

Appendix F – IDHS Exercise Grant Guidance

Indiana Department of Homeland Security Exercise Guidance FY 07



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Executive Summary

The Indiana Department of Homeland Security has developed this Exercise Guidance to provide Indiana's emergency response agencies who participate in U.S. DHS funded training exercises useful information regarding the policies and procedures that must be followed when requesting reimbursement for training exercise expenses; and to provide information regarding expenses that are allowed under the U. S. DHS Grant programs.

The Indiana Department of Homeland Security receives federal grants to use for exercise training. It is the obligation of the Indiana Department of Homeland Security to ensure that all jurisdictions receiving exercise funding for the design, development and conduct of training exercises use these funds in compliance with federal and state requirements.

The purpose of exercise training is to validate plans, policies and procedures, and the capabilities of the participating entities. In addition, exercises assist IDHS in identifying additional needs at both the State and local level for training of emergency response personnel. Training exercises can provide valuable lessons learned and best practices that will aid IDHS and local jurisdictions in future planning and training. These lessons learned can and most likely will be used in the design and development of future exercises.

The Indiana Department of Homeland Security has adopted the U.S. Department of Homeland Security's *Homeland Security Exercise and Evaluation Program* (HSEEP) as the planning methodology for the planning, conduct, and evaluation of all training exercises funded by USDHS Grant Funds in accordance to HSPD8. This Exercise Guidance references and incorporates the requirements of HSEEP. The HSEEP and this Exercise Guidance can be a beneficial tool for the development and conduct of training exercises. For further information on HSEEP, please visit: <http://www.hseep.dhs.gov/>

This *Indiana Department of Homeland Security Exercise Guidance FY 07* is effective for Grant Year 2007 Homeland Security Grant Funds.

TABLE OF CONTENTS

A. Exercise Guidance60

B. Exercise Proposal63

C. Exercise Conduct64

D. Exercise Types.....65

E. Minimum Planning Timelines.....69

F. Allowable Exercise Expenditures.....70

G: Unauthorized Exercise Costs73

H. Exercise Reimbursement.....74

 H.1 REIMBURSEMENT FOR EXERCISE SERIES76

A. Exercise Guidance

1. This Guidance applies to jurisdictions or agencies that receive grant funding from the Indiana Department of Homeland Security (IDHS) to plan and conduct training exercises.
2. All training exercises designed and conducted with the financial support of the Indiana Department of Homeland Security are subject to the approval of the Executive Director of the Indiana Department of Homeland Security.
3. The use of training exercise funding must comply with guidance set forth by the United States Department of Homeland Security and the Indiana Department of Homeland Security.
4. The scenarios used in HSGP-funded exercises must be based on the Indiana's Homeland Security Strategic plan and Multi-Year Training and Exercise Plan. Acceptable scenarios for SHSP, UASI, MMRS, and CCP exercises include: chemical, biological, radiological, natural disaster (Earthquake); and Task Force Deployment. LETPP exercises funded under this grant must involve a terrorist element as part of the scenario unless otherwise approved by the Indiana Department of Homeland Security.

Maintaining the HSEEP methodology, all training and exercises for each subject matter will be conducted over a 3-year exercise cycle according to the chart below:

Year	Exercise Type
1	Table Top
2	Functional
3	Full Scale

All exercises listed above shall be a multi-agency, multi-jurisdictional, district level exercises. However, in order to achieve the goal of raising capabilities of districts to respond to large-scale events, districts are encouraged to develop a comprehensive training and exercise program focused on preparing all entities to perform successfully in the exercises described above. The comprehensive training and exercise program may include a combination of smaller-scale discussion or operations-based exercises (as defined by HSEEP). The comprehensive training and exercise program should be developed during the required annual Training and Exercise Planning Workshop.

5. Indiana has identified one subject matter to test each year in a major, state-level, large-scale Full Scale Exercise (FSE). IDHS One District scheduled to do a FSE on the selected subject matter selected by the State , and the district assigned to do a FSE on TF Deployment will be asked to participate in the State exercise. This exercise offers participants an opportunity to work with agencies and organizations with which they rarely have an opportunity work.

