FY 2018 Program Priorities	DHS/FEMA annually publishes the National Preparedness Report (NPR) to report National progress in building, sustaining, and delivering the core capabilities outlined in the goal of a secure and resilient Nation. This analysis provides a National perspective on critical preparedness trends for whole community partners to use to inform program priorities, allocate resources, and communicate with stakeholders about issues of concern.
	HSGP Subrecipients are encouraged to consider national areas for improvement identified in the NPR, which include the following core capabilities:
	 Cybersecurity; Infrastructure Systems; Economic Recovery; Housing; Supply Chain Integrity and Security; Natural and Cultural Resources; and Risk Management for Protection Programs and Activities.
	DHS does not prescribe a minimum funding amount for these priorities. However, grant Subrecipients are required to support local, regional, state, and national efforts in achieving the desired outcomes of these priorities.
Law Enforcement Terrorism Prevention Activities	As in past grant years, a minimum of 25% of FY 2018 HSGP funds must be dedicated to Law Enforcement Terrorism Prevention Activities (LETPA). In order to leverage funds for LETPA, activities outlined in the National Prevention Framework and National Protection Framework are eligible for use of LETPA-focused funds. All other terrorism prevention activities proposed for funding under LETPA must be formally pre-approved by FEMA. Refer to IB 412 for additional information.
Management and Administration	The Management and Administration (M&A) allowance for Subrecipients is set at a maximum of 5% for the FY 2018 HSGP.
Indirect Costs	Indirect costs are allowable under the FY 2018 HSGP Grant Award. Subrecipients who claim indirect costs may do so, provided they use one of the following two methods: