

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

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

Wayne E. Black Division Director

February 25, 2014

Dear County Director of Social Services

Subject: Sequestration of SSBG

The Budget Control Act of 2011 required a series of sequestration spending cuts that reduced approximately \$85 billion in federal funds for the remainder of the federal fiscal year. As a result, the state must reduce our SSBG allocations as well. This reduction will include county SSBG funding. Therefore, the fourth quarter SSBG Funding Authorization will be reduced by \$4,076,104. The reduction will be taken proportionately by county.

In an effort to mitigate the loss of federal SSBG funds; counties will receive additional Permanency Planning funds equal to the amount of their SSBG reduction. These funds will be subject to a 10% administration cap as required under Title IV-B subpart 1. Therefore, counties will receive an authorization for Permanency Planning which lists allocations for both administration and services, and another authorization for the SSBG reduction.

Should you have any questions please contact your Local Business Liaison.

Sincerely,

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Kathy Sommese Chief, NC DSS Budget Office

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