6. Exercise Venues: IDHS is most concerned with developing the capabilities needed to respond to a catastrophic event in Indiana in accordance to Indiana's Strategic Plan. Each district full scale exercise proposal will be evaluated to determine if the planned exercise meets both the district's and the state's goals. While Indiana encourages the use of Muscatatuck Urban Training Center, districts are not mandated to utilize this facility if the capabilities being tested can best be tested within the jurisdiction. However, IDHS reserves the right to approve exercise venues and to request that all or some elements of a district exercise be conducted outside the jurisdiction in order to meet the overall objective of developing the capability to respond to a catastrophic event in Indiana.
7. The fiscal/legal agent shall be responsible for the acceptance and disbursement of all funds related to the design, planning, conduct, after action reporting and improvement planning for the exercises.
8. A sub-grant agreement providing funding for the exercise must be signed by both the Fiscal/Legal Agent and the State at least 30 days prior to the exercise or the exercise may be required to be canceled or postponed.
9. Any costs incurred before the date that the sub-grant agreement is signed by all parties, including exercise planning costs, will not be reimbursed.
10. When developing a schedule for an exercise, the time it takes to draft and obtain signatures on the sub-grant agreement must be included in the schedule. After IDHS receives the sub-grant agreement back from the fiscal/legal agent, it may take 45-60 days for it to be signed by all State signatories. (See Section E. Minimum Planning Timeline).
11. Indiana has adopted the Homeland Security Exercise and Evaluation Program (HSEEP) Methodology for exercise design, planning, conduct, and after action/improvement process. IDHS will not reimburse any exercise costs for exercises that are not HSEEP compliant from inception to completion.
 - All requests for direct funding support from the Indiana Department of Homeland Security must be accompanied by an "Exercise Proposal" as described in "B" below.
12. If a sub-grant agreement is already in place, a proposal for **each** exercise activity planned **must** still be submitted to the Indiana Department of Homeland Security prior to incurring any costs related to the planning or conduct of the exercise activity, otherwise the costs incurred for the conduct of the exercise will not be reimbursed.
13. All exercises must be scheduled on the U.S. DHS National Exercise Schedule (NEXS), to include all required information as listed on the NEXS. The NEXS can be located at: <https://hseep.dhs.gov/>. This is a requirement of U.S. DHS. No reimbursement may be made without the exercise entered in the NEXS.
14. All exercise activities must be conducted at the Indiana Department of Homeland Security District level unless otherwise directed and approved by IDHS.
15. **NIMS Compliance:** Exercises conducted using HSGP funding must be NIMS compliant, as defined by the 2007 NIMS compliance matrices. More information is available online at the NIMS Integration Center, <http://www.fema.gov/emergency/nims/index.shtm>.

16. Training and Exercise Plan Workshop: Each IDHS District is required to conduct an annual Training and Exercise Plan Workshop (T&EPW). A Multi-year Training and Exercise Plan must be produced from the T&EPW and submitted to the State Preparedness & Training Branch Chief. This plan must be updated annually. The Training and Exercise Plan will include the District's training and exercise priorities (based on the homeland security strategy and previous year improvement plans), associated capabilities, and a multi-year training and exercise schedule (to be updated annually and resubmitted to IDHS within 30 days of the Workshop). The schedule should reflect all training and exercises that are being conducted throughout the District, including Urban Areas, and not just those that are sponsored by IDHS. A template of the Multi-year Training and Exercise Plan can be found in HSEEP Volume IV. The Multi-year Training and Exercise Plan should employ a cycle of activity that includes training and exercises of increasing levels of complexity. The training cycle will follow a building block approach that identifies, for each State priority, the related capability(ies), and the focus of the training necessary to address the associated capabilities. States and Urban Areas are encouraged to use exercises as an opportunity to meet the requirements of multiple exercise programs. To this end, grantees are encouraged to invite representatives /planners involved with other Federally-mandated (e.g., HHS, Chemical Stockpile Emergency Preparedness Program, Radiological Emergency Preparedness, and Federal Aviation Administration) or private (e.g., Joint Commission on accreditation of Healthcare Organizations) exercise activities. Districts and Urban Areas are encouraged to share, at a minimum, the multi-year training and exercise schedule with those departments, agencies, and organizations included in the plan. Further guidance concerning Training and Exercise Plan Workshops can be found in the HSEEP Volumes.

B. Exercise Proposal

The following guidance applies to those jurisdictions or agencies that request direct funding support from the Indiana Department of Homeland Security for conducting exercise training.

