DEAR COUNTY DIRECTOR OF SOCIAL SERVICES

Attention: Child Welfare Program Managers and Supervisors

Subject: Title IV-E Eligibility Foster Care Review

It is with great pleasure that we announce that the Administration for Children and Families (ACF) has notified us that North Carolina has been found in substantial compliance with Federal requirements to receive Title IV-E funds for children in foster care.

The review was conducted the week of April 25-28, 2005. The purpose of the review was to determine if North Carolina was in compliance with the child and provider eligibility requirements, and to validate financial claims and to ensure that payments were based on eligible children, homes and institutions.

To be found in substantial compliance with the Federal requirements to receive Title IV-E funds, no more that four (4) errors could be found. Of the 80 cases that were reviewed, eligibility errors were found in three only (3) cases. As a result, North Carolina will not have to submit a Program Improvement Plan (PIP) to the Administration for Children and Families (ACF). The next review will be conducted in three years.

The three (3) cases that were found to have errors were related to the judicial determination of reasonable efforts to finalize a permanency plan. As a result of these errors, these three cases are not eligible for Title IV-E Foster care maintenance payments or Title IV-E Foster care administrative costs. The recommendation is that there continue to be concerted efforts to collaborate with the judicial community to emphasize and strengthen the link between judicial findings and Title IV-E eligibility. The Division has already begun efforts to strengthen this area and will be working with county Departments of Social Services to develop a systematic plan to achieve this goal.

In addition to the three (3) error cases that were reviewed for the period of April 1, 2004 through September 30, 2004, one (1) case was found to have ineligible payments outside of the review period. This case was not considered in the determination of substantial compliance with the Federal Requirements. The ineligible payments identified were related to the judicial determination of reasonable efforts to finalize a permanency plan within the required timeframe. Title IV-E payments continued to be made from the time the judicial determination was due and the date of the actual determination was made.

Title IV-E funds that were received for foster care maintenance payments and foster care administrative costs will need to be returned for the three error cases and for the period of
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ineligibility that was outside of the review period in the one case. DHHS Controller will be managing this process.

Overall, the Federal reviewers were very complimentary of the county Departments of Social Services. The reviewers found that county DSS staff was consistent and timely with eligibility re-determinations, and were knowledgeable about Federal title IV-E eligibility requirements. Reviewers found that licensing, safety and criminal records check processes are consistently being completed regardless of the child’s foster care placement. The reviewers did express concerns about the number of foster care placement moves for children in several of the cases reviewed. A renewed effort to increase placement stability for children in foster care is needed.

The strengths identified within North Carolina’s judicial system by the Federal reviewers are:

- overall, grounds for the issuance of court orders were detailed with child specific and individualized orders
- court reports were detailed regarding efforts to prevent placement, case history, child’s situation, agency plan and recommendations.
- court orders identified the counties with responsibility for placement and care of the child under review.
- judicial determinations of contrary to the welfare and reasonable efforts generally were timely and child-specific and in conformance with Federal requirements.

We will implement a program enhancement plan as we identified certain areas through this review where we need to enhance our practice. Please share this information with your staff and congratulations.

Sincerely,

Jo Ann Lamm, Section Chief
Family Support and Child Welfare Services Section

JAL/ttr

Cc: Pheon Beal
    Sherry Bradsher
    Sarah Barham
    Local Business Liaisons
    Child’s Services Programs Representatives
    FSCWS Team Leaders

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