



To: Bay Area UASI Approval Authority

From: Teresa Serata, Director of Strategy and Grant Compliance

Date: January 12, 2012

RE: Item #8: Status Report on the 2012 Funding Allocation and Methodology

Recommendation:

Approve the Draft FY 2012 Interim Bay Area Homeland Security Strategy Implementation Guidance that sets forth the FY 2012 grant funding allocation and methodology as recommended by the Advisory Group.

Action and Discussion Item:

Discussion and Possible Action.

Background:

On December 17, 2011, Congress passed the Department of Homeland Security FY 2012 budget, which included \$1,349,681,000 for all state and local homeland security grants. This is an enormous cut when compared to prior years and, unlike previous years, this amount is a single block of funding from which the Secretary of Homeland Security must allocate various grant programs at her discretion. The Secretary must make her allocation and distribution decision within 60 days of the bill's being signed into law. We expect the Bay Area will know its UASI allocation in mid-February and will have less than 80 days to prepare and submit our application to the State for submittal to FEMA. The Bay Area UASI Management Team developed a FY 2012 UASI grant process schedule, which aligns with the timeline required to meet the federal deadlines. One of the activities included in the schedule is the development of the FY 2012 UASI funding allocation and methodology.

Discussion/Description:

On October 27, 2011 and December 1, 2011, the Advisory Group met to discuss various issues and options related to the FY 2012 Funding Allocation and Methodology. At the December 1st meeting, the Advisory Group requested that the Management Team prepare a draft of the FY 2012 Interim Bay Area Homeland Security Strategy Implementation Guidance (Guidance) that sets forth a methodology to be used to allocate FY 2012 based on the information gathered at this meeting and from the October 27th meeting. On January 5, 2012, the Advisory Group met to discuss the draft Guidance and their recommendations have been incorporated in Exhibit A: Interim Bay Area Homeland Security Strategy Implementation Guidance for Fiscal Year 2012.



The Advisory Group had a robust discussion regarding the five (5) step process for allocating funds and developing projects.

Step 1: Federal Requirements-This step describes the federal grant requirements.

Step 2: Regional Sustainment Priorities-The Advisory Group members discussed the proposed FY 2012 Sustainment Projects and agreed that these regional projects must be sustained at these levels for this grant cycle.

Step 3: Major City Allocations-The Advisory Group had a very full discussion regarding the \$1 million allocation to each of the major cities (Oakland, San Francisco, and San Jose). A vote was taken. Although the results were close, the group agreed that the discussion and process was fair and transparent.

Step 4: Additional UASI Funding-In the event additional funding is available after funding the sustainment projects and allocating \$1 million to each of the 3 major cities, the Advisory Group unanimously agreed to allocate excess project funding to those projects developed by the region's work groups that enhance the region's priority capabilities based on the 2011 Bay Area regional risk validation analysis and capabilities assessment. The guidance provides specific information on the funding allocations, process for developing, vetting, and prioritizing projects, and timeline.

Step 5: The State's 20% Hold Back-This step provides for additional guidance regarding the State's potential hold back of the region's total UASI allocation for State projects. The Advisory Group discussed that they would review this possibility once FEMA releases its FY 2012 UASI grant guidance and CalEMA releases its supplement to the federal guidance and the funding allotment is known.

The Management Team incorporated the discussion points made by the Advisory Group in **Exhibit A-Draft Interim Bay Area Homeland Security Strategy Implementation Guidance for Fiscal Year 2012**.

Budget or Fiscal Impact:

To be determined

Advisory Group Comments:

The Advisory Group unanimously approved the modified Interim Bay Area Homeland Security Strategy Implementation Guidance for FY 2012. **Exhibit A**, incorporates the Advisory Group's recommendations for the FY 2012 UASI grant funding allocation and methodology.