1. The exercise planning team for the District will be required to give a formal presentation on the proposed exercise to the Executive Director of the Indiana Department of Homeland Security and/or other officials within the Indiana Department of Homeland Security.
2. The exercise proposal shall be submitted to the Indiana Department of Homeland Security Preparedness & Training Branch for review. The proposal should be submitted in an electronic format to ghusband@dhs.in.gov
3. The exercise proposal shall include:
 - a. An estimated detailed budget worksheet that includes the expenses that is anticipated in the design, planning, and conduct of the exercise and After Action/Improvement items. Budgets shall be provided in a format approved by IDHS.
 - b. A justification for the expenses shall be included with the detailed budget worksheet to ensure that the expenses comply with this Exercise Guidance and the United States Department of Homeland Security exercise and grant guidance documents.
 - c. Points of contact for the requesting jurisdiction and participating agencies.
 - d. Proof that the exercise is being planned and designed in accordance with the HSEEP methodology including:
 - Proof of entry into the National Exercise Scheduling System.
 - Goals and Objectives
 - Needs/Capability Assessment
 - Scope
 - Statement of Purpose
 - Narrative (Scenario)
 - Major Events
 - e. Any other relevant information as requested by IDHS
4. If a sub-grant agreement is not already in place, this information will be used to develop the sub-grant agreement. When developing a schedule for an exercise, the time it takes to fully execute the sub-grant agreement must be included in the schedule. After IDHS receives the sub-grant agreement back from the fiscal/legal agent, it will take 45-60 days for it to be signed by State signatories. (See Section E. Minimum Planning Timeline and Appendix 1).

C. Exercise Conduct

The process of exercising is well established in operational documents and courses. For exercises to be effective, they must be conducted with a frequency that the jurisdiction can support. The State of Indiana subscribes to the Standard Operating Procedures that you must learn to “crawl before you walk, and walk before you run.” Thus, the types of exercises should progress from Seminars, Workshops, Tabletops, Games, Drills, Functional exercises through Full-scale. This is particularly useful in the arena of terrorism-based exercises because of their uniqueness and potential for increased complexity.

Acts of terrorism or disasters will result in a multi-jurisdictional response. Therefore, it is recommended that the jurisdiction’s Emergency Operations Center be an element in all exercises and activated in functional and full-scale exercises. The phrase fully activated means the majority of the Emergency Operations Center members are involved and the site’s equipment is physically used. Players will respond to simulated events in the field or will actively work with Players in the field to manage the scenario. This activation will need to be accomplished during either a functional or full-scale exercise. A tabletop exercise will not fulfill this requirement because tabletop exercises do not physically use equipment during the exercise. For those jurisdictions that have alternative Emergency Operations Centers, they should test or activate the alternative Emergency Operations Centers during an exercise to determine their functionality.



D. Exercise Types

	Utility/Purpose	Type of Player Action	Duration	Real-Time Play?	Scope
Discussion-Based Exercises	Familiarize players with current plans, policies, agreements, and procedures; develop new plans, policies, agreements, and procedures	Notional; player actions are imaginary or hypothetical	Rarely exceeding 8 hours	No	Varies
Seminar	Provide overview of new or current plans, resources, strategies, concepts or ideas	N/A	2-5 hours	No	Multi- or Single-agency
Workshop	Achieve specific goal or build product (e.g., exercise objectives, SOPs, policies, plans)	N/A	3-8 hours	No	Multi-agency/ Single function
Tabletop Exercise (TTX)	Assist senior officials in the ability to understand and assess plans, policies, procedures, and concepts	Notional	4-8 hours	No	Multi-agency/ Multiple functions
Game	Explore decision-making process and examine consequences of those decisions	Notional	2-5 hours	No (though some simulations provide real- or near-real-time play)	Multi-agency/ Multiple functions
Operations-Based Exercises	Test and validate plans, policies, agreements, and procedures; clarify roles and responsibilities; identify resource gaps	Actual; player action mimics reaction, response, mobilization, and commitment of personnel and resources	May be hours, days, or weeks, depending on purpose, type, and scope of the exercise	Yes	Varies
Drill	Test a single operation or function of an agency	Actual	2-4 hours	Yes	Single agency/ Single function
Functional Exercise (FE)	Test and evaluate capabilities, functions, plans, and staffs of Incident Command, Unified Command, intelligence centers, or other command/operations centers	Command staff actions are actual; movement of other personnel, equipment, or adversaries is simulated	4-8 hours or several days or weeks	Yes	Multiple functional areas/ Multiple functions
Full-Scale Exercise (FSE)	Implement and analyze plans, policies, procedures, and cooperative agreements developed in previous exercises	Actual	One full day or several days or weeks	Yes	Multi-agency/ Multiple functions

