North Carolina Department of Health and Human Services
Office of the Controller

Pat McCrory
Governor

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Secretary DHHS

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Controller

October 2, 2014

MEMORANDUM #2015-01

TO: County Managers
County Finance Officers
Local Department of Social Services Directors
Local Management Entity, Area Authority and County Program Directors
LME and Area Program Finance Officers
Local Health Department Directors
District Health Department Directors
District Health Department Finance Officers
Councils of Government Executive Directors
Councils of Government Finance Officers

FROM: Laketha M. Miller Laketha M. Miller

SUBJECT: North Carolina Department of Health and Human Services Records Retention and Disposition Schedule for Grants

Semiannually, the North Carolina Department of Health and Human Services (N. C. DHHS) Controller's Office issues the N. C. DHHS Records Retention and Disposition Schedule for Grants, which provides **by funding source and State Fiscal Year** the earliest date that records for the funding source may be destroyed. This retention schedule is governed by Federal regulations found at 7 CFR 3016.42, 7 CFR 3019.53, 45 CFR 74.53 and 45 CFR 92.42 and State regulations found at 09 NCAC 03M .0703 (4). All financial and programmatic records, supporting documents, statistical records, and all other records pertinent to a Federal award must be retained in accordance with this schedule. All State and local government agencies, nongovernmental entities and their subrecipients, including applicable vendors, that administer programs funded by Federal sources passed through the N. C. DHHS and its divisions and offices are expected to maintain compliance with both the N. C. DHHS Records Retention and Disposition Schedule for Grants and any agency-specific programmatic record retention requirements.

The N. C. DHHS Records Retention and Disposition Schedule for Grants has been updated through March 31, 2014 and supersedes previously approved applicable schedules. Grant records with a purge date (i.e., any date appearing in column three of the schedule) more than two years prior to the Schedule's posting date have been removed, which indicates those records may be purged accordingly. Additionally, the updated Schedule includes adjustments to purge dates for Temporary Assistance for Needy Families (TANF) grants. The records retention period for the TANF program, also known as the Work First program, changed from five years to a retention

period of ten years. The Work First program automatically provides Medical Assistance benefits to recipients of Work First. Recipients of Work First benefits are tied to eligibility for the N. C. DHHS/Division of Medical Assistance programs, which require a ten year retention period. As a result, the Work First program should adhere to the more restrictive retention period. All financial and programmatic records as well as all supporting documentation for the Work First program must be retained for a period of ten years.

IMPORTANT FOR DIVISIONS THAT CONTRACT WITH MEDICAID PROVIDERS: Although the N. C. DHHS/Division of Medical Assistance administers Medicaid, other agencies, DHHS divisions, and State departments work closely with the program and perform significant functions in support of the Medicaid program. ALL Medicaid records must be retained for the minimum 10 year period specified in the accompanying "North Carolina Department of Health and Human Services Records Retention and Disposition Schedule for Grants". As described in the Medicaid State Plan, several N. C. DHHS divisions utilize Medicaid funds to totally or partially fund programs/services. ALL contracts with providers should specify that Medicaid records MUST be retained for the minimum 10 year retention period. Any existing Medicaid contracts that specify retention periods of less than 10 years must be modified to bring them into compliance with the N. C. DHHS records retention and disposition policy.

The Memorandum, Background and updated Schedule for records retention and disposition are available on the N. C. DHHS Office of the Controller's website at the following Internet address: http://www.ncdhhs.gov/control/. At this web address, page down and select the 10th bullet under "Letters/reports/forms for ALL Agencies".

Please notify all employees and all contractors who are or will be involved in the records retention and disposition process that the updated Memorandum and Schedule have been posted along with the related Background pages. Please ensure that all users of this information go to our web page to print this Memorandum, the Background and the Schedule.

If you have questions relating to the above, please contact Don McLamb at (919) 855-3744 or via e-mail at Don.McLamb@dhhs.nc.gov. Thank you in advance for your continued cooperation and assistance.

LMM/bmh/dmcl

cc: Secretary Wos
Executive Committee
Division/Office Directors
Division Budget Officers
Division Records Officers
N. C. DHHS Controller's Office Section Chiefs
Becky McGee-Lankford, N. C. Department of Cultural Resources, Government Records Branch
James Burke, N. C. Department of State Treasurer, Local Government Commission
Monica Hughes

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