Hazardous Materials Emergency Preparedness Grant Program
U.S. Department of Transportation

Pipeline and Hazardous Materials Safety Administration

FY 2019 Expenditures Guide



The Pipeline and Hazardous Materials Safety Administration's Hazardous Materials Grants Program
HMEP.Grants@dot.gov
www.phmsa.dot.gov/hazmat/grants
(202) 366-1109

Developed by the Pipeline and Hazardous Materials Safety Administration (PHMSA) in collaboration with the Hazardous Materials Emergency Preparedness (HMEP) Working Group:

- Illinois Emergency Management Agency
- Iowa Homeland Security & Emergency Management Division
- Indiana Department of Homeland Security
- Nevada State Emergency Response Commission
- Nebraska Emergency Management Agency
- North Carolina Department of Public Safety
- Oregon State Fire Marshal's Office

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1. Introduction

The purpose of the Hazardous Materials Emergency Preparedness (HMEP) grant is to protect against the risks to life, property, and the environment that are inherent in the transportation of hazardous material in intrastate, interstate, and foreign commerce (Title 49 U.S.C. § 5101). The HMEP grant supports the emergency preparedness and response efforts of States, federally recognized Native American tribes, and Territories that deal with hazardous materials emergencies, specifically those involving transportation. This grant also aids grantees in meeting the requirements of §§ 301 and 303 of the Emergency Planning and Community Right-to-Know Act of 1986 (Title 42 U.S.C. Chapter 116).

Through your participation in the HMEP grant program, PHMSA seeks to increase the effectiveness of hazardous materials response and preparedness efforts, and reduce the risks associated with the bulk transport of highly flammable liquids, and other hazardous materials, throughout the United States.

To advance PHMSA's mission, the HMEP grant awards funding to States, U.S. Territories, and federally recognized Native American Tribes to:

- Develop, improve, and implement emergency plans
- Train public sector hazardous materials (hazmat) emergency response employees to respond to accidents and incidents involving hazardous materials in transportation
- Determine flow patterns of hazardous materials within a State, between States, between States and federally recognized sovereign nations, and within Territories.
- Determine the need within a State for regional hazardous materials emergency response teams
- Assess local preparedness and response capabilities
- Conduct emergency response drills and exercises associated with emergency preparedness plans
- Provide for technical staff to support the preparedness effort
- Train public sector employees to respond to accidents and incidents involving the transportation of hazardous materials
- Determine the number of public sector employees employed or used by a political subdivision who need the proposed training and to select courses consistent with national consensus standards or the Guidelines for Hazardous Materials Response, Planning and Prevention/Mitigation Training
- Design, develop and deliver comprehensive preparedness and response training to public sector employees, and financial assistance for trainees and for the trainers, if appropriate, such as tuition, travel expenses to and from a training facility, and room and board while at the training facility
- Deliver emergency response drills and exercises associated with training, a course of study, and tests and evaluation of emergency preparedness plans
- Evaluate courses to determine effectiveness of delivery and student retention
- Pay expenses associated with training by a person (including a department, agency, or instrumentality of a State or political subdivision thereof, a Territory, or federally recognized Tribe) and activities necessary to monitor such training including, but not limited to, examinations, critiques and instructor evaluations
- Maintain staff to manage the training effort designed to result in increased benefits, proficiency, and rapid deployment of local and regional responders
- Support additional activities the Associate Administrator deems appropriate to implement the scope of work for the proposed project and approved in the grant

The information contained in this document is provided for guidance to administer the HMEP grant program. This document supersedes all previous versions and is effective for fiscal year (FY) 2019 grant awards. Examples of allowable activities provided in this document are not all-inclusive, and the absence of a specific activity does not preclude its possible approval. All proposed activities will be considered based on the proposed budget costs allocable to the approved project in accordance with 2 CFR Part 200, Subpart E, and Cost Principles.

The purpose of this HMEP Expenditures Guide is to help grantees effectively administer their programs by providing examples (for reference only) of allowable, conditionally allowable, and unallowable activities.

General Guidelines:

- Allowable expenditures are those that are: reasonable, necessary, and allocable to the approved project consistent with 2 CFR Part 200 and the Notice of Grant Award (NGA).
- Conditionally allowable expenses are only allowable from certain funding sources, or when the expenditures meet other conditions.
- Unallowable expenditures are costs prohibited by law or regulation, Federal cost principles, PHMSA policy, or special terms and condition of award.

