

May 10, 2016

Dear County DSS Directors  
Dear County Child Support Managers

**Reference:** Incentives

North Carolina Session Law 2015-241 requires the North Carolina Child Support (NCCSS) program to achieve four goals:

- retain up to fifteen percent of the federally earned incentives;
- review the incentives methodology;
- prepare the incentives guide; and
- submission of an annual plan by each county on the use of incentives.

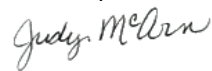
North Carolina Child Support will withhold fifteen percent of the federally earned incentives received from the annual federal award effective July 1, 2016. The fifteen percent retained will be used towards child support enhancements to assist local child support agencies in increasing their performance and overall effectiveness.

NCCSS developed an Incentives Guide, which includes the incentives performance methodology, incentive overview, suggested use of incentives and instructions for waivers. At this time there is no recommendation for any modification to the logic for incentive calculations. As a condition of receiving federal incentive funds, each county will submit an annual plan due to NCCSS by August 1st of each state fiscal year. This plan documents county reinvestment of federal incentive funding supporting the IV-D program.

The Incentives Guide, County Annual Plan and Report, as well as a sample of the County Annual Plan and Report and waiver are attached.

Questions may be directed to Judy McArn (919.855.4431), James McQueen (919.855.4402) or Debbie Henderson (919.855.4455).

Sincerely,



Judy McArn, Chief

CSS- 05-2016  
Attachments

cc: Wayne Black  
Jack Rogers  
James McQueen  
Kathy Sommese  
Debbie Henderson