



Office of Preparedness

Division of Homeland Security

May 1, 2012

COLORADO DEPARTMENT OF PUBLIC SAFETY

### Foreword

A core mission of the Department of Homeland Security (DHS) is to enhance the ability of State, local and tribal governments to prevent, protect against, mitigate, respond to, and recover from acts of terrorism and other disasters. DHS' homeland security preparedness grant programs are the funding mechanism for building and sustaining national preparedness capabilities. The numerous homeland security grant programs implement objectives addressed in a series of post 9/11 laws, strategy documents, plans and Homeland Security Presidential Directives.

DHS' grant program suite is comprised of several separate grant programs. Together, these grants fund a range of preparedness activities, including personnel, planning, organization, equipment purchases, training, exercises, and management and administration costs. The programs support objectives outlined in the National Preparedness Goal and related national preparedness doctrine, such as the National Incident Management System, National Response Plan, and the National Infrastructure Protection Plan.

The Colorado Division of Homeland Security, through the Office of Preparedness (OPS), is responsible for one of the State's most critical missions – the safety and security of its citizens. OPS is responsible for developing state strategy to prepare for, prevent, and respond to terrorist attacks and other disasters as well as promoting transparency and accountability in the administration of the State's Homeland Security Grant Program.

OPS works with representatives from the State's nine All Hazards Emergency Management Regions and other partners to strengthen and streamline the grants administration process. This guide is a result of this cooperation, which is a critical component of the effective and efficient administration of Homeland Security grants. It incorporates by reference the provisions of OMB circulars and government-wide common rules applicable to grants and is intended to be used in conjunction with directives contained in federal and state laws and regulations and in the terms and conditions section of the grant awards themselves. This Guide is not intended, however, to be an all-inclusive document and should be used as only a starting point in terms of requirements.

We would like the Grants Management Guide to be useful and welcome any suggestions for improvements. Do not hesitate to contact us if you have any recommendations, questions or concerns. We look forward to your continued success in administering Homeland Security grants.

## Record of Changes

DATE	DESCRIPTION	PAGE(S)
7/5/2011	Add Record of Changes Table to this document	2
7/5/2011	The reimbursement requirements for a Working Lunch were expanded to include breakfast and/or lunch and/or dinner	9
8/4/2011	The Reimbursement Request Form was revised to auto sum "Total Expenditures to Date" and "Balance Available" fields. Additionally, the Project tabs were modified by deleting the "Compliance Requirements Met" and "Sub Category #" fields	37-38
8/4/2011	Appendix B: Cash Reimbursement Example was revised	45
8/5/2011	The Review and Approval of Changes Table was deleted.	21
8/5/2011	The Grant Change Request Form was modified to reflect new options selection of an addition of approved project and addition of non-approved project. Additionally, the "Amount of Change" title was changed to "Amount of Reallocation"	36
8/8/11	The Financial Report was modified to eliminate the 2007 and PSIC related information	39-40
11/17/11	Replace all references to the Governor's Office of Homeland Security (GOHS) with The Office of Preparedness (OPS)	all
11/17/11	Add Section 3.1.2 SEGREGATION OF DUTIES	15
4/27/12	Add Vendor Selection paragraph under Section 2.1	10
4/27/12	Remove the 3 training sessions limit for non DHS approved training	10
4/27/12	Revised information for Maintenance Contracts to reflect information specified in IB 379	9
4/27/12	Clarify Cash Advances procedure	19

## **Table of Contents**

GRANTS REGULATIONS & GUIDANCE	5
CHAPTER 1: GRANT AWARDS	7
1.1 BILATERAL AGREEMENTS	7
1.2 Point of Contact	7
CHAPTER 2: COST	8
2.1 ALLOWABLE COSTS	
2.2 unAllowable Costs	
2.3 Costs requiring PRIOR APPROVAL	12
CHAPTER 3: PROCUREMENT	
3.1 Procurement	
3.1.1 CONFLICTS OF INTEREST	
3.1.2 SEGREGATION OF DUTIES	
3.1.3 SUPPLANTING	
3.2 Remedies for Noncompliance	
3.3 REPORTING IRREGULARITIES AND ILLEGAL ACTS	
CHAPTER 4: REIMBURSEMENT REQUESTS	
4.1 CASH ADVANCES	
CHAPTER 5: QUARTERLY REPORTS	
5.1 QUARTERLY FINANCIAL AND NARRATIVE REPORTS	
5.2 QUARTERLY REPORTING SCHEDULES	
CHAPTER 6: CHANGES TO GRANT AGREEMENT	
6.1 Performance Period Modification	
6.2 REALLOCATION OF UNEXPENDED HLS SECURITY GRANT FUNDS POLICY	
CHAPTER 7: GRANT CLOSE-OUT	
7.1 FINAL CASH REIMBURSEMENT REQUEST	
7.2 DEOBLIGATION OF FUNDS	
7.3 FINAL FINANCIAL REPORT	
7.4 FINAL NARRATIVE REPORT	
7.5 RECORDS RETENTION	
CHAPTER 8: GRANT AGREEMENT TERMINATION	_
8.1 REDUCTION OR TERMINATION OF AGREEMENT FOR CAUSE	
8.2 TERMINATION FOR CONVENIENCE	
CHAPTER 9: OVERSIGHT MONITORING/AUDITING	
9.1 Federal	
9.2 State	
9.3 CORRECTIVE ACTION & RESOLUTION OF FINDINGS	
9.4 A-133: Most Common ISSUES CITED IN Audit Findings	
9.5 EXAMPLES OF FINANCIAL MONITORING FINDINGS	
CHAPTER 10: EQUIPMENT	
10.1 SAFEGUARDING GOVERNMENT PROPERTY	28

10.2 EQUIPMENT PURCHASED WITH HOMELAND FUNDS	28
10.3 INVENTORY CONTROL	28
10.4 LOSS, THEFT OR DAMAGE OF EQUIPMENT	29
10.5 EQUIPMENT MAINTENANCE	29
10.6 READINESS	29
10.7 CHANGE IN OWNERSHIP OF EQUIPMENT	29
10.8 DISPOSITION	30
10.9 COPYRIGHTS, PATENTS, AND INVENTIONS	30
10.10 PUBLICATIONS	31
CHAPTER 11: ACCOUNTING AND INTERNAL CONTROLS	32
11.1 ACCOUNTING SYSTEM	32
11.2 FINANCIAL REPORTING CAPABILITY	32
11.3 INTERNAL CONTROLS	32
11.4 Accounting for in-house staff	32
APPENDIX A: SUMMARY OF REQUIRED GRANT FORMS/REPORTS	34
GRANT CHANGE REQUEST FORM - SAMPLE	
CASH REIMBURSEMENT REQUEST FORM - SAMPLE	
FINANCIAL REPORT – QUARTERLY AND FINAL - SAMPLE	
NARRATIVE REPORT – QUARTERLY AND FINAL - SAMPLE	41
SUBMIT ONE FORM WITH ORIGINAL SIGNATURES TO CDHS	42
CASH ADVANCE REQUEST FORM - SAMPLE	
APPENDIX B: CASH REIMBURSEMENT EXAMPLE - SAMPLE	
APPENDIX C: EQUIPMENT RELEASE / TRANSFER FORM - SAMPLE	
APPENDIX D: MOU FOR EQUIPMENT TRANSFER - SAMPLE	
APPENDIX E: FEDERAL GRANT REFERENCES	
APPENDIX F: FY 2010 HOMELAND SECURITY GRANT PROGRAM (HSGP)	
APPENDIX G: OFFICE OF PREPAREDNESS CONTACT INFORMATION	52

### GRANTS REGULATIONS & GUIDANCE

This manual incorporates grant information from federal, state regulations and guidance, and other resources related to grants that are managed by OPS. The requirements in this guide are effective as of May 1, 2012 for all grant programs and for all grant years. The manual is not intended to supersede or replace any federal regulations or guidance. Recipients of OPS' grant awards and their fiscal agents should ensure compliance with all federal requirements, including, but not limited to, the following:

### **Administrative Guidance**

- Financial Management Guide, US Department of Homeland Security Preparedness Directorate (January 2006)
- Grant Program Directorate Information Bulletins
- Department of Homeland Security Grant Program Guidance and Application Kit (as appropriate by grant year)
- Division of Homeland Security Grant Guidance (as appropriate by grant year)

### **Audit Requirements**

 A-133, "Audits of States, Local Governments, and Non-Profit Institutions" (codified at 28 CFR Parts 66 and 70)

### **Government-wide Common Rules**

- Code of Federal Regulations, Title 2 Grants and Agreements
- Code of Federal Regulations, Title 44 Emergency Management and Assistance

## Administrative Requirements vs. Cost Principles

Administrative Requirements	Cost Principles
Prescribe standards for grant administration to achieve uniformity and consistency for recipients of Federal Assistance	Define allowable costs for different types of recipients; failure to mention a particular item of cost in the Cost Principles is not intended to imply that it is either allowable or unallowable



FEMA Basic Grants Workshop Western Grantees Long Beach, California June 2-3, 2009 27

0.1
N
$\overline{}$
$\circ$
2
- 1
0
7
$\sim$
G
$\equiv$
$\overline{}$
eī
ner
mer
gemer
gemer
nagemer
ınagemer
<b>[anagemer</b>
<b>Janagemer</b>
Managemer
<b>Janagemer</b>
its Managemer
ints Managemer
rants Managemer
ants Managemer

Office of Management and Budget (OMB) Circulars			
Grantee Type	Admin Requirements	Cost Principles	Audit Requirements
State & Local Governments	44 CFR Part 13	2 CFR Part 225 (Previously A-87)	
College & Universities	2 CFR 215	2 CFR Part 220 (Previously A-21)	A-133
Non-Profits (Previously A-110)		2 CFR Part 230 (Previously A-122)	

Website for Circulars:

http://www.whitehouse.gov/omb/grants\_attach/

Website for 44 CFR Part 13:

http://ecfr.gpoaccess.gov/cgi/t/text/text-

idx?c=ecfr&sid=33689b4f3e25044938455f02a687d976&rgn=div5&view=text&node=44:1.0.1.1.14&idno=44

### For more detailed information, please refer to Appendix E: Federal Grant References.

At the state level, recipients of Homeland Security Grant Awards should pay particular attention to the State of Colorado Fiscal Rules and the State Procurement Code.

### **CHAPTER 1: GRANT AWARDS**

### 1.1 BILATERAL AGREEMENTS

The State of Colorado, through the Office of the State Controller, enters into agreements with local entities governing the distribution, expenditure, and administration of federal funds. Sub-grantees should ensure that they have a signed copy of the Grant Agreement and understand its terms and conditions.

The fully executed Grant Agreement is the official notification to the sub-grantee that the award of federal funds has been approved. The agreement provides the amount of federal funds for the sub-grantee's approved project. It identifies the federal grantor agency, the federal award number, the Catalog of Federal Domestic Assistance (CFDA) title and number, the sub-grantee name, the State grant number, the award performance/effective period, the approved budget, and special and standard conditions that must be met in accepting the award.