The following items require prior approval and the submission of the Hazmat Grant Activity Request Form to PHMSA by selecting one of the following options in the HMEP Grants Portal at https://hazmatgrants.phmsa.dot.gov:

- Activities not specified in the approved grant application
- Budget revisions
- Change in Point of Contact for the Grant

- Requests for reimbursement must be submitted via the Delphi eInvoicing System using OMB SF-270, Request for Advance or Reimbursement.
- For new users, please coordinate with your assigned Grant Management Specialist for access.

Questions and other inquiries should be directed to your assigned Grant Management Specialist or via e-mail at: HMEP.Grants@dot.gov.

2. General Expenditures

Examples of allowable general expenditures that do not fall under preparedness or response training grant expenditures are listed below.

Allowable General Expenditures
Grants Management Courses
Continuing Education Specific to Grants Management Functions
Financial Management Courses with Grant Management Concentration

3. Preparedness

3.1 Allowable Preparedness Expenditures – Commonly Approved Expenditures

Enhancing Hazardous Materials Plans
Developing, improving, and implementing emergency plans required under the Emergency Planning and Community Right-to-Know Act of 1986
Workshops, drills, and exercises associated with hazmat emergency plans
Risk assessments to enhance plans
Capability assessments that evaluate the ability for first responders, non-governmental organizations, and other involved stakeholders to respond to a hazmat emergency
Gap analysis to enhance planning objectives
Improving interagency interoperability to better respond to and mitigate hazmat incidents
Determining commodity flow transportation patterns of hazmat and developing and maintaining a system to keep such information current
Assessing the need for regional hazmat emergency response teams
Providing technical staff to support planning efforts
Aerial photography for use with Commodity Flow Study research
Planning Courses
Courses aimed at developing, improving, and implementing emergency plans under the Emergency Planning and Community Right-to-Know Act (EPCRA) §§ 301 and 303 (Title 42 U.S.C. Chapter 116)
Hazmat transportation emergency preparedness and response courses
Hazmat risk analysis
Commodity Flow Study courses
Regional Response Strategy Selection courses
Equipment and Supplies[1]
Computer equipment dedicated to HMEP Grant activities (use for operations purposes not allowable)
Supplies and equipment required for HMEP-funded exercises and activities

[1] 2 CFR § 200.33 defines *equipment* as tangible, non-expendable personal property with a unit acquisition cost of $5,000 or more (unless State policy sets a lower threshold) and with a useful life of more than one year. When calculating the cost of the property, it includes any accessories needed to make it operational. Any items not meeting this definition should be shown as "supplies," e.g., computers must be shown as "supplies," based on their acquisition cost.

3.1 Allowable Preparedness Expenditures, concluded

Conferences and Meetings
National Association of SARA Title III Program Officials (NASTTPO)
Hazmat Continuing Challenge: The Continuing Challenge provides safe response training for all emergency responders to hazardous materials incidents affecting transportation, public health and the environment. This annual Workshop is attended by hazmat responders from across the globe and is held every September in Sacramento, CA.
HOTZONE: The HOTZONE Committee is composed of representatives from the local, State, and Federal levels of the hazmat response community serving Federal Region 6. This annual training conference provides hazmat technical training and promotes professional relationships within Region 6 to meet the unique needs of this region.
COLDZONE: The 9th Annual 2017 Cold Zone Conference will offer a variety of hazardous material courses for first responders of all skill levels. This conference will provide the most recent information available, hands-on workshops and a variety of topics relating to many aspects of today's hazards. Cold Zone will also provide an opportunity to meet other responders from around the region and neighboring states.
TRANSCAER®*: TRANSCAER® (Transportation Community Awareness and Emergency Response) is a voluntary national outreach effort focusing on assisting communities with preparing for, and responding to, possible hazmat transportation-related incidents. TRANSCAER® educates emergency responders and their communities and includes safety training cars from the Firefighters Education and Training Foundation. * Necessities, by ownership or rental, for the physical needs and comfort of the participants and training recipients such as, but not limited to: classroom tents, tables, chairs, water coolers, portable toilets, wash stations, public address systems, generators, fuel for generators, waste management, and outdoor fans; projectors and screens, video recording services; safety gloves, safety glasses; pens, pencils, books, brochures, certificates; administrative services, advertising costs, trainer fees; and instructor accommodations, travel, and meals.
International Association of Fire Chiefs (IAFC), International Hazmat Conference: The IAFC hosts the International Hazardous Materials Response Team Conference, which presents "what's new in hazmat" and how it impacts today's hazmat teams on the job.
Midwestern Hazmat Conference: Two-day conference on hazmat and related response training presented by instructors in the hazmat response community. (Only courses on hazmat response are eligible.)
Other
Hazmat publications for permanent collections, such as the NFPA 472 guide

3.2 Conditionally Allowable Preparedness Expenditures

Conditionally allowable expenditures are those that are not commonly approved, but will receive special consideration upon proposal.

