



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

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Wayne E. Black
Division Director

July 31, 2015

Dear County Director of Social Services:

Re: Plans for Achieving Food and Nutrition Services Processing Requirements

As noted in the Administrative Letter issued by Economic and Family Services on June 24, 2015, the N.C. Department of Health and Human Services was issued an Advance Warning letter stating that North Carolina is failing to meet processing timeliness standards and placing our state on corrective action. Failure to achieve corrective actions and achieve timeliness averages of 85% for July 1 – December 31, 2015 and 95% for the period of January 1 – June 30, 2016 could result in North Carolina being subject to "the suspension or disallowance of administrative funds in accordance with the code of Federal Regulation (CFR) 276.4." For SFY 2014-15, the total federal reimbursement for FNS administration was \$75,610,621. Please refer to the attached document to determine the potential loss of reimbursement for your count.

While we need to focus on timeliness, we must also improve in the areas of payment accuracy and case and procedure error rate. Our FFY error rate for payment accuracy of 4.98% places our state at risk of a financial penalty which could also result in a loss of a percentage of our administrative reimbursement. Our payment accuracy rate for the period of October 2014 – February 2015 is 7.15%. The latest report from USDA listed our CAPER for FFY 2014 at 64.45% (National average of 26.3%) Corrective action is needed in all three (3) of these areas of performance.

In finalizing a draft State Corrective Action Plan for processing timeliness a meeting (including County Directors) was held with representatives from USDA on July 22, 2015. A detailed plan, with input from USDA as to plan requirements, has been completed and forwarded to USDA. The Plan will require obtaining information via county surveys. Details will be forthcoming.

All 100 County Departments of Social Services will be required to prepare and submit plans detailing strategies that are being or will be implemented to assure that requirements are met in all three (3) areas of performance. You may expect to receive a Dear County Letter within the next two (2) weeks along with a template for completion of your County Plan. The County Plan will be due by August 31, 2015.

www.ncdhhs.gov • www.ncdhhs.gov/dss
Tel 919-527-6335 • Fax 919-334-1018

Location: McBryde Bldg. • 820 S. Boylan Avenue • Raleigh, NC 27603

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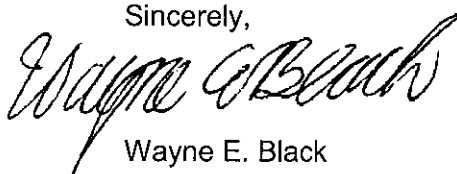
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Our Division will also be working with the DSS Directors Association to compile and share "best practices" that have proven effective in achieving these requirements.

As noted, in the June 24, 2015 Administrative Letter, reports have been adjusted to capture applications approved by the 4th calendar day (expedited) or the 25th calendar day (normal). We recognize that many applications that exceed these dates are pending for good cause. Our intention is to assure that we are processing applications in a manner that assures success when cases are pulled and verified as part of the quality control (QC) process.

Our Division will continue to provide information to counties through monthly Director webinars, regional meetings and statewide meetings. Thank you for your support as we work to achieve success.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne E. Black". The signature is written in a cursive style with a large, stylized initial "W".

