

Allowable / Unallowable Costs

Allowable:

- ❖ Equipment - Allowable costs are focused on target hardening and physical security enhancements. Funding can be used for the acquisition and installation of security equipment on real property (including buildings and improvements) owned or leased by the nonprofit organization, specifically in prevention of and/or protection against the risk of a terrorist attack. This equipment is limited to select items in the following two sections of items on the Authorized Equipment List (AEL)—see below for details:

Applicants should analyze the cost benefits of purchasing versus leasing equipment, especially high-cost items and those subject to rapid technical advances. Large equipment purchases must be identified and explained. For more information regarding property management standards for equipment, please reference 2 C.F.R. Part 200, including but not limited to 2 C.F.R. §§ 200.310, 200.313, and 200.316.

Target Hardening & Physical Security Enhancements (By AEL Code)

- 03OE-03-MEGA (System, Public Address, Handheld or Mobile)
- 04AP-05-CRED (System, Credentialing)
- 04AP-09-ALRT (Systems, Public Notification and Warning)
- 04AP-11-SAAS (Applications, Software as a Service)
- 05AU-00-TOKN (System, Remote Authentication)
- 05EN-00-ECRP (Software, Encryption)
- 05HS-00-MALW (Software, Malware/Anti-Virus Protection)
- 05HS-00-PFWL (System, Personal Firewall)
- 05NP-00-FWAL (Firewall, Network)
- 05NP-00-IDPS (System, Intrusion Detection/Prevention)
- 06CP-01-PORT (Radio, Portable)
- 06CC-02-PAGE (Services/Systems, Paging)
- 06CP-03-ICOM (Intercom)

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- 06CP-03-PRAC (Accessories, Portable Radio)
- 10GE-00-GENR (Generators)
- 13IT-00-ALRT (System, Alert/Notification)
- 14CI-00-COOP (System, Information Technology Cont. Ops)
- 14EX-00-BCAN (Receptacles, Trash, Blast-Resistant)
- 14EX-00-BSIR (Systems, Building, Blast/Shock/Impact Resistant)
- 14SW-01-ALRM (Systems/Sensors, Alarm)
- 14SW-01-DOOR (Doors and Gates, Impact Resistant)
- 14SW-01-LITE (Lighting, Area, Fixed)
- 14SW-01-PACS (System, Physical Access Control)
- 14SW-01-SIDP (Systems, Personnel Identification)

Please also note:

- M&A costs are allowed under this program as described in the FEMA FY 2022 Preparedness Grants Manual for activities directly related to the management and administration of the award; however, M&A costs may not exceed 5% of the total grant award.
- NSGP funding may not be used for construction and renovation projects without prior written approval from FEMA. In some cases, the installation of equipment may constitute construction and/or renovation. If you have any questions regarding whether an equipment installation project could be considered construction or renovation, please contact your SAA. The total cost of any construction or renovation paid for using NSGP funds may not exceed 15% of the NSGP award. All construction and renovation projects require Environmental Planning and Historic Preservation (EHP) review.
- Contracted security personnel are allowed under this program only as described in the NOFO and Manual and comply with guidance set forth in IB 421b and IB 441. NSGP funds may not be used to purchase equipment for contracted security. Additionally, NSGP subrecipients may not use more than 50 percent of their awards to pay for personnel activities unless a waiver is approved by FEMA. For more information on the 50 percent personnel cap and applicable procedures for seeking a waiver, please contact your SAA.

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Unallowable Costs - The following projects and costs are considered ineligible for award consideration:

- Organization costs, and operational overtime costs;
- Hiring of public safety personnel;
- General-use expenditures;
- Overtime and backfill;
- Initiatives that do not address the implementation of programs/initiatives to build prevention and protection-focused capabilities directed at identified facilities and/or the surrounding communities;
- The development of risk/vulnerability assessment models;
- Initiatives that fund risk or vulnerability security assessments or the development of the IJ;
- Initiatives in which federal agencies are the beneficiary or that enhance federal property;
- Initiatives which study technology development;
- Proof-of-concept initiatives;
- Initiatives that duplicate capabilities being provided by the Federal Government;
- Organizational operating expenses;
- Reimbursement of pre-award security expenses;
- Cameras for license plate readers/license plate reader software;
- Cameras for facial recognition software;
- Weapons or weapons-related training; and
- Knox boxes.

See the attached FY23 Frequently Asked Questions (Question 10) for additional information on allowable costs.