

NORTH CAROLINA
Social Services Block Grant
Pre-Expenditure Report
Fiscal Year 2014

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I. State/Federal Fiscal Year covered in Pre-Expenditure Plan

Specify the fiscal year, including start and end dates, of the pre-expenditure plan.

Fiscal Year (*select one*):

State

Federal

Dates (*provide start and end date of fiscal year*):

Start Date: 07/01/13

End Date: 06/30/14

II. Letter of Transmittal

Provide a letter of transmittal that includes contact information for the SSBG contact person and the State SSBG official receiving the SSBG Grant Award.

Letter attached.

III. Public Inspection

Provide a description of how the State made the current pre-expenditure report available for public inspection and comment. Also provide documentation of public hearing (e.g., copies of public hearing notices, letters, newspaper articles, etc.) in Appendix A.

North Carolina made the current pre-expenditure report available for public inspection and comment by issuing a press release announcing the publication of the draft report and inviting public comment on any aspect of the report prior to finalizing the report. The press release announced the availability of the pre-expenditure report on the Department's website and area offices, and provided contact information and a deadline for the public to offer input. A copy of the press release is provided in Appendix A.

IV. Narrative

A. Administrative Operations

1. State Administrative Agency

Outline the mission and responsibilities, as well as the goal and objectives, of the agency designated to administer the State's SSBG program.

Agency Designated to Administer SSBG Program:
North Carolina Department of Health and Human Services (DHHS)

Mission of Agency:

The mission of DHHS is “to collaborate with our partners to protect the health and safety of all North Carolinians and provide essential human services.”

Agency Responsibilities:

North Carolina DHHS is responsible for ensuring the health, safety, and well being of all North Carolinians, providing the human service needs for fragile populations like the mentally ill, deaf, blind, and developmentally disabled, and helping poor North Carolinians achieve economic independence. DHHS touches the lives of virtually every North Carolinian from birth to old age – prenatal programs, child development programs, and rest home regulations. DHHS is responsible for providing employment-related services, medical assistance, child welfare and adult community care services, treatment and programs for youth at risk. DHHS also administers programs of vocational rehabilitation, independent living rehabilitation, and disability determination.

Agency Goals and Objectives:

The following are the goals and objectives of DHHS:

- Goal 1: Manage resources that provide an elevated level of effective and efficient delivery of services and programs to North Carolinians.
- Goal 2: Expand understanding and use of information to enhance the health and safety of North Carolinians.
- Goal 3: Offer outreach and services to individuals and families identified as being at risk of compromised health and safety.
- Goal 4: Provide services to individuals and families experiencing health and safety needs.

- Goal 5: Provide services and protection to individuals and families experiencing serious health and safety needs who are not, at least temporarily, able to assist themselves.

2. State Offices/Departments

Identify the State entities allocated SSBG funds and provide a brief description of the services supported by each of the entities.

SSBG funds are allocated to the following State entities:

Entities & Services Supported:

Division of Social Services (DSS): Adoption Services; Child Protective Services; Family Support Services; Foster Care Services for Children; Family Planning Services, Independent Living Services (for Youth), Special Services for Youth at Risk. DSS provides training, technical assistance, and consultation to the local staff who work in programs for families and children including Child Welfare, Family Support, Work First, Child Support, and Food and Nutrition Services.

Division of Aging and Adult Services (DAAS): Adult Protective Services; Counseling Services; Day Care Services for Adults; Guardianship Services; Case Management and Counseling; Health-Related Services; Home-Based Services, Home-Delivered Meals; Housing Services; Transportation Services; and Foster Care Services for Adults. DAAS provides services such as completing an initial screening and assessment, counseling, assisting in the process for completing necessary financial applications and medical evaluations, helping to locate and secure placement in a suitable level of care, assisting in the transition from one location to another, providing counseling and other services to help the individual adjust to the new setting and maintain placement, also includes assisting individuals, when requested, to return to more independent settings in the community or relocate in more appropriate settings when new levels of care are needed. DAAS also provides services including in-home aid, adult day services, home repair and home health care.

Division of Child Development and Early Education (DCDEE): Administration of Child Care Services for Children. Subsidized Child Care Services for Children provides financial assistance to eligible families through county departments of social services to help pay for child care. Subsidy assistance for child care is available to support parents' employment and/or education, child developmental needs, child protective services and child welfare services. DCDEE also regulates child care facilities.

Division of Mental Health, Mental Health, Developmental Disability and Substance Abuse Services: Administration of Special Services – Disabled; and Substance Abuse Services. Provides for administration of services to support individuals living with mental illness and their families. These services include the necessary prevention, intervention, treatment, and supportive services to live successfully in communities of their choice. DMH also provides medically monitored detoxification, crisis stabilization, and short term treatment to prepare adults with substance abuse and co-occurring disorders for ongoing community-based recovery services. DMH also provides services to individuals with developmental disabilities.

Division of Services for the Blind (DSB): Counseling Services; Home-Based Services; and Special Services - Disabled. DSB provides services statewide through staff in seven DSB District Offices and Social Workers for the Blind located in all North Carolina counties. Services include Independent Living Services which assist persons of all ages who are blind or visually impaired to develop skills that enable them to independently manage their activities of daily living. Services also include the Accessible Electronic Information for Blind and Disabled Persons' program, which provides timely information to blind and disabled persons using high speed computers and telecommunications technology.

Division of Health Service Regulation (DHSR): Administration. Adult Care Facility Star Ratings; Adult Care Home Violations and Penalties; Licensure for Adult Care Homes and Mental Health facilities. This Division oversees medical, mental health, and adult care facilities, emergency medical services, and local jails. They monitor to ensure people receiving care in these facilities are safe and receive appropriate care.

DISTRIBUTION OF NORTH CAROLINA'S SOCIAL SERVICES BLOCK GRANT FUNDS

For purposes of the Social Services Block Grant Plan, it is estimated that North Carolina will receive \$52,389,556 in federal SSBG funding for State Fiscal Year 2013-14. An additional \$10,488,001 from the Temporary Assistance for Needy Families (TANF) Block Grant will be transferred to SSBG for a total available amount of \$62,877,557. The distribution of funds to the various Department of Health and Human Services Divisions and the Grant-in-Aid providers is as follows:

Local Program Expenditures

Divisions of Social Services and Aging and Adult Services

1. County Departments of Social Services
(Transfer from TANF \$4,148,001) \$26,759,210

2.	Child Protective Services (Transfer from TANF - \$5,040,000)	\$5,040,000
3.	Child Protective Services – Child Welfare Workers for Local DSS	\$5,040,000
4.	Adult Protective Services	\$1,346,047
5.	State In-Home Services Fund (DAAS)	\$2,101,113
6.	State Adult Day Care Fund (DAAS)	\$2,155,301
7.	Child Protective Services/CPS Investigative Services – Child Medical Evaluation Program (DSS)	\$609,455
8.	Special Children Adoption Incentive Fund	\$500,000
9.	CPS – Child Welfare Training for Counties (Transfer from TANF - \$1,300,000)	\$1,300,000
10.	Foster Care Services	\$1,497,138
11.	Guardianship	\$4,300,000
Division of Mental Health, Developmental Disabilities and Substance Abuse Services		
12.	Mental Health Services-Adult, Mental Health Services-Child, Developmental Disabilities Program, and Substance Abuse Services-Adult	\$4,356,604
Division of Aging and Adult Services		
13.	Home and Community Care Block Grant	\$1,834,077
14.	UNC-CH CARES Training Contract	\$247,920
Division of Services for the Blind		
15.	Independent Living Program	\$3,633,077
Division of Health Service Regulation		
16.	Adult Care Licensure Program	\$411,897
17.	Mental Health Licensure and Certification Program	\$205,668
DHHS Administration (by Division)		
18.	Division of Aging and Adult Services	\$624,454
19.	Division of Social Services	\$604,311
20.	Office of the Secretary/Controller’s Office	\$138,058
21.	Division of Child Development	\$15,000
22.	Division of Mental Health, Developmental Disabilities, and Substance Abuse Services	\$29,665
23.	Division of Health Service Regulation (formerly known as Facility Services)	\$128,562
TOTAL SOCIAL SERVICES BLOCK GRANT		\$62,877,557

If the Congress of the United States decreases the federal fund availability for the Social Services Block Grant as described above, the Department of Health and Human Services shall reduce the State administration amount(s) by at least the percentage of the reduction in federal funds. After determining the reduction in the State administration, the remaining

reductions shall be allocated proportionately across the program and activity appropriations identified above. In allocating a decrease in the federal fund availability, the Department shall not eliminate the funding for a program or activity as allocated by the NC General Assembly unless it is related to the State administration.

B. Fiscal Operations

1. Criteria for Distribution

Describe the State's criteria for allocation of SSBG funds to State entities.

In allocating funds to State entities, DHHS considers funds available through SSBG, TANF transfer, and other funding sources. Funds are then allocated in such a way as to sustain community-based services aimed at protecting vulnerable adults and children and supporting the services for youth at risk.

2. Planning Process for Use and Distribution of Funds:

Describe the planning process for determining the State's use and distribution of SSBG funds.

North Carolina DHHS sets program and budget priorities by reviewing the program and budget plans for administration. DHHS personnel also consult with and gather input from stakeholders and community partners. This information is used to make decisions about how to allocate resources to meet the goals and objective specified by DHHS.

3. Financial Operations System:

Describe the State's process of assigning costs (e.g., cost allocation plan) and method of calculating costs (e.g., Random Moment in Time).

North Carolina uses a cost allocation plan to assign costs and calculates costs using the 100% Time Reporting method.

C. Program Operations

1. SSBG Statutory Goals the State Plans to Achieve

Indicate which of the statutory goals the State plans to achieve, and provide a description of how services funded by the SSBG will be directed at one or more of these goals.

SSBG Statutory Goals:

- 1. Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency
- 2. Achieving or maintaining self-sufficiency, including reduction or prevention of dependency
- 3. Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating or reuniting families
- 4. Preventing or reducing in appropriate institutional care by providing for community-based care, home-based care or other forms of less intensive care
- 5. Securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions

How Services Funded by the SSBG will be directed at these goals:

SSBG funds will be used to support all these goals by providing services to children, youth, and adults that will help individuals achieve and maintain self-sufficiency, prevent or remedy neglect, abuse and exploitation, prevent or reduce inappropriate institutional care, and direct individuals to institutional care when appropriate.

2. Characteristics of Individuals to be Served

Describe the characteristics of individuals to be served, including: definitions of child, adult, and family; eligibility criteria; and income guidelines.

Definitions

Child: A person who is less than 18 years of age

Adult: An individual who has reached the age of majority, age 18 in North Carolina, or who has been emancipated by a court order.

