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**PROMOTING SAFE AND STABLE FAMILIES
(TITLE IV-B, SUBPART 2)**

**State
Project/Program: PROMOTING SAFE AND STABLE FAMILIES**

**U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**Federal
Authorization:** Social Security Act, as amended, Title IV, Part B, Subpart 2; Omnibus Budget Reconciliation Act of 1993; Public Law 103-66; Social Security Amendments of 1994, Public Law 103-432; Adoption and Safe Families Act of 1997, Public Law 105-89, 42 CFR SECT 629. Amended and reauthorized [within the Children and Family Services Improvement Act of 2011](#), Public Law 112-34.

State Authorization: N/A

**NC Department of Health and Human Services
Division of Social Services**

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Address Confirmation Letters To:

SFY 2021 audit confirmation reports for payments made to Counties, Local Management Entities (LMEs), Managed Care Organizations (MCOs), Boards of Education, Councils of Government, District Health Departments and DHSR Grant Subrecipients will be available by mid-October at the following web address:

<https://www.ncdhhs.gov/about/administrative-offices/office-controller/audit-confirmation-reports> At this site, click on the link entitled “Audit Confirmation Reports (State Fiscal Year 2020-2021)”. Additionally, audit confirmation reports for Nongovernmental entities receiving financial assistance from DHHS are found at the same website except select “[Non-Governmental Audit Confirmation Reports \(State Fiscal Years 2019-2021\)](#)”.

The auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current.

The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

Auditors may request documentation of monitoring visits by the State Agencies.

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This compliance supplement must be used in conjunction with the OMB 2021 Compliance Supplement which will be issued in the summer. This includes "Part 3 - Compliance Requirements," for the types that apply, "Part 6 - Internal Control," and "Part 4 - Agency Program" requirements if the Agency issued guidance for a specific program. The OMB Compliance Supplement is Section A of the State Compliance Supplement.

I. PROGRAM OBJECTIVES

The purpose of Community Based Programs is to encourage and enable each state to develop, establish, expand, coordinate, and operate a program of Intensive Family Preservation Services, community-based Family Support Services, Respite Services, and Adoption Promotion and Support Services. Family Reunification Services are administered by county departments of social services.

The objective of the Intensive Family Preservation Services program is to prevent the unnecessary placement of children away from their families by providing in-home services aimed at restoring families in crisis to an acceptable level of functioning. Services are designed to stabilize the crises that put children at imminent risk for out-of-home placement, and keep the child, family and community safe by defusing the potential for violence (i.e. physical, sexual, emotional/verbal abuse).

The objective of Family Support and Respite Services is to provide community-based services that promote the well-being of children and families, including foster families. They are designed to increase the strength and stability of families; to increase caregivers' confidence, competence and support in their parenting abilities; to afford children a stable and supportive family environment; to enhance child development; and to support and retain foster families. All programs provided, except respite care, are evidence-based, evidence-informed programs and practices that have been proven to reduce the risk factors and increase the protective factors for child abuse and neglect. Respite care is an important component of a comprehensive continuum of child abuse and neglect prevention programming.

The objective of the Adoptions Promotion and Post Adoption Support Services is to encourage finalization of adoptions for those children who remain in the State's foster care. Adoptions Promotion provides a financial incentive (paid following the finalization of the adoption) for contracting private child placing agencies to locate, recruit, train, and support prospective adoptive families through the adoption process. County departments of social services may be eligible to receive a one-time, year-end funding allocation. County agencies will receive a proportional share of the total statewide funding available to all counties based upon the sum of two factors:

1. The total number of adoptions completed, regardless of age, that exceed federal adoption baseline targets for each county.
2. The total number of adoptions completed for children 13 years and older or sibling groups of 3 or more placed together for adoption, that fall under the federal baseline.

Post Adoption Support Services provide a broad continuum of community-based services beginning with adoption dissolution prevention and extending through intensive mental

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health interventions. These services are designed to be flexible based on the family or child's needs after the finalization of adoption.

Family Reunification Services enable child welfare agencies to provide allowable services and activities to a child who is removed from their home and placed in a foster family home or a child care institution and their parents or primary caregiver regardless of time frames. In addition, child welfare agencies can provide reunification services to a child who has been returned home and to their parents or primary caregiver for up to 15 months after reunification.