Examples of conditionally allowable preparedness expenditures are listed below.

Tier II Chemical Inventory Reports
Tier II Databases
Statewide conference emphasizing hazmat emergency response capabilities, collaboration, networking, and preparedness opportunities for responders, particularly those related to transportation. Conditions include: transportation hazmat-themed schedule

Regional hazmat conferences and workshops, specifically those related to transportation
Fire Department Instructors Conference (FDIC): Comprehensive training for all levels of fire service practitioners with more than 24 hands-on training evolutions, 34 pre-conference workshops, and more than 160 classroom presentations. Conditions include: transportation hazmat-themed schedule
LEPC meeting expenses – Conditions include: LEPC meeting expenses are allowable when pertaining to the HMEP grant
Hospital Drills – Conditions include: Decontamination from a transportation incident (radiological, chemical, or other hazmat)
Emergency Operating Center (EOC) Leadership Exercises – Conditions include: Leadership exercises for events concerning hazmat preparedness and response
Title III Software (e.g., CAMEO/PEAC/PLUME) **–** Use of software must be tied to planning for hazmat transportation related accidents/incidents
Fixed-facility hazmat preparedness – Conditions include: Exercises and plans that include transportation of materials to and from fixed-facilities; exercises that test the same capabilities that would be used to respond to a hazmat transportation incident
Refreshments – Conditions include: Beverages for trainings that are in rural locations or training conducted outside where hydration is needed to ensure exercises are safely conducted.
Exhibitors for Outreach and Preparedness Booths - Activity must tie-in to hazardous materials transportation

3.3 Unallowable Preparedness Expenditures

Examples of unallowable preparedness expenditures are listed below.

Natural Disaster Exercises (e.g., Urban Avalanches, Pandemic Flu, Cruise Ship, Wildfire, Earthquake)
All-Hazards Warning System Drills
Joint Terrorism Task Force (JTTK) Exercises
WebEOC (EOC-Emergency Operations Center) mapping
Public Officials Conference that does not have a tie-in to hazardous materials transportation
Town-wide alert system
Development and distribution of a Hazmat Calendar
Expenses counted as match funds toward another Federal grant program or cooperative agreement
Entertainment costs
Foreign travel
Purchase of cell telephone(s), except for administration of the HMEP grant at the state level
Any costs disallowable or stated as ineligible in 49 CFR part 110 and 2 CFR 200 part 400
Any cost specifically prohibited in the General Terms and Conditions of the award, PHMSA policy as detailed in this Expenditures Guide, or Special Terms and Conditions listed on the NGA (Remarks section)
Membership fees and subscriptions, except as otherwise noted.
Food – Food purchased with HMEP funds for exercises, planning sessions, meetings, conference and more is unallowable under the HMEP grant program.

Stipends
FRI (Fire Rescue International): Fire Rescue International (FRI) annual conference for fire and emergency service leaders from across North America and around the globe for 5 days of networking, learning, and collaboration.

4. Training

4.1 Allowable Training Expenditures

Examples of allowable training expenditures are listed below.

General Training Expenditures
Reimbursement for instructor(s) and trainees for tuition and travel expenses (lodging and per diem) to and from a training facility
Facility rental cost reimbursement
Expenses associated with training, such as staff to support the training effort, evaluation forms, etc.

National Fire Protection Association (NFPA) 472 or Occupational Safety And Health Administration (OSHA) 29 CFR § 1910.120 Competency Requirement Suggested Courses
Hazardous Waste Operations and Emergency Response Standard (HAZWOPER) training with transportation tie-in
Hazmat Incident Command System (ICS), includes the following courses: - ICS-100: Introduction to the Incident Command System - ICS-200: Incident Command System for Single Resources and Initial Action Incidents - ICS-300: Intermediate Incident Command System - ICS-400: Advanced Incident Command System
Hazmat Awareness, Operations, Technician, Specialist, and Refresher Courses
Hazmat Incident Commander
Hazmat Officer/Safety Officer
Industrial Fire Fighting- (rail yards, fuel transfer facilities, and ports)
Confined Space Rescue
Hazmat Basic Life Support/Advance Life Support
Chemistry for Emergency Responders
Marine Operations - Ship-board rescue, firefighting, and hazmat
Airport Rescue Fire Fighting (aircraft response and rescue)
Explosive Ordinance Disposal/Explosives involving transport of explosives
Radiological (sources in transportation, but not Weapons of Mass Destruction.)
Tank Car Specialty