Family: One or more parents and children related by blood, marriage, or adoption, and residing in the same household; or a parent substitute, such as a related caregiver or legal guardian, who has responsibility for the 24-hour care and supervision of a child.

Eligibility Criteria & Income Guidelines:

There are three *primary* eligibility categories defined by the State through which individuals may be eligible to receive Social Services Block Grant-funded services. The first eligibility category defined by the State is based on an individual's status in terms of two major income maintenance programs - the Temporary Assistance for Needy Families (TANF) and the Supplemental Security Income (SSI) programs. The second category is based on the income status and size of the income unit.¹ In the third category, services may be provided "Without Regard to Income," based solely on an individual's need, although for some services the recipient may be asked (but not required) to share in the cost of providing the service. A fourth eligibility category results from the transfer of a percentage of the State's allocation of TANF (Temporary Assistance for Needy Families) funding to the Social Services Block Grant. Adhering to federal eligibility requirements for persons receiving assistance through the TANF program, these funds will be used only for programs and services to children and their families whose incomes are at or below 200% of the Federal Poverty Level, applicable to family size. The four eligibility categories are described as follows:

Income Maintenance Status

Individuals considered eligible as income maintenance recipients are:

- Current recipients of Temporary Assistance to Needy Families, known as Work First Family Assistance (WFFA) in North Carolina;
- Persons whose needs are taken into account in determining the needs of WFFA recipients;

¹ Unless otherwise excepted, the following are defined as separate income units for purposes of determining eligibility and cost sharing contributions: biological or adoptive parents and their minor children; a minor parent and his or her children; each adult, whether related or unrelated, other than spouses; children living with adults other than their biological or adoptive parents; and minors who are emancipated through a court proceeding, marriage or participation in the armed services. For Family Planning Services, "family" will be defined in accordance with federal regulation, 10A NCAC 71R .0908 for Family Planning Services. For Nutrition Services, "family" will be defined in accordance with 10A NCAC 71R .0913.

- Applicants for or current recipients of Supplemental Security Income (SSI) benefits;
- Persons who receive regular Optional State Supplementation payments from the State, known in North Carolina as State/County Special Assistance for Adults, to supplement SSI benefits;
- Children for whom adoption assistance payments or foster care maintenance payments are made under provisions of Public Law 96-272, and are thus considered WFFA recipients.

All these income maintenance recipients are categorically eligible for services. For services such as child care, in which various federal and state funding sources have been blended to maximize funding and streamline service delivery to families, policies specific to that program shall apply. An individual applying for child care services is no longer considered income eligible on the basis of income maintenance status. Although income received from an income maintenance payment such as WFFA or SSI may continue after these individuals are employed, it is not included in the amount of family's income used to determine eligibility for child care services. Income from employment and other sources available to the family is counted toward determining eligibility.

Income Status (Income Eligible Clients)

Eligibility for certain services requires consideration of the income unit's monthly gross income. These services include 1) Child Care Services, 2) In-Home Aide Services for the Blind, 3) Voluntary Sterilization (funded under SSBG as an optional resource item of Health Support Services) and 4) Transportation Services.

The maximum income eligibility limit for subsidized Child Care Services is 75% of North Carolina's State median income, adjusted biennially. Families *who qualify on the basis of income eligibility* pay fees based on their income, family size, and the amount of time child care is needed each month.

For the other services listed above, the State has adopted application of the Federal Poverty Level for use in determining eligibility based on the number of individuals in an income unit. In-Home Services for the Blind is the only one of the services listed above that is available to individuals in income units earning up to 100% of the of the State's established income which is 150% of the Federal Poverty Level. Voluntary Sterilization is an option for individuals in income units earning up to 80% of the Federal Poverty Level. Only those who earn less than 60% of the Federal Poverty Level for their family or income

unit are eligible for *all* services, including Transportation, offered through the Social Services Block Grant.

The provision of services "Without Regard to Income" is based solely on the individual's need for the service; however for some services, clients are requested to voluntarily contribute to the cost of services provided. Services supported by the Social Services Block Grant and made available on a "Without Regard to Income" basis may include, depending on each year's allocation:

- Adjustment Services for the Blind and Visually Impaired
- Adoption Services
- Adult Placement Services
- Community Living Services
- Day Care Services for Adults
- Child Care Services
(Service is available without regard to income only when needed to support child protective services, child welfare services and for children receiving foster care services.)
- Children and Adults Needing Mental Health, Developmental Disability and/or Substance Abuse Services
- Delinquency Prevention Services
- Employment and Training Support Services
- Family Planning Services
- Family Preservation Services
- Family Support Services
- Foster Care Services for Adults
- Foster Care Services for Children
- Health Support Services (excluding the optional voluntary sterilization component)

- Home Health Services (includes Skilled Nursing, Physical Therapy, Speech Therapy, Occupational Therapy, Medical Social Services, and Nutrition Care)
- Housing and Home Improvement Services
- Individual and Family Adjustment Services
- In-Home Aide Services
- Intensive Family Preservation Services
- Personal and Family Counseling
- Preparation and Delivery of Meals
- Problem Pregnancy Services
- Protective Services for Adults (including all appropriate services)
- Protective Services for Children (including all appropriate services)
- Residential Treatment for the Emotionally Disturbed
- Respite Care Services
- Transportation Services Provided by the NC Commission of Indian Affairs
- Youth Services

TANF Funds Transferred to the Social Services Block Grant

Federal regulations allow certain TANF monies to be transferred into the Social Services Block Grant. However, welfare reform law stipulates that any TANF funds transferred to SSBG must be used for families with incomes no higher than 200% of the Federal poverty guidelines. Following this requirement, Social Services Block Grant funds transferred from TANF will only be used for the provision of programs and services to children and their families or income units who earn less than or up to 200% of the Federal Poverty Level, applicable to the size of the family/income unit served.

TANF-to-SSBG funds will be used to support Adoption Services, Foster Care Services for Children, and Other Child Welfare Services

where income for families or income units receiving the services does not exceed 200% of the Federal Poverty Level. Activities funded under these service categories include Non-residential Diagnostic and Treatment Services, Recruitment, Assessment and Training of Adoptive and Foster Parents; Adoption Assistance and Post-Adoption Case Management; Case Planning and Case Management, Preparation for and Participation in Judicial Determinations, and other services to youth in foster care or former foster care recipients.

For State Fiscal Year 2014 funds transferred from TANF to SSBG will also be used to support training for child welfare services and to maintain the level of expenditures for Child Protective Services workers.

Consumer Contribution

Individuals determined eligible to receive services subject to the consumer contribution policy shall be informed of the requirement that all such recipients are given the opportunity to contribute to the cost of services provided, based on their gross family income and desire to voluntarily contribute. Income, size of income unit, cost of services, and other factors that affect ability to contribute may be taken into account. Services are not terminated if the individual decides not to contribute. The following is a list of services for which consumer contribution is applicable.

- Adult Day Care and Day Health Services
- Housing and Home Improvement Services (Renovations or Repair and Furnishings or Appliance Purchases only)
- In-Home Aide Services
- Personal and Family Counseling
- Preparation & Delivery of Meals

When any of the above services are provided to adults or children as part of a Protective Services Plan, these individuals will be excluded from consumer contributions, up to a maximum of 12 months. Consumer contributions do not apply to children in foster care, children who have been approved to receive adoption assistance, persons receiving Work First assistance, or federally administered Supplemental Security Income (SSI) applicants or recipients.

Fees

Individuals determined eligible to receive services subject to fees must be informed of the requirement that all such recipients are requested to share in the cost of services provided, based on their ability to pay. Income, size of income unit, cost of services, and other factors that affect ability to pay may be taken into account. The following is the service for which fees are applicable.

Child Care Services

Families who are eligible for child care services based on their countable income are charged a parent fee based on their income and family size. The fee is paid directly to the child care provider. Families who are eligible for child care services without regard to income when needed to support child protective services, child welfare services, or when children are receiving foster care services are not charged a parent fee.

Under North Carolina's social services program, any service available through the county department of social services where the individual lives, when provided in conjunction with Protective Services for Children or Adults, will be provided without cost sharing and without regard to income during the first twelve months after Protective Services for Children or Adults is initiated, or until the case is closed, if it remains open for less than a year.

3. Types of Activities to be Supported

Describe the types of activities to be provided using SSBG funds. Organize the services by the Uniform Definition of Services and the corresponding State service title. Also provide method of delivery (i.e., public, private, or both) and the geographic area/location where services will be provided.

Depending on SFY allocation, funding could support administrative activities, direct services, or both. (Refer to Section IV. A. 2., Distribution of Funds.)

Adoption Services are those services or activities provided to assist in bringing about the adoption of a child. Component services and activities may include, but are not limited to, counseling the biological parent(s), recruitment of adoptive homes, and pre- and post- placement training and/or counseling and adoption program evaluation.

- SSBG Statutory Goal(s) Supported: 3, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)

- Geographic Area: Statewide

Case Management Services are services or activities for the arrangement, coordination, and monitoring of services to meet the needs of individuals and families. Component services and activities may include individual service plan development; counseling; monitoring, developing, securing, and coordinating services; monitoring and evaluating client progress; and assuring that clients' rights are protected.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

Home-Delivered Meals (Preparation and Delivery of Meals) are those services or activities designed to prepare and deliver one or more meals a day to an individual's residence in order to prevent institutionalization, malnutrition, and feelings of isolation. Component services or activities may include the cost of personnel, equipment, and food; assessment of nutritional and dietary needs; nutritional education and counseling; socialization services; and information and referral.

- SSBG Statutory Goal(s) Supported: 1, 2, 4
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Counseling Services (Personal and Family Counseling and Individual and Family Adjustment Services) are those services or activities that apply therapeutic processes to personal, family, situational, or occupational problems in order to bring about a positive resolution of the problem or improved individual or family functioning or circumstances. Problem areas may include family and marital relationships, parent-child problems, or drug abuse. Services may also include assistance to individuals and their family members to utilize community resources and natural support systems; to participate in structured group activities to develop capacities for improved personal and social functioning and to relieve social isolation; and to support their ability to remain in their own homes and maintain independent living.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Day Care Services for Adults are those services or activities provided to adults who require care and supervision in a protective setting for a portion of a 24-hour day. Component services or activities may include opportunity for social interaction, companionship and self-education; health support or assistance in obtaining health services; counseling; recreation and general leisure time activities; meals; personal care services; plan development; and transportation.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Day Care Services for Children (Child Care Services) (including infants, pre-schoolers, and school age children) administration of services or activities provided in a setting that meets applicable standards of state and local law, in a center or in a home, for a portion of a 24-hour day. Component services or activities may include a comprehensive and coordinated set of appropriate developmental activities for children, recreation, meals and snacks, transportation, health support services, social service counseling for parents, plan development, and licensing and monitoring of child care homes and facilities.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

Employment Services (Employment and Training Support Services) are those services or activities provided to assist individuals in securing employment or acquiring or learning skills that promote opportunities for employment. Component services or activities may include employment screening, assessment, or testing; structured job skills and job seeking skills; specialized therapy (occupational, speech, physical); special training and tutoring, including literacy training and pre-vocational training; provision of books, supplies and instructional material; counseling, transportation; and referral to community resources.