Sub-grantees should administer awards in accordance with the fully executed Grant Agreement. Unallowable expenses that have been inadvertently approved within a fully executed Grant Agreement should still be considered unallowable. It is the responsibility of the sub-grantee to ensure that all expenditures are made in compliance with federal guidance and regulations.

### 1.2 POINT OF CONTACT

Please refer to Preparedness Finance Program Manager or your assigned Grant Program Analyst for any question you have, or technical assistance you require, on any matter related to your Homeland Security Grant(s), whether financial or programmatic in nature. The Grant Program Analyst will be responsible for ensuring that you receive the assistance you need, either directly or by referral to another staff member. Please see Appendix G for a list of Office of Preparedness' staff.

### **CHAPTER 2: COST**

### 2.1 ALLOWABLE COSTS

Grant funds must be used to enhance all-hazards emergency preparedness and all expenditures must be in accordance with the sub-grantee's approved contract/agreement. Funds can be used to conduct multi-disciplinary planning, training, exercises, organization and equipment purchases. Allowable cost information can be found within The DHS Financial Management Guide, CFR 44, CFR 2 and the appropriate grant guidance. The following is a list of allowable costs:

### Management and Administrative (M&A) costs

M&A costs are direct costs that are incurred to administer a specific program/award. M&A costs are identifiable and unique to each program/award. All costs charged to M&A must be directly linked to program or grant administration.

### M&A costs may include:

- Salaries of full-time or part-time staff or contractors/consultants to assist with the management of the program
- Hiring of full-time or part-time staff or contractors/consultants to assist with the implementation and administration of the program
- Overtime and backfill costs
- Costs associated with achieving Emergency Management that is inclusive of the access and functional needs of workers and citizens with disabilities.
- Travel expenses of full-time or part-time staff or contractors/consultants to assist with the management of the program
- Meeting expenses relating to the management of the program
- Office supplies and equipment needed to manage the program
- Shipping/Postage expenses relating to the management of the program
- Leasing or renting of space for newly hired personnel during the period of performance of the grant program

### **Supplies and Equipment**

Recipients are required to review the Interagency Board's Authorized Equipment List (AEL) on the Responder Knowledge Base (RKB) website at

http://www.rkb.us/FEMAGrants/DisplayFEMAGrants.cfm and ensure that all requested items are listed on the web site. This website also identifies some additional requirements related to equipment purchases.

### **Maintenance contracts and warranties**

The use of FEMA preparedness grant funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable under all active and future grant awards, unless otherwise noted.

### Please note:

• The term of the maintenance contract or warranty shall not exceed the period of performance of the grant to which the contract is being charged. Any portion of the contract that extends beyond the grant performance period may not be charged to the grant award. For example, if the grant performance period is one year and the maintenance agreement is for three years, only the cost associated with the first year of the agreement is allowable. The grantee has to prorate the cost of the agreement to cover only the grant project period.

 Maintenance contracts and warranties may be purchased for equipment that has previously been purchased with either federal grants or any other source of funding as long as direct linkage can be provided to one of the core capabilities in the five mission areas contained within the National Preparedness Guide (NPG). Further, equipment must be sharable through the Emergency Management Assistance Compact (EMAC).

### **Food and Beverages**

Food and/or beverage expenses are allowable costs if:

- (1) The food and/or beverages are provided to participants at training sessions, meetings, or conferences that are allowable activities under the particular DHS program guidelines; and
- (2) Expenses incurred for food and/or beverages and provided at training sessions, meetings, or conferences satisfy the following tests:
  - (a) the cost of the food and/or beverages provided is considered reasonable;
  - (b) the food and/or beverages are provided during a work-related event;
  - (c) participation in the event is mandatory (i.e. working lunch);
  - (d) the amount and type of food and/or beverages is appropriate given the time of the meeting; and
  - (e) the food and/or beverages provided are not related directly to amusement and/or social events. (Any event where alcohol is being served is considered a social event; therefore, costs associated with that event are not allowable). In the event food/meal(s) are being provided, the amount charged for per diem must be reduced accordingly.

A list of attendees for all meetings/events where food is purchased must be kept on file. In order to be reimbursed for a meal expense (breakfast and/or lunch and/or dinner), a copy of the agenda clearly showing a working meal **and** the sign-in sheet must be attached to the Reimbursement Request.

### **Consultant Rates**

Compensation for individual consultant services is to be reasonable and consistent with the amount paid for similar services in the market place. Consideration can be given to compensation, including fringe benefits, for those individuals whose employers do not provide them. Time and effort reports are required for consultants. Competitive bidding for consultant services is encouraged, and may be required, depending on the contract amount and it is highly recommended in most circumstances.

### **Services**

Sub-grantees purchasing contractual services should ensure that:

- A description of the procurement process used to select the contractor is maintained in the grant file.
- All services are supported by a valid, signed contract between the project manager and the service provider and the contract is time limited to 5 years or less.
- Contractor time and activity records are maintained in the project file. (This is a requirement for any contractor.)
- The contractor is not receiving payment from more than one source for the same work for this project.
- The contractor is not a federal employee.
- The contractor signs the State of Colorado Form IA-1: "Certification and Affidavit Regarding Illegal Aliens", and the certification is maintained in the grant file.

According to the State of Colorado Procurement Rules guide, services costing between \$25,000 and \$150,000 may be purchased using a documented quote process. Note that if Fiscal Agent rules are more conservative, those rules must be followed.

### Training

Training courses must be DHS approved in order to be paid for with Homeland Security Grant funds. Three training catalogues from the US Department of Homeland Security - Office of Grants and Training - can be accessed online at <a href="http://www.firstrespondertraining.gov">http://www.firstrespondertraining.gov</a>.

A non-DHS approved course may be offered with prior approval from OPS; as long as a subgrantee can make a case that the proposed training falls within one of the core mission areas. Please direct questions on this process to:

Office of Preparedness
Division of Homeland Security
Training & Exercise Program Manager
9195 East Mineral Avenue; Suite 234
Centennial, CO 80112

For more specific training information and allowable costs, please refer to the most current version of the Office of Preparedness' Training and Exercise Program Manual or the HSGP Federal Grant Guidance.

### Exercise

Exercises must be HSEEP compliant and meet all requirements set forth in the Office of Preparedness' Training and Exercise Program Manual. Please visit <a href="http://www.colorado.gov/homelandsecurity">http://www.colorado.gov/homelandsecurity</a> for the most current version. Supplies costs are allowable when consumed during the course of the exercise.

### Vendor Selection

Sub-grantees must have a process to confirm that vendors were in good standing prior to contracting with them. Specifically, sub-grantees must determine whether recipients are excluded or disqualified from participating in a transaction prior to awarding a contract. Title 2 of the Code of Federal Regulations (CFR) Part 180, as adopted and supplemented by DHS in 2 CFR Part 3000, forbids excluded persons or entities from participating in federal agencies' nonprocurement grants and contracts of assistance. Therefore, sub-grantees must verify that the person/organization with whom they intend to do business is not excluded or disqualified by checking the Excluded Parties List System (EPLS) that may be accessed at http://epls.arnet.gov or http://www.epls.gov.

Confirming a vendor's status with the federal government is a process that should be documented in sub-grantee policies and procedures.

### 2.2 UNALLOWABLE COSTS

In addition to the applicable cost principles for federal grants, recipients should refer to the program guidelines to determine what program costs are unallowable for that specific program. Costs that are unallowable under one federal program may be allowable under another. Costs that are generally unallowable under Federal Homeland Security Grants are as follows:

### Indirect costs without prior approval

These are defined as costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular award/project, but contribute to the ability of the recipient to support a variety of projects and programs and sustain the daily operations of the organization. Indirect costs are not incurred specifically from the actual performance of the activities under a particular award. Indirect costs are charged based on an approved rate and applicable base, which encompasses total organizational activity.

Indirect costs may include:

- Depreciation (that is not directly tied to Homeland Security Functions)
- Rent (that is not directly tied to Homeland Security Functions)
- Telephone (that is not directly tied to Homeland Security Functions)
- Postage (that is not directly tied to Homeland Security Functions)
- Printing (that is not directly tied to Homeland Security Functions)
- Other expenses that benefit all programs and functions of an organization, (that is not directly tied to Homeland Security Functions)

### **Land Acquisition**

Land acquisition costs are unallowable unless specifically noted otherwise in grant guidance.

### **Compensation of Federal Employees**

Salary payments, consulting fees, or other compensation of full-time Federal employees are unallowable costs.

### **Travel of Federal Employees**

Costs of transportation, lodging, subsistence and related travel expenses of DHS' employees are unallowable. Travel expenses of other Federal employees for advisory committees or other program or project duties or assistance are allowable if they have been:

- 1. Approved by the Federal employee's Department or Agency; and
- 2. Included as an identifiable item in the funds budgeted for the project or subsequently submitted for approval.

### **Bonuses or Commissions**

The recipient or sub-grantee is prohibited from paying any bonus or commission to any individual or organization for obtaining approval of an application for award assistance. Bonuses to officers or board members of profit or non-profit organizations are determined to be a profit or fee and are unallowable.

### **Pre-Award Costs**

Unless otherwise noted in contract any costs incurred prior to the commencement date of the award are unallowable.

### Lobbying

All recipients and sub-grantees must comply with the provisions of the government-wide Common Rule on Restrictions on Lobbying, as appropriate.

### **Fund Raising**

Costs of organized fund raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions, may not be charged either as direct or indirect costs against the award. Neither the salary of

persons engaged in such activities nor indirect costs associated with those salaries may be charged to the award, except insofar as such persons perform other program related activities.

An organization may accept donations (i.e., goods, space, services) as long as the value of the donations is not charged as a direct or indirect cost to the award. The donation must be supported with source documentation. A recipient may also expend funds, in accordance with approved award terms, to seek future funding sources to expand the project, but not for raising funds to finance related or complementary project activities.

This section does not prohibit recipients from engaging in fund raising activities as long as such activities are not financed by the Federal or non-Federal portion of award funds.

### **Conferences and Workshops**

Unallowable costs include:

- Entertainment
- Sporting events
- Visa fees
- Passport charges
- Bar charges/Alcoholic beverages
- Laundry charges
- Lodging costs in excess of Federal per diem

### 2.3 COSTS REQUIRING PRIOR APPROVAL

The following is a list of costs that requires prior approval:

### Construction

The use of funds for construction is generally prohibited except as outlined below:

- Construction and renovation of guard facilities
- •Renovation of and modifications, including the installation of security and communications equipment, to buildings and structures to improve perimeter security
- Physical security enhancements

Communication towers that are included in a jurisdiction's interoperable communications plan are allowed. Such construction and renovation shall be strictly limited and allowable only when it is a necessary component of security systems at critical infrastructures facilities. Written approval must be provided by OPS prior to the use of any grants' funds for construction or renovation

### **Audit Costs**

Costs for audits not required or performed in accordance with OMB Circular A-133 are unallowable. If the grantee did not expend \$500,000 or more in Federal funds in its fiscal year, but contracted with a certified public accountant to perform an audit, these costs may be charged to the grant, but requires prior approval.

