrative agency and other responsible jurisdiction officials described the equipment they requested as more response-oriented than prevention-oriented equipment. Examples of response-oriented equipment requested by responsible jurisdictions include command post-crime scene evidence collection vehicles, bomb response vehicles, total containment vessels, and bomb squad self-contained breathing apparatus equipment. Approximately 44% of the funded equipment in the four states was from categories other than the five suggested categories.

Program managers said that when the selected equipment was not from the five suggested categories, it was more difficult to determine how the equipment matched the site protection goals of the BZP. Additionally, state, G&T, and RMD program staff said that they rarely questioned or denied equipment requested from outside the five suggested categories because responsible jurisdictions are in a better position to determine the most appropriate equipment. Perfunctory reviews and approvals of equipment may have resulted in equipment purchases unsuited to the BZP-identified site vulnerabilities or the BZPP program protective strategy.

DHS describes BZPP as a targeted infrastructure protection program intended to supply security equipment matched to each BZPP site's specific protective strategy. However, authorizing essentially every equipment purchase from any Authorized Equipment List category, as was frequently the case for the 2005 BZPP, increases the possibility that DHS expectations and responsible jurisdiction objectives will not be aligned. Rather than the highly targeted program envisioned by DHS, the equipment purchases we reviewed frequently lend themselves more to general terrorism detection or response efforts than to specific and tailored buffer zone protection strategies.

Beginning in the 2006 BZPP, RMD required the responsible jurisdictions to select equipment from 12 pre-identified equipment categories considered by program managers to be the most appropriate for threat detection and prevention security strategies. The 12 allowable equipment categories are: Explosive Device Mitigation and Remediation Equipment; CBRNE Operational Search and Rescue Equipment; Information Technology; Cyber Security Enhancement Equipment; Interoperable Communications Equipment; Detection Equipment; Power Equipment; Terrorism Incident Prevention Equipment; Physical Security Enhancement Equipment; Inspection and Screening Systems; Agricultural Terrorism Prevention, Response and Mitigation Equipment; and Other Authorized Equipment. Only select

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subcategories within the CBRNE Operational Search and Rescue Equipment category are eligible for FY 2006 BZPP funding. Focusing the BZPP grants on specific types of equipment will better support the protective goals of the BZPP program.

#### Plans Do Not List All Equipment Required to Address Site Vulnerabilities

Many responsible jurisdictions conducted thorough site vulnerability assessments during the development of their BZP. However, few completed a detailed list in BZP section 8.4 recommended enhancements of all the equipment necessary to enhance the protection of the CI/KR asset. We compared the BZP recommended enhancements with the corresponding VRPPs for the four states. Of the 412 BZPs, only 136 (33%) listed more than the equipment requested for funding in the purchase plan. The remaining 67% essentially mirrored the equipment requested for funding in the VRPP. They did not identify the site's other recommended enhancements in the manner intended—as a means to determine all protective gaps and required resources, and to leverage other sources of assistance. Therefore, these BZPs cannot serve as a baseline for all the required protective measures and equipment needed for the buffer zone of the CI/KR site.

RMD officials said that even though responsible jurisdictions were encouraged to list all enhancements needed to overcome buffer zone security gaps and shortfalls, they usually found it easier to provide information on only the equipment they were purchasing, versus all that was needed. Instructions in the 2006 BZP template section 7.6.13 encourages but does not require responsible jurisdictions to identify equipment, training, and capability enhancements beyond what is being requested.

#### Equipment May Not Be Available to All Intended Sites

Responsible jurisdictions have always had the option of batching several BZPP sites located within their jurisdiction under one VRPP. This enables jurisdictions to purchase a larger array of, or more expensive, equipment. Some large urban areas containing multiple BZPP sites consolidated ten or more sites under a single plan.

According to program guidelines, equipment batched into one VRPP must reflect the specific needs identified in each associated BZP and be listed in each BZP's recommended enhancements section. However, the guidelines do

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not require written certification that the equipment requested under a single plan will be available to and used at all of the sites. Without such certification, there is a concern that purchased equipment will not be available to all BZPP sites or will be used for purposes not intended by the program.

We recommend that Under Secretary for National Protection and Programs:

**Recommendation 5:** Require the Protective Security Coordination Division to certify: (1) that the equipment or resource enhancements requested in the VRPP are appropriate for the identified site vulnerabilities or the capability gap of the responsible jurisdiction; and (2) that the BZP approval is based on an analysis of the BZP plan's protective security strategy.

**Recommendation 6:** Provide instructions in the BZPP application requesting that responsible jurisdictions include a complete description of all equipment, training, and capability needs necessary to protect the BZPP site or close capability gaps of the responsible jurisdiction.

**Recommendation 7:** Provide instructions in the BZPP application requesting that responsible jurisdictions certify that all the equipment received will be available to all of the BZPP sites listed under the same Vulnerability Reduction Purchase Plan.

## **Other Factors Affecting Program Administration**

Several other factors have affected program administration and contributed to the pace with which states have expended funds. First, neither DHS nor the states and responsible jurisdictions were well equipped to manage the very complex document development and submission process that evolved after DHS converted BZPP into a grant program. Second, applicants complained that DHS' suggested target assessment tool, while a key ingredient in their BZPP preparation, was too subjective, time consuming, and unreliable. Third, responsible jurisdictions complained of not receiving training in completing their BZP and VRPP documents. Finally, two DHS sub-components share responsibility for administering the program, particularly reviewing and approving the submitted BZP documents. Until recently, the sub-components had to coordinate these activities without the benefit of an automated system. This clouded roles and responsibilities of the sub-components when it came to grant decision-making, and confused applicants seeking the right DHS



