

2939 Program Appendix C: 2940 Nonprofit Security Grant Program (NSGP)

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2942 As a reminder, while this appendix contains NSGP-specific information and requirements, the main
2943 content of this Manual (non-appendix information) contains important information relevant to **all**
2944 preparedness grant programs, including the NSGP. Please be sure to read the main content of this Manual
2945 in addition to the program-specific appendices.

2946
2947 NSGP grant recipients (e.g., State Administrative Agencies [SAA]) and subrecipients (e.g., nonprofit
2948 organizations) may only use NSGP grant funds for the purpose set forth in the grant award and must use
2949 funding in a way that is consistent with the statutory authority for the award. Grant funds may not be used
2950 for matching funds for other federal grants or cooperative agreements, lobbying, or intervention in federal
2951 regulatory or adjudicatory proceedings. In addition, federal funds may not be used to sue the Federal
2952 Government or any other government entity.

2953
2954 Pre-award costs are allowable only with the prior written approval of FEMA and if they are included in
2955 the award agreement. To request pre-award costs a written request must be included with the application,
2956 signed by the Authorized Organizational Representative (AOR) of the entity. The letter must outline what
2957 the pre-award costs are for, including a detailed budget break-out of pre-award costs from the post-award
2958 costs, and a justification for approval. The following information outlines general allowable and
2959 unallowable NSGP costs guidance.

2960 2961 NSGP Funding Guidelines

2962 Recipients and subrecipients must comply with all applicable requirements of the Uniform Administrative
2963 Requirements, Cost Principles, and Audit Requirements for Federal Awards located at 2 C.F.R. Part 200.
2964 In administering a NSGP grant award, recipients must comply with the following general requirements:
2965

2966 NSGP Priorities

2967 See the annual NSGP NOFO.

2968

2969 Allowable Costs

2970 Management and Administration (M&A)

2971 M&A costs are for activities directly related to the management and administration of the award. M&A
2972 activities are those defined as directly relating to the management and administration of NSGP funds,
2973 such as financial management and monitoring, for that fiscal year. For example, FY 2023 M&A funding
2974 can only be used to cover administrative costs incurred in the management of FY 2023 NSGP grant
2975 awards. M&A expenses must be based on actual expenses or known contractual costs. Requests that are
2976 simple percentages of the award, without supporting justification, will not be allowed or considered for
2977 reimbursement.

2978
2979 M&A costs are not operational costs, they are the necessary costs incurred in direct support of the grant or
2980 as a result of the grant and should be allocated across the entire lifecycle of the grant. Examples include
2981 preparing and submitting required programmatic and financial reports, establishing and/or maintaining
2982 equipment inventory, documenting operational and equipment expenditures for financial accounting

2983 purposes, and responding to official informational requests from state and federal oversight authorities.
2984 M&A costs include the following categories of activities:

- 2985
- 2986 • Hiring of full-time or part-time staff or contractors/consultants responsible for activities relating
2987 to the management and administration of NSGP funds. Hiring of contractors/consultants must
2988 follow the applicable federal procurement requirements at 2 C.F.R. §§ 200.317-200.327; and
- 2989 • Meeting-related expenses directly related to M&A of NSGP funds.

2990
2991 M&A costs are allowed under this program as described below:
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- 2993 • **SAA (Recipient) for NSGP-Urban Area (NSGP-UA) and NSGP-State (NSGP-S) M&A:**
2994 SAAs may use and expend up to the percent noted in the relevant fiscal year (FY) NOFO for
2995 M&A purposes (5% for FY 2023) associated with their NSGP-UA and NSGP-S awards. SAAs
2996 must be able to separately account for M&A costs associated with the NSGP-UA award from
2997 those associated with the NSGP-S, and neither can exceed the percent noted in the relevant FY
2998 NOFO (5% of each award for FY 2023).
- 2999 • **Nonprofit (Subrecipient) for NSGP-UA and NSGP-S, and Community Project Funding**
3000 **M&A:** Nonprofit organizations that receive a subaward under this program may use and expend
3001 up to the percent noted in the relevant FY NOFO for M&A purposes associated with the
3002 subaward (5% of each subaward for FY 2023).