- Unless prohibited by law, the costs of audits made in accordance with A-133 requirements are allowable charges to Federal awards.
- The costs of auditing a non-Federal entity, which has Federal awards expended of less than \$500,000 per year, and is thereby exempted under the A-133 requirement, may not be charged to Federal award(s).

### **Foreign Travel**

Direct charges for foreign travel costs are allowable only upon receipt of a prior approval from the Department of Homeland Security through the State. Foreign travel is defined as any travel outside of Canada and the United States and its territories and possessions. However, for organizations located in foreign countries, the term "foreign travel" means travel outside that country.

**Note:** Indirect charges for foreign travel are allowable without prior approval when: (a) included as part of a federally approved indirect cost rate; and (b) such costs have a beneficial relationship to the project. Each separate foreign trip must be pre-approved.

Recipients must comply with the provisions of the Fly America Act (49 USC § 40118). The Fly America Act requires travelers performing U.S. Government-financed foreign air travel to use U.S. flag air carriers to the extent that such service is available. Foreign air carriers may be used only in specific instances, such as when a U.S. flag air carrier is unavailable, or use of U.S. flag air carrier service will not accomplish the mission. If a foreign air carrier is used for any part of foreign travel, the recipient must maintain supporting documentation in the grant files available and specifically identified for review during an audit.

Requests for foreign travel must be in writing and may be submitted through:

- 1. Inclusion in the budget or other components of an award or sub award application; or
- 2. As a separate written request to the appropriate authority as described above.

### **CHAPTER 3: PROCUREMENT**

### 3.1 PROCUREMENT

A sub-grantee should ensure its procurement processes meet or exceed local, state, and federal requirements. Local written procurement policies should be followed for all procurements, providing that the policies are at least as restrictive as state and federal requirements. If there are no local procurement policies then state laws, regulations and policies must be followed, provided they are more conservative than federal policy.

Sub-grantees should ensure that their fiscal policies and procedures include specific requirements unique to grant administration.

Sub-grantees should refer to local, state and federal procurement rules, for more complete guidance, prior to making decisions regarding competitive bids, sole source or other procurement issues.

- Sole source procurement is generally discouraged (emergency situations excluded).
- If a sub-grantee is considering a sole source transaction in excess of \$100,000, details must be submitted in advance, in writing, to the Office of Preparedness and prior approval received from the Office of Preparedness. Please reference Financial Management Guide, US Department of Homeland Security Preparedness Directorate (January 2006).

### Sub-grantees should ensure that:

- All procurement transactions, whether negotiated or competitively bid and without regard to dollar value, are conducted in a manner that provides maximum open and free competition.
- The sub-grantee is alert to organizational conflicts of interest and/or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade.
- Contractors who develop or draft specifications, requirements, statements of work, and/or Requests for Proposals (RFPs) for a proposed procurement must be excluded from bidding or submitting a proposal to compete for the award of such procurement. This applies to contracts related to services; for example, Homeland Security Coordinator Contracts.
- When issuing requests for proposals, bid solicitations, and other published documents
  describing projects or programs funded in whole or in part with these grant funds, the
  phrase -"This project was supported in whole or in part by grant # \_\_\_\_\_\_, issued by the
  Colorado Division of Homeland Security" is used.
- All purchases are listed in the approved application.

### 3.1.1 CONFLICTS OF INTEREST

Federal, state and local statutes and regulations require individuals involved in procuring goods and services to be free of any conflicts of interest. Sub-grantees should ensure that individuals involved in the procurement process and the administration of Homeland Security grants meet all applicable ethics requirements.

Sub-grantees will maintain a written code of standards of conduct governing the performance of their employees. No employee, officer or agent of the grantee or sub-grantee shall participate in selection or in the award or administration of a contract supported by Federal Funds if a conflict of interest would be involved. Such conflict would arise when: the employee, officer or agent, any member of his/her immediate family, his or her partner, or organization that employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.

### 3.1.2 SEGREGATION OF DUTIES

To ensure appropriate checks and balances to mitigate the risk of errors and fraud, it is imperative that one person does not serve in multiple positions of authority relative to grant activities. Please refer to OPS' Monitoring Guide, Appendix D, Worksheet #1 for additional information.

### 3.1.3 SUPPLANTING

All funds are needed to **supplement** and not to **supplant** the sub-grantee's own funds. Federal grant funds should not be used to purchase items or services that would otherwise be purchased with the sub-grantee's own funds. Expenditure of funds for the acquisition of new equipment or services, when equipment and/or personnel required for the successful execution of projects are already available, or budgeted for within the sub-grantee organization, will be considered supplanting and will be disallowed.

Homeland Security funds are intended to provide local entities with increased capabilities or to increase capacity to address CBRNE/WMD terrorist incidents. Federal Homeland Security funds cannot be used to replace aged, local equipment; instead, they are intended to help increase capabilities. These funds are not to be used to replace items that are worn out/broken or for replacing (supplanting) routine local budget expenses. For example:

- A local agency's budget contains \$10,000 in general funds for the purchase of radios. The agency applies for, and receives, Homeland Security grant funding for radios and subsequently redirects the \$10,000 in general funds to a different purpose. That is supplanting and is not allowable. Using the grant funds to purchase radios in addition to the radios purchased with general funds would be supplementing and would be allowable.
- An officer within a police department is reassigned from his/her existing position and duties to perform intelligence analysis activities. No one is hired to backfill the officer's former position and it is left vacant. Charging that officer's salary to a Homeland Security Grant would be supplanting and is not allowed.

Questions regarding supplanting should be addressed to the Office of Preparedness.

### 3.2 REMEDIES FOR NONCOMPLIANCE

In accordance with the Code of Federal Regulations, if a grantee or sub-grantee fails to comply with the terms and conditions of any local, state or federal law, regulation, or contract, the State may withhold cash payments pending correction of the deficiency, disallow any or all costs incurred, or reduce or terminate the grant. A sub-grantee who is the subject of an enforcement action may appeal as follows:

• The State will afford the sub-grantee a reasonable time to offer a remedy or terminate project operations.

If a remedy is offered, it must be in writing and signed by the Contract Signatory for the Region/Agency. The Office of Preparedness will make the final determination in writing within 30 days of the date of the appeal.
 3.3 REPORTING IRREGULARITIES AND ILLEGAL ACTS

## Sub-grantees who become aware of any misuse, misappropriation, conflict of interest, falsification of records and reports, or any other potentially irregular or illegal acts should follow their organization's procedures for reporting these activities, and should also report their concerns immediately to the State Awarding Agency (SAA.)

## CHAPTER 4: REIMBURSEMENT REQUESTS

Cash reimbursement may be requested for amounts approved in the agreement and actually expended. At a minimum, sub-grantees should request a cash reimbursement quarterly. Ideally, expenses incurred within a quarter should be reflected in that quarter's reimbursement request. If submission during the quarter is not possible, all sub-grantees should request reimbursement for expenditures within the next quarter following the actual expenditure.

Sub-grantees can expect to receive payment within 21 days of receipt of a properly completed Reimbursement Request form, if all expenditures are approved and appropriately documented. Incomplete or inaccurate requests will be returned to the sub-grantee with a form detailing the reasons for the rejection. Payment will be made only after corrected forms have been received by the State. Additionally, payment will be withheld if Quarterly Reports and/or A-133 audit copies are delinquent.

Sub-grantees must submit two signed originals of the Reimbursement Request form. All forms must be signed by the Fiscal Officer and the Homeland Security Coordinator, MMRS Coordinator, or State Agency Representative (as identified in the application or modified through the appropriate process).

Please Note: To ensure appropriate checks and balances, it is imperative that one person does not serve in more than one of the above-mentioned positions.

Sufficient details must be provided with the Reimbursement Request form to demonstrate that expenses are allowable and appropriate. Please review the example of sufficient detail included in Appendix B. The following identifies required documentations for various items:

### Goods

Required Documentation: Requests for reimbursement for items of equipment (tangible personal property) with a purchase price of \$5,000 or more per each item should include the invoice number, description of item purchased (e.g. radios), proof of payment, and the location and number of items. Additionally, the manufacturer's serial number and, if the subgrantee has its own existing inventory numbering system, that number should be included. Copies of any related documentation may be requested by the Office of Preparedness at any time prior to approval of reimbursement requests.

### **Services**

Required Documentation: Sub-grantees must include contract numbers or employee names, the date/s the services were provided and the nature of the services. Please refer to 2 CFR, part 220, 225 or 230 (as applicable) for specific reporting requirements related to services. The Office of Preparedness requires that fiscal agents keep timesheets in grant files for each individual paid with grant funds. For monitoring purposes, copies of specific timesheets and additional documentation may be requested. Any invoices for services over \$5,000 must also provide invoice copies or detailed timesheets.

### **Exercise**

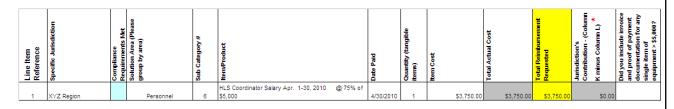
Exercise reimbursement requests must include the specific cost category (for example: overtime, backfill, food, contract costs, supplies, etc.), exercise title/name, location, and date(s). Additionally, After Action Reports must be submitted to the Office of Preparedness within 45 days of the date the exercise is held. Delinquent After Action Reports may result in the withholding of reimbursement requests.

### **Training**

Training reimbursement requests must include the DHS course identification number, location, date(s), and the specific cost category (for example: training supplies, instructor name/costs, travel, registration fees, etc.). The *State or Federal Sponsored Course Attendance Reporting Form* must be submitted to the Office of Preparedness for all State-or federal-Sponsored Courses. Copies of specific timesheets, receipts, travel information, sign in sheet, or additional documentation may be requested.

### Personnel

Reimbursement requests for personnel time should list the individual being paid, for what time period, and what percentage of the time that line is paying. For example, if a Homeland Security Coordinator salary is being paid at 75% from the HSGP personnel line for the month of April, the request should state:



### Overtime

Expenses are limited to the additional costs which result from personnel working over and above 40 hours of weekly work time as a direct result of their performance of FEMA-approved activities specified in the Office of Preparedness' Training and Exercise Program Manual. Overtime associated with any other activity is not eligible.

### Backfill

Costs which result from personnel who are working outside their core responsibilities to perform the duties of other personnel who are temporarily assigned to FEMA-approved activities.