Wayne E. Black

Attachment

WEB/arg

DIR-10-2015

County	June 2015 Direct Staff			June 2015 Direct Staff			County's Annualized		
	Direct Staff	June 2015 Direct Staff Salary & Fringe	Salary & Fringe	Allocated Overhead	Annualized Cost	Reimbursement	@ 50%		
	FTE's	Fringe	INCLUDING						
Alamance	25.8890	\$85,695.26	\$166,262.72	\$166,262.72	\$1,995,152.64	\$997,576.32			
Alexander	4.0740	\$11,908.56	\$21,606.72	\$21,606.72	\$259,280.64	\$129,640.32			
Alleghany	2.1933	\$7,374.98	\$14,673.55	\$14,673.55	\$176,082.60	\$88,041.30			
Anson	8.4030	\$27,714.11	\$46,892.05	\$46,892.05	\$562,704.60	\$281,352.30			
Ashe	8.3392	\$34,634.63	\$63,871.58	\$63,871.58	\$766,458.96	\$383,229.48			
Avery	3.3986	\$13,823.84	\$23,782.03	\$23,782.03	\$285,384.36	\$142,692.18			
Beaufort	11.1966	\$35,492.58	\$83,892.07	\$83,892.07	\$1,006,704.84	\$503,352.42			
Bertie	5.8409	\$23,290.43	\$35,764.77	\$35,764.77	\$429,177.24	\$214,588.62			
Bladen	11.0989	\$48,414.49	\$81,286.82	\$81,286.82	\$975,441.84	\$487,720.92			
Brunswick	13.4536	\$60,971.86	\$120,018.46	\$120,018.46	\$1,440,221.52	\$720,110.76			
Buncombe	62.3362	\$498,788.53	\$897,507.79	\$897,507.79	\$10,770,093.48	\$5,385,046.74			
Burke	14.4515	\$43,760.15	\$88,632.93	\$88,632.93	\$1,063,595.16	\$531,797.58			
Cabarrus	31.1083	\$113,064.15	\$203,268.43	\$203,268.43	\$2,439,221.16	\$1,219,610.58			
Caldwell	11.1176	\$37,583.95	\$72,204.64	\$72,204.64	\$866,455.68	\$433,227.84			
Camden	1.4695	\$5,362.65	\$11,623.64	\$11,623.64	\$139,483.68	\$69,741.84			
Carteret	9.8196	\$34,670.17	\$58,782.79	\$58,782.79	\$705,393.48	\$352,696.74			
Caswell	4.3240	\$14,125.77	\$23,726.13	\$23,726.13	\$284,713.56	\$142,356.78			
Catawba	23.0572	\$121,703.58	\$200,836.15	\$200,836.15	\$2,410,033.80	\$1,205,016.90			
Chatham	5.7741	\$17,765.96	\$41,298.40	\$41,298.40	\$495,580.80	\$247,790.40			
Cherokee	7.3357	\$20,763.64	\$43,983.21	\$43,983.21	\$527,798.52	\$263,899.26			
Chowan	4.9509	\$16,720.00	\$38,151.38	\$38,151.38	\$457,816.56	\$228,908.28			
Clay	3.0465	\$9,348.92	\$22,726.06	\$22,726.06	\$272,712.72	\$136,356.36			
Cleveland	26.8969	\$93,543.56	\$174,250.72	\$174,250.72	\$2,091,008.64	\$1,045,504.32			
Columbus	15.0000	\$49,318.67	\$82,391.21	\$82,391.21	\$988,694.52	\$494,347.26			
Craven	24.8752	\$95,687.01	\$174,908.82	\$174,908.82	\$2,098,905.84	\$1,049,452.92			
Cumberland	43.5803	\$148,822.26	\$360,190.05	\$360,190.05	\$4,322,280.60	\$2,161,140.30			
Currituck	3.0000	\$10,669.21	\$20,238.35	\$20,238.35	\$242,860.20	\$121,430.10			
Dare	5.9879	\$23,564.34	\$49,423.52	\$49,423.52	\$593,082.24	\$296,541.12			