1. Discussion-based Exercises

Discussion-based exercises are normally used as a starting point in the building-block approach of escalating exercise complexity. Discussion-based exercises include seminars, workshops, tabletop exercises (TTX's), and games. These types of exercises typically highlight existing plans, policies, interagency/interjurisdictional agreements, and procedures. Discussion-based exercises are valuable tools for familiarizing agencies and personnel with current or expected jurisdictional/organizational capabilities. Discussion-based exercises typically focus on strategic, policy-oriented issues. Facilitators and/or presenters usually lead the discussion, keeping participants on track toward meeting exercise objectives.

a. Seminars

Seminars are informal discussions, unconstrained by real-time portrayal of events and led by a seminar leader. They are generally employed to orient participants to, or provide an overview of, authorities, strategies, plans, policies, procedures, protocols, response resources, and/or concepts and ideas. Seminars provide a good starting point for jurisdictions/organizations that are developing or making major changes to their plans and procedures.

b. Workshops

i. After seminars, workshops represent the second tier of exercises in the HSEEP building-block approach. They differ from seminars in two important respects: participant interaction is increased, and the focus is on achieving or building a product (such as a draft plan or policy). Some workshops are employed in conjunction with exercise development to determine objectives, develop scenarios, and define evaluation criteria.

ii. A workshop may also be used to produce new standard operating procedures (SOPs), emergency operations plans (EOP's), MAAs, multi-year plans, or improvement plans. To be effective, workshops must be highly focused on a specific issue, and the desired outcome or goal must be clearly defined. A district Training & Exercise Planning Workshop can also be funded with exercise grant funds.

c. Tabletop Exercises (TTX)

i. Tabletop Exercises (TTXs) involve key personnel discussing simulated scenarios in an informal setting. This type of exercise is used to assess plans, policies, and procedures or to assess the systems needed to guide the prevention of, response to, and recovery from a defined incident. TTXs typically are aimed at facilitating understanding of concepts, identifying strengths and shortfalls, and achieving changes in attitude. Participants are encouraged to discuss issues in depth and develop decisions through slow-paced problem solving, rather than the rapid, spontaneous decision making that occurs under actual or simulated emergency conditions. The effectiveness of a TTX is derived from the energetic involvement of participants and their assessment of recommended revisions to current policies, procedures, and plans.

ii. TTX methods are divided into two categories: basic and advanced. In a basic TTX, the scene set by the scenario materials remains constant. It describes an event or emergency incident (i.e., scenario) and brings discussion participants up to the simulated present time. Players apply their knowledge and skills to a list of problems presented by the leader/moderator; problems are discussed as a group; and resolution is generally agreed on and summarized by the leader.

- iii. In an advanced TTX, play revolves around delivery of pre-scripted messages to players that alter the original scenario. The exercise controller (or moderator) usually introduces problems one at a time in the form of a written message, simulated telephone call, videotape, or other means. Participants discuss the issues raised by the simulated problem, applying appropriate plans and procedures.
- iv. TTX's are effective for evaluating group problem solving, personnel contingencies, group message interpretation, information sharing, interagency coordination, and achievement of specific objectives, among other issues.

d. Games

- i. A game is a simulation of operations that often involves two or more teams, usually in a competitive environment, using rules, data, and procedures designed to depict an actual or assumed real-life situation. A game does not require use of actual resources, and the sequence of events affects, and is in turn affected by, decisions made by players. The goal of a game is to explore decision-making processes and the consequences of those decisions.
- ii. With the evolving complexity and sophistication of current simulations, opportunities to provide enhanced realism for game participants have increased. Computer-generated scenarios and simulations can provide a more realistic and time-sensitive method of introducing situations for analysis. Planner decisions can be input into realistic models to show the effects of decisions made during a game. Internet-based, multi-player games offer many additional benefits, such as saving money by reducing travel and travel time, offering more frequent training opportunities, and taking less time away from primary functions. They also provide a collaborative environment that reflects realistic occurrences.

