

**SOUTH CAROLINA
STATE ADMINISTRATIVE PLAN
FOR THE
HAZARD MITIGATION GRANT PROGRAM**



FEMA-4346-DR-SC

Declared October 16, 2017

Submitted in accordance with requirements of Section 404 of the
Robert T. Stafford Disaster Relief and Emergency Assistance Act
(Public Law 93-288, as amended)

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GLOSSARY OF TERMS

Applicant – a State, Territory, or Indian Tribal government submitting an application to FEMA through the Governor’s Authorized Representative for assistance under the Hazard Mitigation Grant Program. The Applicant is responsible for soliciting subapplications from eligible sub-applicants, assisting in the preparation of them, and submitting them to FEMA in priority order. When funding is awarded, the Applicant then becomes the “Recipient”, accountable for the use of funds. For more information, see “Recipient”.

Application – a formal request for section 404 funding.

Cap – the maximum dollar amount that may be provided to a Recipient for management cost funds for a single declaration pursuant to § 207.5(c) of this part.

Construction- HMGP project that has the potential for an environmental or historic preservation impact.

Federal Coordinating Officer (FCO) – the FEMA employee who coordinates federal assistance to a state affected by a disaster or emergency. This employee is appointed by the Director of FEMA on behalf of the President.

Federal Emergency Management Agency (FEMA) – the Federal agency responsible for coordinating disaster recovery efforts.

Federal Hazard Mitigation Officer – the FEMA employee responsible for representing the agency for each declaration in carrying out the overall responsibilities for hazard mitigation, including coordinating post-disaster hazard mitigation actions with other agencies of government at all levels.

FEMA-State Agreement – a formal, legal document between FEMA and the affected State stipulating the understandings, commitments, and binding conditions for assistance resulting from a Federal disaster declared by the President. The document is signed by the FEMA Regional Director and the Governor (44 CFR § 206.44).

Governor’s Authorized Representative (GAR) – the person designated by the Governor to execute, on behalf of the State, all necessary documents for disaster assistance programs. The GAR responsibilities include facilitating the submission of all documents necessary for grant award and ensuring all grant and subgrant management activities are carried out in accordance with federal policy.

Grant – an award of financial assistance for a specified purpose by the Federal government to an eligible Recipient.

Hazard Mitigation – any sustained action taken to reduce or eliminate the potential for risk to people and property from natural hazards and their effects.

Hazard Mitigation Survey Team (HMST) – a survey team made up of FEMA/State/local representatives that are activated following disasters to identify immediate mitigation opportunities and issues to be addressed in the Hazard Mitigation plan. The HMST may include representatives of other Federal agencies, as appropriate. The composition of the team will depend on the type and location of the disaster as well as scope of work required.

Indian Tribal Government – a federally recognized governing body of an Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of Interior acknowledges to exist as an Indian tribe under the Federally Recognized Tribe List Act of 1994, 25 U.S.C. 479a. This does not include Alaska Native corporations, the ownership of which is vested in private individuals.

Indirect Costs – costs that are incurred by a Recipient for a common or joint purpose benefiting more than one cost objective that are not readily assignable to the cost objectives specifically benefited.

In-Kind Contributions- Labor, equipment, expertise, personnel, or other non-monetary components of an HMGP project that a Subrecipient can use towards the local share of the grant.

Interagency Coordinating Committee (ICC) – the ICC is comprised of State agency representatives, including members from the South Carolina Emergency Management Division (SCEMD), Department of Natural Resources (SCDNR), Department of Health and Environmental Control (SCDHEC), Department of Insurance (SCDOI), and the Governor’s Office. When requested by the State Hazard Mitigation Officer, committee members will aid with hazard mitigation activities related to sections 404 and 322 of the Stafford Act and with on-going activities of the State Hazard Mitigation Program.

Joint Field Office (JFO) – a temporary facility established in a Presidentially declared disaster area to serve as the field headquarters for FEMA, other Federal and State recovery personnel, and as the focal point for disaster operation, direction, coordination, and information.

Local Government – any county, municipality, city, town, township, public authority, school district, special purpose district, interstate district, council of governments (regardless of whether the government is incorporated as a non-profit corporation under State law), regional or interstate government entity, or agency or instrumentality of a local government, Indian tribe or authorized tribal organization, Alaskan Native village or organization, rural community, unincorporated town or village, or other public entity for which an application for assistance is made by a State or political subdivision of the State.

Lock-in – the estimated total HMGP award for a particular major disaster declaration. The official HMGP lock-in will be established 12 months after the date of the declaration. The final lock-in amount may be greater or less than the previous calculations.

Management Costs – any indirect costs, administrative expenses, and any other expenses not directly chargeable to a specific project that are reasonably incurred by a Recipient or Subrecipient in administering and managing a HMGP grant award.

Period of Performance (POP) – the period of time during which the Recipient is expected to complete the grant activities and to incur and expend approved funds.

Pre-application – the initial request for section 404 funding.

Private Non-Profit (PNP) – any non-governmental agency or entity that currently has an effective ruling letter from the U.S. Internal Revenue Service granting tax exemption under Section 501 (c), (d), or (e) of the Internal Revenue Code of 1954, or satisfactory evidence from the State that the organization or entity is a non-profit one organized or doing business under State law.

Project – Any mitigation measure or action proposed to reduce risk of future damage, hardship, loss or suffering from disasters. The term “project” is used interchangeably with the term “measure” in FEMA regulations.