- SSBG Statutory Goal(s) Supported: 1, 2
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Family Planning Services are those educational, comprehensive medical or social services or activities which enable individuals, including minors, to determine freely the number and spacing of their children and to select the means by which this may be achieved. These services and activities include a broad range of acceptable and effective methods and services to limit or enhance fertility, including contraceptive methods (including natural family planning and abstinence), and the management of infertility (including referral to adoption). Specific component services and activities may include preconceptional counseling, education, and general reproductive health care, including diagnosis and treatment of infections which threaten reproductive capability. Family planning services do not include pregnancy care (including obstetric or prenatal care).

- SSBG Statutory Goal(s) Supported: 1, 2
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

Foster Care Services for Adults are those services or activities that assess the need and arrange for the substitute care and alternate living situation of adults in a setting suitable to the individual's needs. Individuals may need such services because of social, physical or mental disabilities, or as a consequence of abuse or neglect. Care may be provided in a community-based setting, or such services may arrange for institutionalization when necessary. Component services or activities include assessment of the individual's needs; case planning and case management to assure that the individual receives proper care in the placement; counseling to help with personal problems and adjusting to new situations; assistance in obtaining other necessary supportive services; determining, through periodic reviews, the continued appropriateness of and need for placement; and recruitment and licensing of foster care homes and facilities.

- SSBG Statutory Goal(s) Supported: 1, 2
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

Foster Care Services for Children are those services or activities associated with the provision of an alternative family life experience for abused, neglected or dependent children, between birth and the age of majority, on the basis of a court commitment or a voluntary placement agreement signed by the parent or guardian. Services may be provided to children in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, pre-adoptive homes or supervised independent living situation. Component services or activities may include assessment of the child's needs; case planning and

case management to assure that the child receives proper care in the placement; medical care as an integral but subordinate part of the service; counseling of the child, the child's parents, and the foster parents; referral and assistance in obtaining other necessary supportive services; periodical reviews to determine the continued appropriateness and need for placement; recruitment and licensing of foster homes and child care institutions, and foster care program evaluation.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

Health Related (Health Support Services) and Home Health Services are those in-home or out-of-home services or activities designed to assist individuals and families to attain and maintain a favorable condition of health. Component services and activities may include providing an analysis or assessment of an individual's health problems and the development of a treatment plan; assisting individuals to identify and understand their health needs; assisting individuals to locate, provide or secure, and utilize appropriate medical treatment, preventive medical care, and health maintenance services, including in-home health services and emergency medical services; and providing follow-up services as needed.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Health Support Services -- Statewide; Home Health Services are optional services based on individual county need and available resources.

Home Based Services (In-Home Aide Services & In-Home Aide Services for the Blind) are those in-home services or activities provided to individuals or families to assist with household or personal care activities that improve or maintain adequate family well-being. These services may be provided for reasons of illness, incapacity, frailty, absence of a caretaker relative, or to prevent abuse and neglect of a child or adult. Major service components include homemaker services, chore services, home maintenance services, and household management services. Component services or activities may include protective supervision of adults and/or children to help prevent abuse, temporary non-medical personal care, house-cleaning, essential shopping, simple household repairs, yard maintenance, teaching of homemaking skills, training in self-help and self-care skills, assistance with meal planning and preparation, sanitation, budgeting, and general household management.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

Housing Services (Housing and Home Improvement Services) are those services or activities designed to assist individuals or families in locating, obtaining, or retaining suitable housing. Component services or activities may include tenant counseling; helping individuals and families to identify and correct substandard housing conditions on behalf of individuals and families who are unable to protect their own interests; and assisting individuals and families to understand leases, secure utilities, make moving arrangements and minor renovations.

- SSBG Statutory Goal(s) Supported: 1, 2, 3
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Independent and Transitional Living Services (Individual and Family Adjustment Services and Community Living Services, Youth Services) are those services and activities designed to help older youth in foster care or homeless youth make the transition to independent living, or to help adults make the transition from an institution, or from homelessness, to independent living. Component services or activities may include educational and employment assistance, training in daily living skills, and housing assistance. Specific component services and activities may include supervised practice living and post-foster care services.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Individual and Family Adjustment Services – Statewide; Community Living Services and Youth Services are optional services based on individual county need and available resources.

Pregnancy and Parenting Services (Problem Pregnancy Services) are those services or activities for married or unmarried adolescent parents and their families designed to assist young parents in coping with the social, emotional, and economic problems related to pregnancy and in planning for the future. Component services or activities may include securing necessary health care and living arrangements; obtaining legal services; and providing counseling, child care education, and training in and development of parenting skills.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Prevention and Intervention Services (Respite Care, Transportation Services, Family Support Services) are those services or activities designed to provide early identification and/or timely intervention to support families and prevent or ameliorate the consequences of, abuse, neglect, or family violence, or to assist in making arrangement for alternate placements or living arrangements where necessary. Such services may also be provided to prevent the removal of a child or adult from the home. Component services and activities may include investigation; assessment and/or evaluation of the extent of the problem; counseling, including mental health counseling or therapy as needed; developmental and parenting skills training; respite care; and other services including supervision, case management, transportation, and family support services program evaluation.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Protective Services for Adults (including Adult Placement Services and Guardianship) are those services or activities designed to prevent or remedy abuse, neglect or exploitation of adults who are unable to protect their own interests. Examples of situations that may require protective services are injury due to maltreatment or family violence; lack of adequate food, clothing or shelter; lack of essential medical treatment or rehabilitation services; and lack of necessary financial or other resources. Component services or activities may include investigation; immediate intervention; emergency medical services; emergency shelter; developing case plans; initiation of legal action (if needed); counseling for the individual and the family; assessment/evaluation of family circumstances; arranging alternative or improved living arrangements; preparing for foster placement, if needed; and case management and referral to service providers. Guardianship services to an adult individual alleged to be in need of a guardian or who has been appointed a guardian may also be provided.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)

- Geographic Area: Statewide

Protective Services for Children are those services or activities designed to prevent or remedy abuse, neglect, or exploitation of children who may be harmed through physical or mental injury, sexual abuse or exploitation, and negligent treatment or maltreatment, including failure to be provided with adequate food, clothing, shelter, or medical care. Component services or activities may include immediate investigation and intervention; emergency medical services; emergency shelter; developing case plans; initiation of legal action (if needed); counseling for the child and the family; assessment/evaluation of family circumstances; arranging alternative living arrangement; preparing for foster placement, if needed; case management and referral to service providers, and child protective services program evaluation.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

Special Services for Persons With Developmental or Physical Disabilities, or Persons With Visual or Auditory Impairments (Adjustment Services for the Blind and Visually Impaired) - Special services for persons with developmental or physical disabilities, or persons with visual or auditory impairments, are services or activities to maximize the potential of persons with disabilities, help alleviate the effects of physical, mental or emotional disabilities, and to enable these persons to live in the least restrictive environment possible. Component services or activities may include personal and family counseling; respite care; family support; recreation; transportation; aid to assist with independent functioning in the community; and training in mobility, communication skills, the use of special aids and appliances, and self-sufficiency skills. Residential and medical services may be included only as an integral, but subordinate, part of the services.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

Special Services for Youth (Delinquency Prevention Services) involved in or at risk of involvement with criminal activity are those services or activities for youth who are, or who may become, involved with the juvenile justice system and their families. Component services or activities are designed to enhance family functioning and/or modify the youth's behavior with the goal of developing socially appropriate behavior and may include

counseling, intervention therapy, and residential and medical services if included as an integral but subordinate part of the service.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Substance Abuse Services (Children and Adults Needing Mental Health, Developmental Disability and/or Substance Abuse Services) administration of services or activities that are primarily designed to deter, reduce, or eliminate substance abuse or chemical dependence. Except for initial detoxification services, medical and residential services may be included but only as an integral but subordinate part of the service. Component substance abuse services or activities may include a comprehensive range of personal and family counseling methods, methadone treatment for opiate abusers, or detoxification treatment for alcohol abusers. Services may be provided in alternative living arrangements such as institutional settings and community-based halfway houses.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Transportation Services are services or activities that provide or arrange for the travel, including travel costs, of individuals in order to access services, or obtain medical care or employment. Component services or activities may include special travel arrangements such as special modes of transportation and personnel to accompany or assist individuals or families to utilize transportation.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Optional service based on individual county need and available resources.

Other Services include Individual and Family Adjustment Paraprofessional Services, Individual and Family Adjustment – Representative Payee and Services Intake.

Individual and Family Adjustment Paraprofessional Services include:

- Supervising visits between parent and child;
- Supervising children (while parents attend therapy, parenting classes, etc.,) in absence of caregiver;
- Teaching, coaching, modeling parenting skills, home management skills, communication skills with resources to parents and caretakers and placement providers;
- Teaching, coaching, modeling advocacy skills (especially as related to housing, school system, services agencies);
- Supporting case management of neglected, abused, dependent, delinquent children;
- Transporting/supervising/providing in loco parentis to children going to doctor visits, schools;
- Communicating information between service providers and case managers/placement providers; and
- Testifying in court related to specific assigned duties and client interaction (supervised visits, school visits, etc.).

Individual and Family Adjustment - Representative Payee activities include services offered to individuals for whom the DSS has been appointed the representative payee, including assurance of the appropriate use of income for the client's needs, and strengthening the client's basic skills in money management.

Services Intake activities include receiving requests for services; exploring with the client his request in terms of the services available; taking applications; and such elements of case management as establishing eligibility for services, initiating the Service Client Information Record and certifying clients for purchased services.

- SSBG Statutory Goal(s) Supported: 1, 2, 3, 4, 5
- Method of Provision: Public and Private (direct delivery and purchase of service)
- Geographic Area: Statewide

V. Pre-Expenditure Reporting Form

Attach completed pre-expenditure reporting form in Microsoft Excel (available on the SSBG website, <http://www.acf.hhs.gov/programs/ocs/ssbg/> under "Guidance, Policies and Procedures").

See attached.

VI. Appendices

Attach the following appendices:

- Appendix A: Documentation of Public Hearing (REQUIRED)
- Appendix B: Certifications (REQUIRED)
- Appendix C: Proof of Audit (REQUIRED)

Appendix A: Documentation of Public Hearing (REQUIRED)

Attach documentation of public hearing, such as public hearing notices, letters, newspaper articles, etc.

See Attached.

