



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT



Employment First State for Individuals with Disabilities

ROY COOPER
GOVERNOR

KRISTIN WALKER
STATE BUDGET DIRECTOR

January 24, 2023

MEMORANDUM

TO: Phil Berger, President Pro Tempore
Tim Moore, Speaker of the House

FROM: Kristin Walker *Kristin Walker*

SUBJECT: New Grant Award

Pursuant to G.S. 143C-5-4(9) the Office of State Budget and Management (OSBM) submits the attached Notification of Grant Award, FY22 State & Local Cybersecurity Grant Program (SLCGP), for consultation with the Joint Legislative Commission on Governmental Operations.

SLCGP is a new funding opportunity under DHS/FEMA. The purpose of SLCGP is to assist state, local, and territorial (SLT) governments with managing and reducing systemic cyber risk. Through funding from the Infrastructure Investment and Jobs Act, SLCGP enables DHS/FEMA to make targeted cybersecurity investments in SLT government agencies, thus improving the security of critical infrastructure and improving the resilience of the services SLT governments provide their community.

Upon award of the grant, NCEM plans to:

- Implement the program by providing competitive pass-through grant funding for county and municipal governments across the state to strengthen cybersecurity practices and enhance resilience to prevent, and recover from, cyber incidents.
- Focus at least 25% of all pass-through grant funding on rural communities in NC, defined by SLCGP as areas encompassing a population of less than 50,000 people that have not been designated in the most recent decennial U.S. census as an "urbanized area".
- Utilize the designated "management and administrative" expenses portion of the SLCGP award to effectively and efficiently administer this grant program in compliance with all applicable federal and state laws, regulations, and requirements.

SLCGP will strengthen cybersecurity practices and enhance resilience across the state, particularly in rural communities. OSBM has approved this funding, and now the Amended notice of Grant Award for consultation.

If you have any questions or concerns, please contact OSBM Budget Analyst, Marsha Overby, at Marsha.Overby@osbm.nc.gov.

Notification of Application for Grant Funds/Awards, 2022-23

Office of State Budget and Management, 116 W. Jones Street, Raleigh, NC 27603, 984-236-0600.

Instructions at https://files.nc.gov/ncosbm/documents/files/grants_instr.pdf



1 Department	Department of Public Safety
2 Division (<i>except in DHHS</i>)	Emergency Management
DHHS only, choose division from drop down list.....	
3 Contact person (<i>name</i>)	Derek Dorazio
4 Phone number	984-302-8513
5 E-mail	derek.dorazio@ncdps.gov
6 Funding Entity (grantor)	Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA)/Resilience/Grant Program Directorate (GPD)
7 CFDA number.....	97.137
8 Grant title	Fiscal Year 2022 State and Local Cybersecurity Grant Program - Department of Homeland Security
9 Grant application deadline (<i>MM/DD/YY</i>)	11/15/22
10 Start date of grant (<i>MM/DD/YY</i>)	12/01/22
11 End date of grant (<i>MM/DD/YY</i>)	11/30/26
12 Application type	New
13 Is this grant already in agency's continuation budget?	No
14 Budget code the grant will be expended in (<i>XXXXX</i>)	14550
15 Fund code (<i>XXXX</i> or <i>NA</i>)	NA
16 Is there a state matching requirement?	Yes
17 If yes, what is the matching requirement?	10% of federal award must be matched by non-federal source. Total match for this 2022 SLCGP award is \$595,600. This entire match will be paid by the state for this 2022 SLCGP award.
18 If yes, what is the source of state funds being used to match grant funds.	Special or Trust Fund
19 Is there a maintenance of effort (MOE) requirement?	No
20 If yes, what is the MOE?	
21 Is an additional General Fund appropriation required to meet the state match requirement?	No
22 Will any of these funds be passed through to local governments or non-state entities?	Yes
23 If yes, identify affected entities by type	local govt
24 Will additional state monies be required to continue the program if grant expires or is reduced?	No
25 If yes, is this a requirement of the grant?	
26 Are new FTEs funded through the grant?.....	Yes

	SFY 2021-22	For 2022-23		SFY 2023-24	SFY 2024-25	SFY 2025-26
	Actual	Complete <u>either</u> Authorized or Proposed	Authorized	Proposed	Proposed	Proposed
27 If yes, give the number by type for each year: <i>Permanent</i>						
<i>Time-Limited</i>						
28 Amount of grants funds <u>applied for</u> in each year	\$0.00					
29 Amount of grants funds <u>awarded</u> in each year						

30 Purpose of grant or amendment

Fiscal Year 2022 State and Local Cybersecurity Grant Program - Department of Homeland Security
As part of DHS, Cybersecurity and Infrastructure Security Agency (CISA) is at the heart of mobilizing a collective defense to understand and manage risk to our critical infrastructure partners. In its unique role, CISA is proactively working to achieve a cybersecurity ecosystem in which malicious actors face insurmountably high costs to execute damaging intrusions, vulnerabilities are rapidly identified before exploitation, and technology is used to reduce the most harmful and systemic risks. CISA programs and services are driven by a comprehensive understanding of the risk environment and the corresponding needs identified by our partners. The SLCGP is key to achieving this vision and enables the Department to make targeted investments in SLT government agencies, improving the security and resilience of critical infrastructure upon which Americans rely. The goals and objectives outlined below, if achieved, will significantly reduce the risk.

The program goals for the SLCGP are as follows: (1) develop and establish appropriate governance structures, as well as develop, implement, or revise cybersecurity plans, to improve capabilities to respond to cybersecurity incidents and ensure continuity of operations; (2) ensure SLT agencies understand their current cybersecurity posture and areas for improvement based on continuous testing, evaluation, and structured assessments; (3) implement security protections commensurate with risk (outcomes of Objectives 1 & 2); and (4) ensure organization personnel are appropriately trained in cybersecurity, commensurate with their responsibilities.

31 Comments

Question 28: SFY 2021-22 Actual is \$0 due to this being a new grant that has not been received previously.

Return completed form as email attachment and indicate in message that proper agency sign-offs have been obtained. Contact your OSBM budget analyst if you have questions.