Recipient – the entity, such as a State, Territory, or Indian Tribal government to which a grant is awarded and that is accountable for the use of funds provided. Prior to federal award, the Recipient is the “Applicant”. The Recipient is the entire legal entity, even if only a particular component of the entity is designated in the grant award document. For purposes of the Hazard Mitigation Grant Program, the State is the Recipient.

Regional Administrator (RA) – the director of the Region IV office of FEMA who has authority to execute, on behalf of the FEMA Administrator, all necessary documents for disaster assistance.

Section 404 – a section of the Robert T. Stafford Disaster Relief Emergency Assistance Act which authorizes the Hazard Mitigation Grant Program (HMGP) to provide funding to states, tribal nations, and local communities to implement long-term hazard mitigation measures following a major disaster declaration.

State Coordinating Officer (SCO) – the person designated by the Governor to coordinate State and local disaster assistance efforts with that of the Federal government. The functions of the SCO and GAR may be assigned to the same person.

State Hazard Mitigation Officer (SHMO) – the representative of State government designated by the Governor as the primary point of contact with FEMA, other federal agencies, and local units of government in the planning and implementation of the Hazard Mitigation Grant Program as required under the Stafford Act.

State Hazard Mitigation Plan (SHMP) – the plan resulting from a systematic evaluation of the nature and extent of natural hazard vulnerability present in society and includes the actions needed to minimize future vulnerability to hazards, as required under Section 322 of the Stafford Act. The hazard mitigation plan is the basis for the identification of measures to be funded under the Hazard Mitigation Grant Program.

State Historic Preservation Officer (SHPO) – the representative from the South Carolina Department of Archives and History who is responsible for surveying state historic resources; providing data on historic sites; providing technical assistance; ensuring compliance with preservation procedures and processes; and assisting in procuring preservation funding, as available.

State-Local Agreement – a formal, legal document between SCEMD and the Subrecipient stipulating the understandings, commitments, federal requirements, and binding conditions for an HMGP award. The authorized representative from the agency representing the Subrecipient and the SCEMD Director sign the document.

Subapplicant – the State-level agency, Indian Tribal government, local government, or other eligible entity that submits a Subapplication for FEMA assistance to the Applicant. Once funding is awarded, the Subapplicant becomes the “Subrecipient”. Under HMGP, “Subapplicant” is synonymous with “Applicant”.

Subgrant – an award of financial assistance under a grant by a Recipient to an eligible Recipient.

Subrecipient – the government or other legal entity to which a subgrant is awarded and who is accountable to the Recipient for the use of the funds provided.

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ACRONYMS USED IN THIS PLAN

CFR	Code of Federal Regulations
DHHS	Department of Health & Human Services
FCO	Federal Coordinating Officer
FEMA	Federal Emergency Management Agency
FHMO	Federal Hazard Mitigation Officer
HMGP	Hazard Mitigation Grant Program
ICC	Interagency Coordinating Committee
JFO	Joint Field Office
GAR	Governor's Authorized Representative
NFIP	National Flood Insurance Program
OMB	Office of Management and Budget
PNP	Private Non-profit
POP	Period of Performance
RA	Regional Administrator
SCEMD	SC Emergency Management Division
SCO	State Coordinating Officer
SEOC	State Emergency Operating Center
SHMO	State Hazard Mitigation Officer
SHMP	State Hazard Mitigation Plan
SHPO	State Historic Preservation Officer
TAG	The Adjutant General

**SOUTH CAROLINA
STATE ADMINISTRATIVE PLAN
FOR THE
HAZARD MITIGATION GRANT PROGRAM**

BASIC PLAN

I. PURPOSE

This plan establishes policies and procedures to request, obtain, and administer grants under the Hazard Mitigation Grant Program (HMGP) as authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act, PL 93-288, as amended the Disaster Mitigation Act of 2000, PL 100-707 and 42 U.S.C. 5121, and as implemented by Title 44 of the Code of Federal Regulations. Procedures to guide implementation activities are outlined in this document. This plan also details the staffing requirements and resources, including a procedure for expanding staff temporarily following a disaster, if necessary. As part of this State's emergency response procedures, this administrative plan is referenced in the South Carolina Hazard Mitigation Plan, which is an appendix to the South Carolina Emergency Operations Plan.

This plan shall be updated as necessary to include all relevant procedural changes.

II. GENERAL

- A. The Hazard Mitigation Grant Program provides State agencies, local governments, Indian Tribal governments, and eligible private non-profit organizations funds for mitigation plans and projects after a Presidential major disaster declaration. The key purpose of HMGP is to ensure that the opportunity to take critical mitigation measures to reduce the risk of loss of life and property from future disasters is not lost following a disaster.
- B. The South Carolina Emergency Management Division (SCEMD) is the designated state agency to act as the administrator and Recipient of HMGP.
- C. HMGP funding is allocated using a "sliding scale" formula based on a percentage of the estimated total Federal assistance under the Stafford Act, excluding administrative costs for each Presidential major disaster declaration. Applicants with a FEMA-approved State or Tribal Standard Plan may receive up to 15 percent of the first \$2 billion of the estimated aggregate amount of disaster assistance; up to 10 percent for the next portion of the estimated aggregate

amount more than \$2 billion and up to \$10 billion; and 7.5 percent for the next portion of the estimated aggregate amount more than \$10 billion and up to \$35.333 billion.