Davidson	23.2593	\$75,559.49	\$117,276.62	\$1,407,319.44	\$703,659.72
Davie	4.6615	\$19,579.65	\$31,844.90	\$382,138.80	\$191,069.40
Duplin	15.4100	\$45,527.01	\$91,195.82	\$1,094,349.84	\$547,174.92
Durham	31.6870	\$143,320.27	\$347,320.99	\$4,167,851.88	\$2,083,925.94
Edgecombe	16.7921	\$53,266.97	\$97,833.67	\$1,174,004.04	\$587,002.02
Forsyth	52.3794	\$169,843.17	\$311,401.27	\$3,736,815.24	\$1,868,407.62
Franklin	10.4498	\$31,913.04	\$70,699.74	\$848,396.88	\$424,198.44
Gaston	32.8516	\$132,696.85	\$225,996.98	\$2,711,963.76	\$1,355,981.88
Gates	4.4042	\$14,888.88	\$32,730.59	\$392,767.08	\$196,383.54
Graham	2.2163	\$6,144.73	\$13,973.51	\$167,682.12	\$83,841.06
Granville	10.2851	\$31,146.37	\$64,317.44	\$771,809.28	\$385,904.64
Greene	4.9700	\$15,356.41	\$33,988.86	\$407,866.32	\$203,933.16
Guilford	66.8348	\$316,932.94	\$548,126.61	\$6,577,519.32	\$3,288,759.66
Halifax	17.9000	\$55,820.87	\$122,707.61	\$1,472,491.32	\$736,245.66
Harnett	20.0277	\$76,162.84	\$135,220.35	\$1,622,644.20	\$811,322.10
Haywood	11.6693	\$41,016.47	\$83,116.69	\$997,400.28	\$498,700.14
Henderson	15.4470	\$57,230.65	\$113,150.86	\$1,357,810.32	\$678,905.16
Hertford	10.1664	\$29,348.39	\$58,815.73	\$705,788.76	\$352,894.38
Hoke	9.1956	\$33,909.11	\$58,148.05	\$697,776.60	\$348,888.30
Hyde	2.0851	\$7,320.04	\$15,464.13	\$185,569.56	\$92,784.78
Iredell	17.9294	\$63,544.64	\$115,179.04	\$1,382,148.48	\$691,074.24
Jackson	6.6695	\$24,031.84	\$51,468.16	\$617,617.92	\$308,808.96
Jackson NAM	0.7726	\$2,545.09	\$6,212.87	\$74,554.44	\$37,277.22
Johnston	30.6052	\$116,675.82	\$200,967.29	\$2,411,607.48	\$1,205,803.74
Jones	1.8311	\$7,631.71	\$15,976.19	\$191,714.28	\$95,857.14
Lee	11.9900	\$42,132.33	\$66,990.80	\$803,889.60	\$401,944.80
Lenoir	14.6329	\$51,033.09	\$100,236.57	\$1,202,838.84	\$601,419.42
Lincoln	10.0543	\$34,365.19	\$72,682.66	\$872,191.92	\$436,095.96
Macon	6.7624	\$22,753.71	\$46,058.87	\$552,706.44	\$276,353.22
Madison	3.9996	\$11,091.21	\$26,208.20	\$314,498.40	\$157,249.20
Martin	7.3640	\$24,582.60	\$45,791.87	\$549,502.44	\$274,751.22
McDowell	10.0390	\$33,944.20	\$53,812.54	\$645,750.48	\$322,875.24
Mecklenburg	169.9347	\$715,111.34	\$1,812,716.86	\$21,752,602.32	\$10,876,301.16
Mitchell	4.3524	\$20,892.53	\$28,309.25	\$339,711.00	\$169,855.50

