




FEMA

**Grant Programs Directorate Information Bulletin
No. 437
November 28, 2018**

MEMORANDUM FOR: All State Administrative Agency Heads
All State Administrative Agency Points of Contact
All State Homeland Security Directors
All State Emergency Management Agency Directors
All Urban Area Security Initiative Points of Contact
All Eligible Regional Transit Agencies
All Public Sector Transportation Security Partners
All Public and Private Sector Port Security Partners

FROM: Christopher Logan 
Acting Assistant Administrator for Grant Programs
Federal Emergency Management Agency

SUBJECT: **Use of Preparedness Grant Funds for Contracting for Work Performed by Federally Funded Research and Development Centers (FFRDC)**

I. Purpose

This Information Bulletin (IB) explains FEMA's policy on the use of preparedness grants funds for work performed by Federally Funded Research and Development Centers (FFRDC). It explains when grant recipients may contract with FFRDCs and the requirements that apply to such contracts.

This IB updates and supersedes FEMA Policy 205-081-1, *Use of Preparedness Grant funds for reimbursing work performed by Federally Funded Research and Development Centers (FFRDC)*, dated November 4, 2013. With exception of a change to the implementation authority, there are no significant changes to the original policy.

II. Applicability

This IB is applicable to all open and future awards issued under the following grant programs:

- Homeland Security Grant Program (HSGP)
 - State Homeland Security Program (SHSP)
 - Urban Area Security Initiative (UASI)

- Tribal Homeland Security Grant Program (THSGP)
- Emergency Management Performance Grant (EMPG) Program
- Transit Security Grant Program (TSGP)
- Intercity Passenger Rail Security Grant Program (IPR)
- Port Security Grant Program (PSGP)
- Fire Prevention and Safety (FP&S)

III. Guidance

A. Authorities

1. In accordance with section 2008(a) of the Homeland Security Act of 2002, Pub. L. No. 107-296 (codified as amended at 6 U.S.C. § 609(a)), FEMA shall permit a recipient of a SHSP, UASI, or THSGP grant to use grant funds to achieve target capabilities related to preventing, preparing for, protecting against, and responding to acts of terrorism. This includes permitting a recipient to work in conjunction with a National Laboratory as defined in section 2(3) of the Energy Policy Act of 2005, Pub. L. No. 109-58 (codified at 42 U.S.C. § 15801(3)). Such use of grant funds must be consistent with a State homeland security plan and relevant local, tribal, and regional homeland security plans.
2. Working in conjunction with a National Laboratory also may be allowable for preparedness grants awarded under the following:
 - a. EMPG per section 662 of the Post-Katrina Emergency Management Reform Act of 2006, Pub. L. No. 109-295 (codified as amended at 6 U.S.C. § 762); the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Pub. L. No. 93-288 (codified as amended at 42 U.S.C. §§ 5121 *et seq.*); the Earthquake Hazards Reduction Act of 1977, Pub. L. No. 95-124 (codified as amended at 42 U.S.C. §§ 7701 *et seq.*); and the National Flood Insurance Act of 1968, as amended (Pub. L. No. 90-448) (42 U.S.C. §§ 4001 *et seq.*)
 - b. TSGP per section 1406 of the Implementing Recommendations of the 9/11 Commission Act of 2007, Pub. L. No. 110-53 (codified at 6 U.S.C. § 1135)
 - c. IPR per section 1513 of the Implementing Recommendations of the 9/11 Commission Act of 2007, Pub. L. No. 110-53 (codified at 6 U.S.C. § 1163)
 - d. PSGP per section 102 of the Maritime Transportation Security Act of 2002, Pub. L. No. 107-295 (codified as amended at 46 U.S.C. § 70107)
 - e. FP&S per section 33 of the Federal Fire Prevention and Control Act of 1974, Pub. L. No. 93-498 (codified as amended at 15 U.S.C. § 2229)

B. Requirements

1. In keeping with the preparedness grant programs' statutory provisions, grant recipients and subrecipients may use grant funds to execute a contract with a FFRDC to conduct research and development projects that are within or in support of the

scope and allowable costs of the applicable grant award. Such projects would also need to comply with applicable guidance in the respective grant program's Funding Opportunity Announcement or Notice of Funding Opportunity.