3003

3004 Indirect Costs

3005 Indirect costs are allowable under this program. See the “Procedures for Establishing Indirect Cost Rates”
3006 Section in “Pre-Submission Information” for more information.
3007

3008 National Incident Management System (NIMS) Implementation

3009 Recipients receiving NSGP funding are strongly encouraged to implement NIMS. NIMS guides all levels
3010 of government, nongovernmental organizations (NGO), and the private sector to work together to prevent,
3011 protect against, mitigate, respond to, and recover from incidents. NIMS provides stakeholders across the
3012 whole community with the shared vocabulary, systems, and processes to successfully deliver the
3013 capabilities described in the National Preparedness System.
3014

3015 Incident management activities require carefully managed resources (personnel, teams, facilities,
3016 equipment, and supplies). NIMS defines a national, interoperable approach for sharing resources,
3017 coordinating, and managing incidents, and communicating information. Incident management refers to
3018 how incidents are managed across all homeland security activities, including prevention, protection,
3019 mitigation, response, and recovery.
3020

3021 Utilization of the standardized resource management concepts such as typing, credentialing, and
3022 inventorying promote a strong national mutual aid capability needed to support delivery of core
3023 capabilities. Recipients should manage resources purchased or supported with FEMA grant funding
3024 according to NIMS resource management guidance.
3025

3026 Additional information on resource management and NIMS resource typing definitions and job
3027 titles/position qualifications is on FEMA’s website at [NIMS Component-s - Guidance and Tools |](#)
3028 [FEMA.gov](#). Additional information about NIMS in general is available at [National Incident Management](#)
3029 [System | FEMA.gov](#).
3030

3031 **Allowable Direct Costs**

3032 **Planning**

3033 Funding may be used for security or emergency planning expenses and the materials required to conduct
3034 planning activities. Planning must be related to the protection of the facility and the people within the
3035 facility and should include consideration of access and functional needs as well as those with limited
3036 English proficiency. Planning efforts can also include conducting risk and resilience assessments on
3037 increasingly connected cyber and physical systems, on which security depends, using the [Infrastructure](#)
3038 [Resilience Planning Framework](#) and related CISA resources. Examples of planning activities allowable
3039 under this program include:

- 3040
- 3041 • Development and enhancement of security plans and protocols;
- 3042 • Development or further strengthening of security assessments;
- 3043 • Emergency contingency plans;
- 3044 • Evacuation/Shelter-in-place plans;
- 3045 • Coordination and information sharing with fusion centers; and
- 3046 • Other project planning activities with prior approval from FEMA.

3047

3048 **Equipment**

3049 Allowable costs are focused on facility hardening and physical security enhancements. Funding can be
3050 used for the acquisition and installation of security equipment on real property (including buildings and
3051 improvements) owned or leased by the nonprofit organization, specifically in prevention of and/or
3052 protection against the risk of a terrorist or other extremist attack. This equipment is **limited to select**
3053 **items** on the [Authorized Equipment List](#) (AEL):

- 3054
- 3055 • 03OE-03-MEGA System, Public Address, Handheld or Mobile
- 3056 • 04AP-05-CRED System, Credentialing
- 3057 • 04AP-09-ALRT Systems, Public Notification and Warning
- 3058 • 04AP-11-SAAS Applications, Software as a Service
- 3059 • 05AU-00-TOKN System, Remote Authentication
- 3060 • 05EN-00-ECRP Software, Encryption
- 3061 • 05HS-00-MALW Software, Malware/Anti-Virus Protection
- 3062 • 05HS-00-PFWL System, Personal Firewall
- 3063 • 05NP-00-FWAL Firewall, Network
- 3064 • 05NP-00-IDPS System, Intrusion Detection/Prevention
- 3065 • 06CP-01-PORT Radio, Portable
- 3066 • 06CC-02-PAGE Services/Systems, Paging
- 3067 • 06CP-03-ICOM Intercom
- 3068 • 06CP-03-PRAC Accessories, Portable Radio
- 3069 • 10GE-00-GENR Generators
- 3070 • 13IT-00-ALRT System, Alert/Notification
- 3071 • 14CI-00-COOP System, Information Technology Contingency Operations
- 3072 • 14EX-00-BCAN Receptacles, Trash, Blast-Resistant
- 3073 • 14EX-00-BSIR Systems, Building, Blast/Shock/Impact Resistant
- 3074 • 14SW-01-ALRM Systems/Sensors, Alarm
- 3075 • 14SW-01-DOOR Doors and Gates, Impact Resistant
- 3076 • 14SW-01-LITE Lighting, Area, Fixed
- 3077 • 14SW-01-PACS System, Physical Access Control
- 3078 • 14SW-01-SIDP Systems, Personnel Identification

