



North Carolina Department of Health and Human Services

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Governor

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Secretary

Suzanne P. Merrill, Director
Division of Aging and Adult Services

DAAS ADMINISTRATIVE LETTER 16-01

To: Area Agency on Aging Directors
From: Suzanne P. Merrill, Director *Suzanne P. Merrill*
Subject: Suspension of Funding List (SOFL)
Date: January 29, 2016

The purpose of this Administrative Letter is to provide clarification regarding suspension of funding for non-State entities. This guidance replaces DAAS Administrative Letter 10-13. According to General Statute 143C-6-23 and Administrative Code Chapter 09 NCAC 03M, "State agencies are prohibited from entering into new contracts with non-State entities and should withhold grant funds not yet disbursed until the grantee (local provider) has been removed from the Suspension of Funding List (SOFL)."

The Office of State Budget and Management (OSBM) Suspension of Funding List is published weekly on their website (www.osbm.nc.gov). The list is also generated by the NC Grants system (www.ncgrants.gov) that sends this listing weekly to Area Agencies on Agency (AAA) Directors listserv. AAAs are required to review the SOFL weekly along with DAAS to ensure compliance. Area Agencies are to notify their local providers appearing on the SOFL including those with funding sources other than the Division of Aging and Adult Services (Department of Public Safety, Department of Transportation, Department of Administration, etc.) that reimbursement for services provided is suspended until the local provider is removed from the SOFL.

According to G.S. 143C-6-23, local providers have either 6 or 9 months based on the funding amount from their fiscal year end to submit required reports to the OSBM. Local providers that fail to comply will have funding suspended immediately until compliance requirements have been met to remove the provider from the SOFL. Local providers with multiple funding sources must meet requirements for all funding sources before the provider can be removed from this list.

Local providers that rectify compliance issues should notify the AAA that reporting documents were submitted to meet the compliance requirement to be removed for the SOFL. If the local provider continues to be non-complaint after 30 days, the AAA shall notify the Division's Lead Monitor to have the provider made inactive in ARMS. In doing so, DAAS will prevent the provider from entering new clients, units, printing reports, etc. The AAA may request the local provider be made active once removed from the SOFL and reimbursement payments will resume. Reimbursements held during the period of non-compliance will also be disbursed.

If you have questions or concerns, please contact Jennifer Powell at 919-855-3448. Thank you.

SPM:jp

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