2. Operations-based Exercises

Operations-based exercises represent the next level of the exercise cycle. They are used to validate the plans, policies, agreements, and procedures solidified in discussion-based exercises. Operations-based exercises include drills, functional exercises (FEs), and full-scale exercises (FSEs). They can clarify roles and responsibilities, identify gaps in resources needed to implement plans and procedures, and improve individual and team performance. Operations-based exercises are characterized by actual reaction to simulated intelligence; response to emergency conditions; mobilization of apparatus, resources, and/or networks; and commitment of personnel, usually over an extended period of time.

a. Drills

A drill is a coordinated, supervised activity usually employed to test a single, specific operation or function in a single agency or organizational entity. Drills are commonly used to provide training on new equipment, develop or test new policies or procedures, or practice and maintain current skills.

b. Functional Exercises (FE)

- i. The functional exercise (FE), also known as a command post exercise (CPX), is designed to test and evaluate individual capabilities, multiple functions, activities within a function, or interdependent groups of functions. Events are projected through an exercise scenario with event updates that drive activity at the management level. An FE simulates the reality of operations in a functional area by presenting complex and realistic problems that require rapid and effective responses by trained personnel in a highly stressful environment.

- ii. Response and recovery-focused FE's are generally focused on exercising the plans, policies, procedures, and staffs of the direction and control nodes of Incident Command and Unified Command. Movement of personnel and equipment is simulated.
 - iii. Prevention-focused FE's are usually focused on exercising the plans, policies, procedures, agreements, networks, and staffs of fusion centers or law enforcement agencies with counterterrorism missions. Adversary actions are largely simulated and delivered in the form of shared intelligence; however, some of these actions may be carried out by simulated adversaries, or Red Teams, in a separate but coordinated category of exercise play. See HSEEP Volume V: Terrorism Prevention Exercises for more information.
- c. Full-Scale Exercise (FSE)
- i. The FSE is the most complex type of exercise. FSE's are multi-agency, multi-jurisdictional, multi-organizational exercises that test many facets of preparedness. They focus on implementing and analyzing the plans, policies, procedures, and cooperative agreements developed in discussion-based exercises and honed in previous, smaller, operations-based exercises. In FSE's, the reality of operations in multiple functional areas presents complex and realistic problems that require critical thinking, rapid problem-solving, and effective responses by trained personnel. During FSE's, events are projected through a scripted exercise scenario with built-in flexibility to allow updates to drive activity. FSE's are conducted in a real-time, stressful environment that closely mirrors real events. The level of support needed to conduct an FSE is greater than that needed during other types of exercises.
 - ii. Response-focused FSE's include many first responders operating under the principles of the National Incident Management System (NIMS) to effectively and efficiently respond to an incident. First responders and resources are mobilized and deployed to the scene where they conduct their actions as if a real incident had occurred (with minor exceptions).

E. Minimum Planning Timelines

Discussion-Based Exercises

All time frames below are the **MINIMUM** recommended by HSEEP

Milestones	Fully Executed Sub Grant	Concepts & Objectives Meeting	Initial Planning Conference	Presentation to State w/Budget	State Approval	Mid-Term Planning Conference (if needed)	MSEL Conference	Final Planning Conference	Conduct Exercise	Draft AAR/IP	After-Action Conference	ARR/IP Final Draft
Months prior to Exercise Date	5	NA	3	2.5	2.5	2	NA	1.5	-1	-1.25	-2	

Operations-Based Exercises

All time frames below are the **MINIMUM** recommended by HSEEP

Milestones	Fully Executed Sub Grant	Concepts & Objectives Meeting	Initial Planning Conference	Presentation to State w/Budget	State Approval	Mid-Term Planning Conference	MSEL Conference	Final Planning Conference	Conduct Exercise	Draft AAR/IP	After-Action Conference	ARR/IP Final Draft
Months prior to Exercise Date	8	7	6	5.5	5	4	3.5	1	-1	-1.25	-2	

Exercise Planning Timelines

Exercise planning timelines establish target timeframes for attaining significant, exercise-related milestones, such as planning conferences, training, exercise conduct, after-action reporting, and improvement planning. These timelines should be consistent with the scheduling component of the entity's Multi-Year Training and Exercise Plan.

