



## 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

September 28, 2009

### **RE: ARRA Administrative Funding for Food and Nutrition Services Close Out Procedures**

Dear County Director of Social Services:

Federal regulations require that allowable charges from the first allotment of ARRA Administrative funds must be obligated by September 30, 2009. To qualify as obligated, these funds must either be recorded as an encumbrance in the county's accounting records or represented by a purchase order issued to a vendor. Funds obligated in September 2009 must be liquidated (spent) by October 31, 2009 and reported to the State office on the DSS 1571 with your November 2009 upload. This will be the last opportunity to report expenditures from the first allotment of ARRA Administrative funds.

Effective October 1, 2009 the second allotment of ARRA Administrative Funds will be available for expenditures beginning October 1, 2009 to September 30, 2010. There will be new DSS 1571 Part I and II coding that counties will use for the second allotment of funds. Counties will receive a Dear County Director Letter from the DHHS Controller's Office detailing the fiscal reporting procedures for this new coding.

When reporting October 2009 services paid November 2009, both the old and new codes will be available. Counties must separate October expenditures that occurred as a result of obligating funds from the first allotment from expenditures that occurred from the second allotment and report to the appropriate application code. Reporting month November 2009 is the only month that both codes will be available. It is crucial that counties pay close attention to charges applied towards the ARRA funds for each period to ensure that the appropriate code is used.

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

**EFS-FNSEP-27-2009**