Appendix B: Certifications (REQUIRED)

Attach signed copies of the following certifications (available on the SSBG website at <http://www.acf.hhs.gov/programs/ocs/ssbg/procedures/Certifications.htm>.)

1. Drug-Free Workplace Requirements
2. Environmental Tobacco Smoke
3. Lobbying
4. Debarment, Suspension and Other Responsibility Matters

Certifications attached.

Appendix C: Proof of Audit (REQUIRED)

Federal regulations state that: "Each State shall, not less often than every two years, audit its expenditures from amounts received (or transferred for use) under this title... Within 30 days following the completion of each audit, the State shall submit a copy of that audit to the legislature of the State and to the Secretary." (Sec. 2006 [42 U.S.C. 1397a, Sec. 2006]).



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

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Sherry S. Bradsher
Division Director

June 1, 2013

Ms. Marsha Werner
Social Services Block Grant Program Manager
Office of Community Services
U.S. Department of Health and Human Services
5th Floor, West
370 L'Enfant Promenade, SW
Washington, D.C. 20447

Dear Ms. Werner:

Enclosed are five copies of the Social Services Block Grant pre-expenditure report for North Carolina. The report covers State Fiscal Year 2014, which runs from 7/1/13 to 6/30/14. This plan was prepared in advance (April 2013) to give our Department time to review and approve. At that time North Carolina's SFY2014 budget had not been approved. Therefore, we are submitting this plan based on anticipated allocations. Once the State's budget has been finalized, we will revise and resubmit the plan as appropriate.

The State SSBG official receiving the SSBG Grant Award is:

Aldona Z. Wos, M.D.
101 Blair Drive
Adams Building
2001 Mail Service Center
Raleigh, NC 27699-2001
Telephone: 919-733-4534
Fax: 919-715-4645
Email: Aldona.Wos@dhhs.nc.gov

The SSBG program contact person is:

Hank Bowers
820 S. Boylan Avenue
2415 Mail Service Center
Raleigh, NC 27699-2415
Telephone: 919-527-6265
Fax: 919-334-1052
Email: Hank.Bowers@dhhs.nc.gov

Performance Management/Reporting & Evaluation Management Section

www.ncdhhs.gov • www.ncdhhs.gov/dss

Tel 919-527-6260 • Fax 919-334-1052

Location: Hargrove Building, Dix Campus • 820 S. Boylan Ave. • Raleigh, NC 27603

Mailing Address: 2415 Mail Service Center • Raleigh, NC 27699-2415

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If you have any questions regarding this report, please contact me at 919-527-6265 or at Hank.Bowers@dhhs.nc.gov.

Sincerely,

A handwritten signature in black ink that reads "Hank Bowers". The signature is written in a cursive style with a long, sweeping underline.

Hank Bowers, Chief
Performance Management/Reporting & Evaluation Management Section

HB/rr

Enclosures

Part A. Estimated Expenditures and Proposed Provision Method

OMB NO.: 0970-0234

EXPIRATION DATE: 06/30/2014

STATE: North Carolina	FISCAL YEAR: (SFY) 2014	REPORT PERIOD: 07/2013 to 06/2014
Contact Person: Hank Bowers	Phone Number: 919-527-6265	
Title: Chief, Performance Management	E-Mail Address: Hank.Bowers@dhhs.nc.gov	
Agency: NC DHHS Division of Social Services	Submission Date: June 1, 2013	

Service Supported with SSBG Expenditures	SSBG Expenditures		Expenditures of All Other Federal, State and Local funds**	Total Expenditures	Provision Method	
	SSBG Allocation	Funds transferred into SSBG*			Public	Private
1 Adoption Services	598,757	569,084	8,662,090	9,829,931	x	x
2 Case Management	4,658,928	0	732,180	5,391,108	x	x
3 Congregate Meals	0	0	0	0		
4 Counseling Services	920,891	0	120,676,957	121,597,848	x	x
5 Day Care--Adults	565,923	0	8,213	574,137	x	x
6 Day Care--Children	0	0	0	0		
7 Education and Training Services	4,617	0	24,391	29,008		x
8 Employment Services	0	0	0	0		
9 Family Planning Services	2,392	0	11,033,651	11,036,043	x	
10 Foster Care Services--Adults	106,304	0	3	106,307	x	x
11 Foster Care Services--Children	3,453,723	6,044,946	83,760,039	93,258,708	x	x
12 Health-Related Services	886,019	0	15,232,882	16,118,901	x	x
13 Home-Based Services	2,046,198	0	28,394,788	30,440,985	x	x
14 Home-Delivered Meals	23,380	0	0	23,380	x	x
15 Housing Services	2,027	0	0	2,027	x	
16 Independent/Transitional Living Services	255,550	16,517	3,644,114	3,916,181	x	x
17 Information & Referral	0	0	0	0		
18 Legal Services	0	0	0	0		
19 Pregnancy & Parenting	18,751	0	448	19,199	x	x
20 Prevention & Intervention	21,833	13,961	1,609,389	1,645,183	x	
21 Protective Services--Adults	7,509,043	0	7,249,622	14,758,665	x	
22 Protective Services--Children	5,198,313	3,579,775	96,329,080	105,107,168	x	
23 Recreation Services	0	0	0	0		
24 Residential Treatment	0	0	0	0		
25 Special Services--Disabled	12,861,898	0	22,067,432	34,929,330	x	x
26 Special Services--Youth at Risk	3,772	0	0	3,772	x	x
27 Substance Abuse Services	45,977	0	20,150,246	20,196,223	x	
28 Transportation	524,011	0	3,834,572	4,358,583	x	x
29 Other Services***	9,698,860	0	15,077,319	24,776,179	x	x
30 SUM OF EXPENDITURES FOR SERVICES	49,407,167	10,224,283	438,487,418	498,118,868		
31 Administrative Costs	2,982,389	263,718				
32 SUM OF EXPENDITURES FOR SERVICES AND ADMINISTRATIVE COSTS	52,389,556	10,488,001				

* From which block grant(s) were these funds transferred? TANF

** Please list the sources of these funds: See Attachment

*** Please list other services: See Attachment

Part B. Estimated Recipients

OMB NO.: 0970-0234

EXPIRATION DATE: 06/30/2014

STATE: North Carolina
FISCAL YEAR: (SFY) 2014

Service Supported with SSBG Expenditures	Children	Adults			Total Adults	Total
		Adults Age 59 Years & Younger	Adults Age 60 Years & Older	Adults of Unknown Age		
1 Adoption Services	19,546	4,179	20	0	4,198	23,744
2 Case Management	5,853	2,695	2,445	0	5,139	10,993
3 Congregate Meals	0	0	0	0	0	0
4 Counseling Services	49,566	79,300	31,484	0	110,784	160,350
5 Day Care-Adults	0	309	981	0	1,290	1,290
6 Day Care-Children	0	0	0	0	0	0
7 Education and Training Services	0	0	0	293	293	293
8 Employment Services	0	0	0	0	0	0
9 Family Planning Services	6,481	14,900	32	0	14,932	21,413
10 Foster Care Services-Adults	0	111	369	0	481	481
11 Foster Care Services-Children	22,145	1,768	88	0	1,857	24,002
12 Health-Related Services	616	2,659	7,624	0	10,283	10,899
13 Home-Based Services	1,038	616	9,491	0	10,107	11,145
14 Home-Delivered Meals	1	116	871	0	987	988
15 Housing Services	27	221	135	0	355	382
16 Independent/Transitional Living Services	3,089	3,507	7	1,387	4,901	7,990
17 Information & Referral	0	0	0	0	0	0
18 Legal Services	0	0	0	0	0	0
19 Pregnancy & Parenting	13	181	0	0	181	194
20 Prevention & Intervention	7,635	1,648	51	0	1,699	9,334
21 Protective Services-Adults	0	7,584	14,209	0	21,803	21,803
22 Protective Services-Children	156,625	0	0	0	0	156,625
23 Recreation Services	0	0	0	0	0	0
24 Residential Treatment	0	0	0	0	0	0
25 Special Services-Disabled	56,000	182,202	25,999	0	208,201	264,201
26 Special Services-Youth at Risk	97	58	0	0	58	155
27 Substance Abuse Services	1,525	58,888	2,012	0	60,901	62,426
28 Transportation	11,802	12,839	5,228	0	18,068	29,870
29 Other Services***	5,403	5,282	2,412	0	7,695	13,097
30 SUM OF RECIPIENTS OF SERVICES	347,462	379,074	103,460	1,680	484,214	831,675

SOCIAL SERVICES BLOCK GRANT (SSBG) POST-EXPENDITURE REPORT

North Carolina Pre-Expenditure Report of Services Funded with SSBG, SFY 2014

** Please list the sources of these (other Federal, State and Local) funds:

Chafee Foster Care Independence Act (Title IV-E, Social Security Act)
 Child Care Development Block Grant (Sec. 418, Social Security Act)
 Client voluntary cost-sharing
 Community Mental Health Block Grant
 Federal Older Americans Act
 Local/County funds
 Provider match
 State Appropriations
 Substance Abuse Prevention and Treatment Block Grant
 TANF (Title IV-A, Social Security Act)
 Title IV-B1, Social Security Act
 Title IV-B2, Social Security Act
 Title IV-E, Social Security Act
 Title XIX, Social Security Act

Definition of "Other Services"

Individual and Family Adjustment Services - Representative Payee	Services offered to individuals for whom the DSS has been appointed the representative payee, including assurance of the appropriate use of income for the client's needs, and strengthening the client's basic skills in money management.
Individual and Family Adjustment Services - Paraprofessional Services	Services provided to families by paraprofessionals in support of the Case Plan. Examples of direct services are: supervising visits between parent and child; supervising children (while parents attend therapy, parenting classes, etc.) in absence of caregiver; teaching, coaching, and modeling parenting skills, home management skills, and communication skills (with resources to parents and caretakers and placement providers); teaching, coaching, modeling advocacy skills (especially as related to housing, school system, services agencies); supporting case management of neglected, abused, dependent, delinquent children; transporting/supervising/providing in loco parentis to children going to doctor visits or schools; communicating information between services providers and case managers/placement providers; and testifying in court related to specific assigned duties and client interaction (supervised visits, school visits, etc.)
Services Intake	The function of designated service staff who are assigned to handle the task of initiating clients into the service delivery system of the agency. Activities include receiving requests for services; exploring with the client his request in terms of the services available; taking applications; and such elements of case management as establishing eligibility for services, initiating the Service Client Information Record and certifying clients for purchased services. The extent to which Services Intake performs any of the above case management activities is an agency decision and is related to how broadly the agency wishes to define the intake function. Also included may be working with clients to apply eligibility criteria and determine eligibility for another agency's resources, e.g., crippled children, free school lunches. As a part of assessing with the client his request for help and the nature of his need, the designated intake staff may provide Information and Referral as a part of the tasks assigned to Intake.
Evaluation Activities for Child Welfare Programs	Collecting, analyzing, and reporting data related to specific performance measures when those activities are assigned to establish baselines and/or to evaluate the effectiveness of the child welfare delivery system.