### **Management and Administration**

Requests for reimbursement related to M&A expenses must provide sufficient detail. Appropriate categories include: meeting-related expenses, cell phone charges, office supplies, laptop computers, postage, and audit costs. Reimbursement requests that lack sufficient detail regarding M&A costs will be denied until additional detail is provided. For monitoring purposes, backup documentation for any charges may be requested prior to the approval of any reimbursement requests.

### **Payment of Deposits**

Generally, deposits are not approved and are not considered a good practice, as getting them back, if the event is cancelled, can be problematic. If a deposit is necessary, prior approval from the Office of Preparedness' Grant Management Team is required. Many businesses are well aware that governmental entities typically do not pay deposits and will offer an invoice option. Please contact your assigned Grant Program Analyst if you have questions about deposits.

### 4.1 CASH ADVANCES

Local governments face declining revenue and cash flow problems that force them to delay acquisition of grant-related equipment due to the lack of funds to pay for these purchases in advance of receiving grant reimbursement. Delays in making purchases may increase the risk that they would not be prepared to respond to an emergency. While cash advances are exceptions and must be reviewed and approved by the Office of Preparedness, FEMA guidance includes the option to draw down funds 120 days prior to expenses being incurred and paid. The sub-grantee's fiscal officer must provide a completed Request for Cash Advance form with the Reimbursement Request form. Additional follow-up documents are required when cash advance forms are used to ensure that the sub-grantee will not be assessed an interest penalty for violating the Cash Management Improvement Act of 1990, as amended (Cash Management Improvement Act). Please refer to Appendix A – SUMMARY OF REQUIRED GRANT FORMS/REPORTS.

## **CHAPTER 5: QUARTERLY REPORTS**

### 5.1 QUARTERLY FINANCIAL AND NARRATIVE REPORTS

Quarterly Financial and Narrative Reports are required for all open grant awards. The reports must be submitted in accordance with the "Quarterly Reporting Schedule" presented below. The purpose of these two reports is to provide information on the financial and progress made in meeting the goals and objectives of the grant award. The reports must include a description of any delays or problems with individual projects.

One signed copy of the Quarterly Financial Report, with original signatures of the Regional Board Chair, MMRS Director, UASI Director or State Agency Director, and Fiscal Agent, and one signed copy of the Quarterly Narrative Report, with original signatures of HLS Coordinator and Fiscal Agent, must be received by the Office of Preparedness no later than thirty days (30) after the end of each calendar quarter, regardless of the level of grant activity, or inactivity, that took place during the quarter. Reports must include an explanation for the lack of grant activity, if applicable.

The Financial Report should not include accruals; it should include only actual expenditures made during the quarter, whether or not the related reimbursement has been received.

### 5.2 QUARTERLY REPORTING SCHEDULES

Calendar Quarters	Due Dates
January 01 – March 31	April 30
April 01 — June 30	July 24
July 01 — September 30	October 30
October 01 — December 31	January 30

The first quarterly report for any grant is due for the quarter in which the Agreement is issued. For example, if a grant starts on August 25, 2011, the first report is due for the quarter ending September 30, 2011, and should be received by the Office of Preparedness no later than October 30, 2011.

### CHAPTER 6: CHANGES TO GRANT AGREEMENT

Any proposed change to a Grant Agreement must be submitted in writing and approved in advance by the Office of Preparedness. While the procedures to approve, or deny, the request will differ based on the nature and amount of the change request, the same Grant Change Request Form will be used for all change requests.

The Grant Change Request Form (refer to Appendix A – Grant Change Request Form) must be completed in full and signed by the Regional Board Chair, MMRS Director, UASI Director or State Agency Director, as well as the Fiscal Officer for the sub-grantee. In addition, the sub-grantee must submit a new, complete budget document that includes all of the proposed changes. This document should be in the same format as the original detailed budget included in the grant contract.

**NOTE:** Change requests cannot be submitted **within the first six months** of the performance period of the grant (except in extenuating circumstances), **or within the last two months** of the performance period of the grant, except with prior approval from or at the request of the Grant Management Team. Additionally, quarterly reports will be referred to when making decisions regarding change requests. Problems or issues regarding project implementation should be included in the quarterly reports and not only noted when a change request is submitted. Every attempt should be made by sub-grantees to expend all funds in the original approved budget.

**Addition of new projects to grant budgets -** The Office of Preparedness will review and may approve new projects on a case-by-case basis.

### **Preparing an Amended Grant Budget**

- 1.) Start with the most recent budget, whether that is the original award budget, or an amended budget.
- 2.) Make all required changes to specific budget lines (item, price, etc.) and <u>highlight</u> the budget <u>lines</u> that you have changed as follows:

Increase in line item: Change the line to Blue

Decrease in line item: Change the line to Red

□ DO NOT DELETE LINES OR USE THE STRIKETHROUGH EFFECT. □

- 3.) If nothing has been spent or is going to be spent on a particular line, change the quantity to zero so that the total amount becomes zero, but <u>leave the line in the budget</u>.
- 4.) Add any new lines at the bottom of the relevant solution area on the project sheet.
- 5.) Provide a complete budget with <u>all projects and all lines</u> within the projects, even for unchanged projects.
- 6.) Please <u>check the grant total</u> to ensure it is correct. Unless you have been awarded additional funds, the total should not have changed.

7.) Provide an electronic copy of the amended budget to the Office of Preparedness via e-mail when submitting the written Grant Change Request Form.

### 6.1 PERFORMANCE PERIOD MODIFICATION

A change in the award's performance period requires the same Grant Change Request Form as all other change requests. **Extensions of performance periods must be requested 2 months prior to the performance's end date.** 

### 6.2 REALLOCATION OF UNEXPENDED HLS SECURITY GRANT FUNDS POLICY

The Office of Preparedness has the final authority to determine how to allocate deobligated funds.

### CHAPTER 7: GRANT CLOSE-OUT

All sub-grantees must follow the grant close out procedures as described within this chapter. Grants must be closed within **45 days** of the end date of the grant performance period. The normal quarterly reporting periods do not apply to grant close out procedure. Any expenses not requested for reimbursement prior to the end of this 45 day period will not be considered eligible.

### 7.1 FINAL CASH REIMBURSEMENT REQUEST

All requests for reimbursement must be submitted within 45 days of the end of the grant award period. Requests for reimbursement for goods must include only actual purchases formally obligated prior to the end of the period of performance for the grant. Additionally, all bills must be fully paid within the 45 days close out period. For example, funds for the purchase of equipment must be obligated/encumbered (a purchase order has been issued) before the end date on the contract and the bill must be paid for within the 45 days close out period. Reimbursement for services can only be approved for actual services performed and completed within the performance period of the grant.

### 7.2 DEOBLIGATION OF FUNDS

Ideally, a sub-grantee will expend all of the funds in the grant award. If a sub-grantee cannot expend all of its funds, the Office of Preparedness will review the grant file for completeness and to ensure that the sub-grantee has provided Quarterly Reports marked "Final". If the file is complete and the remaining balance amount shown on the sub-grantee final Financial Report matches the State's records, the Grant program Analyst will send a letter to the sub-grantee HLS Coordinator and fiscal officer documenting the deobligation of the specific amount left in the grant award.

### 7.3 FINAL FINANCIAL REPORT

Sub-grantees are required to submit a Final Financial Report including total expenditures for the grant period. Please review Appendix A - Financial Report – Quarterly and Final. The Report is due within 45 days of the end of the grant period and may be submitted along with the final cash reimbursement request, if appropriate. The Report cannot include unpaid obligations.

If the sub-grantee or the Office of Preparedness determines that funds in excess of expenditures were reimbursed, those funds should be returned as soon as identified, but no later than 45 days after the close of the grant period. Sub-grantees with excess funds should make a check or warrant payable to the Office of Preparedness, indicating the grant number. Federal regulations regarding repayment of interest earned may apply as appropriate.

### 7.4 FINAL NARRATIVE REPORT

Sub-grantees are required to submit a Final Narrative Report providing project completion details, reported outcomes of the project, problems encountered during the performance period that may have hindered or affected the completion of grant performance measurements, and any other pertinent information. Sub-grantees should also include information regarding the continued efforts of the projects, including any information on subsequent grant funding or supplemental funding sources.

### 7.5 RECORDS RETENTION

All sub-grantee financial and program records must be retained for **four (4) years from the grant agreement termination date**. If any litigation, claim, negotiation, audit, or other action involving

the records has been started before the expiration of the four-year period, the records must be retained until resolution and completion of all actions concerning the grant.

Records must be maintained separately from any previous or future grants that provided funding or will continue funding for the project. Grant records include all financial records, supporting documents, statistical records, and all other records pertinent to the grant. These include, but are not limited to, books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel and payroll records, consultant/volunteer time and activity reports, canceled checks, related documents and records. Source documents include but are not limited to: Grant Award, financial and narrative reports, and other programmatic / financial forms and reports associated with execution of the grant.

### CHAPTER 8: GRANT AGREEMENT TERMINATION

### 8.1 REDUCTION OR TERMINATION OF AGREEMENT FOR CAUSE

The State may terminate or reduce the total grant award for cause, without reimbursement of any costs incurred because of the reduction.

If the State terminates or reduces the grant amount for cause, it will first give 30 days' written notice to the sub-grantee, stating the reasons for reduction, steps needed to correct the problems, and the date the award amount will be reduced in the event that problems have not been corrected to the satisfaction of the State.

In the event the grant is terminated or reduced for cause, the State will reimburse the sub-grantee only for acceptable work or deliverables received to the date of reduction or termination.

In the event the grant is reduced for cause, final payment to the sub-grantee may be withheld at the discretion of the State until completion of final State review.

### 8.2 TERMINATION FOR CONVENIENCE

Either the State or the sub-grantee may terminate the grant with 30 days written notice of intent to cancel or terminate.

The grant may be terminated by the State if it is in the best interest of the State of Colorado to terminate the grant.

If the grant is terminated for convenience by either the sub-grantee or the State, the sub-grantee will be paid the necessary and allowable costs incurred through the date of termination, or in the case of personnel contracts/services, the sub-grantee will receive payment not exceeding a prorated amount based on the number of days of project operation prior to the date of termination.

Any equipment purchased under a terminated grant may revert to the State at the option of the State. Most grants made under the Federal Homeland Security Program involve equipment purchases that have been deemed vital to homeland security. The State will take into account the special nature of equipment purchases under this program when determining the final disposition of equipment purchased through grants that have been terminated.

## CHAPTER 9: OVERSIGHT MONITORING/AUDITING

Sub-grantees may be audited and their performance reviewed by state and federal agencies. The Office of Preparedness, the Colorado State Auditor, the Department of Homeland Security and the DHS Office of the Inspector General or any of their authorized representatives, will have the right of access to any pertinent books, documents, papers or other records of recipients that are pertinent to the award, in order to make audits, examinations, excerpts, and transcripts.

### 9.1 FEDERAL

All recipients and sub-grantees of federal funds are subject to the accounting and audit requirements found in CFR 44, CFR 2, and OMB Circular -133.