4.1 Allowable Training Expenditures, continued

National Fire Protection Association (NFPA) 472 or Occupational Safety and Health Administration (OSHA) 29 CFR § 1910.120 Competency Requirement Suggested Courses, concluded
Intermodal Tank Specialty
Marine Tank Vessel Specialty
Flammable Liquid Bulk Storage
Flammable Gas Bulk Storage
Radioactive Material Specialty in Transportation
First Receiver Awareness Training
Crude Oil Training
Cargo Tank Specialty
Other Allowable Training Course Examples
Ammonia, Ethanol, Chlorine Response
Alternative Fuels, used in transportation
Developing a Plan of Action
Chemistry of Hazmat-Part I/II
Surveying a Hazmat Incident
Level A/Level B Personal Protective
Hazmat for Emergency Management System (EMS)
Hazmat for Dispatcher
Hazmat Containers
Hazardous Materials Monitoring Refresher
Hazmat Level B Dress-out and Decon
Hazmat Technical Decon Refresher
Hazmat Containment and Control
Haz-Cat Training

4.1 Allowable Training Expenditures, continued

Other Allowable Training Course Examples, concluded
Pipeline Incident in Transportation Response Training
Haz Mat IQ Training (Above and Below the line, Advanced IQ & Tox Medic, etc.)
Emergency Medical Technician (EMT) Training for hazmat
Employee Hazmat Emergency Response Readiness Training
Creating and maintaining hazmat emergency response training websites
CAMEO Training, particularly that related to transportation
TRANSCAER® (travel and necessities* for physical needs and comfort of trainers and training recipients) * Necessities, by ownership or rental, for the physical needs and comfort of the participants and training recipients such as, but not limited to: classroom tents, tables, chairs, water coolers, portable toilets, wash stations, public address systems, generators, fuel for generators, waste management, and outdoor fans; projectors and screens, video recording services; safety gloves, safety glasses; pens, pencils, books, brochures, certificates; administrative services, advertising costs, trainer fees; and instructor accommodations, travel, and meals.
Allowable Training Equipment, Supplies and Materials
Computer equipment used exclusively for activities allowable under this HMEP Grant (e.g., approved computer-based training activities).
Rental equipment necessary to provide specific training, whether consumed in the training (e.g., this isn't equipment) or otherwise (e.g., a training suit). In most cases, equipment costs are expected not to exceed 5 percent of the total cost of the grant awarded and must be fully justified.
Publications, manuals, and other materials necessary to provide training and are used by instructor(s) and trainees--where appropriate, this may include the printing and copying of such materials and any cost of distributing these materials (such as mailing the materials to trainees in advance of the first training session).
Simulation software for hazmat training courses
Hazmat training suits for specific transportation related exercises
Firefighting foam for specific transportation related exercise

4.1 Allowable Training Expenditures, concluded

Conferences
NASTTPO (National Association of SARA Title III Program Officials)
Hazmat Continuing Challenge
HOTZONE or COLDZONE
IAFC International Hazmat Conference
Midwestern Hazmat Conference

4.2 Conditionally Allowable Training Expenditures
Examples of conditionally allowable training expenditures are listed below.

Statewide conference emphasizing hazmat emergency response capabilities, collaboration, networking, and planning opportunities for responders.
Regional hazmat conferences and workshops
Fixed-facility hazmat training – Conditions include: Training that includes transportation of materials to and from fixed-facilities; training that addresses the same capabilities that would be used to respond to a hazmat transportation incident
Refreshments – Conditions include: Beverages for trainings that are in rural locations or training conducted outside where hydration is needed to ensure safe training.
Pro Board® Certification – Pro Board courses that are allowable under the HMEP grant program.