- 3079 • 14SW-01-SIDV Systems, Vehicle Identification
- 3080 • 14SW-01-SNSR Sensors/Alarms, System and Infrastructure Monitoring, Standalone
- 3081 • 14SW-01-VIDA Systems, Video Assessment, Security
- 3082 • 14SW-01-WALL Barriers: Fences; Jersey Walls
- 3083 • 15SC-00-PPSS Systems, Personnel/Package Screening
- 3084 • 21GN-00-INST Installation
- 3085 • 21GN-00-TRNG Training and Awareness

3086

3087 Unless otherwise stated, equipment must meet all mandatory statutory, regulatory, and FEMA-adopted
 3088 standards to be eligible for purchase using these funds, including the Americans with Disabilities Act. In
 3089 addition, recipients will be responsible for obtaining and maintaining all necessary certifications and
 3090 licenses for the requested equipment, whether with NSGP funding or other sources of funds (see the
 3091 Maintenance and Sustainment section below for more information). In addition, subrecipients that are
 3092 using NSGP funds to support emergency communications equipment activities must comply with the
 3093 SAFECOM Guidance on Emergency Communications Grants, including provisions on technical
 3094 standards that ensure and enhance interoperable communications. This SAFECOM Guidance can be
 3095 found at [Funding Resources | CISA](#).

3096

3097 Recipients and subrecipients may purchase equipment not listed on the AEL, but **only** if they first seek
 3098 and obtain **prior approval** from FEMA. NOTE: Nonprofits should indicate in their budget narratives if a
 3099 cost includes shipping and/or tax. It is not required to break the costs out as separate from the relevant
 3100 purchase(s).

3101

3102 Applicants and subapplicants should analyze the cost benefits of purchasing versus leasing equipment,
 3103 especially high-cost items and those subject to rapid technical advances. Large equipment purchases must
 3104 be identified and explained. For more information regarding property management standards for
 3105 equipment, please reference 2 C.F.R. Part 200, including but not limited to 2 C.F.R. §§ 200.310, 200.313,
 3106 and 200.316. Also see 2 C.F.R. §§ 200.216, 200.471, and [FEMA Policy #405-143-1, Prohibitions on](#)
 3107 [Expending FEMA Award Funds for Covered Telecommunications Equipment or Services](#), regarding
 3108 prohibitions on covered telecommunications equipment or services.

3109

3110 The installation of certain equipment may trigger Environmental Planning and Historic Preservation
 3111 (EHP) requirements. Please reference the EHP sections in the NOFO and this Manual for more
 3112 information. Additionally, some equipment installation may constitute construction or renovation. Please
 3113 see the Construction and Renovation section of this appendix for additional information.

3114

3115 **Exercises**

3116 Funding may be used to conduct security-related exercises. This includes costs related to planning,
 3117 meeting space and other meeting costs, facilitation costs, materials and supplies, and documentation.
 3118 Exercises afford organizations the opportunity to validate plans and procedures, evaluate capabilities, and
 3119 assess progress toward meeting capability targets in a controlled, low risk setting. All shortcomings or
 3120 gaps—including those identified for children and individuals with access and functional needs—should
 3121 be identified in an improvement plan. Improvement plans should be dynamic documents with corrective
 3122 actions continually monitored and implemented as part of improving preparedness through the exercise
 3123 cycle.