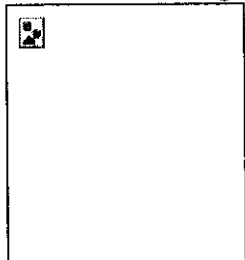
Notes: Expenditures for Other Services also include expenditures for "Unreported Services", that is, expenditures not tracked to specific services (due to reimbursement/coding issues.)

As of FFY 2010, Guardianship Services are reported under Protective Services categories.

As of FFY 2010, Individual and Family Adjustment Services are reported under Counseling Services.

From: Walston, Lori
Sent: Wednesday, April 17, 2013 4:52 PM
To: DHHS Statewide Media
Cc: Register, Robin
Subject: Public Notice:Public Invited to Offer Suggestions on Block Grants

Attachments: image001.png



Pat McCrory, Governor
Aldona Z. Wos, M.D., Secretary

Public Notice

April 17, 2013
Contact Lori Walston 919-855-4840
Lori.Walston@dhhs.nc.gov

Public Invited to Offer Suggestions on Block Grants

RALEIGH—The public is invited to comment on the state's Social Services Block Grant plan. The N.C. Department of Health and Human Services (DHHS) creates this plan every year to outline how federal social services block grant funds will be administered.

From April 16 – 30, 2013, the written plan is available on the web at: www.ncdhhs.gov/dss/pubnotice/ssbg.htm and a hard copy is available from 8 a.m. to 5 p.m. at:

NC Division of Social Services Central Office
Albemarle Building
325 North Salisbury Street
Raleigh, NC

Federal block grant funds help pay for some of the programs and services states' provide. States are given broad latitude under block grant funding to design and operate their own programs. However, the federal government places certain restrictions on what types of expenditures can be made from each block grant fund.

People interested in commenting on the plan must submit written comments no later than **April 30, 2013**. Comments may be emailed to ssbg.comments@dhhs.nc.gov, faxed to (919) 334-1052, or mailed to:

Hank Bowers, Chief
Performance Management/Reporting & Evaluation Management Section
NC Division of Social Services
2415 Mail Service Center
Raleigh, NC 27699-2415

The Social Services Block Grant (SSBG) is the major source of federal funding for a wide variety of services such as adoption services, counseling services, adult day care and foster care services, protective services for adults, housing, and residential treatment services. Other uses of these funds may include child care for child welfare cases, community-based services for elderly and disabled adults (such as in-home aide services and preparation of meals), mental health services, transportation, and other human services programs. Use of the block grant funds for allowable services in North Carolina may vary each year according to the Plan approved by the General Assembly.

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized State official. Unauthorized disclosure of juvenile, health, legally privileged, or otherwise confidential information, including confidential information relating to an ongoing State procurement effort, is prohibited by law. If you have received this e-mail in error, please notify the sender immediately and delete all records of this e-mail.



Welcome to North Carolina Division of Social Services



Search DHHS:

Social Services Block Grant Plan

The purpose of the Social Services Block Grant Plan is to satisfy the federal law, which requires the State to report on the intended use of the Block Grant funds. The Plan for Fiscal Year 2013-2014 will be available for review on the World Wide Web and in Raleigh April 16 - 30, 2013 for public inspection and comment. The Social Services Block Grant (SSBG) is the major source of federal funding for the provision of a wide variety of services such as adoption services, counseling services, adult day care and foster care services, protective services for adults, housing, and residential treatment services. Other uses of these funds include child care for child welfare cases, community-based services for elderly and disabled adults (such as in-home aide services and preparation of meals), mental health services, transportation, and other human services programs. In addition to the costs of services, the Social Services Block Grant allotment to the State may be used to support the costs of administration and personnel training directly related to the provision of services

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- [MANUALS AND FORMS](#)
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- [DSS CONTRACT FORMS](#)
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The public is invited to offer opinions about whether or not a plan for federal social services block grant funds administered by the N.C. Department of Health and Human Services (DHHS) properly addresses needs in human services program areas. Written comments will be accepted in the Director's office at the location listed below, or may be submitted electronically as indicated.

Anyone interested may review these documents during the week of April 16 – 30, from 8 a.m. to 5 p.m. at the following N.C. Division of Social Services location, or by accessing the link below:

- Division of Social Services Central Office, Albemarle Building, 325 North Salisbury Street, Raleigh

[Social Services Block Grant Plan 2013-2014](#)

*To view the State Plan you must have Adobe Acrobat reader installed on your computer. If you do not have Adobe Acrobat reader, it can be downloaded at adobe.com for free.

Citizens interested in commenting on the plan must submit written comments no later than **April 30, 2013**.

Please email comments to ssbg.comments@dhhs.nc.gov.

Please mail or fax comments to:
 Hank Bowers, Chief
 Performance Management/Reporting & Evaluation Management Section
 Division of Social Services
 2415 Mail Service Center
 Raleigh, NC 27699-2415
 Fax: (919) 334-1052

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CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.
2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies.
4. For grantees who are individuals, Alternate II applies.
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the

Certification Regarding Drug-Free Workplace Requirements
Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about --
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted --
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other

grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).

7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).

8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

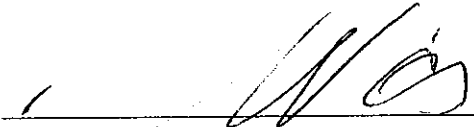
Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]



Signature


Secretary
Title

NC DHHS
Organization

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103227, Part C Environmental Tobacco Smoke, also known as the Pro Children Act of 1994, requires that smoking not be permitted in any portion of any indoor routinely owned or leased or contracted for by an entity and used routinely or regularly for provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity by signing and submitting this application the applicant/grantee certifies that it will comply with the requirements of the Act.

The applicant/grantee further agrees that it will require the language of this certification be included in any subawards which contain provisions for the children's services and that all subgrantees shall certify accordingly.



Signature

Secretary

Title

NC DHHS
Organization

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

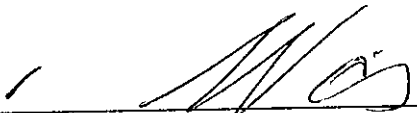
(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



Signature

Secretary
Title

NC DHHS
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CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

Certification Regarding Debarment, Suspension, and Other
Responsibility Matters--Primary Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered

into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal

department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in

obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.


8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.



Signature

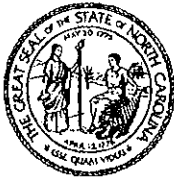
Secretary
Title

NC DHHS
Organization

State of North Carolina
SSBG 2014

PROOF OF AUDIT

Office of the State Auditor



Beth A. Wood, CPA
State Auditor

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March 25, 2013

The Honorable Pat McCrory, Governor
The General Assembly of North Carolina

We are pleased to submit the *Single Audit Report* for the State of North Carolina for the fiscal year ended June 30, 2012. The audit was conducted in accordance with standards contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the requirements of the Single Audit Act Amendments of 1996, and the provisions of the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

This *Single Audit Report* reflects federal awards of \$23.4 billion. This report includes significant deficiencies and material weaknesses in internal control relating to major federal programs and instances of noncompliance, including several that we believe constitute material noncompliance, that meet the criteria of OMB Circular A-133.

The North Carolina *Comprehensive Annual Financial Report* for the fiscal year ended June 30, 2012 has been issued in a separate report by the Office of the State Controller. In accordance with *Government Auditing Standards*, we are issuing our report on our consideration of the State of North Carolina's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements that have an effect on the financial statements.

The deficiencies in internal control and instances of noncompliance arising from our audit that are required to be reported by *Governmental Auditing Standards* or the Single Audit Act and OMB Circular A-133 are described in the Schedule of Findings and Questioned Costs.

We wish to acknowledge the assistance of the North Carolina Office of the State Controller and the cooperation of other state agencies, community colleges, and universities in the preparation of this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "Beth A. Wood".

Beth A. Wood, CPA
State Auditor

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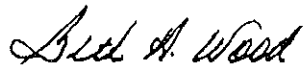
North Carolina
Office of the State Auditor

Our Mission and Our Commitment

The Office of the State Auditor protects the interests of taxpayers and others who provide financial resources to the State of North Carolina. Specifically, we provide objective information to interested parties about whether economic resources are properly accounted for, reported and managed; as well as whether publically-funded programs are achieving desired results.

The Office of the State Auditor's mission is accomplished by conducting thorough audits and investigations. These audits and investigations are performed by highly competent and professional staff and result in useful and practical recommendations to improve services provided by North Carolina state government.

This office will always strive for the highest standards in professional conduct, independence and integrity as we pursue our mission. If we find financial management deficiencies, we will report them without apology because our ultimate responsibility is to the citizens and taxpayers of North Carolina.



Beth A. Wood, CPA
State Auditor

Office of the State Auditor

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**INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Honorable Pat McCrory, Governor
The General Assembly of North Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of North Carolina as of and for the year ended June 30, 2012 (not presented herein), which collectively comprise the State's basic financial statements, and have issued our report thereon dated December 3, 2012. Our report includes a reference to other auditors.

As discussed in Note 23 to the financial statements, the State of North Carolina implemented Governmental Accounting Standards Board Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions*, during the year ended June 30, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the North Carolina State Lottery Fund, the North Carolina Turnpike Authority, the North Carolina Housing Finance Agency, the State Education Assistance Authority, the University of North Carolina System – University of North Carolina Health Care System – Rex Healthcare, the Supplemental Retirement Income Plan of North Carolina, and the cash basis claims and benefits of the North Carolina State Health Plan, as described in our report on the State of North Carolina's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the University of North Carolina System – University of North Carolina Health Care System – Rex Healthcare and the Supplemental Retirement Income Plan of North Carolina were not audited in accordance with *Government Auditing Standards*. As of the date of our report on the financial statements of the State of North Carolina, the financial statements of the State Education Assistance Authority were not audited in accordance with *Government Auditing Standards*; however, subsequent to that date, an audit in accordance with *Government Auditing Standards* was completed.

Internal Control Over Financial Reporting

Management of the State of North Carolina is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the State of North Carolina's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial

statements, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

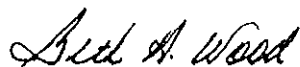
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in finding 12-FS-1 in Section II, Financial Statement Findings, of the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency in internal control over financial reporting. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of North Carolina's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The State of North Carolina's response to the finding identified in our audit is included in Section II, Financial Statement Findings, of the accompanying Schedule of Findings and Questioned Costs. We did not audit the State's response and, accordingly, we express no opinion on the response.