Timelines will vary based on exercise scope and complexity. For example, exercise planners generally employ longer timelines for tabletop exercises (TTXs) than for workshops and seminars, and even longer timelines for complex or multi-jurisdictional full-scale exercises (FSEs). Timelines also may vary based on the entity's experience in conducting exercises, available resources, and exercise planning team size. Examples of exercise planning timelines containing milestones are available in Appendix C: Exercise Planning Timelines and in HSEEP Volume IV. (Excerpt from USDHS HSEEP Vol I)

F. Allowable Exercise Expenditures

There are federal requirements that apply to procurement and contracting initiated using federal funds for training exercises. Exercise grant funding can be used for the following types of expenditures (Please refer to Section H-Other Important Information of this exercise guidance for a description of some of these federal requirements training):

1. **Funds Used to Design, Develop, Conduct and Evaluate an Exercise** – Includes costs related to planning, meeting space and other meeting costs, facilitation costs, consumable materials and supplies, travel, and documentation. Some examples of allowable expenses include:
 - a. Paper
 - b. writing utensils
 - c. copy fees
 - d. printing manuals
 - e. identification badges
 - f. signs
 - g. rental items
 - h. light refreshments
 - i. working lunches, and meals for large exercises (over 4 hours in duration)
2. **Self-Sustaining Exercise and Evaluation Program:** Includes costs related to developing and maintaining a self-sustaining District Homeland Security Exercise and Evaluation Program modeled on the national HSEEP, including HSEEP awareness seminars, exercise training courses, and AAR/IP tracking.
3. **Travel Expenses:** Travel costs (e.g. airfare, mileage, per diem, and hotel) are allowable expenses by employees who are on travel status for official business related to planning and conduct for the exercise project(s). Vehicle costs related to the planning or conduct of an exercise is reimbursable in the form of mileage or fuel, not both. If mileage is claimed, the mileage rate shall be based on the rate paid by the State of Indiana (\$0.40/mile).
4. **Consultants/Contractors:** The services of contractors/consultants may also be procured to support the design, development, conduct, and evaluation of exercises. The applicant's formal written procurement policy or the Federal Acquisition Regulations (FAR)]–whichever is more stringent – must be followed. In no case is dual compensation allowable. That is, an employee of a unit of government may not receive compensation from their unit or agency of government AND from an award for a single period of time (e.g., 1:00 pm to 5:00 pm), even though such work may benefit both activities (See other important information on page 21). The sub grantee shall be responsible for any agreements or contracts for the procurement of contractors/consultants to assist in the development/design and execution of the exercise. The contractor/consultant expenses shall be part of the detailed estimated budget and the final detailed exercise budget.
5. **Personnel Expenses:**
 - a. **Overtime:** Actual wages paid by an employer incurred by participating agencies to personnel involved in exercise activities over and above their normal scheduled work hours. Invoices must contain documentation showing the names

of the employees involved, their normal pay and overtime rate, the fact that the employee is overtime eligible and a copy of the employer's overtime policy. (see H. Exercise Reimbursement) In no case is dual compensation allowable. Fringe benefits on overtime hours are limited to FICA, Workers' Compensation and Unemployment Compensation.

- i. Overtime may include part time or half time employees who work over and above their normal scheduled work hours or work week.
 - ii. Requests for overtime reimbursement exceeding 12 hours per 24-hour period require written justification and approval from IDHS prior to the exercise
 - iii. Safety is a primary concern of IDHS for all exercises. Exercise Safety Officers are urged to evaluate responder's ability to return to their home district, if the exercise is conducted away from the home jurisdiction. IDHS will reimburse expenses related to responder rehab, including hotel expenses, if safety officers determine such action is in the best interest of the responder.
- b. **Backfill (Also called overtime as backfill):** personnel costs of employees who work over and above their normal scheduled work hours, or work week, in order to perform the duties of those temporarily assigned to participate in approved exercise activities outside their core responsibilities.
- i. This may include part time or half time employees who work over and above their normal scheduled work hours or work week.
 - ii. Requests for overtime reimbursement exceeding 12 hours per 24-hour period require written justification and approval from IDHS prior to the exercise.
 - iii. Safety is a primary concern of IDHS for all exercises. Exercise Safety Officers are urged to evaluate responder's ability to return to their home district, if the exercise is conducted away from the home jurisdiction. IDHS will reimburse expenses related to responder rehab, including hotel expenses, if safety officers determine such action is in the best interest of the responder.
- c. **Paid-For-Call/Paid-On-Call personnel:** If a department relies upon paid-for-call/paid-on-call or paid-by-call personnel, and opts to include them in the approved homeland security exercise, grant funds may be used to pay for their participation in accordance with their departments established payroll policy, to include both hourly and flat rate costs. In no case is dual compensation allowable (see above). Fringe benefits on overtime hours are limited to FICA, Workers' Compensation and Unemployment Compensation.
- d. **Volunteers.**-Certain volunteers may receive a stipend when participating in an exercise funded by the National Preparedness Directorate (NPD) Homeland Security Grant Program (HSGP).
- i. For the purpose of this stipend, a volunteer is defined as an individual who is a member of an emergency response organization and are completely unpaid and no legal agreement exists to support pay for training and exercise activities. This includes volunteer firefighters as defined under IC 36-8-12-2. . The volunteer may not receive payment from any other source while participating in the exercise activities; this

