



**DEPARTMENT OF HEALTH & HUMAN SERVICES**

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**ADMINISTRATION FOR CHILDREN AND FAMILIES**  
Administration on Children, Youth and Families  
330 C Street, S.W.  
Washington, D.C. 20201

JAN 29 2016

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Rick O. Brajer  
Secretary  
North Carolina Department of Health and  
Human Services  
101 Blair Drive  
2001 Mail Service Center  
Raleigh, North Carolina 27699-2001

Dear Secretary Brajer:

The Children's Bureau (CB), Administration for Children and Families (ACF), in collaboration with North Carolina Division of Social Services (NCDSS), completed a review of key areas of North Carolina's child welfare policy and practice to ensure substantial conformity with the State plan requirements found in titles IV-B and IV-E of the Social Security Act. The Child and Family Services Review (CFSR) process was initiated with an analysis of North Carolina's child welfare data and the development of a statewide assessment of areas seen as critical to the effective functioning of North Carolina's child welfare system. During the period April 1, 2015 through November 2, 2015, North Carolina staff completed reviews of 105 cases assisted through secondary oversight of completed instruments by the Children's Bureau. In addition, we conducted interviews with the state's stakeholders and partners.

As you know, the CFSR process is a large undertaking. We appreciate the amount of time and effort that you, your staff, and others committed to the development of the statewide assessment and the planning and implementation of the state-conducted case review process. While this is a joint Federal/State team effort, we acknowledge the leadership of Kevin Kelley and the work of NCDSS staff, particularly Rita Bland, Terri Reichert and Cynthia OBriant as well as those serving as steering team members and quality assurance reviewers. There were also many other NCDSS staff involved in various aspects of the review and their work was invaluable and essential to completing this review.

North Carolina should take great pride in those areas found to be strengths in its child welfare system. Four Systemic Factor items (Periodic Reviews, Permanency Hearings, Foster & Adoptive Parent Training, and Standards Applied Equally) were identified as strengths. We have determined that the state was not able to accurately report or meet the statewide data indicators for all measures. The state is not in substantial conformity with Safety Outcome 1, *Children are, first and foremost, protected from abuse and neglect*; Safety Outcome 2, *Children are safely maintained in their homes whenever possible and appropriate*; Permanency Outcome 1, *Children have permanency and stability in their living situations*; Permanency Outcome 2, *The Continuity of family relationships and connections is preserved for children*; Well Being Outcome 1, *Families have enhanced capacity to provide for their children's needs*; Well Being Outcome 2, *Children receive appropriate services to meet their educational needs, and* Well Being Outcome 3, *Children receive adequate services to meet their physical and mental health needs*. North Carolina is also not in substantial compliance with the systematic factors of Statewide Information System, Case Review System, Quality Assurance System, Staff and Provider Training, Service Array and Resource Development, Agency Responsiveness to the Community and Foster and Adoptive Parent Licensing Recruitment and Retention. Therefore, a program improvement plan (PIP) is required to address each outcome and systemic factor determined not to be in substantial conformity. The PIP must be submitted to the CB Regional Program Manager, Shalonda Cawthon, no later than 90 calendar days after receipt of this letter.

In accordance with 45 CFR 1355.36, an estimated minimum penalty of \$1,709,489 for federal fiscal year 2015 is applicable to this level of non-conformity. However, we are suspending the withholding of funds associated with this penalty during the PIP implementation period and the subsequent period of non-overlapping data. If we determine that North Carolina is successful in rectifying the areas that are in non-conformity per regulation we will rescind the withholding of federal funds associated with those respective areas at that time.

The Regional Office will assist you in developing the PIP to ensure that North Carolina establishes effective strategies for achieving the level of improvement agreed upon for each of the identified areas in accordance with 45 CFR 1355.35. To the extent possible, those involved with the CFSR planning process and the state-conducted review process, including the North Carolina NCDSS external partners, should be actively involved in the development, implementation and evaluation of the PIP. Please work with your Regional Office to access technical assistance support if needed for you to develop and implement your PIP.

Major elements of the PIP include the priorities assigned to North Carolina's work on each area of non-conformity, the necessary key activities associated with improving each of these areas, establishment of timeframes for completing the required improvements, how the state will report progress as well as ways to measure the improvement (45 CFR 1355.35(a) and (e)). We will work with your designated staff to jointly determine the specific content and the processes for evaluating progress and achievements with respect to the PIP. Most importantly, the PIP must address areas of non-conformity impacting child safety (45 CFR 1355.35(d)(2)).

Page 3 – Secretary Brajer

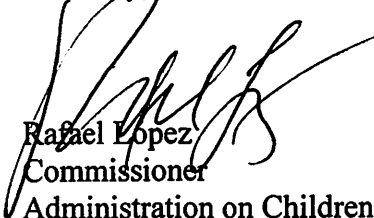
North Carolina should establish both short-term goals that will immediately impact the positive effects on children and families, and long-term goals that establish plans for lasting reforms. Once the PIP is developed and approved, elements of the PIP must be incorporated into the goals and objectives of your existing Child and Family Services Plan. In addition, progress in the implementation of the plan must be incorporated into your Annual Progress and Services Reports (45 CFR 1355.35(f)), due June 30<sup>th</sup> yearly.

We wish to remind you that federal regulations at 45 CFR 1355.37 require that each state make available for public review and inspection the statewide assessment, the final report, and the PIP developed as a result of the CFSR. Therefore, we urge you to consider how you will respond to inquiries concerning these documents and how you will make the information available as required. We are also obligated to respond to public inquiries regarding this information.

We have enclosed North Carolina's final report. The final report will also be posted on the CB's website.

We look forward to working collaboratively with you in your efforts to ensure the safety, permanency and well-being of children and families in North Carolina. If you have questions or concerns, please contact Regional Program Manager Shalonda Cawthon at (404)562-2242 or [shalonda.cawthon@acf.hhs.gov](mailto:shalonda.cawthon@acf.hhs.gov) or Regional Program Specialist, Kunle Baoku at (404)562-2949 or [kunle.baoku@acf.hhs.gov](mailto:kunle.baoku@acf.hhs.gov).

Sincerely,



Rafael Lopez  
Commissioner  
Administration on Children, Youth and Families

Enclosure

cc:

Kevin Kelley, Section Chief; Division of Social Services, NCDSS; Raleigh, NC  
Shalonda Cawthon, Child Welfare Regional Program Manager; CB, Region 4; Atlanta, GA  
Miranda Lynch Thomas, Supervisor; CFSR Unit, CB; Washington, DC  
Kunle Baoku, Regional Program Specialist; CB, Region 4; Atlanta, GA  
Misty Carlyle, Program Specialist; CFSR Unit, CB; Washington, DC