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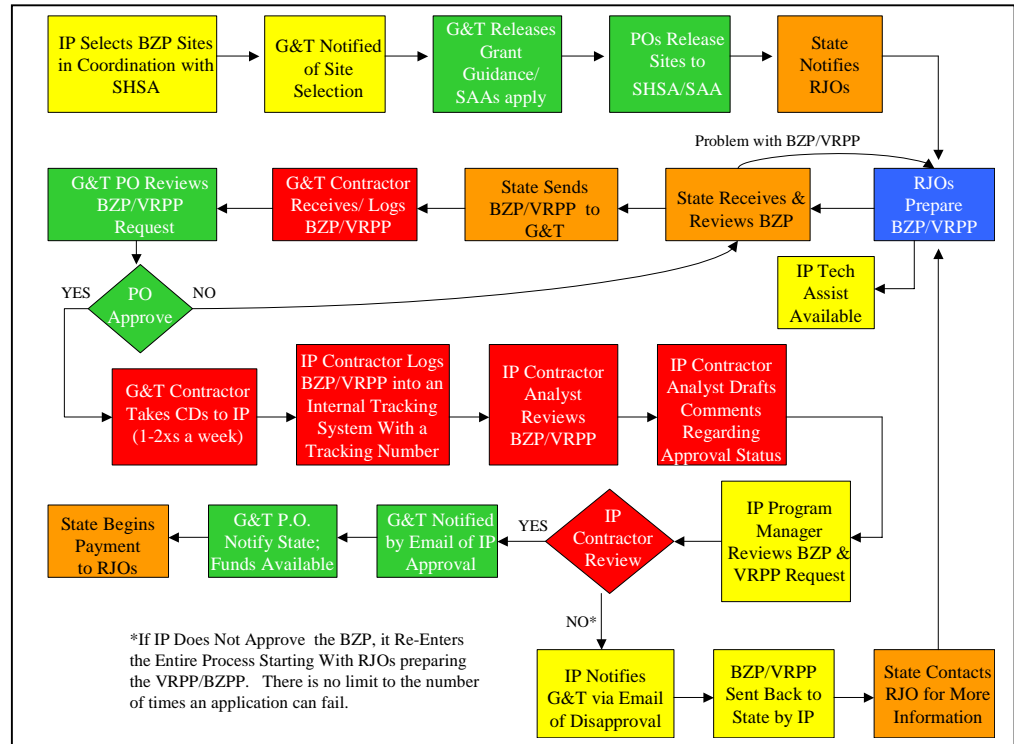
officials who could answer questions about the BZP document development and submission process.

The 2005 BZP and VRPP Submission Process Was Complex and Time Consuming

With G&T assuming responsibility for management and distribution of the FY 2005 BZPP funding awards, a complex BZP and VRPP submission process emerged (see Figure 4). The process left state and local governments confused and overworked. It entailed many responsibilities for DHS offices, state grantees, and responsible jurisdictions. RMD and G&T were required to coordinate efforts in order to move the process forward.

The responsible jurisdiction drafts a BZP and VRPP for each site in its jurisdiction. It then submitted both plans to the state administrative agency for verification that the requested equipment complied with state homeland security strategies and did not overlap with other grant funding in the same jurisdiction. The state administrative agency would send the BZP documents to the G&T Preparedness Officer to ensure the requested equipment was allowable under the Authorized Equipment List. Once G&T approved the BZP equipment, it had to hand-carry the documents to RMD. RMD ascertained whether the data fields were complete. RMD logged the requested equipment into its database and notified G&T of its approval decision. G&T contacted the state administrative agency stating that the BZP and VRPP was approved and, subsequently, the state administrative agency notified the responsible jurisdiction to begin the purchasing process.

Figure 4: BZPP Grant Process



**Color Code:** IP/RMD – Yellow. G&T – Green. State SHSA/SAA – Orange. RJOs – Blue. Contractors – Red.  
**Abbreviations:** AEL – Approved Equipment List. SHSA/SAA – State Homeland Security Agency/State Administrative Agency. RJO – Responsible Jurisdiction Organization. VRPP – Vulnerability Reduction Purchase Plan

The 2005 BZP document submission, review, and approval process had a number of issues:

- There was no clear BZP document submission deadline in 2005 and many responsible jurisdictions did not begin their BZP development until late summer or early fall of 2005. The average BZP and VRPP development and approval took 109 days from initiation at the responsible jurisdiction level to approval by RMD. While RMD ultimately waived all submission deadlines, as of March 21, 2006, 158 BZPs had not yet been submitted to DHS and 656 remained to be approved and authorized for expenditure.
- Initially some state administrative agencies were unaware of the requirement to prepare a VRPP for those BZPs previously submitted in

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2004. This resulted in G&T rejecting plans and sending them back through the state office to the responsible jurisdictions. The responsible jurisdiction then drafted the BZP and VRPP and resubmitted them to the state office, further lengthening the BZP development, review, and approval process.

- Mail and hand delivery of BZPs and VRPPs was necessary due to security concerns regarding the electronic submission of sensitive security information. For 2005, all BZPP documentation was placed on CDs and delivered through express mail. G&T activated an online secure portal for the 2006 process.
- RMD subject matter experts were not carefully reviewing BZPs and VRPPs to determine if the plans were sound and the equipment appropriate. RMD is responsible for the subject matter review of BZPs and VRPPs, and holds the final approval authority for BZPs, funds, and equipment.

In 2005, G&T Preparedness Officers informed the state administrative agencies of those CI/KR sites that DHS selected. In turn, the state administrative agency notified the responsible jurisdictions with protective security responsibilities for the sites. States became frustrated with the BZPP initiation process and lacked information on how to identify the appropriate responsible jurisdictions. In some cases, the BZPP site would have an address in one jurisdiction, but a neighboring jurisdiction would be responsible. One state official said that determining which responsible jurisdiction was responsible for the site was the most time-consuming part of the process.

Once the responsible jurisdiction received the BZPP site list, they assigned the development of the BZP to a law enforcement officer, often in addition to the officer's regular duties. In some cities, responsible jurisdictions had a local homeland security unit that was responsible for the BZP, but these offices were usually composed of only two or three officers. In most cases, one or two law enforcement officers from the regular police force were responsible for conducting the vulnerability assessments, drafting the BZP, and developing the VRPP. On average, responsible jurisdictions needed approximately 200 hours over a 2- to 3-month period to complete one BZP. Larger facilities with more complex vulnerability assessments often required up to 300 hours to complete a plan. As we noted earlier, DHS recognized the

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additional time requirements associated with developing BZPs and increased allowable management and administrative costs from 3% to 5% for 2006.

In 2005, the absence of an automated grant system compounded issues related to the BZP submission process. Because the BZPP employed a paper-intensive process, states spent a significant amount of time trying to determine the status of BZPs already submitted to DHS. Many states said there was a lack of reliable real-time information or data.

In 2006, DHS introduced a web-based system that enabled states to submit the BZPs and VRPPs electronically to DHS. This should enable DHS to track BZPs and VRPPs more easily. Presently, the system does not allow states or responsible jurisdictions to view the status of DHS' review of their plans.

#### The Program Discontinued its Original Assessment Tool

Another factor that contributed to the time responsible jurisdictions spent on 2005 BZP development was the use of a target analysis tool—CARVER—developed by U.S. Army Special Operations Forces for mission planning and targeting an adversary's installations. The acronym CARVER stands for the six factors the military consider in the target analysis process: criticality, accessibility, recuperability, vulnerability, effect, and recognizability. RMD promoted its use as an assessment tool to help responsible jurisdictions apply a terrorist point of view and determine the components of a system or facility that terrorists would most likely target to attack. Responsible jurisdictions evaluated and scored their BZPP site's key components and assets—systems and subsystems such as power supply, fuel storage, and rail yards—against each of the six CARVER factors. Components and assets with the highest total scores were considered to be potentially the most vulnerable elements of the system. After prioritizing the list of targets at the site, the responsible jurisdiction identified the security measures required to prevent, protect, and respond to an attack.