- D. The Recipient will receive an estimate of the total HMGP award thirty days and again at six months following the disaster declaration. The Office of Chief Financial Officer will establish the official HMGP funding ceiling for each disaster twelve months after the declaration, providing the lock-in amount of HMGP funds available.
- E. HMGP grant awards have a cost share of 75 percent Federal/25 percent non-Federal. The exact cost-sharing provisions will be established in the FEMA-State Agreement and the State-Local Agreement. Eligible sub-applicants will, at a minimum, provide the remaining 25 percent match. The State is not obligated to provide match for this program.
- F. HMGP funds reimburse Recipients and Subrecipients for eligible and approved mitigation activities.

III. AUTHORITIES AND REFERENCES

A. Federal

1. Robert T. Stafford Disaster Relief and Emergency Assistance Act, PL 93-288, as amended by 42 U.S.C. 5121 in April 2013.
2. Disaster Mitigation Act of 2000, PL 100-707.
3. Flood Disaster Protection Act of 1973, PL 93-234, as amended.
4. Biggert-Waters Flood Insurance Reform Act of 2012.
5. Americans with Disabilities Act.
6. Assurances submitted with the SF 424, Application for Federal Assistance, or other appropriate documentation.
7. Coastal Zone Management Act.
8. Comprehensive Environmental Response, Compensation and Liability Act.
9. Farmland Protection Policy Act.

10. Freedom of Information Act.
11. Money and Finance: Treasury Regulations 31 CFR Part § 205.6 Funding Techniques.
12. Single Audit Act of 1984, PL 98-502, and the Single Audit Act Amendments of 1996, PL 104-156, referenced in 44 CFR, Part 14.
13. 44 CFR Part 9, Floodplain Management and Protection of Wetlands.
14. 44 CFR Part 10, Environmental Considerations.
15. 2 CFR Part 200 United States Code of Federal Regulations.
16. 44 CFR Part 80, Property Acquisition and Relocation for Open Space.
17. 44 CFR Part 206, Federal Disaster Assistance for Disasters Declared on or after November 23, 1988.
18. Public Assistance Guide (FEMA 322).
19. National Environmental Policy Act, PL 91-190, as amended.
20. National Endangered Species Act of 1973, as amended.
21. Hazard Mitigation Assistance Guidance, Feb 27, 2015.
22. President's Executive Order 11988, Floodplain Management.
23. President's Executive Order 11990, Protection of Wetlands.
24. Presidential Executive Order 12372, Awarding of Federal Grants
25. President's Executive Order 12699, Seismic Safety.
26. President's Executive Order 12898, Economic Justice.
27. President's Executive Order 12612, Federalism.
28. FEMA-State Agreement. Dated
29. Homeowner Flood Insurance Affordability Act of 2014

B. State

1. South Carolina Emergency Operations Plan.
2. South Carolina Recovery Plan.
3. South Carolina Hazard Mitigation Plan.
4. South Carolina Code, sections 25-1-420 through 25-1-460.
5. South Carolina Adjutant General Regulation 37-4, State Purchasing and Contracting
6. Regulation 58-1, Local Government Emergency Management Standards, South Carolina Code of Regulations.
7. Regulation 58-101, State Government Emergency Preparedness Standards, South Carolina Code of Regulations.
8. Executive Order No. 99-11 of the Governor of South Carolina.
9. South Carolina Code 6-9-5 through 6-9-135.
10. South Carolina Code section 2-65-90.
11. The South Carolina Coastal Zone Management Act, as amended.
12. Recipient-Subrecipient HMGP Federal Award Agreement.

IV. ORGANIZATION FUNCTIONS AND RESPONSIBILITIES

A. Organizations

Most departments and agencies within the state government have emergency functions to perform in a statewide event in addition to their normal duties; See Table 2, Page 56-57 of the SC Emergency Operations Plan. Each is responsible for developing and maintaining emergency management procedures in accordance with the direction and guidance given in this plan. Specific responsibilities are outlined in section VIII and in the separate annexes of the SC Emergency Operations Plan. Responsibilities of certain organizations that are not part of state government are also addressed in appropriate annexes. The following sections outline specific organization functions and responsibilities for the implementation of the HMGP Administrative Plan.

B. Responsibilities

1. Federal Emergency Management Agency (FEMA)
 - a. Appoint a Federal Hazard Mitigation Officer for each disaster to manage and monitor hazard mitigation programs and activities;
 - b. Provide technical assistance to state and local governments for mitigation activities; and
 - c. Assist the State in identifying appropriate mitigation actions for the state and/or local governments.

2. South Carolina Emergency Management Division (SCEMD)
 - a. Appoint a State Hazard Mitigation Officer (SHMO), who serves as the point of contact for all matters relating to Section 404 HMGP. For FEMA-4286-DR-SC, Severe Storms and Flooding, the State Hazard Mitigation Officer is Robert Burton;
 - b. Ensure the State has an approved Standard State Hazard Mitigation Plan pursuant to 44 CFR 201.4 in order to receive assistance under the Stafford Act;
 - c. With FEMA and local government participation, conduct a post-disaster assessment of the damages incurred and provide recommendations on updating the relevant Local Hazard Mitigation Plans;
 - d. Serve as the Recipient for all awarded HMGP funds;
 - e. Request Management Cost funding pursuant to 44 CFR 207.7;
 - f. Provide a staffing and management cost plan within 120 days of the opening of the Joint Field Office (JFO) in accordance with 44 CFR 207.7(d). The establishment of a staffing plan is to ensure that SCEMD has sufficient number of personnel with the proper skills to work within the mitigation section after a disaster declaration. See Appendix B for the Staffing Plan;
 - g. Revise existing SHMP as needed to address the recent major disaster. The revised plan shall be submitted for approval to the Regional Administrator (RA);
 - h. Update and maintain the South Carolina Section 404 HMGP Administrative Plan following each Presidential Disaster Declaration. The state shall prepare any amendments, updates, and

plan revisions required to meet current policy guidance or changes in the administration of the HMGP. Funds shall not be awarded until the FEMA RA approves the State HMGP Administrative Plan;