Sub-grantees that expend \$500,000 or more of federal funds from all sources during their fiscal year are required to hire an independent auditing firm to conduct an audit of their financial statements, compliance with laws and regulations, and internal controls. The audit must be performed in accordance with the U.S. General Accounting Office Government Auditing Standards, located at <a href="http://www.gao.gov/yellowbook">http://www.gao.gov/yellowbook</a> and OMB Circular A-133, Audits of States, Local Government and Non-Profit Organizations located at <a href="http://www.whitehouse.gov/omb/circulars/circulars\_default">http://www.whitehouse.gov/omb/circulars/circulars\_default</a>.

Sub-grantees whose total annual expenditures of federal funds are less than \$500,000 are encouraged to provide audit coverage. However, per federal regulations, the costs of an independent audit cannot be charged to Homeland Security grants in this circumstance. Subgrantees that do not expend an aggregate amount of \$500,000 or more in federal funds in any given fiscal year must still maintain adequate financial and programmatic records to justify expenditures made in accordance with specific grant requirements.

One copy of all recipient and sub-grantee audit reports should be submitted, along with the Audit Certification Form, to the SAA no later than 30 days after submitting the report to the Federal Government. Sub-grantees should include copies of any management report or letter issued in conjunction with the audit report. Known or suspected violations of any law encountered during audits, including fraud, theft, embezzlement, forgery, or other serious irregularities must be communicated in writing to the Office of Preparedness and appropriate authorities.

If the sub-grantee's financial records are a component of a larger agency audit, the grantee has the responsibility to obtain the audit report from the reporting entity and send the audit report to all federal, state, and local agencies that have provided federal assistance to the grantee. Example: if the County Sheriff were the sub-grantee, the county's audit report would be required. In cases of continued inability or unwillingness on the part of the sub-grantee to conduct or supply a proper audit, the State reserves the right to impose any sanctions, as described in OMB Circular A-133, upon the grantee until a proper audit is received by the State.

### 9.2 STATE

### Office of the State Auditor

The Office of the State Auditor (OSA) conducts financial and compliance audits of Homeland Security grants annually. In addition, the OSA may conduct a performance audit to determine the efficiency and effectiveness of the Homeland Security program, as well as grantees' and subgrantees' compliance with laws, regulations, and policies.

### The State Administrative Agency

The State Administrative Agency (SAA) has the responsibility to monitor all Homeland Security Grants, the programs and activities supported by such funds, and the results achieved. The SAA is required to monitor the performance of projects to ensure adherence to performance goals, time schedules or other requirements as appropriate to the projects or the terms of agreements and sub-agreements. To fulfill its monitoring responsibilities, the SAA conducts the following activities:

**Office-Based Monitoring -** Desk reviews evaluate the quality and accuracy of financial and narrative reports, audit reports, reimbursement requests, expenditures, correspondence and other documentation provided by the sub-grantee.

**On-site monitoring -** Visits to the project site involve reviewing one or more aspects of the sub-grantee project. Visits may include examining expenditure documentation, reviewing internal controls and evaluating progress on projects, among others.

### 9.3 CORRECTIVE ACTION & RESOLUTION OF FINDINGS

Sub-grantees must have procedures in place to remedy problems identified in audits and monitoring activities. Timely resolution of findings and recommendations is critical to the success of the program.

### 9.4 A-133: MOST COMMON ISSUES CITED IN AUDIT FINDINGS

- Activities allowed or not allowed
- Allowable costs/cost principles
- Cash management
- Equipment and real property management
- Period of availability of funds
- Procurement
- Real property acquisition and relocation assistance
- Reporting
- Sub-grantee monitoring

### 9.5 EXAMPLES OF FINANCIAL MONITORING FINDINGS

- Recipient has no written procedures
- Lack of documentation
- Inadequate/untimely submission of reports
- Inventory Management Deficiencies
- Inadequate sub-grantee Monitoring
- Period of Performance expired without a prior approval for an extension
- Inadequate time and effort records
- Lack of competition during procurement
- Conflicts of interest
- Failure to manage audit results
- Inadequate accounting procedures
- Inaccurate Federal Financial Reports (FFR)
- FSR Fail To Agree With Accounting Records
- Questioned Expenditures
- Excess Cash on Hand
- Commingling of funds
- Supplanting

## CHAPTER 10: EQUIPMENT

### 10.1 SAFEGUARDING GOVERNMENT PROPERTY

Whether purchased with federal dollars or received directly from the federal government, all property must be managed in accordance with grant agreements and federal and state laws, regulations, and directives. Sub-grantees are responsible for establishing systems and controls to adequately safeguard assets purchased with federal monies, regardless of the dollar value of the asset.

In addition to general provisions regarding safeguarding of government property, state and federal laws and regulations assign additional responsibility for protecting equipment with an acquisition cost of \$5,000 or more and a useful life greater than one year. If the sub-grantee's fiscal agent has designated an amount lower than \$5,000 to define equipment, that standard must be used.

### 10.2 EQUIPMENT PURCHASED WITH HOMELAND FUNDS

Any single item of equipment valued at or above \$5,000, and having a useful life of more than one year, must be tagged and assigned a unique identifying number. If the sub-grantee's fiscal agent has designated an amount lower than \$5,000 to define equipment, that amount must be used instead of the identified level of \$5,000. The identifying number can be the serial number on the item of equipment, or some other number assigned using the sub-grantee's existing internal system of equipment identification, but it must be unique and must allow the item to be tracked from initial acquisition to final disposition. This is critical for ensuring that assets purchased with federal dollars are safeguarded.

When practicable, any equipment purchased with grant funding should be prominently marked as follows: "Purchased with funds provided by the U.S. Department of Homeland Security."

### 10.3 INVENTORY CONTROL

44 CFR 13.32 requires that "A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years." Sub-grantees and fiscal agents should work closely with their own agency's controllers and auditors to ensure that inventory records are accurate and complete, that grant records reconcile to accounting records, and that duplication of effort between grants administrators and financial staff is eliminated. Most local government agencies in Colorado are required to prepare annual financial statements, and therefore to take annual inventories. If the sub-grantee is not required to prepare annual financial statements, the sub-grantee must inventory the equipment at least once every two years, or must require the agency receiving the equipment to do so as a condition of receipt. (Refer to section 4.8.6 - Change in Ownership of Equipment.)

In accordance with the UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE AND LOCAL GOVERMENTS, equipment inventory records should include at a minimum:

- Description of the equipment
- Serial number or other identification number
- Source of the equipment
- Identification of title holder
- Acquisition date
- Cost of the equipment

- Percentage of Federal participation in the cost of the equipment
- Location of the equipment
- Use and condition of the equipment
- Disposition data, including the date of disposal and sale price

### 10.4 LOSS, THEFT OR DAMAGE OF EQUIPMENT

Recipient Agencies are responsible for replacing or repairing equipment with an acquisition cost of \$5,000 or more and a useful life greater than one year, if the equipment is willfully or negligently lost, stolen, damaged, or destroyed. Any loss, damage, or theft of equipment must be investigated, fully documented and made part of the official project record.

### 10.5 EQUIPMENT MAINTENANCE

Sub-grantees are required to keep equipment purchased with federal funds in good operational condition. Storage, use, maintenance, and repairs of equipment purchased with federal Homeland Security funds must be accomplished in accordance with the manufacturer's recommendation. This includes, but is not limited to, regular documentation of all maintenance and repair activities. Please see Chapter 2 for additional information regarding equipment maintenance and warranty.

### 10.6 READINESS

Sub-grantees should ensure that equipment purchased with federal homeland security funds remains in a state of readiness to serve as a resource in response to emergencies. Sub-grantees are required to make equipment available, in accordance with existing agreements or the State Resource Mobilization Plan, as a regional and/or state asset for use on other homeland security-related projects or programs.

Per guidance from the Department of Homeland Security, equipment purchased with Homeland Security Grant funds may be used for significant pre-planned events or security events; however, the equipment must be available in the case of an incident.

### 10.7 CHANGE IN OWNERSHIP OF EQUIPMENT

When ownership of equipment is transferred from the sub-grantee fiscal agent/agency to another fiscal agent/agency, an equipment transfer or release form should be executed. If the sub-grantee fiscal agent/agency requires a memorandum of understanding or other document, that requirement should be followed, provided the document includes the information outlined below. At a minimum, the release or transfer document should include:

- grant number
- transferring and receiving agency information
- contact information for a primary point of contact within receiving agency
- specific equipment involved
- requirements associated with ownership of equipment purchased with Homeland Security funds

Refer to Appendix C for an example of an Equipment Transfer Form and Appendix D for an example of an MOU for equipment transfer.

When a Sub-grantee is acquiring replacement equipment, the Sub-grantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement equipment, subject to the prior approval by the Office of Preparedness.

### 10.8 DISPOSITION

The sub-grantee must obtain approval for the use of equipment in other projects when the sub-grantee determines that the equipment is no longer needed for the original grant purposes. Usage in other projects must be limited to other federally sponsored projects or programs that have purposes consistent with those authorized for support by the State. When the equipment is no longer needed as prescribed above, disposition of the equipment will be made as follows:

The fiscal agent will either:

Direct the equipment to be transferred to another sub-grantee project or prioritization needing the equipment, provided that use of such equipment is approved by the State;

Or

Return all equipment furnished or purchased wholly with federal funds to the control of the State. In the case of equipment purchased in part with federal funds, the sub-grantee may be permitted to retain title upon compensating the State for its fair share of the equipment. The federal share of the equipment must be computed by applying the percentage of the federal participation in the total cost of the project for which the equipment was acquired to the current fair market value of the equipment. In all other instances, instructions for disposition of equipment must be obtained from the State.

All sub-grantees shall dispose of equipment as follows:

- Items with a current per unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no further obligation to the SAA.
- Items with a current per unit fair market value equal or greater than \$5,000 may be retained
  or sold and the State shall have a right to an amount calculated by multiplying the current
  market value or proceeds from sale by the State's share of the equipment. Seller is also
  eligible for sale costs.

In cases where the sub-grantee fails to take appropriate disposition action, the State may suggests a corrective action that the sub-grantee must follow.

If, upon termination or completion of the award, there is a residual inventory of \$5,000 or more in total aggregate fair market value, and if the supplies are not needed for any other federally sponsored programs or projects, the sub-grantee shall compensate the awarding agency for its share.