3124

3125 The Homeland Security Exercise and Evaluation Program (HSEEP) provides a set of guiding principles
 3126 for exercise programs, as well as a common approach to exercise program management, design and
 3127 development, conduct, evaluation, and improvement planning. For additional information on HSEEP,
 3128 refer to [Homeland Security Exercise and Evaluation Program | FEMA.gov](#). In accordance with HSEEP

3129 guidance, subrecipients are reminded of the importance of implementing corrective actions iteratively
3130 throughout the progressive exercise cycle. This link provides access to a sample After Action Report
3131 (AAR)/Improvement Plan (IP) template: [Improvement Plannin-g - HSEEP Resource-s - Preparedness](#)
3132 [Toolkit \(fema.gov\)](#). Recipients are encouraged to enter their exercise data and AAR/IP in the
3133 [Preparedness Toolkit](#).

3134

3135 **Maintenance and Sustainment**

3136 The use of FEMA preparedness grant funds for maintenance contracts, warranties, repair or replacement
3137 costs, upgrades, and user fees are allowable under all active and future grant awards, unless otherwise
3138 noted. Preparedness grant funds may be used to purchase maintenance contracts or agreements, warranty
3139 coverage, licenses, and user fees. These contracts may exceed the period of performance if they are
3140 purchased incidental to the original purchase of the system or equipment as long as the original purchase
3141 of the system or equipment is consistent with that which is typically provided for, or available through,
3142 these types of agreements, warranties, or contracts. When purchasing a stand-alone warranty or extending
3143 an existing maintenance contract on an already-owned piece of equipment system, coverage purchased
3144 may not exceed the period of performance of the award used to purchase the maintenance agreement or
3145 warranty. As with warranties and maintenance agreements, this extends to licenses and user fees as well.
3146 Grant funds are intended to support the National Preparedness Goal (the Goal) and fund projects that
3147 build and sustain the core capabilities necessary to prevent, protect against, mitigate the effects of,
3148 respond to, and recover from those threats that pose the greatest risk to the security of the Nation. In order
3149 to provide recipients the ability to meet this objective, the policy set forth in [IB 379: Guidance to State](#)
3150 [Administrative Agencies to Expedite the Expenditure of Certain DHS/FEMA Grant Funding](#) allows for
3151 the expansion of eligible maintenance and sustainment costs that must be in (1) direct support of existing
3152 capabilities, (2) must be an otherwise allowable expenditure under the applicable grant program, and (3)
3153 be tied to one of the core capabilities in the five mission areas outlined in the Goal. Additionally, eligible
3154 costs may also support equipment, training, and critical resources that have previously been purchased
3155 with either federal grant or any other source of funding other than FEMA preparedness grant program
3156 dollars.

3157

3158 **Construction and Renovation**

3159 NSGP funding may not be used for construction and renovation projects without prior written approval
3160 from FEMA. In some cases, the installation of equipment may constitute construction and/or renovation.
3161 If you have any questions regarding whether an equipment installation project could be considered
3162 construction or renovation, please contact your Preparedness Officer. All recipients of NSGP funds must
3163 request and receive prior approval from FEMA before any NSGP funds are used for any construction or
3164 renovation. Additionally, recipients are required to submit a SF-424C Budget and budget detail citing the
3165 project costs and an SF-424D Form for standard assurances for the construction project. The total cost of
3166 any construction or renovation paid for using NSGP funds may not exceed the greater amount of \$1
3167 million or 15% of the NSGP award.