- i. Ensure all State initiated actions or projects are in conformance with the SHMP under 44 CFR 201.4(c)(3)(iii);
 - j. Schedule and lead HMGP applicant briefings to ensure that potential applicants are aware of the application requirements and procedures, program eligibility, and key deadlines;
 - k. Provide a HMGP Pre-Application for potential applicants to submit and announce their intent to apply for HMGP funding. See Appendix D;
 - l. Provide technical assistance as required to local governments and/or Subrecipients;
 - m. Review HMGP Pre-Applications for eligibility and feasibility. Request eligible applicants to submit a Full Application. All applications should meet the goals of the SHMP and HMGP priorities for funding.
 - n. Review all HMGP Full Applications for eligibility and completeness. SCEMD shall submit applications to FEMA for funding;
 - o. Manage awarded HMGP funds;
 - p. Monitor and submit quarterly financial and progress reports to FEMA;
 - q. Ensure that proper close-out procedures are followed; and
 - r. Coordinate all State and local responsibilities regarding hazard mitigation.
3. Local governments
- a. Complete a local hazard mitigation plan to be approved by FEMA based on criteria outlined in 44 CFR 201.6;
 - b. Appoint a Local Hazard Mitigation Officer, if appropriate;

- c. Participate on Hazard Mitigation Survey Teams as appropriate;
 - d. Review local hazard mitigation plan to identify possible projects for funding, and to determine if a plan update is needed;
 - e. Notify applicants associated with potential projects of the availability of funds and application procedures;
 - f. Work with SCEMD as necessary to submit completed HMGP Pre-Application and Full Application; and
 - g. Upon HMGP award, manage all grants in accordance with FEMA grant guidelines and the State-Local Agreement.
4. Office of the State Auditor
- a. Perform audits as requested or required by State law and the SC State Administrative Plan for the Hazard Mitigation Grant Program;
 - b. Provide guidance to applicants regarding documentation of expenses;
 - c. Provide JFO representation if necessary.
5. Office of the Governor (Office of State Budget)
- Provide local and State budget information.
6. Office of State Treasurer (State and Local Government Finance)
- Assist local governments with record-keeping systems, and provide management services.
7. Department of Administration (Purchase and Contract Division)
- Advise and assist local governments of State requirements for purchasing and contracting.

V. ELIGIBILITY REQUIREMENTS

- A. Eligible Applicants (44 CFR 206.434(a))

1. State and local governments, as defined at 44 CFR 206.2(16), who have an approved Hazard Mitigation Plan;
2. Private non-profit organizations, as defined at 44 CFR 206.221(f), that own or operate a private non-profit facility as defined at 44 CFR 206.221(e), and qualified conservation organization as defined at 44 CFR 80.3(h) which is the only private nonprofit organization eligible to apply for acquisition or relocation for open space projects; and
3. Indian Tribal Governments or authorized tribal organizations.

B. Project Eligibility Criteria (44 CFR 206.434(c))

To be eligible for HMGP funds, a project must:

1. Be in conformance with the SHMP and corresponding Local Hazard Mitigation Plan approved under 44 CFR 201;
2. Have a beneficial impact upon the designated disaster area, whether or not located in the designated area;
3. Be in conformance with 44 CFR 9, Floodplain Management and Protection of Wetlands, and 44 CFR 10, Environmental Considerations;
4. Solve a problem independently or constitute a functional portion of a solution where there is assurance that the project as a whole will be completed. Projects that merely identify or analyze hazards or problems are not eligible;
5. Be cost-effective and substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster. The Recipient must demonstrate this by documenting that the project:
 - a. Addresses a problem that has been repetitive, or a problem that poses a significant risk to public health and safety if left unsolved,
 - b. Will not cost more than the anticipated value of the reduction in both direct damages and subsequent negative impacts to the area if future disasters were to occur,
 - c. Has been determined to be the most practical, effective, and environmentally sound alternative after consideration of a range of options,

- d. Contributes, to the extent practicable, to a long-term solution to the problem it is intended to address, and
- e. Considers long-term changes to the areas and entities it protects, and has manageable future maintenance and modification requirements.

