

1 **10A NCAC 67A .0105 ADMINISTRATION AND AGENCY COMPLIANCE**

2 (a) Federal and state participation in the cost of administration may not be claimed when agencies are not in
3 compliance with the standards set forth in 10A NCAC 67A .0103 or when the county fails to submit an acceptable
4 plan for compliance within 90 days of notification of non-compliance.

5 (b) The regional director or his or her designated representative shall evaluate each county department of social
6 services periodically, but not less than every three years, to determine compliance with the established standards, ~~using~~
7 ~~form DSS 1414~~ for each location. The evaluation shall be triggered by information known to the Regional Office,
8 such as changes in program regulations or staffing patterns which would affect compliance, or complaints concerning
9 compliance issues. A county department of social services shall be deemed to be in compliance until the Regional
10 Director determines, after evaluation, that the agency is not in compliance.

11 (c) At the conclusion of an evaluation, the principal reviewer shall meet with the director of the county department to
12 discuss the findings. Following this exit conference, the principal reviewer shall prepare a written report and transmit
13 the report to the Regional Director. If the findings of the review indicate the county department is in compliance, the
14 Regional Director will, within 30 days of the date of the evaluation, forward a copy of the administrative review report
15 to the agency director, the local social services board chairman, the chairman of the local board of county
16 commissioners and the county manager under a transmittal letter indicating the agency's compliance. If the county
17 department is not in compliance, the following steps shall be taken within 30 days of the date of the evaluation:

18 (1) The regional director shall send a copy of the evaluation report to the county director, the local social
19 services board chairman, the chairman of the local board of county commissioners and the county
20 manager:

21 (A) citing the specific findings of non-compliance and what is required to come into
22 compliance:

23 (B) notifying the agency that it has 90 days from the receipt of the report to come into
24 compliance in these areas or to develop and submit to the division a corrective action plan.
25 The division is responsible for providing consultation and technical assistance regarding
26 the areas of non-compliance to the local agency upon request; and

27 (C) notifying the agency that all federal and state administrative funds will be withheld should
28 the county fail to comply or submit an acceptable plan for compliance within 90 days of
29 notification of non-compliance.

30 (2) By the end of the 90 day notice period, the county department shall achieve compliance or submit a
31 corrective action plan to the division. If the corrective action plan contains provision for
32 construction of new facilities, construction plans, which will require the approval of the division
33 director, must be submitted prior to construction.

34 (3) In the event that the county department submits a corrective action plan to the division within the
35 90 day notice period, the Regional Director shall review the corrective action plan to ensure that it
36 addresses each specific finding of non-compliance, and that the implementation of the corrective

1 action plan can be expected to bring the agency into compliance. If construction plans are submitted
2 as part of corrective action, the Regional Director will obtain the approval of the division director.

3 (4) Within 30 days after receipt of the plan, the Regional Director shall either approve the plan as
4 submitted or indicate how the county department can amend the corrective action plan in order to
5 obtain approval. After a corrective action plan has been approved, the Regional Director shall
6 monitor the agency's progress towards compliance during the corrective action phase, and inform
7 the agency, the local social services board chairman, the chairman of the local board of county
8 commissioners and the county manager of its findings in writing. If the findings indicate that the
9 agency is not making sufficient progress towards compliance in accordance with its corrective action
10 plan, the Regional Director shall so notify the agency, the local social services board chairman and
11 the chairman of the local board of county commissioners in writing that the agency has an additional
12 60 days from receipt of the notice to achieve compliance. If the agency does not achieve compliance
13 or make sufficient progress towards compliance in accordance with its corrective action plan within
14 the additional 60 day period, withholding shall commence in accordance with the procedures set
15 forth in Paragraph (c) (5) of this Rule.

16 (5) In the event that the county department of social services fails to submit a corrective action plan
17 within the 90-day notice period, the division director shall, within 30 days of the above referenced
18 notification of county authorities, recommend to the secretary the withholding of all federal and
19 state administrative funds. If the secretary concurs with the division director's recommendation, the
20 secretary will, within 30 days of the division director's recommendation, notify the agency director,
21 the local social services board chairman, the chairman of the local board of county commissioners
22 and the county manager of the decision to withhold funds. The withholding of these funds shall be
23 retroactive to the date of the original transmittal letter signed by the Regional Director notifying the
24 agency of non-compliance and shall continue until the requirement for a compliance plan is met. If
25 the county department appeals the decision under the procedures outlined in Paragraph (d) of this
26 Rule, the action to withhold funds will be deferred until the conclusion of the hearing and any
27 subsequent appeals.

28 (d) A county department of social services which is not in compliance and has been notified by the secretary of the
29 decision to withhold funds, may appeal. If an appeal is desired, the county is required under G.S. 150B-23(a), as
30 amended by Chapter 878 of the 1987 North Carolina Session Laws, to file hearing requests for Department of Human
31 Resources matters with the Office of Administrative Hearings.

32
33 *History Note: Authority G.S. 143B-153; 150B-23(a); 45 C.F.R. 205-170(b);*
34 *Eff. April 1, 1978;*
35 *ARRC Objection March 17, 1988;*
36 *Amended Eff. March 1, 1990; August 1, ~~1988~~1988;*
37 *Readopted Eff. July 1, 2019.*