2. Dependent upon the agreement between the FFRDC and its Federal agency sponsor, FFRDCs may accept work from non-sponsors such as FEMA preparedness grant recipients and subrecipients. A grant recipient or subrecipient that wishes to issue a contract to a FFRDC must follow all applicable laws and regulations when utilizing Federal grant funds, including the requirements set forth in 44 C.F.R. § 13.36 for procurement under grants to states, local governments, and tribes before December 26, 2014; 2 C.F.R. §§ 215.40 – 215.48 for procurement under grants to institutions of higher education, hospitals, or other nonprofit organizations before December 26, 2014; 2 C.F.R. §§ 200.317 – 200.326 for procurement under grants to all non-Federal entities on or after December 26, 2014; and 48 C.F.R. §§ 35.017 – 35.017-7 regarding the use of FFRDCs.
3. Nothing in this Policy changes or impacts the legal responsibilities of FFRDCs and their sponsoring agencies, including the regulations of 48 C.F.R. §§ 35.017 – 35.017-7.
4. Grantees should reference the National Science Foundation (NSF) master list of FFRDCs to identify an appropriate FFRDC to support the scope and objectives of the grant program. Grant recipients and subrecipients are responsible for selecting a FFRDC prior to issuance of a contract using FEMA preparedness grant funds. The Federal Acquisition Regulation (FAR) requires the NSF to maintain a master list of FFRDCs. The list is available at: <http://www.nsf.gov/statistics/ffrdclist/>.
5. FEMA Grant Programs Directorate (GPD) and Regional staff are responsible for reviewing program applications and determining allowability of costs, as well as ensuring grantee expenditures are warranted under this policy.

C. Definitions

1. **FFRDC:** Federally Funded Research and Development Center, as defined at 48 C.F.R. §§ 2.101 and 35.017(a)(2)-(3). An FFRDC is an activity sponsored under a broad charter by a Federal government agency (or agencies) for the purpose of performing, analyzing, integrating, supporting, and/or managing basic or applied research and/or development, and that receives 70 percent or more of its financial support from the Federal government; and –
 1. A long-term relationship is contemplated;
 2. Most or all of the facilities are owned or funded by the Federal government; and
 3. The FFRDC has access to Federal government and supplier data, employees, and facilities beyond that common in a normal contractual relationship.

The purpose of a FFRDC is to meet some special long-term research or development need which cannot be met as effectively by existing in-house or contractor resources.

FFRDCs are operated, managed, and/or administered by either a university or consortium of universities, other not-for-profit or nonprofit organization, or an industrial firm, as an autonomous organization or as an identifiable separate operating unit of a parent organization.

2. **Nonsponsor:** As defined by 48 C.F.R. § 35.017(b). Any other organization, in or outside of the Federal Government, which funds specific work to be performed by the FFRDC and is not a party to the sponsoring agreement establishing the FFRDC.
3. **Primary Sponsor:** As defined by 48 C.F.R. § 35.017(b). The lead agency responsible for managing, administering, or monitoring overall use of the FFRDC under a multiple sponsorship agreement.
4. **Sponsor:** As defined by 48 C.F.R. § 35.017(b). The executive agency that manages, administers, monitors, funds, and is responsible for the overall use of an FFRDC. Multiple agency sponsorship is possible as long as one agency agrees to act as the “primary sponsor.” In the event of multiple sponsors, “sponsor” refers to the primary sponsor.

D. Abbreviations

1. **C.F.R.:** Code of Federal Regulations.
2. **FAR:** Federal Acquisition Regulations. The FAR is codified in Title 48 of the C.F.R.
3. **FEMA:** Federal Emergency Management Agency.
4. **GPD:** Grant Programs Directorate.
5. **NSF:** National Science Foundation.

IV. Questions

Questions regarding this IB may be directed to: AskCSID@fema.dhs.gov.

V. Review Date

This IB will be reviewed five years from the date of issuance.