



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

SUSAN G. OSBORNE • Assistant Secretary for Human Services

October 31, 2022

Dear County Directors of Social Services

Attention: Directors of Social Services, Energy Administrators, Managers & Supervisors

Subject: Low Income Energy Assistance Program (LIEAP) Reclassification of Funds

Priority: HIGH

This communication is for your information, you do not need to take any action. We recently became aware that due to the excess Low-Income Energy Assistance Program (LIEAP) funds provided by the American Rescue Plan Act (ARPA) in State Fiscal Year 2022, there were several issues that occurred in the drawdown of funds that had a negative impact on local county DSS offices. This letter is to detail the issues that were found and what steps are being taken to resolve them.

ISSUE #1: In several counties ARPA LIEAP funds were incorrectly coded as regular LIEAP instead of ARPA LIEAP, causing the county to go over their allocation of regular LIEAP funds in SFY 2021-2022.

RESOLUTION: Any regular LIEAP funds that fall into this category are being reclassified as ARPA LIEAP funds. Counties will see a reimbursement for the overissued payments on their regular County Admin EFT for October 2022 and the FY 22/23 411 report will be corrected indicating this reclassification of funds. See the attached report titled "LIEAP Reclassification Detail Report", columns C and D to identify which counties were impacted and how much is being reclassified.

ISSUE #2: In several counties regular LIEAP funds were incorrectly coded as ARPA LIEAP instead of regular LIEAP, causing the county to go over their allocation of ARPA LIEAP funds in SFY 2021-2022.

RESOLUTION: Any ARPA LIEAP funds that fall into this category are being reclassified. Counties will see a reimbursement for the overissued payments on their regular County Admin EFT for October 2022 and the FY 22/23 411 report will be corrected indicating this reclassification of funds. See the attached report titled "LIEAP Reclassification Detail Report", columns F and G to identify which counties were impacted and how much is being reclassified

ISSUE #3: In some instances, counties were unable to issue the checks for regular LIEAP payments prior to May 31, 2022, causing the issuance to be reported on their July 1571 instead of their June 1571. This led to those funds being charged against any regular LIEAP allocations for SFY 2022-2023.

RESOLUTION: Funds in this category are being reclassified as ARPA LIEAP funds and the 411 report will be corrected indicating this reclassification of funds. See the attached report titled "LIEAP Reclassification Detail Report", columns I and J to identify which counties were impacted and how much is being reclassified. Note, this will not result in any additional funds being reimbursed to the counties.

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF SOCIAL SERVICES

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ISSUE #4: In some instances, counties were unable to issue the checks for ARPA LIEAP payments prior to May 31, 2022, causing the issuance to be reported on their July 1571 instead of their June 1571. This led to those funds being charged without a funding authorization for the funds.

RESOLUTION: Funds in this category are classified as ARPA LIEAP funds on the 411 report. See the attached report titled "LIEAP Reclassification Detail Report", columns L and M to identify which counties were impacted and how much is classified as ARPA LIEAP. Note, this will not result in any additional funds being reimbursed to the counties.

ISSUE #5: In some instances, counties continued to generate checks after July 1, 2022. This led to those funds being charged against any regular LIEAP allocations for SFY 2022-2023.

RESOLUTION: Funds in this category are being reclassified as ARPA LIEAP funds and the 411 report will be corrected indicating this reclassification of funds. See the attached report titled "LIEAP Reclassification Detail Report", columns O and P to identify which counties were impacted and how much is being reclassified. Note, this will not result in any additional funds being reimbursed to the counties.

If you have questions, please contact Jasmyne Simmons at Jasmyne.Simmons@dhhs.nc.gov.

Sincerely,

Carla



L. West, Senior Director for Human Services

CLW/as

EFS-FNSEP-69-2022

Attachments (1)

LIEAP Reclassification Detail Report