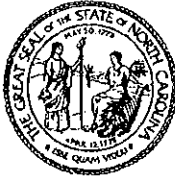
This report is intended solely for the information and use of the Governor, the General Assembly, the State Controller, management and staff of organizations within the State of North Carolina's reporting entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Beth A. Wood, CPA
State Auditor

December 3, 2012

Office of the State Auditor



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Pat McCrory, Governor
The General Assembly of North Carolina

Compliance

We have audited the State of North Carolina's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the State of North Carolina's major federal programs for the year ended June 30, 2012. The State of North Carolina's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the State of North Carolina's management. Our responsibility is to express an opinion on the State of North Carolina's compliance based on our audit.

The State of North Carolina arranges with local government social services agencies to perform the "intake function" to determine eligibility for the following major programs: Medicaid Cluster, Temporary Assistance for Needy Families Cluster, Special Supplemental Nutrition Program for Women, Infants and Children, Low-Income Home Energy Assistance, Adoption Assistance, and the Children's Health Insurance Program. We designated these programs to be audited as major programs at certain local governments by their local government auditors. The results of these audits were furnished to us, and our opinion, insofar as it relates to the intake function for these programs, is based on the other auditors' results.

The State of North Carolina's financial reporting entity includes the operations of the State Education Assistance Authority and the North Carolina Housing Finance Agency. These agencies reported \$2.84 billion and \$253 million, respectively, in federal awards which are not included in the Schedule of Expenditures of Federal Awards during the year ended June 30, 2012. Our audit, described below, did not include the operations of the State Education Assistance Authority and the North Carolina Housing Finance Agency because these agencies engaged other auditors to perform an audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a

major federal program occurred. An audit includes examining, on a test basis, evidence about the State of North Carolina's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion. Our audit does not provide a legal determination of the State of North Carolina's compliance with those requirements.

As described in Section III, Federal Award Findings and Questioned Costs, in the accompanying Schedule of Findings and Questioned Costs, the State of North Carolina did not comply with several compliance requirements that are applicable to several of its major federal programs, as follows:

Finding Number	Type of Compliance Requirement	CFDA	Major Federal Program
12-SA-4	Reporting	14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
12-SA-6	Reporting	14.255	ARRA - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii -- (Recovery Act Funded)
12-SA-14	Subrecipient Monitoring	66.458	Capitalization Grants for Clean Water State Revolving Funds
12-SA-15	Subrecipient Monitoring	66.458	Capitalization Grants for Clean Water State Revolving Funds
12-SA-16	Subrecipient Monitoring	66.468	Capitalization Grants for Drinking Water State Revolving Funds
12-SA-17	Subrecipient Monitoring	66.468	Capitalization Grants for Drinking Water State Revolving Funds
12-SA-18	Cash Management	81.041	State Energy Program
12-SA-20	Subrecipient Monitoring	81.041	State Energy Program
12-SA-21	Cash Management	81.042	Weatherization Assistance for Low-Income Persons
12-SA-28	Cash Management	84.031	Higher Education-Institutional Aid
12-SA-29	Davis-Bacon Act	84.031	Higher Education-Institutional Aid
12-SA-30	Equipment and Real Property Management	84.031	Higher Education-Institutional Aid
12-SA-31	Procurement and Suspension and Debarment	84.031	Higher Education-Institutional Aid
12-SA-32	Procurement and Suspension and Debarment	84.031	Higher Education-Institutional Aid
12-SA-39	Special Tests and Provisions	84.268	Federal Direct Student Loans
12-SA-40	Special Tests and Provisions	84.268	Federal Direct Student Loans
12-SA-41	Special Tests and Provisions	84.268	Federal Direct Student Loans
12-SA-43	Special Tests and Provisions	84.268	Federal Direct Student Loans
12-SA-44	Special Tests and Provisions	84.268	Federal Direct Student Loans

Finding Number	Type of Compliance Requirement	CFDA	Major Federal Program
12-SA-46	Subrecipient Monitoring	84.287	Twenty-First Century Community Learning Centers
12-SA-61	Subrecipient Monitoring	93.558	Temporary Assistance for Needy Families
12-SA-62	Subrecipient Monitoring	93.658	Foster Care-Title IV-E
12-SA-65	Subrecipient Monitoring	93.659	Adoption Assistance
12-SA-78	Cash Management	93.917	HIV Care Formula Grants
12-SA-81	Subrecipient Monitoring	93.959	Block Grants for Prevention and Treatment of Substance Abuse
12-SA-82	Subrecipient Monitoring	93.959	Block Grants for Prevention and Treatment of Substance Abuse
12-SA-83	Subrecipient Monitoring	93.959	Block Grants for Prevention and Treatment of Substance Abuse
12-SA-87	Subrecipient Monitoring	97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Compliance with such requirements is necessary, in our opinion, for the State of North Carolina to comply with the requirements applicable to those programs.

In our opinion, based on our audit and the work of other auditors described above, except for the noncompliance described in the preceding paragraphs, the State of North Carolina complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 12-SA-33, 12-SA-35, 12-SA-60, 12-SA-64, 12-SA-66, 12-SA-68, 12-SA-70, 12-SA-73, 12-SA-74, 12-SA-79, 12-SA-80, and 12-SA-84.

Internal Control Over Compliance

Management of the State of North Carolina is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the State of North Carolina's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of North Carolina's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in Section III, Federal Award Findings and Questioned Costs, of the accompanying Schedule of Findings and Questioned Costs as items 12-SA-4, 12-SA-5, 12-SA-6, 12-SA-7, 12-SA-14, 12-SA-15, 12-SA-16, 12-SA-17, 12-SA-18, 12-SA-20, 12-SA-21, 12-SA-28, 12-SA-29, 12-SA-30, 12-SA-31, 12-SA-32, 12-SA-33, 12-SA-39, 12-SA-40, 12-SA-41, 12-SA-43, 12-SA-44, 12-SA-46, 12-SA-61, 12-SA-62, 12-SA-65, 12-SA-78, 12-SA-81, 12-SA-82, 12-SA-83, and 12-SA-87, to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in Section III, Federal Award Findings and Questioned Costs, of the accompanying Schedule of Findings and Questioned Costs as items 12-SA-1, 12-SA-2, 12-SA-3, 12-SA-8, 12-SA-9, 12-SA-10, 12-SA-11, 12-SA-12, 12-SA-13, 12-SA-19, 12-SA-22, 12-SA-23, 12-SA-24, 12-SA-25, 12-SA-26, 12-SA-27, 12-SA-34, 12-SA-35, 12-SA-36, 12-SA-37, 12-SA-38, 12-SA-42, 12-SA-45, 12-SA-47, 12-SA-48, 12-SA-49, 12-SA-50, 12-SA-51, 12-SA-52, 12-SA-53, 12-SA-54, 12-SA-55, 12-SA-56, 12-SA-57, 12-SA-58, 12-SA-59, 12-SA-63, 12-SA-66, 12-SA-67, 12-SA-69, 12-SA-70, 12-SA-71, 12-SA-72, 12-SA-74, 12-SA-75, 12-SA-76, 12-SA-77, 12-SA-79, 12-SA-80, 12-SA-84, 12-SA-85, 12-SA-86, and 12-SA-88, to be significant deficiencies.

We noted certain deficiencies in information systems controls that were only generally described in this report. Details about these deficiencies, due to their sensitive nature, were communicated to management in separate letters pursuant to the provisions of *North Carolina General Statute 147-64.6(c)(18)*.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of North Carolina, as of and for the year ended June 30, 2012, which collectively comprise the State's basic financial statements (not presented herein) and have issued our report thereon dated December 3, 2012, which contained an unqualified opinion on those financial statements. Our report includes a reference to other auditors.

As discussed in Note 23 to the financial statements, the State of North Carolina implemented Governmental Accounting Standards Board Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions*, during the year ended June 30, 2012.

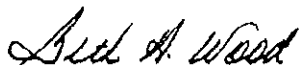
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the North Carolina State Lottery Fund, the North Carolina Turnpike Authority, the North Carolina Housing Finance Agency, the State Education Assistance Authority, the University of North Carolina System – University of

North Carolina Health Care System – Rex Healthcare, the Supplemental Retirement Income Plan of North Carolina, and the cash basis claims and benefits of North Carolina State Health Plan, as described in our report on the State of North Carolina’s financial statements. The financial statements of the University of North Carolina System – University of North Carolina Health Care System – Rex Healthcare and the Supplemental Retirement Income Plan of North Carolina were not audited in accordance with *Government Auditing Standards*. As of the date of our report on the financial statements of the State of North Carolina, the financial statements of the State Education Assistance Authority were not audited in accordance with *Government Auditing Standards*; however, subsequent to that date, an audit in accordance with *Government Auditing Standards* was completed.

Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the State of North Carolina’s basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The schedule has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described previously, and the reports of other auditors, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The State of North Carolina’s responses to the findings identified in our audit are included in the accompanying Schedule of Findings and Questioned Costs. We did not audit the State’s responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Governor, the General Assembly, the State Controller, management and staff of organizations within the State of North Carolina reporting entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Beth A. Wood, CPA
State Auditor

March 5, 2013 (except as related to the
Report on the Schedule of Expenditures of Federal Awards,
as to which the date is December 3, 2012)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SUMMARY)