### 10.9 COPYRIGHTS, PATENTS, AND INVENTIONS

When activities supported by the award produce any discovery or invention, original computer programs, writing, sound recordings, pictorial reproductions, drawing or other graphical representation and works of any similar nature, the following requirements apply:

- The State of Colorado has the right to use, duplicate and disclose the above material in completely or in part, in any manner, for any purpose whatsoever, and to authorize others to do so.
- If the material or invention is copyrightable, the sub-grantee may copyright it, but the State of Colorado reserves a perpetual, royalty-free, non-exclusive and irreversible license to practice, reproduce, publish and use such materials, in completely or in part, and to authorize others to do so.
- If any program produces patentable items, patent rights, processes, or inventions in the course of work sponsored by the federal award or sub-award funds, such facts must be promptly and fully reported to the State. The State shall then report such facts to the Department of Homeland Security (DHS). Unless there is a prior agreement between the sub-grantee, the State and the Department of Homeland Security on disposition of such items, DHS must determine whether protection on the invention or discovery must be sought. The Department of Homeland Security will also determine how rights in the invention or discovery (including rights under any patents issued thereon) must be allocated and administered in order to protect the public interest consistent with "Government Patent Policy" (President's Memorandum for Heads of Executive Departments and Agencies, dated August 23, 1971, and statement of Government Patent Policy, as printed in 36 FR 16839). Government-wide regulations have been issued at 37 CFR Part 401 by the Department of Commerce.
- The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes:
  - The copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant; and
  - Any rights of copyright to which a grantee, sub-grantee or a contractor purchases ownership with grant support.

### 10.10 PUBLICATIONS

All publications created with the Office of Preparedness' grant funding must prominently contain the following statement:

"This document was prepared under a grant from the Office of Grants and Training, U.S. Department of Homeland Security. Points of view or opinions expressed in this document are those of the author and do not necessarily represent the official position or polices of the Office of Grants and Training or the U.S. Department of Homeland Security."

### CHAPTER 11: ACCOUNTING AND INTERNAL CONTROLS

### 11.1 ACCOUNTING SYSTEM

Sub-grantee is required to establish and maintain an accounting system and financial records to accurately account for awarded and matching funds. Sub-grantee may use any state or federally accepted accounting system that meets the following minimum criteria:

Revenues - The system must classify all revenues by funding source(s). All federal monies received must be recorded as federal funds so they may be included in the sub-grantee agency's audit report and financial statement. Each grant must be tracked separately whether it is a new or continuation grant award. Funds for each grant must be tracked and recorded separately, with all revenues and expenditures reflecting the appropriate grant number.

Expenditures - The system must classify all expenditures by Solution Areas listed in the approved budget -- M&A, Planning, Organization, Personnel, Equipment, Exercise, Training, Acquisition, and Deployment.

### 11.2 FINANCIAL REPORTING CAPABILITY

The system must contain adequate expenditure information for the prompt and proper submission of financial reports. Amounts reported on the State forms must match and be reconciled to the accounting sub-ledger or general ledger. Sub-grantee is responsible for ensuring that its subcontractors properly account for all activity under the grant.

### 11.3 INTERNAL CONTROLS

The system must be designed with adequate internal controls to ensure:

- The accurate and complete recording and reporting of federal funds
- The safeguarding of federal assets
- Compliance with laws and regulations

At a minimum, adequate internal controls will include reconciliation of cash received to cash deposited; reconciliation of sub-ledgers to the general ledger; approval of all transactions by appropriate authorities; and maintenance of supporting documentation.

### 11.4 ACCOUNTING FOR IN-HOUSE STAFF

Sub-grantees who are using in-house services, full or part-time employees, must maintain adequate records to justify expenditure of federal funds for management and administrative purposes. Records include, but are not limited to:

**Position or job descriptions**: Position or job descriptions help ensure that charges can be made appropriately to Planning, Personnel, Training, Exercise or Management & Administration (M&A).

**Timekeeping Records**: Accurate time records must be maintained that detail hours charged to Homeland Security activities. It is important to remember that activities and not just titles should be considered when determining where time and operating expenses should be charged in cash reimbursement requests. Activities performed by administrative

or accounting personnel should be charged to the M&A category. In addition, any accounting or administrative activities, even if performed by planners, need to be charged to M&A. Please refer to 2 CFR Part 225 (220, 230) for more specific requirements.

Following are activities commonly performed by planners that should be charged to the M&A category:

- Managing staff issues
- Preparing reports/audit responses
- Performing accounting activities
- Performing administrative support activities

## APPENDIX A: SUMMARY OF REQUIRED GRANT FORMS/REPORTS

The Office of Preparedness has developed forms that are designed to help sub-grantees meet federal / state requirements for managing grants in compliance with State and federal laws, regulations and policies. This chapter outlines the various reports / forms that sub-grantees are required to submit to the State. All the State forms can be accessed through the web by clicking on "Reporting Forms" under the Grant Programs tab at: <a href="http://www.colorado.gov/homelandsecurity">http://www.colorado.gov/homelandsecurity</a>

The State grant reporting forms may be revised periodically. The SAA will send an email notification to Regional Coordinators and Fiscal Officers when forms are added or updated. Please be sure to use the current forms to avoid delays in reporting.

By accepting a federal grant award, the sub-grantee agrees to submit the applicable forms by the dates specified on the forms or in this chapter. Promptly call your assigned Grant Program Manager if you cannot meet a deadline for submitting reports. A pattern of delinquent reports may result in termination of the grant award and may jeopardize future funding considerations by the various funding boards/committees.

Other reports or data may be required for the administration of a grant program. The federal funding agency may require additional reports and documentation to be submitted by the subgrantee upon request of the State.

Following is a chart of grant reporting forms with required signature information. If you have questions or concerns about any reporting requirement or related form, please contact your assigned Grant Program Manager.

Form	Due Date(s)	Signatures
		Required
Grant Change Request Form	Any proposed change to a Grant Award must be submitted in writing and approved in advance by The Office of Preparedness. While the procedures will differ based on the nature and amount of the change, the same form will be used for all changes.  The sub-grantee must submit a new, complete budget document that includes all of the changes and updates proposed. This document should be in the same format as the original detailed budget included in the grant contract.	Regional Board Chair, MMRS or UASI Director, State Agency Director and Fiscal Officer
Reimbursement Request Form	Cash Reimbursement Request Form must be submitted quarterly (more frequently if needed) until all awarded funds are expended.	Fiscal Officer and HLS Coordinator

C		\	
		-	
C		\	
		ı	
	(	1	
	,		۰
	į	-	,
(			
	è	=	
	(	1	
	Ş	1	
	1	-	
	٩	1	,
	ζ	2	
	ς	π	
	Ş		
	¢	7	
k	=	5	
		2	
	ζ	/	
	ŧ		
	Ş	Ξ	
	¢	7	
	Ş		
-		Þ	۰

Form	Due Date(s)	Signatures
		Required
Narrative Report – Quarterly and Final Form	Due October 30, January 30, April 30, July 24. Narrative Reports must be submitted for the calendar quarter in which a Grant Award is approved / issued. Final Narrative Reports are due within forty-five (45) days after a Grant Award period ends, even if the award ends during the calendar quarter.	Fiscal Officer and HLS Coordinator
Financial Report - Quarterly and Final Form	Due October 30, January 30, April 30, July 24. Financial Reports must be submitted for the calendar quarter in which a Grant Award is approved / issued. Final Quarterly Financial Reports are due within forty-five (45) days after a Grant Award period ends, even if the award ends during the calendar quarter.	Fiscal Officer And Regional Board Chair, MMRS or UASI Director, State Agency Director
Cash Advance Request Form	Cash advances are not the standard method under DHS grants, and are unallowable without advance approval by the Office of Preparedness.	Fiscal Officer and HLS Coordinator
A-133 Audit Certification	As soon as the audit is completed, but no later than nine (9) months after the close of the fiscal year.	Fiscal officer
MOU or release form for Equipment	At time of transfer from one fiscal agent to another.	Fiscal Officer

#### GRANT CHANGE REQUEST FORM - SAMPLE

Colorado Department of Public	Safety - Division of Homeland Security							
Grant Change Request Form								
Grant Ir	nformation							
Region/Agency: A	mount of Reallocation:							
Grant Program:	Total Grant Award:							
Grant #:	Unspent Balance:							
Grant Change Request #:	Date of Request:							
Performance Period:								
All Change Requests (except Modify Contact Information) must be for 6 months or 2 months are to the contact the co								
active for 6 months, or 2 months prior to the end date of the G Select all options that apply to this request. A new budget is								
and Change Performan								
Modify Contact Information Make Budget Change <1	0% Addition of a Reserved Project							
Change Performance Period Make Budget Change >1	0% Addition of a Previously Un-submitted Project							
Reason/Justificatio	n for Change(s)							
Briefly describe the request(s) including the reason(s) for the r	request(s):							
What was the original intention for this project / budgeted amo	unt?							
Why were these funds not spent as originally intended?								
All other Terms and Conditions of the original Grant Award, with any ap	proved amendment(s) thereto, remain in full force and effect.							
Printed Name: Printed	ed Name:							
Signature: Regional Board Chair Date Sign Or Director MMRS/UASI/State Agency	ature: Fiscal Officer Date							
***Division of Homeland	Security Use Only***							
Required This request is:   Approved signature by:	☐ <b>Denied</b> (see comments below)							
Grant Manager	Date							
Program Manager, Preparedness Finance Section	 Date							
П								
Director, Office of Preparedness	 Date							
Director, Division of Homeland Security	Date							
State Controller Designee	Date							
Comments:	<del></del>							

### CASH REIMBURSEMENT REQUEST FORM - SAMPLE

	Department of Public Safety Division of Homeland Security							
Reimbursement Request Form								
IMPORTANT: If you are	requesting a cash advance, please	send the Cash Adv	rance Request Form.					
Sub-grantee:		Address:						
Grant Program:		Grant #:						
Prepared By:		Award Period:						
Phone:		Reimbursement Number:						
Email:		Date of Request:						
1. Total Award Amou	ınt		1. Total Match Required					
<ol><li>Expenditures - Total of from Project Detail Sheet</li></ol>	f This Request (automatically totaled	00.02	Total Match of This Request (automatically totaled from Project Detail Sheets)	\$0.00				
,		ψ0.00	Inom roject Detail offeets)					
3. Total Amount of Grant	t \$ Received to Date							
	ous Requests, Not Yet Received							
5. Total Expenditures to (total of lines 2, 3, 4)	Date (excluding Match)	\$0.00	5. Total Match to Date					
	4 11 5)							
6. Balance Available (lin	,	\$0.00		<u> </u>				
	PLEASE ATTACH DETAIL	SHEET(S) TO	SHOW ACTUAL EXPENDITURES					
			isted in this report have been paid and are on file in the office ot being used to meet the match requirement for any other fer					
HLS Coordinator's		Fiscal Officer's						
Printed Name HLS Coordinator's		Printed Name Fiscal Officer's						
Signature		Signature						
Date:		Date:						
		CDHS Use	Only:					
☐ Yes ☐ No Red	quired Quarterly Financial and Narrative	e Reports have bee	n submitted to date.					
☐ Yes ☐ No Re	ported Expenditures justify this REIMBI	URSEMENT reques	t amount.					
Amount Requested in line	e #2 above is Approved Modifi	ed to \$	enied					
If modified/denied, reaso	n:							
CDHS' Representative Si	gnature:	Date	:					
	Please Submit Two Sign	ed Forms wit	th Original Signatures					

