



State of Arizona Department of Homeland Security



Governor Janice K. Brewer

Director Gilbert M. Orrantia

Funding Restrictions for Management and Administration (M&A), Planning, and Organizational Activities

The Arizona Department of Homeland Security (AZDOHS) and the Federal Department of Homeland Security (DHS) have defined restrictions of the use of grant funds related to Management and Administration (M&A), Planning, and Organizational activities. Below is an overview of restrictions:

- Supplanting is not permitted
- Indirect costs are not eligible for reimbursement
- M&A, Planning, and Organizational costs must be identified and approved in the grant application
- Pre-award costs are not allowable
- Items may be considered for reimbursement only if items are preapproved, supporting documentation is provided, and the expenditures are deemed reasonable by AZDOHS.

Management and Administration (M&A) Limits

Maximum percentages have been established in each of the funding years for each of the applicable funding sources. M&A is to be used solely for management and administrative purposes associated with Federal Homeland Security subgrant agreements.

Allowable M&A costs may include (must be directly related and charged to a specific AZDOHS subgrant agreement):

- Authorized expenditures including costs associated with subgrant requirements and compliance with reporting, data collections, reimbursements, and site monitoring
- Hiring of full- or part-time staff or contractors/consultants to assist with the subgrant management requirements
- Overtime costs
- Authorized office equipment/supplies
- Travel
- Meeting related expenses
- Recurring expenses such as those associated with cell phones during the period of performance of the subgrant
- Leasing or renting space for personnel during the period of performance of the subgrant

M&A activities must be directly related to the management and administration of the subgrant, NOT the project the subgrant supports. Example: Preparing a bid solicitation is NOT an M&A reimbursable cost.

Planning Limits

Planning costs should be used to develop the program as outlined in the application. Employees who are charged all or partially to planning activities will typically have the following job duties:

- Develop scenario plans that incorporate the range of prevention, protection, response, and recovery activities for a scenario
- Develop and implement homeland security support programs
- Develop related terrorism prevention activities
- Develop and enhance plans and protocols
- Develop or conduct assessments

Allowable planning costs may include:

- Hiring of full or part-time staff or contract/consultants to assist with planning activities
- Costs associated with conferences to facilitate planning activities
- Costs associated with materials required to conduct planning activities
- Travel/per diem costs related to planning activities
- Overtime and backfill (in accordance with operational Cost Guidance)

Organizational Limits

Organizational cost should be used to develop the program as outlined in the application. Employees who are charged all or partially to organizational activities will typically have the following job duties:

- Responding to an increase in the threat level under the Homeland Security Advisory System, or needs resulting from a National Terrorism Advisory System (NTAS)
- Establishing, enhancing, and staffing State and Major Urban Area fusion centers
- Paying salaries and benefits for personnel to serve as qualified intelligence analysts

Allowable organizational costs may include:

- Operational Overtime Costs which are allowable for increased security measures at critical infrastructure sites. Authorized categories include:
 - Backfill and overtime expenses (as defined in this Guidance) for staffing State or Major Urban Area fusion centers
 - Hiring of contracted security for critical infrastructure sites
 - Public safety overtime (as defined in this Federal Grant Guidance)
 - Title 32 or State Active Duty National Guard deployments to protect critical infrastructure sites
 - Increased border security activities in coordination with CBP, as outlined in DHS Information Bulletin #135
 - SHSP or UASI funds may only be spent for operational overtime costs upon prior approval provided in writing by the FEMA Administrator.

DHS subgrant funds may only be used for the purpose set forth in the grant, and must be consistent with the statutory authority for the award. Subgrant funds may not be used for matching funds for other Federal grants/cooperative agreements, lobbying, or intervention in Federal regulatory or adjudicatory proceedings.

For questions or more information contact your Regional Strategic Planner at (602) 542-7030 or visit www.azdohs.gov.