July 18, 2019

Dear County Directors of Social Services

Attention: County Directors of Social Services
Work First Administrators, Managers, and Supervisors

Subject: Temporary Assistance for Needy Families (TANF) State Audit for State Fiscal Year (SFY) 2019

Priority: Information Only

The Office of the State Auditor (OSA) will contract with a subject matter expert to perform statewide testing of TANF eligibility for SFY 2019. This audit test is separate from the Local Single County Audit Test. Local Certified Public Accountant (CPA) firms may continue to perform Single County Audit Testing on TANF eligibility and the sample sizes for testing will be at the discretion of each local CPA firm. The Local Single County Audit and the OSA contracted audit may overlap or occur simultaneously.

The contracted auditors will conduct the audit through the North Carolina Families Accessing Services through Technology (NC FAST) system. The Work First Program will contact the local county department of social services agency if information is needed and not located in NC FAST.

OSA has not finalized decisions regarding the start date or the selection of the subject matter expert for this audit. The start date is expected to be no later than August 2019. Errors arising from the audit reviews will continue to be noted by OSA or the local CPA firm as questioned costs for TANF. The OSA contracted audit will be reported and published as part of the Statewide Single Audit. NC DHHS will continue to review the questioned costs identified and determine the actual calculation of any applicable recoupment amount.

If you have questions, please contact Gretchen Williams at Gretchen.Williams@dhhs.nc.gov or (919) 527-6308.

Sincerely,

[Signature]

David Locklear, Deputy Director

DL/jt

EFS-WF-06-2019