



North Carolina Department of Health and Human Services
Division of Social Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS
Sherry S. Bradsher
Division Director

April 22, 2013

Dear County Director of Social Services

Subject: Sequestration of SSBG

The Budget Control Act of 2011 required a series of sequestration spending cuts that reduced approximately \$85 billion in federal funds for the remainder of the federal fiscal year. As a part of these sequestration cuts the Social Services Block Grant (SSBG) was reduced by 5.1% in total. As a result, the state must reduce our SSBG allocations as well. This reduction will include county SSBG funding. Therefore, the fourth quarter SSBG Funding Authorization will be reduced by \$2,003,900. The reduction will be taken proportionately by county.

In an effort to mitigate the loss of federal SSBG funds; counties will receive additional Permanency Planning funds equal to the amount of their SSBG reduction. These funds will be subject to a 10% administration cap as required under Title IV-B subpart 1. Therefore, counties will receive two funding authorizations; one for administration and one for services. Additional reporting information and funding authorizations will be released as soon as possible. Should you have any questions please contract your Local Business Liaison.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Sommese".

Kathy Sommese
Chief, NC DSS Budget Office

BG 04 2013

Budget Office
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