II. PROGRAM PROCEDURES

The North Carolina Department of Health and Human Services (DHHS), Division of Social Services (DSS) obtains this funding by submitting the Annual Progress of Service Report to the Administration of Children and Families (ACF). Funds are awarded to jurisdictions based on availability. DSS estimates allocation of funds for each service, which is reported on the CFS-101 form. These funds are awarded to the state at a rate of 75% federal financial participation. The State uses in-kind funds from the NC Partnership for Children to meet the required 25% match.

Grants are administered by the NC DHHS - DSS. Intensive Family Preservation Services, Family Support Services, Respite Services, Post Adoption Support Services grants are awarded by the DSS through a competitive Request for Applications (RFA), an assessment of the ability and capacity of the organization to implement community-based programs, and availability of funding. An independent team reviews and scores the applications. The recommendations of this team are forwarded to the Community Prevention Program Administrator, Section Chief for Safety and Prevention, and Deputy Director for Child Welfare Services for approval. Once this process is completed, a formal award notification is sent to approved applicants. The applicant's budget becomes part of the contract between the grantee and DSS. The contract narrative will contain a listing of approved services and activities for a particular program.

Subrecipients are reimbursed through submission of the DSS-1571 III Administrative Costs Report to the DHHS Controller's Office. A sub-grantee under this grant is subject to provisions of Omni Circular. All federal and state requirements are communicated to the subrecipients as part of the RFA and contracting process.

The State is required to monitor, evaluate, and report on all programs funded by this grant in accordance with regulations adopted by the DSS, which can be found at <https://www.ncdhhs.gov/divisions/social-services/county-staff-information/monitoring>.

The Family Reunification Services funding is allocated to all county departments of social services in the State. The amount of funding is calculated based on a formula that includes 1) a base of \$5,000 for each county, plus 2) a percentage of the remaining funds available based on the average number of children in out-of-home care at each quarter's end for the previous federal fiscal year, regardless of plan goal.

III. COMPLIANCE REQUIREMENTS

Noted below in the following matrix are the types of compliance requirements that are applicable to the federal program. These Types are determined by the federal agency,

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noted as “Y,” on the “Matrix of Compliance Requirements” located in Part 2 of the OMB 2021 Compliance Supplement; however, the State Agency may have added the Type and this is noted by “Y.” If the State determines that the federal requirement does not apply at the local level or if the State modifies the federal requirements, this is noted in the supplement under the type of compliance requirement. If the federal and/or State agencies have determined that the type is not applicable, it is noted by “N.”

If the Matrix indicates “Y,” the auditor must determine if a particular type of compliance requirement has a direct and material effect on the federal program for the auditee. For each such compliance requirement subject to the audit, the auditor must use the OMB 2021 Compliance Supplement, Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and Part 4 (which includes any program-specific requirements) to perform the audit.

If there is no program listed on the “Matrix” in Part 2 or Part 4, the State has determined the Type that is applicable. If a Type is determined to be direct and material, the auditor should refer to the requirements found in Part 3 and listed in this supplement.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/ Cost Principles	Cash Management	Eligibility	Equipment/ Real Property	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension &	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	N	N	Y	Y	Y	N	Y	Y	N

A. ACTIVITIES ALLOWED OR UNALLOWED

Intensive Family Preservation

Families who may be served under the Intensive Family Preservation Services program are those with children ages birth through 17 years who are at imminent risk of out of home placement into the social services, mental health/developmental disabilities/substance abuse, or juvenile justice systems. The populations of children for whom these services shall be made available include those alleged or found to be abused, neglected, or dependent; emotionally or behaviorally disturbed; undisciplined or delinquent; and/or have medical needs, that with assistance, could be managed in the home.

Allowable Intensive Family Preservation Services are:

1. Family assessment;
2. Intensive family and individual counseling;
3. Client advocacy;

4. Case management;
5. Development and enhancement of parenting skills; and
6. Referral to other services as appropriate.