While having the status of only a *suggested* site vulnerability assessment tool, and with limited training, a majority of responsible jurisdictions employed the tool in the 2005 BZPP. Many described it as overly time consuming for the data it yielded, limited in its application, and not well suited to commercial facilities such as the malls, stadiums, office buildings, and theme parks that made up 46% of the 2005 BZPP sites. They determined that publicly accessed commercial sites typically have a larger number of potential threats

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to analyze than other BZPP sites, resulting in very close scoring and difficulty in prioritizing.

BZPP program managers also recognized the tool's shortcomings: one manager described it as "much too subjective," saying that "if ten people used it at the same site you could have ten different scores." In 2006, RMD determined that the tool was too problematic and removed it from the BZPP program package sent to responsible jurisdictions. Instead, RMD expanded the BZP template to gather additional site and local law enforcement capacity information for better gap analysis. The gap analysis identifies current capabilities on the site and in the surrounding area, and focuses on identifying the range of equipment and other resources required to address site vulnerabilities in general, rather than at specific site systems and subsystems.

#### Training For Preparing BZPs Did Not Meet Demand

To introduce responsible jurisdictions to the 2005 BZPP program, RMD program managers conducted training workshops and offered on-site technical assistance. The workshops offered site assessment training to local law enforcement and other prevention personnel, and prepared them to complete the BZP and Vulnerability Purchase Plan templates. Workshops often included more than one responsible jurisdiction and typically included a CI/KR site visit for training purposes. On-site technical assistance delivered additional support in the development of BZPs for specific sites. Between April 2004 and December 2005, RMD delivered 178 training workshops and 135 technical assistance visits.

Generally, responsible jurisdictions were satisfied with the content of the training workshop and technical assistance programs. However, not all who sought training received it. Program managers did not have a coordinated strategy to provide technical training and support to all the states and responsible jurisdictions participating in the BZPP. Instead, workshops and technical assistance visits were unevenly distributed across all BZPP sites and focused primarily on large urban areas. Some responsible jurisdictions were unaware of the technical assistance visits, while others said that support and training would have been helpful, but they were unable to get on the schedule. One training program participant observed that, within the initial 12 months of the BZPP program, it was evident that the program managers were overwhelmed by the demand and unable to respond to all requests. When program managers were unable to respond to all requests, some state

administrative agencies asked larger jurisdictions with the requisite staff knowledge and resources to train or assist smaller jurisdictions in their region to complete their BZPs.

Limited Resources Have Affected Program Administration

During our review, a majority of BZPP program staff was composed of contractors who provided continual support to G&T and RMD. G&T employed one part-time program manager and one full-time support contractor to process BZPs, while RMD employed one full-time program manager, three full-time support contractors, and one half-time support contractor to vet and approve BZPs (see Figure 5). DHS’ reliance on contractors places the program in a delicate situation. RMD said that it had one contract to support the BZPP efforts, and should the contract be lost or not sufficiently cover the time and efforts of the contractors, the BZPP program would be hampered and possibly shut down. G&T experienced difficulty renegotiating a contract for one full-time contractor on BZPP.

Figure 5: RMD- G&T Staffing

Component	G&T	RMD
Actual*	1 Part-time Program Manager 1 Full-time Contractor	1 Full-time Program Manager 3 Full-time Contractors 1 Part-time Contractor

\*Responsible for 2006 BZPP and Chemical Sector BZPP Programs

G&T said that even with contracted support, they did not have sufficient staff to run the BZPP. RMD said they had recently undergone a reorganization to maintain the resources necessary to successfully execute the program. However, changes within the 2006 BZPP, such as the decrease in eligible sites, the addition of a web-based application process, and inclusion of the Chemical Sector BZPP, make it difficult to determine appropriate staffing levels.

In early 2005, RMD deployed 17 Protective Security Advisors (PSA) to assist local efforts to protect critical assets and provide a local perspective to the national risk picture. While the PSA program ultimately grew during 2005 to more than 60 field personnel in all 50 states, RMD did not deploy the advisors

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in enough time to assist states with the 2005 BZPP. During 2005, the advisors served primarily as a contact for follow-up with states or DHS on the status of BZPs. The advisors said that they did not always receive the most up-to-date information on 2005 and 2006 program changes from RMD, and often received more current program information from their state-level contacts. Several advisors and state officials believed this was due to the limited number of full-time RMD and G&T staff assigned to the BZPP. RMD has described a more prominent role for PSAs which, given their regular communication with state offices and responsible jurisdictions, has the potential to enhance the program significantly.

Today, the National Protection and Programs Directorate's Protective Security Coordination Division and FEMA's National Preparedness Directorate Capabilities Division share responsibility for administering the BZPP. Under their Memorandum of Agreement, the Protective Security Coordination Division serves as the subject matter expert in the development, review, implementation, and monitoring of BZPs, VRPPs, and site vulnerability assessment activities. It has the final decision-making authority for approval of BZPs and VRPPs. FEMA's National Preparedness Directorate Capabilities Division serves as the point of contact for state administrative agencies and assures programmatic and financial administration, monitoring, and processing of grant awards. This partnership has brought organizational stability to the BZPP program because of states' familiarity with grant personnel. But from the states' perspective, the BZPP does not have a single, responsible program official to provide guidance and feedback. The few dedicated staff it has are spread between two DHS components. States perceive the lack of staffing as the primary reason for delays in the review and approval process for BZPs and VRPPs.

As the office primarily responsible for overseeing the department's grant programs, the National Preparedness Directorate's Capabilities Division is accustomed to having a large role in deciding grant awards. It possesses broad technical expertise and provides advice to states and responsible jurisdictions on equipment purchases. The Capabilities Division could streamline the review and approval process if it oversaw the contractor that currently reviews BZPs and VRPPs for the Protective Security Coordination Division. We are recommending that DHS consider this option.

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We recommend that the Under Secretary for National Protection and Programs and the Deputy Administrator for the National Preparedness Directorate:

**Recommendation 8:** Clarify roles and responsibilities of the National Protection and Programs Directorate's Protective Security Coordination Division and FEMA's National Preparedness Directorate Capabilities Division and amend the BZPP Memorandum of Agreement accordingly.

**Recommendation 9:** Streamline the review and approval of BZPs and VRPPs by shifting responsibility for the review to FEMA's National Preparedness Directorate Capabilities Division.

**Recommendation 10:** Increase the current allocation of resources to the BZPP so that sufficient staff is available to respond to applicant concerns and technical support needs during the BZP and VRPP development process.

**Recommendation 11:** Provide state administrative agencies and responsible jurisdictions web-based access to the grants management system to monitor status of BZPs and VRPPs

**Recommendation 12:** Provide Protective Security Advisors sufficient access to the grants management system so they may better assist states, state administrative agencies, and responsible jurisdictions to carry out the BZP and VRPP development and submission process.