Montgomery	9.5087	\$29,253.41	\$55,724.33	\$668,691.96	\$334,345.98
Moore	10.0000	\$36,852.60	\$73,776.95	\$885,323.40	\$442,661.70
Nash	18.1356	\$67,950.43	\$114,852.87	\$1,378,234.44	\$689,117.22
New Hanover	44.1023	\$180,144.89	\$317,915.95	\$3,814,991.40	\$1,907,495.70
Northampton	8.0000	\$26,723.44	\$62,216.04	\$746,592.48	\$373,296.24
Onslow	27.2062	\$100,171.90	\$154,550.70	\$1,854,608.40	\$927,304.20
Orange	19.4925	\$85,887.18	\$196,631.77	\$2,359,581.24	\$1,179,790.62
Pamlico	4.1900	\$13,433.66	\$26,163.65	\$313,963.80	\$156,981.90
Pasquotank	13.2484	\$47,016.24	\$77,213.30	\$926,559.60	\$463,279.80
Pender	8.2279	\$29,370.70	\$59,590.94	\$715,091.28	\$357,545.64
Perquimans	2.0000	\$6,438.85	\$12,317.30	\$147,807.60	\$73,903.80
Person	12.5254	\$42,360.82	\$74,062.19	\$888,746.28	\$444,373.14
Pitt	27.1445	\$99,309.41	\$167,423.48	\$2,009,081.76	\$1,004,540.88
Polk	2.7395	\$9,135.31	\$16,152.47	\$193,829.64	\$96,914.82
Randolph	17.6562	\$64,092.59	\$109,057.05	\$1,308,684.60	\$654,342.30
Richmond	16.0605	\$53,992.11	\$86,082.27	\$1,032,987.24	\$516,493.62
Robeson	41.7429	\$162,057.19	\$285,872.91	\$3,430,474.92	\$1,715,237.46
Rockingham	18.0605	\$64,357.52	\$104,305.37	\$1,251,664.44	\$625,832.22
Rowan	23.5282	\$94,932.91	\$150,563.14	\$1,806,757.68	\$903,378.84
Rutherford	10.9310	\$30,291.56	\$58,175.54	\$698,106.48	\$349,053.24
Sampson	15.4319	\$60,646.96	\$180,647.93	\$2,167,775.16	\$1,083,887.58
Scotland	9.3018	\$32,479.55	\$59,283.90	\$711,406.80	\$355,703.40
Stanly	9.3496	\$31,017.04	\$53,947.95	\$647,375.40	\$323,687.70
Stokes	7.1534	\$19,383.74	\$34,316.04	\$411,792.48	\$205,896.24
Surry	12.5962	\$45,512.33	\$78,064.82	\$936,777.84	\$468,388.92
Swain	3.8012	\$11,483.84	\$20,468.25	\$245,619.00	\$122,809.50
Swain NAM	0.7905	\$2,662.04	\$5,088.12	\$61,057.44	\$30,528.72
Transylvania	5.9800	\$23,282.16	\$49,635.93	\$595,631.16	\$297,815.58
Tyrrell	2.0000	\$6,855.95	\$17,652.13	\$211,825.56	\$105,912.78
Union	21.6846	\$96,598.77	\$181,195.53	\$2,174,346.36	\$1,087,173.18
Vance	14.4500	\$55,195.98	\$95,049.70	\$1,140,596.40	\$570,298.20
Wake	62.4600	\$264,869.94	\$474,930.04	\$5,699,160.48	\$2,849,580.24
Warren	7.5204	\$26,985.61	\$53,417.99	\$641,015.88	\$320,507.94
Washington	6.0087	\$19,364.26	\$38,444.27	\$461,331.24	\$230,665.62

Watauga	4.0000	\$19,583.44	\$41,685.33	\$500,223.96	\$250,111.98
Wayne	21.9796	\$69,941.17	\$262,919.48	\$3,155,033.76	\$1,577,516.88
Wilkes	9.7218	\$34,995.33	\$52,378.07	\$628,536.84	\$314,268.42
Wilson	28.2623	\$106,738.81	\$184,025.59	\$2,208,307.08	\$1,104,153.54
Yadkin	5.6631	\$33,861.29	\$57,659.93	\$691,919.16	\$345,959.58
Yancey	4.1235	\$9,913.18	\$20,174.41	\$242,092.92	\$121,046.46
Total All Counties	1638.4267	\$6,447,046.82	\$12,601,770.21	\$151,221,242.52	\$75,610,621.26
Statewide Total	1638.4267	\$6,447,046.82	\$12,601,770.21	\$151,221,242.52	\$75,610,621.26
Sum check	0.0000	0.0000	0.0000	0.0000	0.0000

Data obtained from June 2015 XS325 Report - issued 7/22/15 (Columns B & C - First Pass -- Column D - Final Pass)

June 2015 Data & Expenditures - Reported and Reimbursed July 2015

Allocated Costs - Supervisors, Support Staff, Admin Staff, Overhead & Direct Program Costs from the Part II (310 / 311 with Indirect Cost Plan, 359, ADP, etc..)