NC Division of Social Services
Program Compliance Section
Contract Office

Presentation Overview of Contract
Document changes due to U.S. OMB
Omni Circular and US HHS HIPAA.
U.S. OMB Omni Circular

In 2013, the Federal Office of Management and Budget (OMB) issued final guidance on administrative requirements, cost principles and audit requirements for federal awards (which includes research grant awards). Per the OMB website, this guidance “will supersede requirements from OMB Circulars A-21, A-87, A-110 and A-122 (which have been placed in 2 C.F.R. Parts 220, 225, 215 and 230); Circulars A-89, A-102 and A-133; and the guidance in Circular A-50 on Single Audit Act follow-up.” The announcement in the Federal Register, Volume 78, Number 248, on December 26, 2013 includes a long preamble that describes the objectives of OMB and the Council on Financial Assistance Reform (COFAR), the background surrounding the guidance and the major reforms. The actual text of the guidance as codified in 2 CFR Part 200 follows the preamble.

Key Changes from the old circulars to the new circular.

200.320-Micro-purchases is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed $3,000.00 (or $2,000.00 for construction subject to the Davis-Bacon Act). To the extent practicable, the non-federal entity must distribute equitably among qualified suppliers, soliciting competitive quotations.
200.421-Certain Advertising and Public Relations are allowable, not all.

200.501-Any costs of auditing a non-federal entity that is exempted from having an audit conducted under the Single Audit Act and Subpart F of the Omni is because the total expenditures of federal awards is less than $750,000.00 during that fiscal year.
Other provisions of the Omni Circular may apply to sub awards or contractors. Examples are indirect cost, bonding, and cost allocation.
US HHS HIPAA

The Division of Social Services is now a covered entity under NC Department of Health and Human Services.
Key changes since NC DSS is now a covered entity.

Each exchange of protected health information (PHI) or personal identifiable information (PII) is reviewed to determine the appropriate agreement to be in compliance with HIPAA.
Notification Clause will be inserted in all contractual templates: North Carolina Division of Social Services (NC DSS) is a Covered Entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy, Security and Breach Notification Rules. Any Entity that will contract with NC DSS is responsible to maintain and monitor privacy/security procedures and measures in accordance with all federal, state, and local agency privacy/security regulatory requirements. In the event of a suspected or confirmed breach or privacy/security incident involving confidential information, The Entity will immediately report such breach or incident to the (owning division/office) Privacy and/or Security Official. Breach must be reported within 24 hours unless it involves Social Security Administration (SSA) or Internal Revenue Service (IRS) data, for which breach/incident reporting must occur within one (1) hour. In accordance with applicable laws/regulations, the entity will bear all expenses involved with breach notification as well as citizen notification if applicable. For additional information on NC DHHS policies on HIPAA please use link: http://info.dhhs.state.nc.us/olm/manuals/dhs/pol-80/man/index.htm
The below NC DSS webpage and all the listed contractual documents will be updated to reflect the changes discussed today by Monday, June 8, 2015.
Also the DSS-8163 and DSS-1796 will be updated to include the changes discussed today.
*Please note: A NC DSS Contract Webinar to provide step by step guidance completing county contract documents will be held next Tuesday, June 9, 2015 from 10:00a.m. to 11:00a.m. for all County DSS Fiscal Staff.

Webinar information will be provided by email by the end of this week.
Contact:
Carlotta Dixon, MHS, CPM
North Carolina Department of Health and Human Services
Section Chief
SERT ESF 6 Lead
Title VI-Civil Rights Coordinator
Division of Social Services-Program Compliance
820 South Boylan Avenue
Mailing Address:
Mail Service Center 2401
Raleigh, North Carolina 27603
(Office) 919-527-6421
Carlotta.dixon@dhhs.nc.gov

Questions
?