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## Management Comments and OIG Analysis

We evaluated DHS management's written response to our draft report, as well as information provided by grant and program officials since the exit conference, and made changes throughout the report. Based on this information, we have closed several of the report's recommendations. Below is a summary of management's comments on the report recommendations and our analysis of them. For purposes of clarity, we split Recommendation 8 into two recommendations, with the latter becoming Recommendation 9.

Since the draft report was issued and management submitted its written response, the offices managing this program have transitioned to FEMA and to a newly created directorate, the National Protection and Programs Directorate (NPPD). In March 2007, FEMA's Office of Grant Programs assumed responsibility for executing the BZPP grant program. The Preparedness Officers and BZPP program managers were transitioned to FEMA, specifically the National Preparedness Directorate's Capabilities Division. In March 2007, the Risk Management Division was reorganized into NPPD's Protective Security Coordination Division. Our report recommendations and discussion below reflect those changes.

Management expressed concern that the OIG placed too much emphasis on the program's 2004-2005 startup years and did not sufficiently credit management for improving the program in 2006 and 2007. The OIG focused on BZPP since its inception to meet the objectives of our review specifically, to determine the efficiency of the process management used to identify BZPP assets and the adequacy of eligibility criteria used to determine investments at CI/KR sites. We completed our fieldwork in September 2006, which coincided with the conclusion of the 2006 BZPP grant awards and preparation of the 2007 program. We anticipated that our original recommendations would improve the 2007 grant program, however, management has taken action to address most of those recommendations. Accordingly, we highlighted corrections and ongoing improvements by program and grant officials throughout the report.

Management also expressed concern that the OIG did not accurately convey programmatic goals and objectives. The report presents the program's objectives as originally conceived, and also reflects subsequent refinements. In 2004 and 2005, the purpose of the BZPP was to mitigate specific threats and CI/KR vulnerabilities. Program emphasis shifted in later years to increase

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state and local capability to develop and implement homeland security support programs.

Management attributed the slow delivery of equipment to procurement issues at the state and local level. We recognize that local procurement processes and procedures impact when equipment is made available to responsible jurisdictions. However, difficulties and delays in identifying sites and approving BZP plans during 2004 and 2005 were also factors. We modified the report to state that management now requires states to make BZPP funds available to responsible jurisdictions within 60 days of the VRPP approval notification.

**Recommendation 1:** Verify all future BZPP site data with the applicable state homeland security or equivalent agencies and establish standard procedures for the state agencies to substitute BZPP sites.

**Management Comments:** Management did not specifically address this recommendation in its formal response.

**OIG Analysis:** In subsequent discussions of the draft report, BZPP program managers described the process employed at the state level in 2006 to develop initial Tier One and Tier Two site lists and to vet and validate these lists with state agencies. They described the expanded role that Protective Security Advisors now play in supporting this process. They stated that ad hoc substitution of sites during the execution of the program was not permitted in 2006.

Furthermore, the 2007 guidance, which describes the procedures for verifying BZPP site data with state and local agencies, is responsive to this recommendation. In addition, the use of the PSAs to assist states in vetting site lists will help ensure that BZPP site selection involves all necessary players. We concur with this information.

Recommendation 1 is resolved – closed.

**Recommendation 2 (revised):** Ensure that the BZPP grant guidance explicitly states that funding may be used to secure buffer zones surrounding federal facilities.

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**Management Comments:** Management asked that the OIG delete the original recommendation to revise the 2007 BZPP grant guidance to stipulate that federal government sites may not receive BZPP funding, noting that if a nuclear power site or other high-risk site were federally owned, it would still be critical for the surrounding jurisdiction to be prepared. Funds would not be provided to the site or owner. Rather, consistent with the current BZPP structure, funds would be provided to the jurisdiction responsible for the safety and security of the community that surround the site.

**OIG Analysis:** We agree that the original recommendation to revise the 2007 BZPP grant guidance to stipulate that federal government sites may not receive BZPP funding would unnecessarily limit managements' ability to protect federally owned high-risk sites. Issuance of the FY 2007 BZPP Program Guidance and Application Kit in January 2007, with the prohibition that BZPP funds may not be used for the improvement of federal buildings or for other activities that solely benefit the federal government, is responsive to the issues we raised regarding federal facilities and the BZPP program.

Based on our discussions with program managers, the Directorate's written response, and other actions taken, we have modified this recommendation. As written, program guidance may still confuse states and responsible jurisdictions regarding the inclusion of federal sites and we are recommending that the guidance be clearer. Management can satisfy this recommendation by acknowledging it will update next year's guidance and application kit.

Recommendation 2 is resolved – open.

**Recommendation 3:** Establish a deadline for processing all remaining 2005 BZPP applications.

**Management Comments:** Management suggested that the OIG modify this recommendation to state, "Do not process or approve any period of performance requests." As all 2005 applications have been processed, the deadline currently in place was the end of the period of performance for the grant – April 7, 2007. Due to the length of the state and local procurement processes, states may request extensions to this deadline so that they might effectively spend grant dollars. Management responded that it would reconsider this rephrased recommendation, noting that denying any potential and adequately justified request could have considerable negative implications for the Department.

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**OIG Analysis:** We concur with management's response. Management has processed all 2005 applications and implemented a deadline for states to submit their FY 2007 BZPs.

Recommendation 3 is resolved - closed.

**Recommendation 4:** Continue expanding the involvement of all state homeland security agencies in the identification of potential critical infrastructure/key resource sites.

**Management Comments:** Management did not specifically address this recommendation in its response.

**OIG Analysis:** Program officials indicated during discussions of the report draft and in follow-up documentation that all state homeland security agencies were involved in the identification of potential CI/KR sites for FY 2007. Officials plan to make another data call to states to improve the quality and quantity of the Tier One and Tier Two site lists.

We concur with these actions. Management can fully satisfy this recommendation by providing a copy of the methodology to be used in the upcoming data call to select, vet, and verify BZPP sites, as well as the results of the data call.

Recommendation 4 is resolved – open.

**Recommendation 5 (revised):** Require the Protective Security Coordination Division to certify: (1) that the equipment or resource enhancements requested by the responsible jurisdictions are appropriate for the identified site vulnerabilities or capability gap of the responsible jurisdiction; and (2) that the BZP approval is based on an analysis of the BZP plan's protective security strategy.

**Management Comments:** Management responded that it has taken action to address this recommendation. In discussions of the draft report and follow-up documentation, program managers stressed that 2006-2007 BZPP program goals include closing the capability gaps of responsible jurisdictions. The 2006-2007 BZP template requires the responsible jurisdiction to document how the equipment requested mitigates a site-specific vulnerability or a

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capability gap of the responsible jurisdiction that has been identified in the BZP.

**OIG Analysis:** We concur with management's response. We modified our report and this recommendation to reflect the new goals. The 2006-2007 BZP template requires the responsible jurisdiction to document how equipment funded with BZPP money mitigates a site-specific vulnerability or gap within the community and is appropriate.

