



ADMINISTRATION FOR
CHILDREN & FAMILIES

Administration on Children, Youth & Families | 330 C Street, S.W., Washington, DC 20201
www.acf.hhs.gov/acyf

April 10, 2025

Dr. Devdutta Sangvai
Secretary
North Carolina Department of Health and Human Services
2001 Mail Service Center Raleigh
Raleigh, North Carolina 27699

Dear Secretary Sangvai:

The Children's Bureau (CB), Administration for Children and Families (ACF), in collaboration with the North Carolina Department of Health and Human Services Division of Social Services (NCDSS), completed a review of key areas of the North Carolina child welfare programs and practice to ensure substantial conformity with the state plan requirements found in titles IV-B and IV-E of the Social Security Act. The Child and Family Services Review (CFSR) process was initiated with an analysis of North Carolina's child welfare data and the development of a Statewide Assessment that examined the functioning of systemic factor requirements across the state, as well as outcomes for children and families involved with NCDSS. The Statewide Assessment involved engagement of parents, youth, foster/adoptive families, tribes, legal/judicial partners, caseworkers and supervisors, and a range of other community partners.

North Carolina conducted a State-led review April 1, 2024, through September 20, 2024. During this review, 65 cases were reviewed – 40 Foster Care cases and 25 In-Home cases.

As you know, the CFSR is a large undertaking. The CB appreciates the amount of time and effort that you, your staff, and others committed to the development of the Statewide Assessment and the planning and implementation of the case reviews and stakeholder interviews. While this is a joint federal/state team effort, we acknowledge the work that agency staff, particularly Lisa Cauley, Tammy Shook, and Peter West, as well as reviewers, QA staff, and all those who participated in the case related interviews.

NCDSS should take pride in those areas found to be strengths in its child welfare system. The CB has determined that the state is in substantial conformity with the following systemic factor: Agency Responsiveness to the Community.

As indicated in the Final Report, CB has determined that North Carolina is not in substantial conformity with the following systemic factors: Statewide Information System, Case Review System, Quality Assurance System, Staff and Provider Training, Service Array and Resource

Development, and Foster and Adoptive Parent Licensing, Recruitment, and Retention. We have also determined that the state is not in substantial conformity with the following outcomes: Safety Outcome 1, Safety Outcome 2, Permanency Outcome 1, Permanency Outcome 2, Well-being Outcome 1, Well-being Outcome 2, and Well-being Outcome 3.

Finally, the CB has included in the report information about North Carolina's performance on the statewide data indicators, used to determine substantial conformity with Safety Outcome 1 and Permanency Outcome 1.

A Program Improvement Plan (PIP) is required to address each outcome determined not to be in substantial conformity and the Systemic Factors negotiated with the CB based on North Carolina's CFSR review findings and proposed strategies. The PIP must be submitted to the Children's Bureau Regional Office no later than 90 days after receipt of this letter. In accordance with 45 CFR 1355.36, a penalty for federal fiscal year 2024 is applicable to this level of non-conformity. The amount of the penalty will be provided in a follow-up letter to North Carolina. However, we are suspending the withholding of funds associated with this penalty during the PIP implementation period and the subsequent 18-month post-PIP evaluation period. If we determine that North Carolina is successful in rectifying the areas that are in non-conformity per regulation, we will rescind the withholding of federal funds associated with those respective areas at that time.

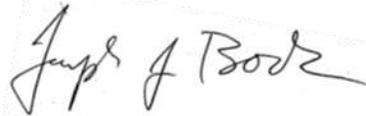
The Regional Office will assist you in developing the PIP to ensure that North Carolina establishes effective action steps and strategies for achieving the level of improvement agreed upon for each of the identified areas in accordance with 45 CFR 1355.35. To the extent possible, those involved with the CFSR planning process and on-site review, including North Carolina's external partners, should be involved in the development, implementation, and evaluation of the PIP. Please work with your Regional Office to access technical assistance support if needed to develop and implement your PIP.

Major elements of the PIP include the priorities assigned to North Carolina's work on each area of non-conformity, the necessary key activities associated with improving each of the areas, establishment of timeframes for completing the required improvements, how North Carolina will report progress, as well as ways to measure the improvement (45 CFR 1355.35 (a) and (e)). The CB staff will work with your designated staff to jointly determine the specific content and the processes for evaluating progress and achievements with respect to the PIP. Most importantly, the PIP must prioritize, in both level of effort and timeframe for implementation, the areas of non-conformity impacting child safety (45 CFR 1355.35(d)(2)). To do this, North Carolina should establish short-term goals that will immediately minimize the negative effects on children and families, and long-term goals that establish plans for lasting reforms. Once the PIP is developed and approved, North Carolina must incorporate the improvement plan into its existing Child and Family Services Plan and provide updates in the Annual Progress and Services Reports (45 CFR 1355.35(f)).

We wish to remind you that federal regulations at 45 CFR 1355.37 require that each state make available for public review and inspection the Statewide Assessment, the Final Report, and the PIP developed as a result of the CFSR. Therefore, we urge you to consider how you will respond to inquiries concerning these documents and how you will make the information available as required. The CB is also obligated to respond to public inquiries regarding this information. We have enclosed North Carolina's final report, which will also be posted on the CB's website.

We look forward to continuing to work collaboratively with you in your efforts to ensure the safety, permanency, and well-being of children and families in North Carolina. If you have questions or concerns, please contact Dianne Kelly, Child Welfare Regional Program Manager at (404) 562-2781 or dianne.kelly@acf.hhs.gov. You may also contact LaResa Price, Child and Family Program Specialist, at (404) 562-7879 or laresa.price@acf.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Joseph Bock". The signature is written in a cursive style and is enclosed in a faint, rectangular border.

Joseph Bock
Acting Commissioner
Administration on Children, Youth, and Families

Enclosure:

Child and Family Services Review North Carolina Final Report 2024

Cc: Susan Osborne, Deputy Secretary for Opportunity and Well-Being, NC DHHS, Raleigh, NC
Lisa T. Cauley, Division Director, Human Services, NC DHHS, Raleigh, NC
Tina Naugler, Director of Regional Programs, CB; Washington, DC
Jennifer Haight, Director, Division of Performance Measurement and Improvement, CB;
Washington, DC
Dianne Kelly, Regional Program Manager, CB; Region 4, Atlanta, GA
Antonette Rollins, Supervisor, CFSR Unit, CB; Washington, DC
LaResa Price, Child and Family Program Specialist, CB; Region 4, Atlanta, GA
Yolanda Fripp, CFSR Unit State Lead, CB; Washington, DC