	Department of Public Safety - Division of Homeland Security  Reimbursement Request Form											
Sub-gr	antee:	0	Address: 0 Grant#: 0									
_	Program:	0		Award Period:	0			E-Mail:	0			
Prepar		0		Phone Number:	0							
Project 1	Line Item Reference	Specific Jurisdiction	Solution Area (Please group by area)	lem/Product		Date Paid	Quantity (tangible items)	frem Cost	Fotal Actual Cost	Total Reimbursement Requested	Jurisdiction's Contribution - (Column K minus Column L)	Did you include invoice and proof of payment documentation for any single item of equipment > \$5,000?
		,	, ,					_	\$0.00		\$0.00	
									\$0.00		\$0.00	
									\$0.00		\$0.00	
									\$0.00		\$0.00	
									\$0.00		\$0.00	
									\$0.00		\$0.00	
									\$0.00		\$0.00	
									\$0.00		\$0.00	
						-			\$0.00		\$0.00	
									\$0.00		\$0.00	
			l	<u> </u>			Project		\$0.00 \$0.00	\$0.00	\$0.00 \$0.00	

Total Planning	\$0.00
Total Personnel	\$0.00
Total Planning and Personnel	\$0.00
Total M&A	\$0.00
Total Equipment	\$0.00
Total Training	\$0.00
Total Exercise	\$0.00
Total Organization	\$0.00
Total for Project 1	\$0.00

#### FINANCIAL REPORT – QUARTERLY AND FINAL - SAMPLE

Tarie		Departmen	nt of Public s	Safety - Div			Security		
SUB-GRANTE	 ≣E:			GRANT NUMBER:					
				GRANT AWARD F					
					ERIOD.				
GRANT PROC	GRAM:			FROM:		TO:			
PREPARED B	BY:			THIS REPORT CO	VERS CALENDAR	QUARTER OF Y	EAR: 201		
PHONE:		EMAIL:							
TYPE OF REF	PORT:	Quarterly	Final	JAN 1 – MAR 30			APR 1 – JUN 30		
THEORKE	OKT.			JULY 1 - SEPT 3	<u> </u>		OCT 1 – DEC 30		
					<u> </u>		55.1 525.5		
			EXI	PENDITURES				MATCH	1
Project	Solution Area	Current Budget	Expenditures Beginning of Quarter from previous report	Expenditures This Quarter	Total Expenditures to Date	Balance	Previous Match Expenditures	Match Expenditures This Quarter	Total Match Expenditures to Date
M&A	M&A				0.00	0.00			0.00
IVI&A	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Planning				0.00	0.00			0.00
	Organization				0.00	0.00			0.00
	Training				0.00	0.00			0.00
1	Equipment				0.00	0.00			0.00
	Exercise				0.00	0.00			0.00
	Personnel				0.00	0.00			0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Planning				0.00	0.00			0.00
	Organization				0.00	0.00			0.00
	Training				0.00	0.00			0.00
2	Equipment				0.00	0.00			0.00
	Exercise				0.00	0.00			0.00
	Personnel				0.00	0.00			0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Planning				0.00	0.00			0.00
	Organization				0.00	0.00			0.00
	Training				0.00	0.00			0.00
3	Equipment				0.00	0.00			0.00
	Exercise				0.00	0.00			0.00
	Personnel				0.00	0.00			0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Planning				0.00	0.00			0.00
	Organization				0.00	0.00			0.00
	Training				0.00	0.00			0.00
4	Equipment				0.00	0.00			0.00
	Exercise				0.00	0.00			0.00
	Personnel				0.00	0.00			0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



# Department of Public Safety - Division of Homeland Security Financial Report - Quarterly and Final

			EXI	PENDITURES			MATCH			
Project	Solution Area	Current Budget	Expenditures Beginning of Quarter from previous report	Expenditures This Quarter	Total Expenditures to Date	Balance	Previous Match Expenditures	Match Expenditures This Quarter	Total Match Expenditures Date	
	Planning				0.00	0.00			0.0	
	Organization				0.00	0.00			0.	
	Training				0.00	0.00			0.	
5	Equipment				0.00	0.00			0	
	Exercise				0.00	0.00			0	
	Personnel				0.00	0.00			0	
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
	Planning				0.00	0.00			0	
	Organization				0.00	0.00			0	
	Training				0.00	0.00			0	
6	Equipment				0.00	0.00			C	
	Exercise				0.00	0.00			C	
	Personnel				0.00	0.00			0	
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
	Planning				0.00	0.00			C	
	Organization				0.00	0.00			0	
	Training				0.00	0.00			0	
7	Equipment				0.00	0.00			0	
	Exercise				0.00	0.00			C	
	Personnel				0.00	0.00			0	
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
	Planning				0.00	0.00			0	
	Organization				0.00	0.00			0	
	Training				0.00	0.00			0	
8	Equipment				0.00	0.00			0	
	Exercise				0.00	0.00			0	
	Personnel				0.00	0.00			0	
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
tal For All	Projects	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
nted Name	)			Printed Name						
			Signature: Regional Board Chair, MMRS or UASI Director, State Agency Director				D	ate		

#### NARRATIVE REPORT - QUARTERLY AND FINAL - SAMPLE

NAKKAII
UBGRANTEE:
ontact Name, F

# Department of Public Safety Division of Homeland security Narrative Report – Quarterly and Final Form

-	·					
SUBGRANTEE:	GRANT NUMBER:					
Contact Name, Phone and Email Information:	GRANT AWARD PERIOD					
	FROM: TO:					
TYPE OF REPORT:	REPORT COVERS PROJECT ACTIVITY DURIN THE FOLLOWING CALENDAR QUARTER OF	G				
Quarterly Final	201:					
Award Amount:						
Amount Spent to date:						
Amount Obligated to date:						
We have completed our OMB Circular A-133 Audit for Fiscal Year ending 20:						
A copy has been provided to the CDHS						
We are not required to undergo an A-133 audit						

- 1. What is the anticipated completion date of your projects?
- 2. Project Activities: Please report any activity, including meetings, which took place in this quarter to implement grant projects. If there were no activities this quarter, provide specific reasons.
- 3. Problems Encountered: Please report any problems, how they affect the projects and how they were / will be handled. (For example, back-ordered equipment, delays in installation, etc.)
- 4. Please describe any collaborative efforts with outside agencies to accomplish project goals.
- 5. How can CDHS assist you in the implementation of your projects?

Date	
_	HLS Coordinator's Printed Name
— Date	HLS Coordinator's Signature
FORM WITH	ORIGINAL SIGNATURES TO CDHS
	 Date



### Colorado Department of Public Safety Division of Homeland Security

#### **Cash Advance Request Form**

**Instructions:** The Sub-grantee Fiscal Officer should complete this section of the form, sign and date it, and return it to the assigned Grant Manager with copies of any invoices that will be paid with this advance. **To expedite the process, please send the related Reimbursement Request for the requested amount at the same time.** 

Sub grantes Name:						
Sub-grantee Name:						
the Colorado Division of Homeland Security (CDHS) a	ve, I am requesting payment in advance from a grant issued by as follows:					
Award Number:						
Total Amount of Cash Advance Requested:						
Reason(s) for Cash Advance Request:						
DHS grants, and are unallowable without this form. I	sh advances are not the standard method of payment under understand the federal requirement to minimize the time and the expenditure of those funds, so that interest is not					
	funds, a proof of payment and final invoice to CDHS and to CDHS can determine if repayment of interest is required.					
Fiscal Officer Printed Name and Phone Number:						
Fiscal Officer Signature:	Date:					
HLS Coordinator Signature:	Date:					
*** for CDHS Use Only ***						
This request is:   Approve	red Denied (see comments below)					
Grant Manager	Date					
Comments:						
CDHS - 9195 East Mineral	Ave. Suite 234 - Centennial, CO 80112					

#### APPENDIX B: CASH REIMBURSEMENT EXAMPLE - SAMPLE



#### Department of Public Safety - Division of of Homeland Security

#### Reimbursement Request Form

Sub-gr	antee:	XYZ Region		Address:	100 Main Street, denver CO 80000			Grant#:	10XYZ11XXX			
Grant I	Program:	2010 SHSP		Award Period:	12/1/2010 - 2/3/2013			E-Mail:	joe Smith@xxx.com			
Prepar	ed By:	Joe Smith		Phone Number:	303-xxx-xxxx							
Project 1 or A	Line Item Reference	Specific Jurisdiction	Solution Area (Please group by area)	Item Product		Date Paid	Quantity (tangible items)	Item Cost	Total Actual Cost	Total Reimbursement Requested	Jurisdiction's Contribution - (Column K minus Column L)	Did you include invoice and proof of payment documentation for any single item of equipment > \$5,000?
	1	XYZ region	Planning	HLS Coordinator Sal	ary for May 2011at 80% of \$6,000	5/31/2011	1	\$4,800.00	\$4,800.00	\$4,800.00	\$0.00	
	2	XYZ region	Planning		nefits for May 2011at 20% of \$1,000	5/31/2011	1	\$200.00	\$200.00	\$200.00	\$0.00	
	3	XYZ region	Planning	Denver, CO on 5/2/1		5/2/2011	1	\$400.00	\$400.00	\$400.00	\$0.00	
	1	XYZ region	Training	Registration fees for DHS Cataloge #, in I	Joe Smith to attend XYZ training, Demver, CO on 5/2/11	5/2/2011	1	\$400.00	\$400.00	\$400.00	\$0.00	
	1	XYZ region	Training	Travel expense for Join Demver, CO on 5/	be Smith to attend ICS 100 Training 2/11	5/2/2011	1	\$85.00	\$85.00	\$85.00	\$0.00	
	1	City of ZZZ	Equipment	Motorola XTS5000 B	ase Radio	4/30/2011	1	\$26,000.00	\$26,000.00	\$26,000.00	\$0.00	Yes
	1	City of ZZZ	Equipment	Maintenance Contract 4/1/11-12/31/11	et for XTS5000 Base Radio for	4/1/2011	1	\$1,000.00	\$1,000.00	\$1,000.00	\$0.00	
	2	City of ZZZ	Equipment	Motorola XTS1500 M	lobile radio	4/4/2011	3	\$2,000.00	\$6,000.00	\$3,000.00	\$3,000.00	
				1			Project 1	or A Total	\$38,885.00	\$35,885.00	\$3,000.00	

Total Planning	<b>\$5,400.00</b>
Total Planning	\$5,400.00
Total Personnel	\$0.00
Total Planning and Personnel	\$5,400.00
Total Equipment	\$30,000.00
Total Training	\$485.00
Total Exercise	\$0.00
Total Organization	\$0.00
Total for Project 1 or A	\$35,885,00

#### APPENDIX C: EQUIPMENT RELEASE / TRANSFER FORM - SAMPLE

#### HOMELAND SECURITY GRANT PROGRAM

Grant #		

#### EQUIPMENT/SUPPLY RELEASE FORM

	SERIAL NUMBER	OTHER ID NUMBER	TOTAL
		(Include if # other than serial # is used for inventory)	
		Total	

I,	of the	(referred to as "the
Agency") aı	m authorized to accept the equipment described above fro	m the (Fiscal Agent Entity),
(referred to	as "the City", "the County", Other), on behalf of the	Region, the official grant
recipient, at	no charge to the Agency. I acknowledge that this equipm	ent is primarily intended for
use by respo	onse personnel during a terrorist event involving a Weapo	n of Mass Destruction (WMD)
or a Mass C	asualty Incident (MCI) and is not for the personal use of a	any individual under any
circumstanc	es	

I further understand that the Agency is responsible for:

- Ensuring that the Agency's fiscal officer receives this information so that he/she can add this equipment to the agency's official equipment inventory records, and have the equipment available for inspection for equipment inventory purposes and for audits.
- The maintenance, repair, licensing, insurance and any other costs related to the use of this equipment.
- Making this equipment available for use to any agency within the \_\_\_\_\_\_ Region when requested by another agency and the equipment is not in use by the agency.
- For replacing this equipment if it is willfully or negligently damaged, lost or stolen. In addition, any damage or loss must be reported to the (Homeland Security Coordinator, MMRS

Coordinator, Other) and a fully documented investigation must be submitted as part of the official project records.