includes vacation or sick time for their employer. . This does not include volunteers from specific exempt organizations such as the American Red Cross or Community Emergency Response Teams (CERT).

- ii. Stipend –The stipend for volunteers is \$19.81 per hour for each hour the volunteer is deployed to the exercise that includes the time actually at the training venue. This stipend includes any time spent in planning for the exercise including attendance at planning conferences and meetings in accordance to HSEEP guidelines.
- iii. If a district determines that they want to provide this stipend to eligible volunteers, the stipends shall be included in the organization’s budget and will be distributed by the district fiscal/legal agent to the organization.
- iv. In no case will a volunteer receive dual funding from his/her full/part-time paid job and from National Preparedness Directorate (NPD) Homeland Security Grant Program (HSGP) funding for participation in the same approved Homeland Security training and/or exercise activity”. An employee is eligible for the stipend if the exercise is outside his or her normal work hours. An employee is not eligible for the stipend if the exercise occurs during his or her vacation or sick leave. It is the responsibility of the approving authority to record all volunteer hours for which stipends are requested and to provide a written report to IDHS as part of final budget documentation.

6. **Management and Administrative Costs (M&A):** Up to 3.5% of the amount of grant funds awarded can be used to reimburse for M&A costs incurred by the recipient of the funds. M&A costs are direct costs that are incurred to administer a particular program/award. M&A costs are identifiable and unique to each program/award and are charged based on the activity performed for that particular project. M&A costs may include:

- a. Salaries of full-time or part-time staff or contractors/consultants to assist with the management of the program
- b. Hiring of full-time or part-time staff or contractors/consultants to assist with the implementation and administration of the program
- c. Travel expenses
- d. Meeting-related expenses

7. It is the responsibility of the fiscal/legal agent to ensure that all anticipated exercise expenditures are allowable. If there are any questions concerning allowable items, IDHS should be consulted prior to incurring the expense. Any costs incurred and later determined to be unallowable will not be reimbursed.

G: Unauthorized Exercise Costs

US DHS Grant funds for exercise and training are “reimbursement” grants and do not allow payment for any expense until all conditions set forth in this Grant Guidance are met. In addition, there are some expenses that are not allowed and include:

1. Costs incurred prior to the effective date of the sub-grant agreement (the date the sub-grant agreement has been fully executed) are not allowable.
2. Reimbursement for maintenance and/or wear and tear costs of general use vehicles (e.g., construction vehicles) and emergency response apparatus (e.g., fire trucks and ambulances).
3. Equipment that is purchased for permanent installation and/or use, beyond the scope for exercise conduct (e.g., radios, vehicles, furniture, computers, etc).
4. Replacement cost for lost, stolen or broken equipment.
5. Fringe benefits, except for those listed in section F6a & b.
6. Supplanting (replacing a currently budgeted full-time position with one or more full time employees)

H. Exercise Reimbursement

The following guidance applies to jurisdictions or agencies that request direct funding support from the Indiana Department of Homeland Security for the purpose of planning and conducting exercise training. Funding for approved exercises shall be disbursed after all of the following conditions have been met:

1. A fully executed sub-grant agreement is in place between the Indiana Department of Homeland Security and the jurisdiction responsible for coordinating the exercise.
2. All required exercise documentation is submitted to the State Exercise Training Officer (rarcher@dhs.IN.gov). All documents and materials shall be submitted within 45 days after the execution of the exercise. (Electronic format is desired for reporting of all exercise documentation (MS Word, PDF, Excel, Scanned Documents). Failure to submit exercise documentation within 45 days may result in funds being withheld until received.
3. Documentation for Full Scale, Functional, Tabletop, and Drill exercises include:
 - a. Minutes and sign-in forms from HSEEP planning conferences
 - b. After Action Reports (AAR)
 - c. Improvement Plan (IP)
 - d. Exercise participant rosters and evaluations
 - e. Personnel cost documentation
 - f. Any and all other documentation related to or part of the complete exercise process as may be required by IDHS.
4. Documentation for Seminars, Workshops, Games and Simulations include:
 - a. Minutes and sign-in forms from planning meetings
 - b. Multimedia presentations including PowerPoint files, video files, sound files, etc.
 - c. Policies or Procedures developed during workshops
 - d. Evaluation documents used in seminars, games or simulations
 - e. A written overview of any training activity funded by IDHS that does not produce a measurable outcome describing who conducted the activity, the learning achieved, and how the training contributes to the local and State preparedness.
5. The final detailed budget shall be accompanied by the invoices or readable receipts for **all** allowable expenses including vehicle costs, (fuel or mileage, not both), planning and conduct consumable costs, personnel costs, consultant/contractor costs, and all other allowable and approved expenses related to the total project, and presented in a format acceptable to IDHS.

- a. Reimbursement for fuel or mileage: All mileage or fuel reimbursement shall be documented by the planning team and included in the draft detailed estimated budget and the final detailed budget. Either mileage or fuel may be reimbursed for an exercise--not both.
 - i. Fuel: Copies of all fuel receipts showing fuel consumed during the planning and execution of the exercise are received by IDHS.
 - ii. Mileage: Copies of all mileage logs indicating miles traveled during the planning and execution of the exercise are received by IDHS. The reimbursement rate for mileage shall be based on the rate paid by the State of Indiana (\$0.44/mile. Mileage logs shall include the:
 1. Date of Travel
 2. Starting Location Address
 3. Destination Address
 4. Total Miles Driven
 5. Signature of the individual requesting the mileage reimbursement.
 - b. An overtime reimbursement document must be completed by each agency requesting overtime/backfill/volunteer reimbursement for participation in exercise activities on a form approved by IDHS. All overtime/backfill/volunteer reimbursement submissions shall be completed, signed and submitted by the Chief Executive Officer of the submitting agency and must include:
 - i. The exercise participant's name.
 - ii. Number of hours spent participating in the exercise.
 - iii. Hourly rate of participant.
 - iv. Overtime rate of the participant
 - v. Total amount of stipend for volunteers (must include the name, number of hours and rate for each volunteer).
 - vi. Copies of exercise attendance sheets must be included in this documentation verifying the person's participation.
 - vii. An agency overtime policy must accompany the reimbursement request.
 - c. Any other documentation requested by IDHS
6. The Exercise design, conduct, and after-action activities complied with HSEEP methodology and all required information as defined by the National Exercise Schedule has been entered into the NEXS.
 7. The Indiana Department of Homeland Security shall transfer funds to reimburse the requesting agency or jurisdiction for the approved amount after all documentation has been reviewed and approved by the Indiana Department of Homeland Security. It shall be the responsibility of the requesting agency or jurisdiction fiscal/legal agent to ensure that all parties eligible for reimbursement receive payment.

8. The reimbursement provided shall not exceed the amount of the signed sub-grant agreement.
9. Partial reimbursement may be available for full-scale exercises for consumable expenses prior to submission of After-Action Reports and other deliverables with approval from the Preparedness & Training Branch Chief.

H.1 REIMBURSEMENT FOR EXERCISE SERIES

1. IDHS supports the HSEEP building block approach to exercise design and development. During the first year of the exercise cycle, the development of a series of discussion based exercises may best support the goals and objectives of a district or agency.
2. Each exercise in an exercise series may be reimbursed individually. To obtain this reimbursement, the full series of exercises must have prior approval as specified in SECTION B.
3. All required documentation as listed in Section H above must be submitted to [the](#) State Exercise Training Officer (rarcher@dhs.IN.gov) within 45 days of completion of the exercise.