

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

2407 Mail Service Center •Raleigh, North Carolina 27699-2407

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

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

May 18, 2006

DEAR COUNTY DIRECTOR OF SOCIAL SERVICES:

ATTENTION: Children's Services Program Managers and Supervisors

SUBJECT: Compliance Monitoring for IV-E Eligibility

Effective immediately, the North Carolina Department of Health and Human Services, Division of Social Services is implementing a protocol for recouping County Responsible Overpayments for applicable cases found to be ineligible for IV-E funding during the Child Welfare Program monitoring process. The Division received notification through an ACF Regional Administrator's Memo regarding the Recovery and Reporting of Improper Payments Occurring in the Title IV-E Foster Care and Adoption Assistance Programs. This memo reminded us of the State's responsibility to identify, recover and report improper payments in the Title IV-E Foster Care and Adoption Assistance programs. It has taken us some time to develop a system to recover and report the payments.

The Child Welfare Program Compliance Monitor completing the onsite monitoring process will be responsible for sharing monitoring results with the County Department of Social Services, the assigned Children's Programs Representative (CPR) and the Local Business Liaison (LBL) after completing the on-site monitoring process. When errors are discovered, the CPR and the county's LBL will assist the county in determining whether there is a County Responsible Overpayment and the effective date of the overpayment. The amount of the County Responsible Overpayment (if any) must be determined and notification of that amount transmitted to the Division's Financial Resource Coordinator within 30 days of receipt of the letter from the Child Welfare Compliance Monitor regarding the onsite monitoring results. Tina Bumgarner is the Financial Resource Coordinator and can be reached via email at Tina.Bumgarner@ncmail.net. Her telephone number is (704) 462-2686. The recoupment process is outlined below:

- The CPR and LBL work with county to determine the amount of overpayment;

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- The CPR is then responsible for communicating that amount via email to the Financial Resource Coordinator, the Division and the Compliance Monitor;
- The Financial Resource Coordinator will make the adjustment and notify the DHHS Controller's Office to deduct the payment and post corrections to the Child Placement and Payment System;
- The CPR will also assist the county with any corrective action related to policy clarification or training issues noted during the onsite monitoring process.

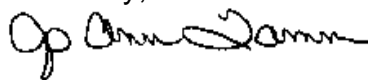
Once it has been determined that a County Responsible Overpayment has occurred, and federal funds have been claimed in error, it is imperative that the overpayment amount be submitted to the Division's Financial Resource Coordinator immediately. Based on guidance from the Administration for Children and Families (ACF), the unallowed expenditures are considered as a debt to the federal government and interest charges will accrue in accordance with 45 CFR 30.13 and 45 CFR 30.14. If the county submits the notice for adjustments within 30 days of the notification, interest charges may not apply. Failure to submit the notification within the 30 days will result in interest accruing from the date of the initial notification of the error.

The appeals process for Child Welfare Program Compliance Monitoring remains the same. After receipt of the notification letter from the Child Welfare Program Compliance Monitor regarding the onsite monitoring results, any county wishing to appeal the monitoring results should send the appeal letter and all supporting documentation within 30 days to:

David Atkinson
North Carolina Division of Social Services
325 North Salisbury Street
2439 Mail Services Center
Raleigh, NC 27699-2439

If you have any questions regarding the implementation of the County Responsible Overpayment Protocol and process, please contact Beverly Daniel at (919) 733-9461, or email at Beverly.Daniel@ncmail.net.

Sincerely,



Jo Ann Lamm, Chief
Family Support and Child Welfare Services

cc: Sherry S. Bradsher
Children's Program Representatives
Work First Representatives
Family Support and Child Welfare Services Team Leaders
Local Business Liaisons

FSCWS-36-06