Coordinator, MMRS Coordinator, Owith Homeland Security Grant fun	eds this equipment, we will contact the (Homeland Security other) for disposition instructions. This equipment was purchased as and must be disposed of in accordance with grant guidelines. A sed or no longer needed will be returned to the (Fiscal Agent Entires within the Region.	ny
This equipment will be located at:		
The contact person for informatio	n on this equipment will be:	
Phone number:	Email:	
I have received the equipment	and agree to the terms listed above:	
Signature:	Title:	
Printed Name:	Date:	
Released by:		
Signature:	Title:	
Printed Name:	Date:	

#### APPENDIX D: MOU FOR EQUIPMENT TRANSFER - SAMPLE

### AGREEMENT CONCERNING (Equipment or Service)

**THIS AGREEMENT CONCERNING** (*EQUIPMENT*) (the "Agreement") is dated (*DATE*) by and between the **COUNTY OF** (*Fill in*), **COLORADO**, a political subdivision of the State of Colorado on behalf of its (*Agency*)'s Office (the "County"), the State of Colorado by and through the Division of Homeland Security (the "State") and (*Jurisdiction receiving*), a Colorado (*government entity*).

#### RECITALS

WHEREAS, the State awarded the County, as Sub-grantee/Fiscal Agent, a State Homeland Security Grant by Grant Agreement #\_\_\_\_ dated \_\_\_\_\_ (the "Grant");

WHEREAS, pursuant to the Grant, the County used the Grant monies to acquire a *(equipment or service)* and related equipment (collectively, the "Equipment");

WHEREAS, the Grant's performance period expired on *(enter date on grant award)* and pursuant to the last paragraph of Section 11 of Attachment II of the Grant, upon expiration of the Grant, title in the Equipment automatically vests in the State;

WHEREAS, the County, as Sub-grantee, desire to transfer all of their respective title in the Equipment (if any) to *(government entity)*, in order that *(government entity)* may own, operate, maintain and repair the Equipment in accordance with the terms and conditions of this Agreement and the Grant;

WHEREAS, in order to ensure that title in the Equipment is effectively transferred to (government entity) and the County are made parties to this Agreement; and

WHEREAS, the assignment and transfer of the Equipment to *(government entity)* is in the best interests of the parties.

#### **AGREEMENT**

- 1) <u>Transfer of Ownership.</u> For and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County hereby consent to the transfer and conveyance of, and do transfer to, (*government entity*), all of such party's right, title and interest in and to the Equipment. The Equipment is conveyed "AS IS" without representation or warranty of any kind, except for any warranty that may be available from the manufacturer or supplier of the Equipment.
- 2) <u>Location of Equipment</u>. The Equipment shall be located at *(address where equipment will be located)* or at such other location as determined by *(government entity)*.
- 3) <u>Maintenance of Equipment.</u> (Government entity) agrees to keep the Equipment in good operating condition and repair. (Government entity) shall be responsible for all costs associated with the operation, maintenance and repair of the Equipment. If (government entity) fails to comply with the obligations set forth in this Section 3, then, following written notice by the County, (government entity) shall have 10 days to remedy such default (or any other reasonable period of time as

determined by the County); provided that (*government entity*) takes prompt and diligent action. If (*government entity*) fails to remedy such default in accordance with this Section, then all right, title and interest in and to the Equipment shall revert to the County at a date and time as determined by the County.

- 4) <u>Compliance with Grant Terms</u>. (*Government entity*) agrees to notify its Controller promptly of this transfer, and to assume, be bound by and perform each covenant, obligation, condition and agreement set forth in the Grant, including, without limitation, any obligation to comply with auditing, recordkeeping and reporting requirements. (*Government entity*) hereby certifies that it shall use the Equipment for the purposes stated in the Grant.
- 5) Notices. Any notice or communication given pursuant to this Agreement shall be in writing, and shall be delivered personally (deemed given when actually received) or by certified mail, return receipt (deemed given at the time indicated on the completed return receipt). Notice shall be given to the parties at the following addresses:

Notices to (government entity): (ADDRESS)

Attn: (government representative)

Notices to the County: (ADDRESS)

Attn: (government representative)

- 6) <u>Amendment</u>. This Agreement may only be amended or modified by a writing executed by the parties.
- 7) Non-Severability. Each provision of this Agreement is non-severable from every other provision of this Agreement. Accordingly, if any provision of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable provision shall affect the validity of the Agreement as a whole, and this Agreement shall be terminated without further action by the parties.
- 8) <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado without regard to its conflicts of law provisions.
- 9) <u>Assignment</u>. This Agreement may not be assigned by a party without the prior written consent of the other parties, and any attempt to assign this Agreement in violation of this Section shall be null and void.
- 10) <u>Authority</u>. By execution of this Agreement, each party represents and warrants that the person signing on its behalf has full power and lawful authority to execute this Agreement and to bind the respective party to the terms of this Agreement.
- 11) Entire Agreement. This Agreement constitutes and represents the entire agreement with respect to the matter set forth herein and supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to such matters, whether written or oral. This Agreement shall become effective upon the date set forth above.

- 12) <u>Counterpart Execution.</u> This Agreement may be executed in counterparts and, as so executed, shall constitute one agreement, binding on the parties even though the parties have not signed the same counterpart. Any counterpart of this Agreement that has attached to it separate signature pages, which altogether contain the signatures of all the parties, shall be deemed a fully executed instrument for all purposes.
- 13) <u>Successors and Assigns.</u> This Agreement shall be binding upon, and inure to the benefit of, the parties as well as their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement Concerning (*equipment or service*) as of the date and year first above written.

	COUNTY OF, COLORADO
	By:
Approved as to Form:	
Ву:	
(Assistant County Attorney)	
	(Receiving Government Representative)
	p.,

#### APPENDIX E: FEDERAL GRANT REFERENCES

#### **Grant Management References Applicable to this Grant**

2CFR PART 225--COST PRINCIPLES FOR STATE, LOCAL, AND INDIAN TRIBAL GOVERNMENTS (OMB CIRCULAR A-87)

http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&%3C?SID%3E&tpl=/ecfrbrowse/Title02/2cfr225\_main\_02.tpl

2CFR Part 230--COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) <a href="http://www.access.gpo.gov/nara/cfr/waisidx-07/2cfr230\_07.html">http://www.access.gpo.gov/nara/cfr/waisidx-07/2cfr230\_07.html</a>

2CFR PART 215--UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION, HOSPITALS, AND OTHER NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-110)

http://www.access.gpo.gov/nara/cfr/waisidx 05/2cfr215 05.html

44CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

http://ecfr.gpoaccess.gov/cgi/t/text/text-

 $\underline{idx?c = ecfr\&sid = 8b323972254e8cc26d2d00d95b55e501\&tpl = /ecfrbrowse/Title44/44cfr13\ main\ 02.}{tpl}$ 

DHS Financial Management Guide - January 2006

http://www.dhs.gov/xlibrary/assets/Grants FinancialManagementGuide.pdf

## APPENDIX F: FY 2010 HOMELAND SECURITY GRANT PROGRAM (HSGP)

http://www.fema.gov/government/grant/hsgp/index.shtm#1

Listing of and links to all OMB Circulars:

http://www.whitehouse.gov/omb/circulars/

National Incident Management System

http://www.fema.gov/emergency/nims/

Responder Knowledge Base and Authorized Equipment List (AEL)

https://www.rkb.us/lists.cfm

#### State of Colorado References

Fiscal Rules

http://www.colorado.gov/dpa/dfp/sco/FiscalRules/Archive/7-1-06/rules.htm

**Procurement Rules** 

https://www.gssa.state.co.us/purchasi.nsf/444e9694db1e7b81872564dc006ee0a9/faa615f8671338718725654700663793?OpenDocument

Division of Homeland Security Website

http://www.colorado.gov/cs/Satellite/GrantProgram-OHS/CDHS/1213694678025

#### Other Material

**DHS Approved Training Catalogs** 

https://www.firstrespondertraining.gov

National Domestic Preparedness Consortium (DHS Funded Training)

http://www.ndpc.us

**DHS-FEMA Training** 

http://www.training.fema.gov

Homeland Security Exercise & Evaluation Program (HSEEP)

https://hseep.dhs.gov

**Equipment Acquisition Grant Current Sollicitation** 

http://www.ojp.usdoj.gov/odp/grants\_solicitation.htm

National Institute of Justice Publications

http://www.oip.usdoi.gov/nij

#### APPENDIX G: OFFICE OF PREPAREDNESS CONTACT INFORMATION

		000 000 4000
Kevin R. Klein	Division of Homeland	303-239-4600
	Security, Director	kevin.klein@cdps.state.co.us
	Office of Preparedness,	720-852-6634
Dana Reynolds	Director	dana.reynolds@cdps.state.co.us
	Citizen Preparedness	720-852-6650
	Program Manager	@state.co.us
		720-852-6629
Austin Geddis	Planning Manager	quatin goddia@adna atata ag ua
		austin.geddis@cdps.state.co.us
Ezzie Michaels	Preparedness Finance	720-852-6607
Ezzie Michaeis	Program Manager	ezzie.michaels@cdps.state.co.us
Jill Hart	Grant Program Analyst	720-852-6621
ommat	Orant i rogram Analyst	jill.hart@cdps.state.co.us
		720-852-6741
Gina Salazar	Grant Program Analyst	gina.salazar@cdps.state.co.us
		300,000,000
Own william Tilliam	Ohiof Assessment	720-852-6661
Sung Han Tjhan	Chief Accountant	sunghan.tjhan@cdps.state.co.us