4.3 Unallowable Training Expenditures
Examples of unallowable training expenditures are listed below.

Courses not related to hazmat emergency response (with the exception of the pipeline training listed in section 4.1 above)
Pro Board® accreditation
Emergency Preparedness Presentation to Child Care Providers
School Violence Prevention
Weapons of Mass Destruction (WMD) Terrorism courses
Weapons of Mass Destruction (WMD) Radiological Training
Mobile Meth Lab Training
Active Shooter Training
Pandemic Flu Exercises
Joint Terrorism Task Force (JTTF) Exercises
Equipment for the purpose of *response* operations, such as**:** - Self-Contained Breathing Apparatus (SCBA) - PPE (Personal Protective Equipment) - Monitoring Equipment
Overtime of trainees and any other employees who "backfill" positions of trainees during the period of training.
Expenses counted as match funds toward another Federal grant program or cooperative agreement.
Entertainment costs
Purchase of cellular telephone(s), except for administration of the HMEP grant at the state level
Any costs disallowable or stated as ineligible in 49 CFR part 110 and 2 CFR 200 part 400
Any cost specifically prohibited in the General Terms and Conditions of the grant award, or identified in PHMSA policy guidance, or as a Special Terms and Conditions listed on the NGA (Remarks section).
Stipends
FRI (Fire Rescue International): Fire Rescue International (FRI) annual conference for fire and emergency service leaders from across North America and around the globe for 5 days of networking, learning, and collaboration.
Food – Food purchased with HMEP funds for exercises, planning sessions, meetings, conference and more is unallowable under the HMEP grant program.

5. Grant Specifics

Requests for Reimbursement

Requests for reimbursement must include a SF-270 that can be accessed online via the Delphi eInvoicing System or uploaded if the online SF-270 is not operational. Some grantees may be required to submit supporting documentation for payment requests. If this is the case, a special term and condition will be listed on the NGA indicating this status. PHMSA may request additional substantiation for supporting reimbursement payments at any time. Reimbursement may not be made for a project plan unless approved by PHMSA either in the application or via Activity Request. Grantees are to keep supporting documentation on file in accordance with their internal policies and procedures. While supporting documentation may not be required for every payment, it may be requested during the course of PHMSA's ongoing monitoring process. A lack of supporting documentation on file may result in questioned or unallowable costs.

Matching Funds

Grantees (States and Tribes) are required to provide the 20% match and may use the following[2]:

- Cash (hard-match),
- In-kind contributions (soft match)
- A combination of in-kind or soft match plus hard-match to meet this requirement.

Grantees may use matching funds from all seven object classes. Examples include: salary[3]; equipment or supply purchase; space usage; the value of a participant's time during an allowable activity; unrecovered indirect costs, or the dollar value of a grant-related activity or purchase.

Grantees must continually examine funding priorities to ensure that activities and/or expenditures counted as matching towards the grant are used for allowable activities.

Match must be verifiable through grantee records and be maintained with the same level of effort as Federal funds. Records must show how the value of a contribution is made. 2 CFR §§ 400-475 provide more detail on match requirements and expectations.

Match may include waived indirect costs and not be paid by the Federal Government under any other award.

Percent of Funds for Programmatic Activities

[2] Per 48 U.S.C.1469a, the requirement to provide a 20% match for the Planning and Training (direct and indirect) costs of all activities covered under the grant award program with non-Federal funds is waived for "Insular Areas" which include the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Government of the Northern Mariana Islands in order to minimize the burden caused by the existing application and reporting procedures.

[3] 2 CFR Section 200.430(i) require that all salaries and wages charged to a Federal award be documented to accurately reflect the work performed for the award. Salaries and wages used to meet cost-sharing or matching requirements must be treated in the same manner as salaries and wages directly charged to an award.

At least 75% of the funds must be for programmatic activities, this includes:

- Developing, improving, and implementing emergency plans
- Conducting commodity flow studies
- Conducting exercises
- Training public sector employees

As required by 2 CFR § 200.302, a grantee must expend and account for grant funds in accordance with state laws and procedures for expending and accounting for the state's own funds. HMEP grantees must ensure that the management and administration (M&A) Federal cost of this grant program does not exceed 25%, as referenced in the FY 2017 funding announcement and required by the terms and conditions of the grant award.

Title 2 CFR, Grants and Agreements, provides greater clarity to the role and expectations for pass-through entities conducting oversight of subrecipients. It expands on the responsibilities of pass-through entities by providing for a more robust system of risk assessment, oversight and monitoring. (See 2 CFR §§ 200.330 and 200.331)

Audits

Recipient agencies are responsible for obtaining audits in accordance with 2 CFR Part 200 Subpart F. Audits must be made by an independent auditor in accordance with generally accepted government auditing standards covering financial and compliance audits. PHMSA may audit a recipient agency at any time.