



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

2408 Mail Service Center • Raleigh, North Carolina 27699-2408
Courier # 56-20-25

Michael F. Easley, Governor
Dempsey Benton, Secretary

Sherry S. Bradsher, Director
(919) 733-3055

November 18, 2008

DEAR COUNTY DIRECTOR OF SOCIAL SERVICES

ATTENTION: Child Welfare Program Administrators and Supervisors

SUBJECT: Results of the Local County Reviews Conducted by the Office of the State Auditor

This letter is to inform you of the special reviews that have been conducted in some counties by the North Carolina Office of the State Auditor (OSA). In the State Fiscal year ending 2008, special reviews were conducted by the OSA in five (5) counties on 125 cases. These local county special reviews are expected to continue indefinitely and although, the number of local counties to be reviewed is expected to remain at five (5), the number of cases to be reviewed is anticipated to increase. More specifically, the auditors from OSA are performing reviews at the local county departments of social services focusing on compliance with IV-E program eligibility criteria.

Based on the five (5) counties that were a part of the eligibility reviews for the SFY ending 2008, the trends of the findings are listed below:

IV-E Adoption Assistance:

1. The Adoption Assistance Agreement (DSS-5013) was dated after the formal Adoption decree and;
2. One finding indicated that the Adoption Assistance Eligibility Checklist (DSS-5012) confirmed eligibility for Title IV-B Adoption Assistance. However, Adoption Assistance was paid through IV-E.

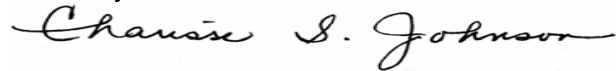
IV-E Foster Care:

1. The Judicial Determination was not made within 60 days;
2. The child did not live with a parent or specified relative within the six (6) month timeframe;
3. Initial and updated case plans were missing from some files;
4. Eligibility determinations were not completed timely;
5. Inaccurate data entry into the State's reimbursement system resulted in the reimbursements for a child who was no longer in the Foster Care Program.

A recommendation resulting from the review is to emphasize the importance of timely reconciliations of monthly fiscal reports. Your Local Business Liaison will provide consultation, as needed, to assist in the facilitation of this reconciliation process. In addition, the Division's Staff Development team offers in its curriculum, *IV-E: An Overview*, and *Money Matters: Foster Care Funding Basics*. The Division encourages participation in these courses for professional development and to facilitate a growing knowledge of IV-E eligibility, the various funding streams for foster care placement, and the reimbursement system.

Each county that was reviewed and had findings should work closely with their Children's Program Representative on developing a Corrective Action Plan. The Local Business Liaison assigned to your county will assist in evaluating the findings to determine any questioned costs. If you have any questions on this letter or the review process, contact Carla McNeill, Program Compliance Manager, at (919) 334-1105 or by email at Carla.McNeill@ncmail.net.

Sincerely,

A handwritten signature in black ink that reads "Charisse S. Johnson". The signature is written in a cursive style with a large, prominent "C" at the beginning.

Charisse S. Johnson, Chief
Child Welfare Services

cc: Sherry Bradsher
Jo Ann Lamm
Sarah Barham
Local Business Liaisons
Children's Program Representatives
Family Support and Child Welfare Team Leaders

CWS-63-08