3168

3169 All construction and renovation projects require EHP review. Recipients and subrecipients are
3170 encouraged to have completed as many steps as possible for a successful EHP review in support of their
3171 proposal for funding (e.g., coordination with their State Historic Preservation Office to identify potential
3172 historic preservation issues and to discuss the potential for project effects, compliance with all state and
3173 local EHP laws and requirements). Projects for which the recipient believes an Environmental
3174 Assessment (EA) may be needed, as defined in [DHS Instruction Manual 023-01-001-01, Revision 01](#),
3175 [FEMA Directive 108-1](#), and [FEMA Instruction 108-1-1](#), must also be identified to the FEMA HQ
3176 Preparedness Officer within six months of the award and completed EHP review materials must be
3177 submitted no later than 12 months before the end of the period of performance. Additional information on
3178 EHP policy and EHP review can be found online at [Environmental & Historic Preservation Grant](#)
3179 [Preparation Resources | FEMA.gov](#). EHP review packets should be sent to gpdehpinfo@fema.gov.

3180
3181 NSGP recipients using funds for construction projects must comply with the *Davis-Bacon Act* (codified
3182 as amended at 40 U.S.C. §§ 3141 *et seq.*). See 6 U.S.C. § 609(b)(4)(B) (cross-referencing 42 U.S.C. §
3183 5196(j)(9), which cross-references *Davis-Bacon*). Grant recipients must ensure that their contractors or
3184 subcontractors for construction projects pay workers no less than the prevailing wages for laborers and
3185 mechanics employed on projects of a character similar to the contract work in the civil subdivision of the
3186 state in which the work is to be performed. Additional information regarding compliance with the *Davis-*
3187 *Bacon Act*, including Department of Labor (DOL) wage determinations, is available from the following
3188 website: <https://www.dol.gov/whd/govcontracts/dbra.htm>.
3189

3190 **Training**

3191 Nonprofit organizations may use NSGP funds for the following training-related costs:
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- 3193 • Employed or volunteer security staff to attend security-related training within the United States;
- 3194 • Employed or volunteer staff to attend security-related training within the United States with the
3195 intent of training other employees or members/congregants upon completing the training (i.e.,
3196 “train-the-trainer” type courses); and
- 3197 • Nonprofit organization’s employees, or members/congregants to receive on-site security training.
3198

3199 Allowable training-related costs under the NSGP are limited to attendance fees for training and related
3200 expenses, such as materials, supplies, and/or equipment. Overtime, backfill, and travel expenses are not
3201 allowable costs.
3202

3203 Allowable training topics are limited to the protection of critical infrastructure key resources, including
3204 physical and cybersecurity, facility hardening, and terrorism/other extremism awareness/employee
3205 preparedness such as Community Emergency Response Team (CERT) training, indicators and behaviors
3206 indicative of terrorist/other extremist threats, Active Shooter training, and emergency first aid
3207 training. Additional examples of allowable training courses include: “Stop The Bleed” training,
3208 kits/equipment, and training aids; First Aid and other novice level “you are the help until help arrives”
3209 training, kits/equipment, and training aids; and Automatic External Defibrillator (AED) and AED/Basic
3210 Life Support training, kits/equipment, and training aids.
3211

3212 Training conducted using NSGP funds must address a specific threat and/or vulnerability, as identified in
3213 the nonprofit organization’s Investment Justification (IJ). Training should provide the opportunity to
3214 demonstrate and validate skills learned as well as to identify any gaps in these skills. ***Proposed***
3215 ***attendance at training courses and all associated costs using the NSGP must be included in the***
3216 ***nonprofit organization’s IJ.***
3217

3218 **Contracted Security Personnel**

3219 Contracted security personnel are allowed under this program only as described in the NOFO and Manual
3220 and comply with guidance set forth in [IB 421b](#) and [IB 441](#). NSGP funds may not be used to purchase
3221 equipment for contracted security. The subrecipient must be able to sustain this capability in future years
3222 without NSGP funding, and a sustainment plan will be required as part of the closeout package for any
3223 award funding this capability.
3224

3225 Additionally, NSGP recipients and subrecipients may not use more than 50% of their awards to pay for
3226 personnel activities unless a waiver is approved by FEMA. For more information on the 50% personnel
3227 cap and applicable procedures for seeking a waiver, please see [IB 421b, Clarification on the Personnel](#)
3228 [Reimbursement for Intelligence Cooperation and Enhancement of Homeland Security Act of 2008 \(Public](#)
3229 [Law 110-412 – the PRICE Act\).](#)