For the Fiscal Year Ended June 30, 2012

Federal CFDA Number	Program Expenditures	Subrecipient Expenditures	CFDA Program Title or Cluster Title
93.351	394,626		Research Infrastructure Programs
93.358	1,407,039		Advanced Nursing Education Traineeships
93.359	112,993		Nurse Education, Practice and Retention Grants
93.360	587,105	16,578	Biomedical Advanced Research and Development Authority (BARDA), Biodefense Medical Countermeasure Development
93.361	55		Nursing Research
93.365	-779		Sickle Cell Treatment Demonstration Program
93.389	478,365		National Center for Research Resources
93.393	622,946	19,606	Cancer Cause and Prevention Research
93.394	193,151		Cancer Detection and Diagnosis Research
93.395	491,408	115,227	Cancer Treatment Research
93.396	207,435		Cancer Biology Research
93.397	1,192,571	49,178	Cancer Centers Support Grants
93.398	9,426		Cancer Research Manpower
93.399	10,774		Cancer Control
93.405	7,886		ARRA - Public Health Traineeship Program
93.449	195,631		Ruminant Feed Ban Support Project
93.500	2,170,402	1,552,103	Pregnancy Assistance Fund Program
93.505	882,500	544,809	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program
93.506	21,331		ACA Nationwide Program for National and State Background Checks for Direct Patient Access Employees of Long Term Care Facilities and Providers
93.507	1,160,447		PPHF 2012 National Public Health Improvement Initiative
93.509	123,956	123,956	Affordable Care Act (ACA) State Health Care Workforce Development Grants
93.511	559,579		Affordable Care Act (ACA) Grants to States for Health Insurance Premium Review
93.512	467,542		Affordable Care Act (ACA) Personal and Home Care Aide State Training Program (PHCAST)
93.517	241,664		Affordable Care Act-Aging and Disability Resource Center
93.518	556,528	365,178	Affordable Care Act-Medicare Improvements for Patients and Providers
93.519	634,445		Affordable Care Act (ACA)-Consumer Assistance Program Grants
93.520	2,573,143	2,305,712	Centers for Disease Control and Prevention-Affordable Care Act (ACA)-Communities Putting Prevention to Work
93.521	611,661		The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements
93.525	1,319,451	267,318	State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges
93.531	258,196	114,983	PPHF 2012: Community Transformation Grants and National Dissemination and Support for Community Transformation Grants-financed solely by 2012 Prevention and Public Health Funds
93.539	12,085		PPHF 2012-Prevention and Public Health Fund (Affordable Care Act)-Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by 2012 Prevention and Public Health Funds
93.544	10,525		The Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) authorizes Coordinated Chronic Disease Prevention and Health Promotion Program
93.556	10,456,320	9,155,982	Promoting Safe and Stable Families
93.560	-130,105		Family Support Payments to States-Assistance Payments
93.563	87,804,020	72,635,892	Child Support Enforcement
93.568	4,291,747	57,648	Refugee and Entrant Assistance-State Administered Programs
93.568	80,337,330	62,885,778	Low-Income Home Energy Assistance
93.576	751,818	209,906	Refugee and Entrant Assistance-Discretionary Grants
93.584	765,433		Refugee and Entrant Assistance-Targeted Assistance Grants
93.586	922,773		State Court Improvement Program
93.590	1,389,170	1,191,728	Community-Based Child Abuse Prevention Grants
93.597	278,613		Grants to States for Access and Visitation Programs
93.599	945,089	945,089	Chafee Education and Training Vouchers Program (ETV)
93.603	1,003,934		Adoption Incentive Payments
93.617	10,624	10,624	Voting Access for Individuals with Disabilities-Grants to States
93.630	1,838,933	627,714	Developmental Disabilities Basic Support and Advocacy Grants
93.643	436,195	59,416	Children's Justice Grants to States
93.645	7,627,525	3,962,147	Stephanie Tubbs Jones Child Welfare Services Program
93.648	39,916		Child Welfare Research Training or Demonstration
93.652	260,197	123,046	Adoption Opportunities
93.658	76,465,970	74,976,199	Foster Care-Title IV-E
93.658	48,105	48,105	ARRA - Foster Care-Title IV-E
93.659	47,796,971	2,735,307	Adoption Assistance
93.659	-1,673		ARRA - Adoption Assistance
93.667	65,313,082	57,101,099	Social Services Block Grant
93.669	720,176	487,713	Child Abuse and Neglect State Grants

STATE OF NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (DETAIL)

For the Fiscal Year Ended June 30, 2012

Federal CFDA Number	Direct/ Indirect	ARRA	Program Expenditures	CFDA Program Title	Pass-Through Number	Pass-Through Entity Name
93.630	I	N	2,382	Developmental Disabilities Basic Support and Advocacy Grants	203-9023	NC Council Dev Disabilities
93.643	D	N	435,195	Children's Justice Grants to States		
93.645	D	N	7,627,525	Stephanie Tubbs Jones Child Welfare Services Program	E00030648-3	University of Missouri-Columbia
93.648	I	N	20,192	Child Welfare Research Training or Demonstration	E00034524-2	University of Missouri-Columbia
93.648	I	N	19,724	Child Welfare Research Training or Demonstration		
93.648	I	N	260,197	Adoption Opportunities		
93.658	D	N	76,465,870	Foster Care-Tile IV-E		
93.658	D	N	48,105	ARRA - Foster Care-Tile IV-E		
93.659	D	Y	47,796,971	Adoption Assistance		
93.659	D	Y	-1,673	ARRA - Adoption Assistance		
93.659	D	Y	65,313,082	Social Services Block Grant		
93.659	D	N	720,176	Child Abuse and Neglect State Grants		
93.659	D	N	2,294,606	Family Violence Prevention and Services/Grants for Battered Women's Shelters-Grants to States and Indian Tribes		
93.671	D	N	2,836,884	Chafee Foster Care Independence Program		
93.674	D	N	118,905	ARRA - Trans-NIH Recovery Act Research Support		
93.701	D	Y	1,217,143	ARRA - Trans-NIH Recovery Act Research Support	1R24 MD00493001	Carolina's HealthCare System
93.701	I	Y	68,998	ARRA - Trans-NIH Recovery Act Research Support	1R24G039635-01	University of Iowa
93.701	I	Y	168,819	ARRA - Trans-NIH Recovery Act Research Support	8771-S17	Westat
93.701	I	Y	29,162	ARRA - Trans-NIH Recovery Act Research Support	8771-S16	Westat
93.701	I	Y	17	ARRA - Trans-NIH Recovery Act Research Support	WU11187	Washington University
93.701	I	Y	8,202	ARRA - Trans-NIH Recovery Act Research Support		
93.701	I	Y	37,053	ARRA - Grants to Health Center Programs		
93.703	D	Y	-224	ARRA - Child Care and Development Block Grant		
93.713	D	Y	90,244	ARRA - Recovery Act - Comparative Effectiveness Research - AHRQ		
93.715	I	Y	620,244	ARRA - Preventing Healthcare-Associated Infections		
93.717	D	Y	7,530,948	ARRA - Health Information Technology Professionals in Health Care		
93.721	I	Y	52,083	ARRA - Health Information Technology Professionals in Health Care		
93.721	I	Y	1,932,113	ARRA - Prevention and Wellness-State, Territories and Pacific Islands		
93.723	D	Y	459,451	ARRA - Communities Putting Prevention to Work: Chronic Disease Self-Management Program		
93.725	D	Y	312,747,279	Children's Health Insurance Program		
93.767	D	N	447,228	Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities		
93.768	D	N	48,501	ARRA - Demonstration to Maintain Independence and Employment		
93.769	D	Y	8,014,386	Medicare-Hospital Insurance		
93.773	D	N	2,311,588	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		
93.779	D	N	11,751,285	Grants to States for Operation of Qualified High-Risk Pools		
93.780	D	N	22,477	Alternate Non-Emergency Service Providers or Networks		
93.790	D	N	2,578,412	Money Follows the Person Rebalancing Demonstration		
93.791	D	N	99,666	Medicaid Transformation Grants		
93.793	D	N	20,428	Health Careers Opportunity Program		
93.822	D	N	1,033,124	Cardiovascular Diseases Research	148732	Duke University
93.837	D	N	15,583	Cardiovascular Diseases Research	2030346	Duke University
93.837	I	N	3,659	Cardiovascular Diseases Research	214527	MT Sinai School of Medicine
93.837	I	N	10,848	Cardiovascular Diseases Research	214529	MT Sinai School of Medicine
93.837	I	N	12,535	Cardiovascular Diseases Research	M12A11364	Yale University
93.837	I	N	18,410	Cardiovascular Diseases Research	SWOG0500	MT Sinai School of Medicine
93.837	I	N	1,519	Cardiovascular Diseases Research	203016	Duke University
93.837	I	N	141,026	ARRA - Cardiovascular Diseases Research		

STATE OF NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (BY STATE AGENCY)

For the Fiscal Year Ended June 30, 2012

Federal CFDA Number	Direct/Indirect	ARRA	Program Disbursements	CFDA Program Title	Pass-Through Number	Pass-Through Entity Name
N. C. Department of Environment and Natural Resources - Wildlife						
10	D	N	74,624	U. S. Department of Agriculture		
11,472	D	N	50,000	Unalied Science Program		
15,605	D	N	7,438,780	Sport Fish Restoration Program		
15,611	D	N	7,798,213	Wildlife Restoration and Basic Hunter Education		
15,614	D	N	381,885	Coastal Wetlands Planning, Protection and Restoration Act		
15,615	D	N	181,865	Cooperative Endangered Species Conservation Fund		
15,616	D	N	17,599	Clean Vessel Act		
15,626	D	N	240,355	Enhanced Hunter Education and Safety Program		
15,634	D	N	1,340,927	State Wildlife Grants		
97,012	D	N	1,919,871	Boating Safety Financial Assistance		
			<u>19,424,115</u>	Total— N. C. Department of Environment and Natural Resources - Wildlife		
N. C. Department of Health and Human Services						
10,551	D	N	2,451,511,068	Supplemental Nutrition Assistance Program		
10,557	D	N	202,985,002	Special Supplemental Nutrition Program for Women, Infants, and Children		
10,558	D	N	86,824,311	Child and Adult Care Food Program		
10,559	D	N	6,720,007	Summer Food Service Program for Children		
10,560	D	N	2,617,096	State Administrative Expenses for Child Nutrition		
10,561	D	N	89,354,997	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		
10,572	D	N	184,065	WIC Farmers' Market Nutrition Program (FMNP)		
10,576	D	N	71,061	Senior Farmers Market Nutrition Program		
10,578	D	N	362,150	WIC Grants to States (WGS)		
10,579	D	Y	4,962,164	ARRA - WIC Grants to States (WGS)		
10,588	D	N	290,674	Child Nutrition Discretionary Grants Limited Availability		
14,231	D	N	491,241	Assessment of Alternatives to Face-to-Face Interviews in SNAP		
14,241	D	N	2,481,638	Emergency Shelter Grants Program		
14,900	D	N	2,285,636	Housing Opportunities for Persons with AIDS		
16,580	D	N	293,897	Lead-Based Paint Hazard Control in Privately-Owned Housing		
16,727	D	N	129,632	Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program		
17,235	D	N	255,713	Enforcing Underage Drinking Laws Program		
66,032	D	N	2,725,837	Senior Community Service Employment Program		
66,701	D	N	158,611	State Indoor Radon Grants		
66,707	D	N	75,149	Toxic Substances Compliance Monitoring Cooperative Agreements		
66,715	D	N	265,516	TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals		
84,125	D	N	13,861	Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies		
84,161	D	N	104,297,495	Rehabilitation Services-Vocational Rehabilitation Grants to States		
84,169	D	N	320,693	Rehabilitation Services-Client Assistance Program		
84,177	D	N	463,095	Independent Living-State Grants		
84,181	D	N	711,475	Rehabilitation Services-Independent Living Services for Older Individuals Who are Blind		
84,186	D	N	12,925,361	Special Education-Grants for Infants and Families		
84,187	D	N	-23,591	Safe and Drug-Free Schools and Communities-State Grants		
84,224	D	N	641,989	Supported Employment Services for Individuals with the Most Significant Disabilities		
84,265	D	N	862,944	Assistive Technology		
84,390	D	Y	260,821	Rehabilitation Training-State Vocational Rehabilitation Unit In-Service Training		
			6,825,225	ARRA - Rehabilitation Services-Vocational Rehabilitation Grants to States, Recovery Act		