Management should provide documentation outlining the specific criteria used to analyze the BZP protective security strategies and the process to certify that the BZP meets those criteria.

Recommendation 5 is resolved – open.

**Recommendation 6 (revised):** Provide instructions in the BZPP application requesting that responsible jurisdictions include a complete description of all equipment, training, and capability needs necessary to protect the BZPP site or close capability gaps of the responsible jurisdiction.

**Management Comments:** Management responded that in 2006 and 2007 it included instructions in the BZP template to guide responsible jurisdictions in the completion of BZPs. In discussions of the draft report, program managers stressed that 2006 and 2007 BZPP program goals include closing the capability gaps of responsible jurisdictions. Management indicated that it added additional instructions in the BZP template to guide responsible jurisdictions in the identification of all necessary equipment in the BZP.

**OIG Analysis:** We modified the final report and reworded this recommendation to reflect the 2006 and 2007 BZPP program goals. However, the BZP template does not indicate that responsible jurisdictions should list all necessary equipment. Management can satisfy this recommendation by providing instructions in the BZPP application requiring that responsible jurisdictions include a complete description of all protective measures, equipment, and capability needs necessary to protect the BZPP site or close capability gaps of the responsible jurisdiction.

Recommendation 6 is resolved – open.

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**Recommendation 7:** Provide instructions in the BZPP application requesting that responsible jurisdictions certify that all the equipment received will be available to all of the BZPP sites listed under the same Vulnerability Reduction Purchase Plan.

**Management Comments:** Management responded that it has taken steps in 2006 and 2007 to ensure all requested purchases are coordinated with other on-going efforts, programs, and strategies within the region and state.

**OIG Analysis:** Management's actions are responsive to the recommendation. However, the BZP template does not indicate that responsible jurisdictions should certify that all the equipment received will be available to all BZPP sites listed under the same Vulnerability Reduction Purchase Plan. Management can satisfy this recommendation by providing instructions in the BZPP application requesting that responsible jurisdictions certify that all the equipment received will be available to all of the BZPP sites listed under the same Vulnerability Reduction Purchase Plan.

Recommendation 7 is resolved – open.

**Recommendation 8:** Clarify the roles and responsibilities of the National Protection and Programs Directorate's Protective Security Coordination Division and FEMA's National Preparedness Directorate Capabilities Division and amend the BZPP Memorandum of Agreement accordingly.

**Management Comments:** Management concurred that it should review the Memorandum of Agreement and consider changes as noted in the recommendation. In follow up discussions of the draft report, program officials stated that the purpose of the review would be to make adjustments based on the evolution of the BZPP and to reflect the reorganization of IP and G&T.

**OIG Analysis:** We concur with management's response. Management should provide a copy of the revised MOA.

Recommendation 8 is resolved – open.

**Recommendation 9:** Streamline the review and approval of BZPs and VRPPs by shifting responsibility for the application's technical review to FEMA's National Preparedness Directorate Capabilities Division.

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**Management Comments:** In its response to the draft report, management disagreed and stated that subject matter expertise for the site selection process and BZP review should reside within IP, which transitioned to the National Protection and Programs Directorate on March 31, 2007. In discussions of the draft report, program officials cited the possibility of a disconnect resulting from shifting infrastructure protection responsibilities out of the National Protection and Programs Directorate, and a corresponding lack of subject matter expertise within the FEMA's Capabilities Division. Program officials believe that the intent of the recommendation is to streamline approval of BZPs and implementing it would contradict that intent.

**OIG Analysis:** The National Protection and Programs Directorate serves as a valuable resource in identifying BZPP sites and conducting training exercises. Our concern regarding the technical review stemmed from whether IP had sufficient resources to complete the reviews, its heavy reliance on contract support to review security plans, and the Office of Grants and Training's willingness and capability to perform this task. During our fieldwork, G&T officials acknowledged that their contractors could also perform this review and it would promote a cohesive and unified system to states applying for grants and result in consistency throughout the DHS grant processes.

After we issued our draft report, program officials provided additional insights about the program applicable to this recommendation. The National Protection and Programs Directorate now has a cadre of approximately 68 Protective Security Advisors to support the BZP submission and approval process. The PSAs participated in the 2006 and 2007 program. Directorate officials are confident that, by reducing the number of sites in 2007 to approximately 200, it will have a more manageable number of security plans to review and fewer resources will be required to review them. Finally, grant officials reconsidered their earlier comments that they could review BZPs, and reported that they believe the National Protection and Programs Directorate should perform this task.

Based on these developments, Recommendation 9 is resolved - closed.

**Recommendation 10:** Increase the allocation of resources to the BZPP so that sufficient staff is available to respond to applicant concerns and technical support needs during the application process.

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**Management Comments:** The reduction of eligible BZPP sites from more than 1,800 in FY 2005 to approximately 200 in FY 2006 and 2007 will lower the grant office's administrative responsibilities and the amount of resources needed to support the program, review applications and security plans, and address any applicant concerns. Management will continue to monitor program resources and respond accordingly. Program officials also noted that the roles of the Protective Security Advisors have been expanded to assist with the program.

**OIG Analysis:** We concur that the significant reduction in sites will reduce the technical and other support requirements of the BZPP, and that enhancing the role of the PSAs should mitigate execution problems encountered in FY 2004 and FY 2005. Considering the decreased number of BZPP sites to process, we concur that the PSAs might provide adequate technical assistance to stakeholders.

Recommendation 10 is resolved – closed.

**Recommendation 11:** Provide state administrative agencies and responsible jurisdictions web-based access to the grants management system to monitor status of applications.

**Management Comments:** Management disagreed with this recommendation, stating that this is not a feasible solution because neither IT solutions nor funding are in place. Furthermore, providing the jurisdictions access would not be consistent with other DHS grant programs. Management recommended that we delete this recommendation.

**OIG Analysis:** Management responded that it is unable to act on this recommendation in the manner suggested. However, in discussions of the draft report, Directorate officials agreed that having a system capable of allowing states to monitor the status of the BZPs they submitted is a “good idea.” Although we did not assess the technical limitations or lack of resources management noted, we recognize that expanded PSA support in the field will reduce the role headquarters staff play in meeting stakeholders informational needs during the BZP and VRPP development process. We encourage program managers to seek other practical solutions that respond to their stakeholders' need to stay abreast of the status of BZP submission documentation.



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Recommendation 11 is resolved – closed.

**Recommendation 12 (revised):** Provide Protective Security Advisors sufficient access to the grants management system so they may better assist states, state administrative agencies, and responsible jurisdictions to carry-out the BZP and VRPP development and submission process.

**Directorate Response:** Management opposed the original wording of this recommendation, stating that the role of the PSA is not and should not be related to grants management, which is the role of the Preparedness Officer. Implementing the recommendation would only further confuse roles and responsibilities of the management personnel to the state and local representatives. Preparedness Officers are the primary points of contact for all grant-related questions. Additionally, PSAs do not have the grants experience or expertise to effectively address questions or issues related to the grants processes and program. Management recommended that the OIG amend the recommendation to indicate that PSAs should refer all grant questions to the appropriate Preparedness Officer.