Allowable Family Support Services are:

1. Services designed to increase parenting skills and support;
2. Early developmental screening;
3. Respite Care;
4. Referrals to community-based services;
5. Public awareness and education activities;
6. Individual, group, and family counseling and mental health services;
7. Child abuse and neglect prevention activities;
8. Family Resource Center based activities;
9. Transportation to and from the services and activities;
10. Family access to formal and informal resources;
11. Parent engagement and leadership; and
12. State and community-based collaborations and partnerships;

Allowable Post-Adoption Support Services are:

1. Individual, group, and family counseling and mental health services;
2. Parent education and training;
3. Support groups for adoptive parents and adoptees;
4. Case management;
5. Respite care;
6. Advocacy; and
7. Crisis intervention.

Family Reunification Services

Families who may be served under the Family Reunification Services program are those who have one or more children (ages birth through 17 years) that have been removed from the child's home and placed in a foster family home or a child care institution. Services are provided to the family in order to facilitate the reunification of the child safely and appropriately without time limitations. Services may continue up to 15 months after family reunification is established and the child returns home.

The Intensive Family Preservation Services Policies and Standards and the Family Reunification Services Policies and Standards can be viewed at the following web site: <https://www2.ncdhhs.gov/info/olm/manuals/dss/csm-07/man/>

Allowable Family Reunification Services are:

1. Individual, group, and family counseling;
2. Inpatient, residential, or outpatient substance abuse treatment services;
3. Mental health services;
4. Assistance to address domestic violence;
5. Services designed to provide temporary child care and therapeutic services for families, including crisis nurseries;
6. Peer-to-Peer mentoring and support groups;
7. Facilitation of access to and visitation of children with parents and siblings; and
8. Transportation to or from any of the services and activities described in this section.

B. ALLOWABLE COSTS/COST PRINCIPLES

Intensive Family Preservation Services, Family Support Services, Respite Services, Post Adoption Support Services grants are awarded by the DSS through a competitive Request for Applications (RFA). The Grantee's budget becomes part of the contract with DSS. The contract narrative will contain a listing of approved services and activities for which the grant award is made.

- Subrecipients may claim reimbursement for the costs of purchasing any of the above allowable activities from another source.
- In addition to the above allowable activities, subrecipients may claim reimbursement for the purchase of any other services, with prior written approval from NCDSS.
- Subrecipients may claim reimbursement for travel costs to meetings and other events.

All subrecipients that expend State funds (including federal funds passed through the NC DHHS) are required to comply with the cost principles described in the NC Administrative Code at 09 NCAC 03M .0201.

F. EQUIPMENT AND REAL PROPERTY MANAGEMENT

This requirement has not been passed to the subrecipients; therefore, additional testing is not required.

H. PERIOD OF PERFORMANCE

Federal funds are received by the state over the course of the Federal Fiscal Year (October 1-September 30) and are distributed over the course of the State Fiscal Year (July 1-June 30).

I. PROCUREMENT AND SUSPENSION AND DEBARMENT

Procurement

All subrecipients that expend federal funds (received either directly from a federal agency or passed through the NC DHHS) are required to conform with federal agency codifications of the grants management common rule accessible at <http://www.whitehouse.gov/omb/>.

All subrecipients that expend State funds (including federal funds passed through the NC DHHS) are required to comply with the procurement standards described in the North Carolina General Statutes and the North Carolina Administrative Code, which are identified in the State of North Carolina Agency Purchasing Manual accessible at [http://www.pandc.nc.gov/documents/Procurement Manual 5 8 2013 interactive.pdf](http://www.pandc.nc.gov/documents/Procurement_Manual_5_8_2013_interactive.pdf)

Nongovernmental subrecipients shall maintain written Procurement policies that are followed in procuring the goods and services required to administer the program.

Suspension and Debarment

The listing of most debarred and suspended parties can be viewed at the following web site: [System For Award Management \(SAM\)](#)

L. REPORTING

This program is required to report financial data on OMB form OCSE-396A annually. Additionally, program data is reported on OMB form #0970-0204 on an annual basis. This requirement has not been passed to the subrecipients; therefore, additional testing is not required.

M. SUBRECIPIENT MONITORING

The State monitors the subrecipient to:

- Provide reasonable assurance that the contractor complies with State and federal requirements;
- Ensure that the purchased activity and/or service is being provided in compliance with the written agreement and DSS policy;
- Ensure that funds are expended only for allowable activities and for eligible recipients;
- Requires the contractor to take prompt corrective action where areas of non-compliance are found.