STATE OF NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (BY STATE AGENCY)

For the Fiscal Year Ended June 30, 2012

Federal CFDA Number	Direct/Indirect	ARRA	Program Disbursements	CFDA Program Title	Pass-Through Number	Pass-Through Entity Name
84,393	D	Y	2,036,394	ARRA - Special Education-Grants for Infants and Families, Recovery Act		
84,398	D	Y	195,060	ARRA - Independent Living State Grants, Recovery Act		
84,399	D	Y	189,735	ARRA - Independent Living Services for Older Individuals Who are Blind, Recovery Act		
93,003	D	N	10,564,950	Public Health and Social Services Emergency Fund		
93,041	D	N	137,975	Special Programs for the Aging-Title VII, Chapter 3-Programs for Prevention of Elder Abuse, Neglect, and Exploitation		
93,042	D	N	612,581	Special Programs for the Aging-Title VII, Chapter 2-Long Term Care Ombudsman Services for Older Individuals		
93,043	D	N	528,578	Special Programs for the Aging-Title III, Part D-Disease Prevention and Health Promotion Services		
93,044	D	N	11,559,167	Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers		
93,045	D	N	16,744,881	Special Programs for the Aging-Title III, Part C-Nutrition Services		
93,048	D	N	593,325	Special Programs for the Aging-Title IV-and Title II-Discretionary Projects		
93,051	D	N	828,181	Alzheimer's Disease Demonstration Grants to States		
93,052	D	N	4,617,139	National Family Caregiver Support, Title III, Part E		
93,063	D	N	2,897,968	Nutrition Services Incentive Program		
93,069	D	N	14,607,672	Public Health Emergency Preparedness		
93,070	D	N	703,362	Environmental Public Health and Emergency Response		
93,071	D	N	28,618	Medicare Enrollment Assistance Program		
93,072	D	N	53,536	Lifespan Respite Care Program		
93,087	D	N	584,786	Enhance the Safety of Children Affected by Parental Methamphetamine or Other Substance Abuse		
93,092	D	N	658,342	Affordable Care Act (ACA) Personal Responsibility Education Program		
93,103	D	N	45,249	Food and Drug Administration-Research		
93,110	D	N	223,582	Maternal and Child Health Federal Consolidated Programs		
93,116	D	N	2,017,713	Project Grants and Cooperative Agreements for Tuberculosis Control Programs		
93,127	D	N	122,519	Emergency Medical Services for Children		
93,130	D	N	296,724	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices		
93,136	D	N	1,245,025	Injury Prevention and Control Research and State and Community Based Programs		
93,150	D	N	1,055,069	Projects for Assistance in Transition from Homelessness (PATH)		
93,197	D	N	54,520	Childhood Lead Poisoning Prevention Projects-State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children		
93,204	D	N	109,845	Surveillance of Hazardous Substance Emergency Events		
93,217	D	N	7,294,592	Family Planning-Services		
93,224	D	N	1,698,400	Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers)		
93,226	D	N	139,627	Research on Healthcare Costs, Quality and Outcomes		
93,234	D	N	247,681	Traumatic Brain Injury State Demonstration Grant Program		
93,236	D	N	133,254	Grants to Support Oral Health Workforce Activities		
93,240	D	N	254,315	State Capacity Building		
93,241	D	N	373,193	State Rural Hospital Flexibility Program		
93,243	D	N	2,558,064	Substance Abuse and Mental Health Services-Projects of Regional and National Significance		
93,251	D	N	295,924	Universal Newborn Hearing Screening		
93,256	D	N	542,348	State Health Access Program		
93,262	D	N	85,408	Occupational Safety and Health Program		
93,268	D	N	112,219,533	Immunization Grants		
93,270	D	N	85,862	Adult Viral Hepatitis Prevention and Control		

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (BY STATE AGENCY)

For the Fiscal Year Ended June 30, 2012

Federal CFDA Number	Direct/Indirect	ARRA	Program Disbursements	CFDA Program Title	Pass-Through Number	Pass-Through Entity Name
93.283	D	N	13,401,845	Centers for Disease Control and Prevention- Investigations and Technical Assistance		
93.296	D	N	131,431	State Partnership Grant Program to Improve Minority Health		
93.301	D	N	196,170	Small Rural Hospital Improvement Grant Program		
93.300	D	N	2,170,402	Pregnancy Assistance Fund Program		
93.505	D	N	862,500	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program		
93.506	D	N	21,331	ACA Nationwide Program for National and State Background Checks for Direct Patient Access Employees of Long Term Care Facilities and Providers		
93.507	D	N	1,150,447	PPHF 2012 National Public Health Improvement Initiative		
93.512	D	N	457,542	Affordable Care Act (ACA) Personal and Home Care Aide State Training Program (PHCAST)		
93.517	D	N	241,664	Affordable Care Act-Aging and Disability Resource Center		
93.518	D	N	566,528	Affordable Care Act-Medicare Improvements for Patients and Providers		
93.520	D	N	2,573,143	Centers for Disease Control and Prevention-Affordable Care Act (ACA)-Communities Putting Prevention to Work		
93.521	D	N	511,661	The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements		
93.531	D	N	258,196	PPHF 2012: Community Transformation Grants and National Dissemination and Support for Community Transformation Grants-financed solely by 2012 Prevention and Public Health Funds		
93.539	D	N	12,085	PPHF 2012-Prevention and Public Health Fund (Affordable Care Act)-Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by 2012 Prevention and Public Health Funds		
93.544	D	N	10,525	The Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) Authorizes Coordinated Chronic Disease Prevention and Health Promotion Program		
93.556	D	N	10,456,320	Promoting Safe and Stable Families		
93.558	D	N	252,666,062	Temporary Assistance for Needy Families		
93.560	D	N	-130,105	Family Support Payments to States-Assistance Payments		
93.563	D	N	87,804,020	Child Support Enforcement		
93.566	D	N	4,291,747	Refugee and Entrant Assistance-State Administered Programs		
93.568	D	N	80,337,330	Low-Income Home Energy Assistance		
93.569	D	N	15,453,243	Community Services Block Grant		
93.575	D	N	172,790,042	Child Care and Development Block Grant		
93.576	D	N	751,818	Refugee and Entrant Assistance-Discretionary Grants		
93.584	D	N	765,433	Refugee and Entrant Assistance-Targeted Assistance Grants		
93.590	D	N	1,289,170	Community-Based Child Abuse Prevention Grants		
93.596	D	N	113,836,931	Child Care Mandatory and Matching Funds of the Child Care and Development Fund		
93.597	D	N	278,513	Grants to States for Access and Visitation Programs		
93.599	D	N	945,069	Charter Education and Training Vouchers Program (ETV)		
93.603	D	N	1,003,934	Adoption Incentive Payments		
93.630	D	N	1,836,551	Developmental Disabilities Basic Support and Advocacy Grants		
93.645	D	N	7,627,525	Stephanie Tubbs Jones Child Welfare Services Program		
93.652	D	N	139,784	Adoption Opportunities		
93.658	D	N	76,465,970	Foster Care-Title IV-E		
93.658	D	Y	48,105	ARRA - Foster Care-Title IV-E		
93.659	D	N	47,796,971	Adoption Assistance		
93.659	D	Y	-1,673	ARRA - Adoption Assistance		

STATE OF NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (BY STATE AGENCY)

For the Fiscal Year Ended June 30, 2012

Federal CFDA Number	Direct/Indirect	ARRA	Program Disbursements	CFDA Program Title	Pass-Through Number	Pass-Through Entity Name
93.667	D	N	65,313,082	Social Services Block Grant		
93.669	D	N	720,178	Child Abuse and Neglect State Grants		
93.671	D	N	2,294,606	Family Violence Prevention and Services/Grants for Battered Women's Shelters-Grants to States and Indian Tribes		
93.674	D	N	2,836,884	Chafee Foster Care Independence Program		
93.703	D	Y	37,053	ARRA - Grants to Health Center Programs		
93.710	D	Y	-1,273	ARRA - Community Services Block Grant		
93.712	D	Y	826,965	ARRA - Immunization		
93.713	D	Y	-224	ARRA - Child Care and Development Block Grant		
93.714	D	Y	5,248,006	ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program		
93.717	D	Y	620,244	ARRA - Preventing Healthcare-Associated Infections		
93.720	D	Y	34,087	ARRA - Survey and Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative		
93.723	D	Y	1,932,113	ARRA - Prevention and Wellness-State, Territories and Pacific Islands		
93.725	D	Y	459,451	ARRA - Communities Putting Prevention to Work: Chronic Disease Self-Management Program		
93.767	D	N	312,747,279	Children's Health Insurance Program		
93.768	D	N	447,228	Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities		
93.773	D	N	8,014,366	Medicare-Hospital Insurance		
93.777	D	N	5,688,578	State Survey and Certification of Health Care Providers and Suppliers (Title XVII) Medicare		
93.778	D	N	8,035,919,309	Medical Assistance Program		
93.778	D	Y	-3,824,001	ARRA - Medical Assistance Program		
93.779	D	N	559,019	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		
93.790	D	N	22,477	Alternate Non-Emergency Service Providers or Networks		
93.791	D	N	2,578,412	Money Follows The Person Rebalancing Demonstration		
93.793	D	N	98,666	Medicaid Transformation Grants		
93.869	D	N	-769	National Biodefense Hospital Preparedness Program		
93.913	D	N	178,356	Grants to States for Operation of Offices of Rural Health		
93.917	D	N	38,395,160	HIV Care Formula Grants		
93.926	D	N	2,175,981	Healthy Start Initiative		
93.928	D	Y	153,412	ARRA - Special Projects of National Significance		
93.940	D	N	6,246,856	HIV Prevention Activities-Health Department Based		
93.944	D	N	1,582,925	Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance		
93.958	D	N	11,232,365	Block Grants for Community Mental Health Services		
93.959	D	N	40,607,646	Block Grants for Prevention and Treatment of Substance Abuse		
93.977	D	N	2,696,187	Preventive Health Services-Sexually Transmitted Diseases Control Grants		
93.982	D	N	422,278	Mental Health Disaster Assistance and Emergency Mental Health		
93.991	D	N	175,418	Preventive Health and Health Services Block Grant		
93.994	D	N	17,616,173	Maternal and Child Health Services Block Grant to the States		
96.001	D	N	62,227,105	Social Security-Disability Insurance		
96.008	D	N	217,722	Social Security-Work Incentives Planning and Assistance Program		
97.044	D	N	16,371	Assistance to Firefighters Grant		
99	D	N	153,321	Other Federal Assistance		
			<u>12,700,242,500</u>	Total - N. C. Department of Health and Human Services		

