



North Carolina Department of Health and Human Services  
Division of Social Services  
Child Support Enforcement

Post Office Box 20800, Raleigh, NC 27619-0800 Courier # 55-41-12  
Telephone (919) 255-3800

Beverly Eaves Perdue, Governor  
Lanier M. Cansler, Secretary

Sherry S. Bradsher, Director

September 8, 2010

**CSE-10-2010**

**Dear County Director of Social Services:**

**Attention: Child Support Managers, Supervisors and Fiscal Staff**

**Subject: Fiscal Reporting Procedures for the Child Support Enforcement (CSE) Incentive Recovery**

The American Recovery and Reinvestment Act allowed counties to match their Incentive Funds for the limited time period of October 1, 2008 through September 30, 2010. Therefore, effective October 1, 2010, counties will no longer be able to use the incentives funds as match. Note that the August 1571's processed in September will be the last incentive reimbursement to be reported prior to October 1, 2010.

We will instruct the Office of Controller to disable Application code 202 effective October 1, 2010, and counties will no longer be able to use this application code to report CSE Incentive Recovery funds on the DSS-1571. Thus at that time counties should begin to use application code 123; function code 79, column 10 or 123-4 non-reimbursable codes only for reporting the CSE Incentive expenditures.

If you have any questions concerning these reporting procedures, please contact the appropriate Local Business Liaison (LBL) assigned to your county or Michele Tart at (919) 255-3803.

Sincerely,

A handwritten signature in black ink that reads "Jack W. Rogers".

Jack Rogers, Deputy Director  
N.C. Division of Social Services

Cc: Sherry Bradsher  
Kathy Sommese  
Jack Griffin  
Debbie Hawkins  
Myra Dixon  
Child Support Program Representatives  
Local Business Liaisons