C. Eligible Activities (44 CFR. 206.434(d))

- 1. Planning. Up to seven percent of the State's HMGP allocation may be used to develop State, tribal, and/or local mitigation plans to meet the planning criteria outlined in 44 CFR 201.
- 2. Five Percent Initiative Projects. Up to five percent of the State's HMGP allocation (except in the instances when a disaster has a confirmed tornado, FEMA allows for up to ten percent of the total HMGP allocation to fall under this category). These projects, which are only available pursuant to an HMGP disaster, provide an opportunity to fund mitigation actions that are consistent with the goals and objectives of the State and local mitigation plans and meet all HMGP program requirements, but for which it may be difficult to conduct a standard Benefit-Cost Analysis (BCA) to prove cost-effectiveness. Examples of Initiative Projects include:
 - a. Development or improvement of warning systems (State Initiative); and/or other non-traditional initiatives.
 - b. Hazard identification or mapping and related equipment that is tied to the implementation of mitigation measures.
 - c. Geographical Information Systems software, hardware and data acquisition whose primary aim is mitigation.
 - d. The use, evaluation, and application of new, unproven mitigation techniques, technologies, methods, procedures, or products;
 - e. Purchase of generators or related equipment, such as generator hook-ups;
 - f. Public awareness or education campaigns about mitigation; and
 - g. Evaluation of model building codes in support of future adoption and/or implementation.

3. Projects. Projects may be of any nature that will result in protection to public or private property. Those activities for which implementation has already been initiated or completed are not eligible for funding. Eligible projects can include, but are not limited to:
 - a. Construction activities that will result in protection from hazards;
 - b. Retrofitting of existing facilities that will result in increased protection from hazards;
 - c. Elevation of flood prone structures;
 - d. Vegetative management/soil stabilization;
 - e. Infrastructure protection measures;
 - f. Stormwater management/flood control projects;
 - g. Property acquisition or relocation.

NOTE: HMGP funds cannot be given for acquisition or construction purposes if the project site is located in a designated Special Flood Hazard Area that has been identified for at least one year and the community is not participating in the National Flood Insurance Program (NFIP). This includes communities suspended from participation. Non-participating communities may submit projects to the HMGP only if the projects are located in unmapped areas or areas outside of the Special Flood Hazard Area. Any HMGP construction project located within a Special Flood Hazard Area must be in compliance with the minimum NFIP standards for such project.

D. Project Period of Performance

The Period of Performance (POP) for the program begins with the opening of the application period and ends no later than 36 months from the close of the application period. All requests to extend the grant POP beyond 12 months from the original grant POP termination date must be approved by FEMA Region IV. Extensions to a Subrecipient's activity completion timeframe will not be approved automatically. All extension requests must be submitted to SCEMD at least 90 days prior to the expiration of the approved completion date and must be submitted in writing. The justification must demonstrate that work is in progress and will be completed. The justification must address:

1. Reason(s) for delay;
2. Current status of the activity/activities;

3. Remaining available funds, both Federal and non-Federal;
4. Budget outlining how remaining Federal and non-Federal funds will be expended;
5. Plan for completion including milestones and timeframe for achieving each milestone and the position/person responsible for implementing the plan for completion; and
6. Certification that the activity will be completed within the extended activity completion time frame.

As a result of this policy and in keeping with program regulations in any funds not disbursed by the Recipient within the approved POP of the grant will be de-obligated and returned to FEMA.

VI. NOTIFICATION OF HMGP AVAILABILITY (44 CFR 206.437(b)(4)(i))

- A. In the aftermath of a disaster, SCEMD may employ the following methods to notify eligible applicants:
 1. Electronically or in writing to local emergency managers, tribal Indian governments, and other stakeholders who have previously requested information on HMGP funding and availability;
 2. Notification by local or regional emergency managers to their county departments and eligible entities in their respective locations;
 3. Press releases to affected local governments from the Public Information Officer;
 4. Postings on the SCEMD website;
 5. Applicant briefings in affected communities.
- B. Information included in these notifications:
 1. Eligibility criteria;
 2. Where to access pre-application (www.screcoverygrants.org)
 3. Resources where additional information can be found;

4. Eligible projects types and the State's priorities for funding;
 5. Selection process for grant funds; and
 6. Contact information for state mitigation staff.
- C. The South Carolina Department of Administration oversees the State Clearinghouse for Intergovernmental Review. The Clearinghouse was established as mandated by Presidential Executive Order 12372.

VII. NOTICE OF INTENT AND PRE-APPLICATION

The HMGP Pre-Application, located at www.screcoverygrants.org, becomes available after a presidential disaster declaration to gather basic project information from potential applicants. The documents are used to:

- A. Determine the applicant's eligibility;
- B. Identify possible mitigation projects;
- C. Estimate the amount of funding to be requested;
- D. Discourage any proposals that have little or no chance of receiving Federal funding before applicants incur significant costs in preparing detailed applications.

See Appendix A for Notice of Intent and Pre-Application.

VIII. RECIPIENT APPLICATION PROCEDURES

- A. Promote the HMGP program and hold grant application workshops in the affected communities;
- B. Receive pre-applications with assistance from state as required;
- C. Verify eligibility of both the applicant and the proposed project type;
- D. Select for further development and receive full applications;
- E. Review supporting hazard, environmental, and cost estimate data for completeness with FEMA and EHP support.