3230

3231 **Unallowable Costs**

3232 The following projects and costs are considered **ineligible** for award consideration:

3233

- 3234 • Organization costs, and operational overtime costs;
- 3235 • Hiring of public safety personnel;
- 3236 • General-use expenditures;
- 3237 • Overtime and backfill;
- 3238 • Initiatives that do not address the implementation of programs/initiatives to build prevention and
- 3239 protection-focused capabilities directed at identified facilities and/or the surrounding
- 3240 communities;
- 3241 • The development of risk/vulnerability assessment models;
- 3242 • Initiatives that fund risk or vulnerability security assessments or the development of the IJ;
- 3243 • Initiatives in which federal agencies are the beneficiary or that enhance federal property;
- 3244 • Initiatives which study technology development;
- 3245 • Proof-of-concept initiatives;
- 3246 • Initiatives that duplicate capabilities being provided by the Federal Government;
- 3247 • Organizational operating expenses;
- 3248 • Reimbursement of pre-award security expenses;
- 3249 • Cameras for license plate readers/license plate reader software;
- 3250 • Cameras for facial recognition software;
- 3251 • Weapons or weapons-related training; and
- 3252 • Knox boxes.

3253

3254 **NSGP Investment Modifications – Changes in Scope or Objective**

3255 Changes in scope or objective of the award—whether as a result of intended actions by the recipient or
3256 subrecipients—require FEMA’s prior written approval, in accordance with 2 C.F.R. §§ 200.308(c)(1),
3257 200.407. NSGP is competitive, with applications recommended for funding based on threat, vulnerability,
3258 consequence, and their mitigation to a specific facility/location. However, consistent with 2 C.F.R §
3259 200.308(c)(1), Change in Scope Notification, FEMA requires prior written approval of any change in
3260 scope/objective of the grant-funded activity after the award is issued. *See* 2 C.F.R. § 200.308(b), (c).
3261 Scope/objective changes will be considered on a case-by-case basis, provided the change does not
3262 negatively impact the competitive process used to recommend NSGP awards. Requests to change the
3263 scope or objective of the grant-funded activity after the award is made must be submitted by the SAA via
3264 ND Grants as a Scope Change Amendment. The amendment request must include the following:

3265

- 3266 • A written request from the NSGP subrecipient on its letterhead, outlining the scope or objective
3267 change, including the approved projects from the subrecipient’s IJ, the funds and relative scope or
3268 objective significance allocated to those projects, the proposed changes, and any resulting
3269 reallocations as a result of the change of scope or objective;
- 3270 • An explanation why the change of scope or objective is necessary;
- 3271 • Validation from the SAA that any deviations from the approved IJ are addressed in the
3272 vulnerability assessment submitted by the subrecipient at the time of application; and
- 3273 • The subrecipient request must also address whether the proposed changes will impact its ability to
3274 complete the project within the award’s period of performance.

3275

3276 FEMA will generally not approve NSGP change-of-scope requests resulting from the following
3277 situations:

- 3278 • Subrecipients that relocate their facilities after submitting their application who are requesting a
3279 change of scope to allow them to use NSGP funds towards projects at the new facility; or
- 3280 • Subrecipients that renovate their facilities after submitting their application in cases where the
3281 subsequent renovations would affect the vulnerability/risk assessment upon which the IJ is based.
3282

3283 NSGP project funding is based on the ability of the proposed project to mitigate the risk factors identified
3284 in the IJ. For this reason, FEMA may reject requests to significantly change the physical security
3285 enhancements that are purchased with NSGP funding where FEMA believes approval of the request
3286 would change or exceed the scope of the originally approved project. FEMA will consider all requests to
3287 deviate from the security project as originally proposed on a case-by-case basis, *consistent with 2 C.F.R. §*
3288 *200.308(c)(1)*.
3289

3290 Subrecipients may not proceed with implementing any scope/objective changes until the SAA receives
3291 written approval from FEMA through ND Grants and until the SAA has made any required subaward
3292 modifications.

3293 If a subrecipient is simply making changes to its own budget without impacting the scope or objective of
3294 the subaward, and where the budget changes do not involve other prior approval requirements listed in 2
3295 C.F.R. § 200.407, then the subrecipient does not need the prior approval of the SAA or FEMA. *See 2*
3296 *C.F.R. § 200.308*. Instead, the subrecipient is only required to report to the SAA the budget changes.
3297 Similarly, the SAA should report those budget changes to FEMA.
3298

3299 **Pass-Through Requirements**

3300 **Pass-through funding is required under this program.** Awards made to the SAA for the NSGP carry
3301 additional pass-through requirements. Pass-through is defined as an obligation on the part of the state to
3302 make subawards to selected nonprofit organizations. The SAA must provide funds awarded under NSGP
3303 to successful nonprofit applicants within 45 days of receipt of the funds. A letter of intent (or equivalent)
3304 to distribute funds is not sufficient. Award subrecipients that are selected for funding under this program
3305 must be provided with funding within 45 days from the date the funds are first made available to the
3306 recipient so that they can initiate implementation of approved investments.
3307

3308 For the SAA to successfully meet the pass-through requirement and provide funding to the subrecipients,
3309 the SAA must meet the following four requirements:
3310

- 3311 • There must be some action by the SAA to establish a firm commitment to award the funds to the
3312 selected nonprofit organization;
- 3313 • The action must be unconditional on the part of the SAA (i.e., no contingencies for availability of
3314 SAA funds);
- 3315 • There must be documentary evidence of the commitment of the award of funding to the selected
3316 nonprofit organization; and
- 3317 • The SAA must communicate the terms of the subaward to the selected nonprofit organization.
3318

3319 If a nonprofit organization is selected for an NSGP award and elects to decline the award, the SAA must
3320 notify their FEMA Preparedness Officer. The SAA may not re-obligate to another subrecipient without
3321 prior approval. “Receipt of the funds” occurs either when the SAA accepts the award or 15 calendar days
3322 after the SAA receives notice of the award, whichever is earlier. SAAs are sent notification of NSGP
3323 awards via the ND Grants system. If an SAA accepts its award within 15 calendar days of receiving
3324 notice of the award in the ND Grants system, the 45-calendar day pass-through period will start on the
3325 date the SAA accepted the award. Should an SAA not accept the NSGP award within 15 calendar days of

3326 receiving notice of the award in the ND Grants system, the 45-calendar days pass-through period will
3327 begin 15 calendar days after the award notification is sent to the SAA via the ND Grants system.

3328

3329 It is important to note that the period of performance start date does not directly affect the start of the 45-
3330 calendar day pass-through period. For example, an SAA may receive notice of the NSGP award on
3331 August 20, 2023, while the period of performance dates for that award are September 1, 2023, through
3332 August 31, 2026. In this example, the 45-day pass-through period will begin on the date the SAA accepts
3333 the NSGP award or September 4, 2023 (15 calendar days after the SAA was notified of the award),
3334 whichever date occurs first. The period of performance start date of September 1, 2023 would not affect
3335 the timing of meeting the 45-calendar day pass-through requirement.

3336

3337 **SAM/UEI Requirements for Recipients and Subrecipients**

3338 As the direct applicant and recipient of NSGP funding, the SAA is required to have a Unique Entity
3339 Identifier (UEI) number and be registered in the System for Award Management (SAM) and must
3340 maintain the currency of the 'AA's information in SAM until the SAA submits the final financial report
3341 required under the award or receives final payment, whichever is later. First tier subrecipients, including
3342 nonprofit organizations under the NSGP, will only be required to register in SAM.gov to obtain the UEI,
3343 **but will not be required to maintain an active registration in SAM.gov.** Further guidance on obtaining
3344 a UEI in SAM.gov can be found at [GSA UEI Update](#) and here [SAM.gov Update](#).