**OIG Analysis:** We recognize that Preparedness Officers are the points of contact for state agencies' inquiries on grant applications or BZP and VRPP approval status. We revised this recommendation to state more clearly that the PSAs support the BZPP and VRPP development and submission process. The intent of this recommendation is to ensure that the PSAs are adequately informed about the status of BZP plans so they might better assist responsible jurisdictions to bring submitted documents into compliance with program requirements. This is a PSA role that has been described by program managers.

In discussions of the draft report, program managers stated that having a system capable of allowing PSAs to monitor the status of the submitted BZPs has merit, but will require additional resources to implement. We encourage program managers to seek other practical solutions that will allow the PSAs to be kept informed of the status of BZP submission documentation and to respond to their stakeholders' technical support needs.

Recommendation 12 is resolved - closed.

Our objectives were to determine the efficacy of the process used to identify BZPP assets and the adequacy of eligibility criteria used to determine investments at critical infrastructure and key resource sites. We examined the utility of the BZPs and VRPPs, and the extent to which authorized equipment purchases are designed to reduce vulnerabilities in areas surrounding CI/KR sites. We also reviewed future plans for the program.

We took an in-depth look at the BZPP grant program activity in California, the District of Columbia, Georgia, Illinois, and Virginia. In these four states and the District of Columbia, we interviewed the officers of responsible jurisdictions that developed the BZPs, VRPPs, and grant application materials. We met with state homeland security agency and other state administrative agency officials in the five visited locations to discuss the BZP and VRPP development and submission process and follow-up. We interviewed G&T and RMD officials who manage the BZPP grants and distribute funds, and we met with National Protection and Programs Directorate staff working in the field with state and responsible jurisdictions. We also met with contractors who provide substantial support to the BZPP. We analyzed 412 BZPs and VRPPs submitted by California, Georgia, Illinois, and Virginia, and collected and analyzed data related to the equipment approval and purchasing process. Furthermore, we identified the current plans and future status of the BZPP program with relevant department officials.


We conducted our review between March 2006 and September 2006 under the authority of the *Inspector General Act of 1978*, as amended, and according to the *Quality Standards for Inspections* issued by the President's Council on Integrity and Efficiency.

Preparedness Directorate  
U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

MEMORANDUM TO: Carlton I. Mann  
Assistant Inspector General for Inspections

FROM: George W. Foresman   
Under Secretary

SUBJECT: *Response to Draft Inspector General Report on the  
Review of the Buffer Zone Protection Program*

This responds to the January 30, 2007, memorandum requesting the Directorate for Preparedness' comments on the draft Office of the Inspector General report, *Review of the Buffer Zone Protection Program*. First, we sincerely appreciate the opportunity to respond to the draft report. The attached document provides comments on the 11 recommendations directed to Preparedness. In addition, we are providing some additional comments to clarify the Buffer Zone Protection Program described in the report. Questions concerning specific comments should be addressed to Duane Johnson at 202-447-3230.

Please accept our thanks for the opportunity to respond to the draft report and to work with the Office of the Inspector General during this engagement. As Preparedness works toward refining its programs, the Office of the Inspector General's independent analysis of program performance greatly benefits our ability to continuously improve our activities. We look forward to continuing this partnership in the future.

Attachment

cc: Robert Stephan  
Cory Gruber  
Steven Pecinovsky

### Overall Comments

As written, the report appears out of date and does not adequately reflect the current landscape (changes over the last 2 years) of the program. The report tends to focus on the FY 2005 components of the program and does not provide sufficient credit to the fact that the current 2006 and 2007 program is completely different and improves upon almost all issues noted in the report. As a result, many of the recommendations have already been addressed or are no longer pertinent.

As written, the report does not accurately convey the programmatic goals and objectives. There appears to be some misunderstanding regarding the intent and purpose of the program. Specifically, the BZPP is identified as a targeted infrastructure protection program which supports **national**-level CI/KR protection priorities (NIPP Page 96).

Throughout the document the term “application” is used incorrectly.

- Application should refer to the time period when a grantee (a SAA in this program) has to apply for funds. This is prior to the award of funds.
- This document uses the term application to refer to the period when a jurisdiction develops and submits BZPP program documentation (BZPs and VRPPs).
- This is very misleading and we strongly suggest that it be corrected to refer to the “document development and submission process” rather than an “application” process/period.

### Specific Substantive and Technical Comments

#### **Page 1:**

- *Recommended language for **Paragraph 1** (changes in red):* “The Buffer Zone Protection Program (BZPP) supports the implementation of preventive and protective measures outside the perimeter of selected critical infrastructure and key resource (CI/KR) sites throughout the United States. Buffer zone plans (BZPs) define supplemental security areas outside the CI/KR site perimeter and recommend preventive and protective measures designed to make it more difficult for terrorists to conduct surveillance or launch attacks. The BZPP provides funding to responsible jurisdiction organizations to purchase equipment to extend the zone of protection around CI/KR facilities, expand preparedness capabilities, and enhance the security of surrounding communities.”
- In paragraph 2, the report discusses issues that slow the delivery of equipment to jurisdictions. However, the report does not mention State and local procurement issues/processes as a reason. This has been identified as the primary reason it takes so long for jurisdictions to procure equipment, and this is backed up by data later in the report that BZPs and VRPPs have been approved, but funds have not been obligated. We recommend that this paragraph be modified to note State and local

procurement issues/processes as the prevalent reason for the delay in acquiring equipment. This would fairly and more accurately depict the cause of the delays and not place all the blame for slow delivery on DHS processes.

**Page 4:**

- “BZPP plan” should be “BZP.”

**Page 5:**

- The report mentions coordinating with the “prevention, detection, and deterrence mission areas of the National Infrastructure Protection Plan” but there is no mention of coordination with prevention and protection mission areas of the National Preparedness Goal and its associated target levels of capability.
- “Determining the allowable equipment” should be modified to “Determining allowable equipment and planning expenditures.”
- “Submission and processing of program materials” should be added to the list of issues that DHS has addressed since 2004.
- **Recommended language change (changes in red):** “The program has identified common objectives, stimulated coordination of prevention and protection activities, and highlighted the skills and processes necessary to...”

