



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

Economic Independence Section • 325 North Salisbury Street  
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Courier # 56-20-25

Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Pheon E. Beal, Director  
(919) 733-3055

January 14, 2003

**Re: Automated Food Stamps**

Dear County Director of Social Services:

As a result of the Food Stamp Reauthorization Act of 2002, North Carolina's Food Stamp Program will undergo several positive changes in 2003. Planned changes have been discussed in committees throughout the past year, and we believe that implementation of these changes will provide enormous benefits to both clients and staff. Anticipated changes include:

- Alignment of budgeting procedures for several types of income and resources with the Work First Program and/or Medicaid for Families and Children Program;
- Elimination of the actual utility expense deduction and use of standard utility deduction amounts for all eligible food stamp households;
- Conversion from quarterly reporting to semi-annual reporting (SAR) for most food stamp households;
- Implementation of Transitional Food Stamp Benefits for families leaving Work First; **and**
- Modified eligibility requirements for several groups of immigrants who are currently ineligible to receive Food Stamp benefits.

While the implementation of SAR will simplify reporting for clients, reduce the number of case changes required, and reduce paperwork overall, there is one program area that will be negatively impacted by this change. Following a thorough evaluation of our automated systems, it has been determined that the Eligibility Information System (EIS) and the Food Stamp Information System (FSIS) will no longer be able to support Automated Food Stamps (AFS) with the implementation of the other components of Food Stamp Reauthorization.

In order for the modifications to the automated system to be completed for implementation of SAR and transitional benefits, no new AFS cases can be created after January 31, 2003. Also, all existing AFS cases will be uncombined on February 28, 2003. A DSS Administrative Letter will be issued to provide additional information and instructions concerning the elimination of AFS cases.

Please share this information with your staff and plan accordingly to address staffing and workload issues that may arise due to the elimination of AFS cases. Contact your Program Integrity or Work First Representative if you have any concerns or questions.

Sincerely,

Wilbert R. Morris, Chief  
Economic Independence Section

RM/bh

