



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

325 North Salisbury Street
2420 Mail Service Center • Raleigh, North Carolina 27699-2420
Courier # 56-20-25

Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary

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

March 17, 2010

RE: Contingency Administrative Funding for Food and Nutrition Services

Dear County Director of Social Services:

On December 19, 2009, the President signed into law the Department of Defense (DoD) Appropriations Act of 2010, which appropriated contingency funding to states for the costs associated with administering the Food and Nutrition Services Program. These additional funds are in no way associated with the American Recovery and Reinvestment Act (ARRA) of 2009. These are 100 percent federal funds and do not require a county match. The contingency funds are intended to help address the growing strain on existing resources related to the administration of the Food and Nutrition Services Program. These funds are intended to supplement current county funds for Food and Nutrition Services. An example of supplementing the FNS Program would be the hiring of additional FNS staff.

Attached is the allocation for each county plus Swain and Jackson Indian Tribe. Each county received a base allocation of \$35,000 and then the balance was distributed to counties based on current caseload numbers. The funds made available under this initial allocation will be available for April expenditures and must be obligated by September 30, 2010. Any funds not obligated at the end of federal fiscal year 2010 will be recovered by USDA and reallocated to all states for federal fiscal year 2011. Obligated funds will be available for states to spend until September 30, 2011. Each state must submit a plan and a budget to USDA indicating how the funds will be obligated and spent during FFY 2010 and FFY 2011. Therefore each county plus the two tribes must submit a plan by April 5, 2010 to the Division outlining how their FNS administrative fund allocation will be obligated and spent. The plans must include how these funds will be obligated as well as a detailed budget and timeline for the spending of these funds. In planning for the spending of the funds, counties should keep in mind that proposed changes in Food and Nutrition Services Categorical Eligibility Policy, which will be effective by July 1, 2010, will increase Food and Nutrition Services caseloads. The Division will review each plan to ensure that funds are being used to

help counties manage the current increase in FNS caseloads and the projected increase due to upcoming changes in policy.

Completed plans are to be emailed to dean.simpson@dhhs.nc.gov or faxed to (919) 334-1266, Attention Dean Simpson by close of business on April 5, 2010. Each county will receive a response within 48 hours after their plan is submitted indicating approval or if follow-up information is needed.

The Division will monitor how the Contingency funds are spent and provide feedback and support to county DSS agencies. These funds must be tracked separately from the regular FNS program. Counties will receive a separate allocation and funding authorization for the contingency funds from the DSS Budget Office. The DHHS Controller's Office will also issue a separate letter providing counties with reporting instructions for these funds.

If you have questions please call me at (919) 334-1234 or contact your Local Business Liaison.

Sincerely,

A handwritten signature in cursive script that reads "Dean Simpson".

Dean Simpson, Chief
Economic and Family Services

DS:dl
Attachment
EFS-FNSEP-09-2010