- F. Review the Benefit Cost Analysis using data and information provided by subapplicants and provide technical assistance as necessary;
- G. Coordinate with the Department of Health and Environmental Control on projects to ensure they are in compliance with all environmental policies and regulations;
- H. Coordinate with the State Coordinator for the National Flood Insurance Program (NFIP) and review all applications to determine if:
 - 1. The projects are in compliance with the State's Floodplain Management policies, procedures, and requirements; and
 - 2. The applicant is a member in good standing with the NFIP (44 CFR 206.437(4)(iv)).
- I. Offer technical assistance as needed or requested. The SHMO will continuously provide technical assistance to the Subrecipients throughout the disaster assistance process. At a minimum, SCEMD will offer the following types of technical assistance:
 - 1. Project selection;
 - 2. Application development support;
 - 3. Benefit-Cost Analysis;
 - 4. Interpretation of recommendations of the State Hazard Mitigation Plan;
 - 5. Environmental compliance; and
 - 6. Other assistance as needed.
- J. Sub-applicants are to submit their HMGP application to SCEMD.
- K. The final date for sub-applicants to submit an HMGP application to SCEMD is October 16, 2018.
- L. Submit all eligible HMGP applications to FEMA in digital and format through the National Emergency Management Information System (NEMIS) within 12 months of the date of the disaster declaration. SCEMD will continually assess progress made in submitting project applications to determine if an extension is warranted. Any request for extension must be submitted in writing to FEMA and provide a justification to extend the application submission timeline in 30 - to - 90 day increments not to exceed a total extension of 180 days, in the event of extraordinary circumstances; and

- M. Upon FEMA approval of an application, coordinate with the Subrecipient to sign the State-Local Agreement between SCEMD and the Subrecipient (Appendix A). The Agreement outlines the conditions of the grant, federal and state guidelines that must be followed, and the responsibilities of each party. The Subrecipient will then have 90 days from the date of the letter to have the funding agreement signed and returned to the SCEMD. If this funding agreement is not returned within 90 days, SCEMD has the right to withdraw the agreement and reallocate the funds.

IX. PROJECT SELECTION

- A. The State's Interagency Coordinating Committee (ICC) will be responsible for establishing the procedures and priorities for the selection of hazard mitigation projects (44 CFR 206.435(a) and (b)).
- B. Since priorities change over time and may be dependent upon the disaster type and scope, they will be established after each event.
- C. The SHMO may call a special meeting of the ICC to review and select those projects for funding in accordance with the criteria in 44 CFR 206.435(b).
- D. Submitted applications will be scored based on priorities established by the ICC.
- E. SCEMD will submit all HMGP subapplications selected by the ICC for funding to FEMA within 12 months of the date of the disaster declaration.
- F. Upon written request and justification from SCEMD, FEMA may extend the application submission timeline in 30- to 90-day increments not to exceed a total extension of 180 days (44 CFR 206.436). Additional time may be available based on meeting the criteria of the Stafford Act, Section 301. To qualify, the subapplicant must justify what impediment prohibited them from meeting the regulatory administrative deadline.

X. AWARD NOTIFICATION

- A. FEMA has final approval for funding of all projects and will notify SCEMD of the approval status for each submitted application.
- B. SCEMD will notify the Subrecipients of the award and provide them with an award packet. The packet will include:
 - 1. FEMA's award letter;
 - 2. State-Local Agreement for signature of acceptance (See Appendix A);
 - 3. Request for a Kick-Off Meeting;

XI. FINANCIAL AND GRANT MANAGEMENT

Grant funds will be accounted for in accordance with State laws and procedures for expending and accounting for funds. Accounting procedures and fiscal control of the Recipient and Subrecipients will be sufficient to permit preparation of reports required by 2 CFR Subpart D- Post Federal Awards Requirements, and the tracing of funds at a level to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

A. Grant Management

- 1. Kick-Off
 - a. Upon notification of grant award, SCEMD will schedule and conduct a grant kick-off meeting with the Subrecipients.
 - b. The purpose of the kick-off meeting is to review the following information contained in the HMGP Kick-Off Meeting Checklist (Appendix C):
 - i. State-Local Agreement
 - ii. Grant POP
 - iii. Records keeping and maintenance

- iv. Quarterly reporting requirements
 - v. Payment requests
 - vi. Procedures for grant modifications
 - vii. Grant closeout
- c. At the close of the meeting, the Subrecipient and Recipient will sign the checklist, acknowledging the information, policies, and procedures for grant and financial management.

2. Quarterly Reporting

- a. As the Recipient, SCEMD is required to monitor and evaluate the progress of the mitigation activity in accordance with the:
- i. Scope of Work;
 - ii. Administrative Requirements of 2 CFR part 200; and
 - iii. Any applicable State requirements.
- b. SCEMD requires each Subrecipient to submit quarterly reports on project activity for each project funded, starting the quarter the project was approved.
- i. The quarterly report, entered and submitted to SCEMD through www.screcoverygrants.org, shall include the percentage of work complete, accomplished tasks, remaining tasks, and expected delays. The report is to be utilized should there be a need for an extension or overrun request.
 - ii. Each report will be due to the Recipient no later than ten (10) calendar days from the end of each quarter (January 10, April 10, July 10, and October 10).
 - iii. Failure to submit quarterly reports could cause a delay in reimbursement payments to the Subrecipient.
- c. SCEMD shall generate and submit in NEMIS quarterly performance reports to FEMA for each grant award. Performance reports should include:

- i. Reporting period, date of report, and SCEMD point of contact information;
- ii. Project identification information, including the FEMA project number, the disaster number, Subrecipient, and project type;
- iii. Significant activities and developments that have occurred or have shown progress during the quarter, including a comparison of actual accomplishments to the work schedule objectives established in the subgrant;
- iv. Percent completion and whether completion of work is on schedule; a discussion of any problems, delays, or adverse conditions that will impair the ability to meet the timelines stated in the subgrant; and anticipated completion date;
- v. Status of costs, including whether the costs are: (1) unchanged, (2) overrun, or (3) underrun. If there is a change in cost status, the report should include a narrative describing the change. Also, include amount dispersed to Subrecipient
- vi. A statement of whether a request to extend the grant POP is anticipated;
- vii. For acquisition projects, SCEMD will inform FEMA on the current status of each property for which settlement was completed in that quarter; and
- viii. SCEMD will provide any additional information requested by FEMA as needed to assess the progress of a grant.