**Page 6:**

- “However, as of November 2006, approximately 79% of the \$91.3 million BZPP grant funds had not yet been expended on equipment for approximately 1,432 approved sites. Although program managers have initiated improvements in the site selection and application process and have increased funding amounts available to each site, issues involving the strategic implementation and administration of the program remain. The strategic areas that DHS must continue to improve are the vetting of sites with State offices, timely expenditure of funds, and the selection of appropriate security equipment. DHS must also address the processing and approval of applications, communication between its sub-components and with program participants, and the roles and responsibilities of those sub-components administering the program.”  
**Comment: This language should be modified to identify State and local procurement issues as a reason for delays. In addition it should be noted that in the 2006 and 2007 programs States are required to make funds available to the responsible jurisdiction within 60 days of the notification of approval of the VRPP. This is not noted in the report and addresses the identified issue.**

**Page 7:**

- **Recommended language change (changes in red):** However, the negotiation process was time consuming, further delaying the BZP and VRPP development and submission process.

**Page 8:**

- “The responsible jurisdictions we visited said that federal sites should be removed from the BZPP list because: (1) states do not have jurisdiction over federal property; (2) local jurisdictions are often not the first emergency response units; and (3) local jurisdictions do not have ready site access to perform vulnerability assessments. Although RMD said

that federal government facilities were not included in the 2006 BZPP site selection, the 2006 grant guidance is vague regarding the extent the BZPP program extends to federal government sites.” *Comment: This language provides an inaccurate interpretation of the program. Funds are not for facility owners/operators – federal or otherwise. Rather, funds are provided to support the implementation of preventive and protective measures by the jurisdiction responsible for the safety and security of the community that surrounds the identified site. Additionally, no site specific information (federal or otherwise) should be identified in grant guidance. Thus, we recommend deleting the last sentence in this section.*

- “Some Preparedness Officers, as late as July 2006, did not know the final number of sites RMD had approved for their assigned states. One Preparedness Officer commented that since G&T had no reliable documentation on sites replaced or added by RMD, the only way to identify the applications still to be submitted was by regular checks with the state homeland security agencies.” *Comment: The language above is the recollection of a single Preparedness Officer and does not reflect an accurate or common picture. Preparedness Officers were cc’ed and/or notified of all changes, and instructed to direct questions or requests for additional information to the G&T BZPP program manger and/or liaison. We recommend that this section be deleted.*
- **Recommended language change (changes in red):** “There was no formal BZP and VRPP submission deadline established under the 2005, which resulted in additional delays in plan submissions.” *Comment: This was corrected in 06 and 07, but only issues with the 05 program are portrayed in the report, not the successful updates and changes.*

**Page 9:**

- “Program managers established a maximum allocation of \$50,000 per site for the BZPP program.” *Comment: It should be mentioned that this was to ensure consistency with the legacy loan program initiated in 2004, therefore providing program consistency to the State and local jurisdictions.*
- “In addition, some site owner/operators were concerned about the exchange of security-sensitive or proprietary business information. For instance, one state estimated that 30 responsible jurisdictions from among the 89 selected sites did not want to participate and were ultimately replaced with other sites.” *Comment: We recommend mentioning 06 and 07 program updates that have addressed the exchange of security sensitive information. Under the 06 and 07 program, States may voluntarily submit information under PCII.*

**Page 10:**

- **Recommended language change (changes in red):** “They also acknowledged the amount of work required to complete site assessments and prepare BZP and VRPP submissions.”

**Page 11:**



- “Some have been waiting more than 2 years for DHS to approve their 2004 BZPP grant applications.” *Comment: This is factually incorrect as there was no 2004 BZPP grant program.*
- We strongly encourage the re-examination of **Recommendation 2** and deletion from the final report. If a nuclear power site or other high risk site were federally owned, it would still be critical for the surrounding jurisdiction to be prepared. Funds would not be provided to the site or owner. Rather, consistent with the current BZPP structure, funds would be provided to the jurisdiction responsible for the safety and security of the community that surrounds the site.
- It is recommended that **Recommendation 3** be rephrased to state “Do not process or approve any period of performance requests.” As all 2005 applications have been processed, the deadline currently in place is the end of the period of performance for the grant—April 1, 2007. Due to the length of the State and local procurement processes, States may request extensions to this deadline so that they may effectively spend the grant dollars. DHS would take this rephrased recommendation under consideration, noting that denying any potential and adequately justified requests could have considerable negative implications for the Department.

**Page 13:**

- “Many Tier One and Tier Two sites are chemical facilities. DHS is the sector specific agency responsible for securing the chemical sector. Due to the high risk nature of this sector and the need to focus resources directly at it, DHS created the Chemical Sector Buffer Zone Grant Program. For 2006, DHS is providing an additional \$25 million to mitigate vulnerabilities at all Tier One and Two chemical sector sites. Specifically, this program will provide approximately \$189,000 per site for equipment purchases. RMD’s decision to create the program was prudent. By removing these sites from the general BZPP, DHS ensured additional funding for general BZPP sites. DHS will be better able to coordinate its resources to protect chemical sector sites.” *Comment: Parts of this paragraph are factually incorrect. Chem-BZPP funds were not awarded to sites, but rather to States for use within the DHS identified chemical regions. The \$189,000 mentioned was awarded to a discretionary site under the FY 2006 BZPP, not the Chem-BZPP.*

**Page 16:**

- “Without written documentation that the states and DHS have reviewed and certified the BZPP protective strategy and equipment request, DHS has no assurance that:
  - The BZPP plan and approved equipment are coordinated with DHS’ and the state’s homeland security strategy goals and objectives, other programs, and funding sources;
  - Similar equipment has not or will not be acquired by responsible jurisdictions from another funding source; and
  - The equipment is the most appropriate for the identified site vulnerabilities.

Program officials are taking steps to improve the BZPP application review and approval process. For 2006, the state homeland security agency is required to provide a summary description of how the BZPP plan supports state or urban area security strategies and national priorities, to discuss additional funding sources that leverage the implementation of the plan, and to list the target capabilities that it supports. This information is required for an assessment of each BZPP plan's protective security strategy." *Comments: DHS offers the following comments:*

- *DHS approval of all VRPPs is documented on the form itself. States who submitted VRPPs that were not initially approved received specific guidance via e-mail from the G&T Preparedness Officer or IP reviewer as to why the plan failed.*
- *The above has been further addressed in 06 and 07 with a standard template for DHS (G&T and IP) to capture the review of each BZP and VRPP (this was provided to IG staff). The State must also document its review and approval of the plan.*
- *The report emphasizes issues that have been addressed and changed and which are no longer an issue.*

**Page 17-18:**

**Recommended language change (changes in red):** "However, authorizing essentially every equipment purchase from any Authorized Equipment List category, as was frequently the case for the 2005 BZPP, increases the possibility that DHS expectations and responsible jurisdiction objectives will not be aligned. Rather than the highly targeted program envisioned by DHS, the equipment purchases we reviewed frequently lend themselves more to general terrorism detection or response efforts than to specific and tailored buffer zone protection strategies. However, DHS took action to correct this problem by limiting allowable equipment under the 06 and 07 programs, which was tightly focused on prevention and protection related equipment. This ensured that program expenditures support the goals and objectives of the overarching program."

**Page 19:**

- "However, the guidelines do not require written certification that the equipment requested under a single plan will be available to and used at all of the sites. Without such certification, there is a concern that purchased equipment will not be available to all BZPP sites or will be used for purposes not intended by the program." **Comment: This has been corrected by ensuring that States certify requested expenditures in the VRPP are coordinated with overarching State homeland security strategies and other funding sources.**
- Corrective actions to implement **Recommendation 5** were instituted during the FY 2006 and FY 2007 programs. The FY 2006-2007 template specifically requires the responsible jurisdiction to document how the equipment requested specifically mitigates a site-specific vulnerability or a capability gap of the responsible jurisdiction(s) that has been identified within the BZP.



- **Edits in red:** “**Recommendation 6:** Provide instructions in the BZP that inform responsible jurisdictions to respond to BZP section 8.4 with a complete description of all protective measures necessary to protect the BZPP site.”
- **Recommendation 6:** Steps have been taken under the 06 and 07 program to implement this recommendation by including language in the BZP template to guide responsible jurisdictions in their responses.
- **Edit in red:** “**Recommendation 7:** Provide instructions in the BZP requesting that responsible jurisdictions certify that all the equipment received will be available to all of the BZPP sites listed under the same Vulnerability Reduction Purchase Plan.”
- **Recommendation 7:** Steps have been taken under the 06 and 07 program to ensure all requested purchases are coordinated with other ongoing efforts, programs, and strategies within the region and the State.

**Page 20:**

- Many of the issues identified in paragraph 1 have been overtaken by events as the problems have been corrected.
- **Recommended language correction (correction in red):** “The 2005 BZP and VRPP submission Process Was Complex and Time Consuming”
- Throughout the next two pages application is used incorrectly (**Recommended language correction (correction in red)**):
  - “a complex BZP and VRPP submission process emerged...”
  - “The BZP and VRPP submission and review process entailed many responsibilities for DHS offices, state grantees, and local jurisdictions. RMD and G&T were required to coordinate efforts in order to move BZPs and VRPPs forward.”

**Page 22:**

- **Recommended language change (change in red):** “There was no clear application submission deadline for BZPPs in 2005. However, clear submission deadlines were identified as part of the 06 and 07 process.”

**Page 23:**

- **Recommended language change (change in red):** “Mail and hand delivery of BZPP applications was necessary due to security concerns regarding the electronic submission of sensitive security information. For 2005, all BZPP information was placed on CDs and delivered through express mail. Further improvements were instituted for the 06 and 07 processes through the use of the online G&T Secure Portal.”
- “States became frustrated with the BZPP initiation process and lacked information on how to identify the appropriate local jurisdictions. In some cases, the BZPP site would have an address in one jurisdiction but a neighboring jurisdiction would be responsible.” **Comment:** *Steps have been taken to ensure appropriate jurisdictions are identified through coordination with the DHS PSA.*

- Once the responsible jurisdiction organization received the BZPP site list, they assigned the development of the BZPP plan to a law enforcement officer, often in addition to the officers' regular duties. *Comment: DHS recognized the additional time requirements associated with developing and implementing the BZPP. Therefore, allowable management and administration costs (including backfill and overtime) were allowable in the FY 2005 program.*

**Page 24:**

- **Recommended language change (changes in red):** "In 2006, DHS introduced a web-based submission system. This system will enable states to submit the BZPs and VRPPs electronically to DHS for review, including the BZPP plan and Vulnerability Reduction Purchase Plan for each site. This should enable DHS to track BZPs and VRPPs more easily. However, it will not allow states or responsible jurisdictions to view the status of submitted applications."

**Page 26:**

- "While renegotiations took place, states did not have a dedicated point of contact at G&T." *Comment: This is not correct as all States have a full time preparedness officer dedicated to their State as the primary POC.*

**Page 28:**

- **Recommendation 8:** We concur that the MOA should be reviewed. The recommendation can be considered upon review of the MOA. However, currently subject matter expertise for the site selection process and BZP review should reside within IP.
- **Recommended language change (changes in red):** "**Recommendation 9:** Examine the current allocation of resources to the BZPP. Ensure that sufficient staff is available to respond to applicant concerns and technical support needs during the BZP and VRPP submission and review process."
- **Recommendation 9:** The reduction of the number of eligible BZPP sites from over 1,800 in FY 2005 to approximately 200 in each of FY 2006 and 2007 will significantly reduce the constraints on G&T resources to support the program, its review process, and the ability to address any applicant concerns. However, this recommendation will be monitored and addressed, as deemed necessary.
- **Recommendation 10:** This is not a feasible solution, as neither IT solutions nor funding are in place to implement this, nor is this ability available under other DHS grant programs. We recommend that this recommendation be deleted from the report.

**Recommendation 11 – DHS *strongly opposes this recommendation.*** The role of the PSA is not and should not be related to grants management. That is the role of the G&T Preparedness Officer. Allowing this would only further confuse roles and responsibilities of DHS personnel to the State and local representatives. POs are the primary POC for all

grant related questions. Additionally, PSAs do not have the grants experience or expertise to effectively address questions or issues related to the grants processes and program. This recommendation must be amended to identify that PSAs should refer all grant questions to the appropriate POs.

**Sensitivity Concerns**

G&T has no concerns regarding sensitivity.

Appendix C  
 BZPP Plan – VRPP  
 Equipment Selection Comparison

Equipment Listed in BZPP Recommended Enhancements (Sec. 8.4)				Equipment Requested in VRPP
ITEM	QUANTITY	UNIT PRICE	TOTAL	
Enhanced security light system	1	\$500,000	\$500,000	
Enhanced security CCTV camera system w/ anomaly based software	1	\$1M	\$1M	
Ballistic resistant trash containers	100	\$1,000	\$100,000	
Protective fencing systems w/ screening	2	\$4,000	\$8,000	
Electronic access control system	1	\$10,000	\$10,000	
Intrusion detection system	1	\$10,000	\$10,000	
Chemical/biological detection system	1	\$100,000	\$100,000	
Anti-vehicle bollard system	1	\$50,000	\$50,000	
Night Vision Scope	1	\$9,386	\$9,386	X
Explosive storage magazine	1	\$7,000	\$7,000	X
Small explosive magazine day box	1	\$800	\$800	X
Tactical entry helmets	60	\$137	\$8,243	X
Tactical entry nape pads	60	\$19	\$1,144	X
All-terrain CBRNE vehicle	1	\$8,460	\$8,460	X
Equipment trailer	1	\$1,295	\$1,295	X
Digital cameras	5	\$2,000	\$10,000	X
Camcorders	4	\$350	\$1,400	X
CBRNE Gas Mask Filters	25	\$24	\$600	X
Gas Mask Bags	25	\$24	\$600	X
Gas Mask Adapter	25	\$24	\$600	X
<b>BZPP Total: \$1,827,528</b>				<b>VRPP total: \$49,528</b>

Appendix D  
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---

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