B. Financial Administration

1. Requirements and Procedures for Obtaining Authority to Receive and Expend Unanticipated Federal and Other Funds:
 - a. Section 2-65-30, Code of Laws of South Carolina, 1976, as amended, allows State agencies and institutions to receive and spend unanticipated Federal and other funds.
 - b. Unanticipated means those funds not included in the General Appropriation Act. However, the agency or institution must submit an expenditure proposal to the Executive Budget Office,

Department of Administration prior to submission of the proposal to the Recipient agency.

- c. The Recipient agency or institution should receive authorization from the Department of Administration, Executive Budget Office.
2. All HMGP funds will be managed through SMARTLINK, the payment system used by the Department of Health and Human Services (DHHS). The following procedures shall be followed:
 - a. Immediately following a Presidential Disaster Declaration, the GAR provides the SHMO, with copies of the Governor's request for the disaster declaration and the implementing Executive Order, as well as the President's declaration of a major disaster.
 - b. The SCEMD Finance and Administration Division, establishes separate accounts for Federal and State disaster funds. These funds are accounted for by:
 - i. Reimbursement of expenditures prepared and maintained by the SCEMD Finance and Administration Division.
 - ii. HMGP financial records are maintained by the SHMO/GAR.
 - iii. Revenue that is drawn down through SMARTLINK is recorded in Book of Records, under SCEIS, which is an SAP accounting system.
 - c. The estimate on the approved Projects determines the amount of program funds needed. FEMA amends the State's current DHHS SMARTLINK account by the amount of the approved Projects estimates.
 - d. Quarterly, SCEMD reconciles cash transactions between SMARTLINK and the Book of Records to aid in the completion of financial transaction reports.
 3. Recipient Financial Guidelines
 - a. Initiate cash draw downs as close as is administratively feasible to the actual disbursements for projected costs, but not earlier than three (3) days before reimbursement.

- b. Maintain adequate accounting controls over SMARTLINK and the federal funds advanced.
- c. Fulfill timely state reporting requirements of cash disbursements and balances. Quarterly reports will be submitted via www.screcoverygrants.org and SCEMD will submit data to FEMA. In the event of connectivity issues, Subrecipients will mail paper copies or attach digital copies of QR to SCEMD.
- d. Impose the same state standards of timing and reporting on Subrecipients.
- e. Complete the necessary state and federal forms.

4. SMARTLINK Cash Management Policies and Procedures

- a. Policies governing the Limitation and Timing of Cash Management:
 - i. Limited to actual, immediate cash requirements of the State and be as close as is administratively feasible to the actual disbursements by the State for direct program costs and the proportionate share of any allowable indirect costs.
 - ii. Cash advances made by the State to applicants shall conform to the same standards of timing and amount as applies to advances by FEMA to the State, including furnishing reports of cash disbursements and balances.
 - iii. If the State withdraws funds in excess of its immediate disbursement needs, FEMA will request a refund of cash and interest earned on such funds.
 - iv. If the State demonstrates an unwillingness or inability to establish procedures, FEMA will require the State to finance its operations with its own working capital.
- b. Cash Management from SMARTLINK is as follows:
 - i. The GAR submits eligible costs for payment of projects to the SCEMD Finance Administration Division.
 - ii. SCEMD Finance Administration Division will draw down the funds electronically using the SMARTLINK payment management system. The funds are direct-deposited and

are available the following work day.

C. Payment Requests

1. Subrecipient Responsibilities

- a. All payment requests should be submitted through www.screcoverygrants.org with concurrent notification of the request to the SCEMD Mitigation Specialist assigned to the Subrecipient.
- b. A payment request can be done following any large invoice or at the end of each quarter.
- c. Each Subrecipient must provide complete documentation to be reimbursed. All costs must be documented, to include the local or state cost share. Subrecipients that receive advanced funds are not relieved of this requirement. Required documentation consists of the following:
 - i. Summary of expenses incurred.
 - ii. Canceled checks or vouchers (for materials purchased and for contract work).
 - iii. Contracts awarded.
 - iv. Invoices or other billing documents.
 - v. Delivery tickets for materials.
 - vi. Bid advertisements.
 - vii. List of bidders and amounts (for each project).
 - viii. Statement of why the low bid was not accepted (if appropriate).
 - ix. Quarterly reports.
- d. For construction projects, no more than 75 percent of the total Federal share will be reimbursed until the project has been completed and inspected.

- e. In-Kind Cost Share
 - i. For in-kind labor costs, time sheets showing pay period, employee name, job classification, total hours worked on the pay period, rate of pay (regular and overtime), total earnings and paycheck number are required.
 - ii. Other “in-kind” costs must be in accordance with published FEMA cost schedules unless previous FEMA approval has been obtained.
 - iii. The SCEMD Finance Division maintains a record of each project award, match, reimbursement and balance.

2. Recipient Responsibilities

- a. HMGP funding will be disbursed by the Recipient to the Subrecipient based on a reimbursements need. SCEMD does not receive funds prior to incurring expenditures. SCEMD is in compliance with 2 CFR 200.
- b. As the Recipient, SCEMD shall follow the general policies for determining allowable costs as established in 2 CFR 200; exceptions to those policies are provided in 44 CFR 206.439. SCEMD will also abide by all conditions set forth in the FEMA-State Agreement (44 CFR 206.44).
- c. The appropriate Mitigation Specialist will review each reimbursement request and supporting documentation. The Specialist will work with the Subrecipient if any documentation is missing or incorrect.
- d. Once the reimbursement request has been reviewed and finalized by the Mitigation Specialist, the State Hazard Mitigation Officer will review and approve the request.
- e. Final reimbursements will be issued to the Subrecipient by SCEMD upon official approval.
- f. The final payment will be made only after project completion, submission of all required documentation, final inspection, and a request for final reimbursement.

D. Cost Overruns

1. If a subgrant cost overrun appears to be imminent, the Subrecipient is responsible for contacting the SHMO immediately so that appropriate action can be taken to justify the overrun to FEMA. If costs do increase, a new BCA, if applicable, and an official request to the SHMO will be required for the project.
2. Cost overruns must be evaluated by the SHMO.
3. The SHMO must consult with the GAR before sending overrun requests to FEMA for approval (2 CFR 200 (c)).
4. The overrun must be clearly documented and the request shall be submitted in writing to the GAR. Overruns can be verified by the submission of the documentation of the cost overrun.
5. The GAR shall evaluate each cost overrun and submit a recommendation to the RA for a determination. The applicant's justification for additional costs, revised benefit-cost analysis and other pertinent material shall accompany the request. The GAR shall deny all requests that are not justified and cost effective.
6. The RA shall notify the GAR in writing of the determination. In no case will the total amount obligated to the State exceed the funding limits set forth in 44 CFR 206.432(b).

E. Management Costs

The State will receive, after providing adequate documentation, 4.89 percent of the total HMGP award. These funds will be used to partially reimburse the State for their cost associated with the administration and management of the HMGP. This will include regular and overtime salaries, as well as the associated fringe benefits for the State's staff. In addition, the costs for goods and services, travel, per diem, equipment, and lodging are components of the State's management costs. Since costs to administer and manage the sub grant can be charged directly to the project grant, the State will not provide management costs to Subrecipients.

F. Closeout Procedures

1. Final inspection of a project should be performed within ninety (90) days of project completion.

2. The Subrecipient must document completion by sending a request to SCEMD for Final Inspection and Project Close-out of the relevant project and all additional documentation. A final reimbursement request should be included as well.
3. The Final Inspection may include representatives from SCEMD, including the SHMO, Project Manager, State Engineer, and the local emergency manager as required.
4. SCEMD will prepare a report of final inspection, including photographs of the project to be submitted to FEMA for close-out.
5. Prior to close-out, all finances must be reconciled.
6. SCEMD will submit a Final SF-425 and Performance Report no later than 90 days after the end date of the POP.

G. Appeals

An eligible applicant, Subrecipient, or Recipient may appeal any FEMA determination previously made related to an application for, or the provision of Federal assistance according to the Hazard Mitigation Assistance Guidance.

1. All appeals must be in writing and go through SCEMD to the RA of FEMA. SCEMD shall review and evaluate all Subrecipient appeals before submitting them to the RA.
2. Each appeal shall contain documented justification supporting the appellant's position, specifying the monetary figure in dispute and the provisions in Federal law, regulation, or policy with which the appellant believes the initial action was inconsistent.
3. All appeals will follow the procedures and times limits as listed in 44 CFR 206.440.

H. Audit Procedures

The Subrecipient shall provide for an annual audit. This audit will be conducted in accordance with applicable Office of Management and Budgets Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," as well as any policy, procedure or guidance issued by the Recipient.

1. Audit resolution instructions shall be prescribed by the Recipient.

2. Within thirty (30) days of the receipt of the non-federal audit, the Subrecipient shall provide the Recipient the following:
 - a. Two copies of the Audit Report;
 - b. An amended Federal Status Report in agreement with the audit, accompanied by a trial balance;
 - c. Any unobligated fund balance due as a result of audit adjustments;
 - d. A response to management letter findings and recommendations;
 - e. A response to all questioned cost, relating to this Grant, and;
 - f. Any other adjustments, explanations or information that may be pertinent to the Grant.
3. The Recipient may require the Subrecipient to undertake such further or additional audits as determined necessary or appropriate including, but not limited to, past and current organization-wide audits. Such audits may be necessary to determine the adequacy, accuracy, and reliability of Subrecipient internal controls, fiscal data, and management systems established to safeguard Subrecipient assets and to ensure compliance with this agreement.
4. If this agreement is closed out without an audit, the Recipient reserves the right to recover any disallowed costs identified in an audit after such closeout.

I. Records Maintenance

The Subrecipient shall maintain all records pertaining to the project and the funds received under this grant until all issues relating to inspections and audits are complete and all actions or resolutions are resolved. Records shall be maintained for three (3) years after the date FEMA completes closeout of the Subrecipient's final project. Access to those records must be provided at reasonable times to the Comptroller General of the United States, the Recipient, its employees and agents, and to FEMA, its employees and agents as requested.

APPENDICES

APPENDIX A	State-Local Agreement
APPENDIX B	Staffing Plan
APPENDIX C	Hazard Mitigation Grant Program Kickoff Meeting Checklist
APPENDIX D	www.screcoverygrants.org