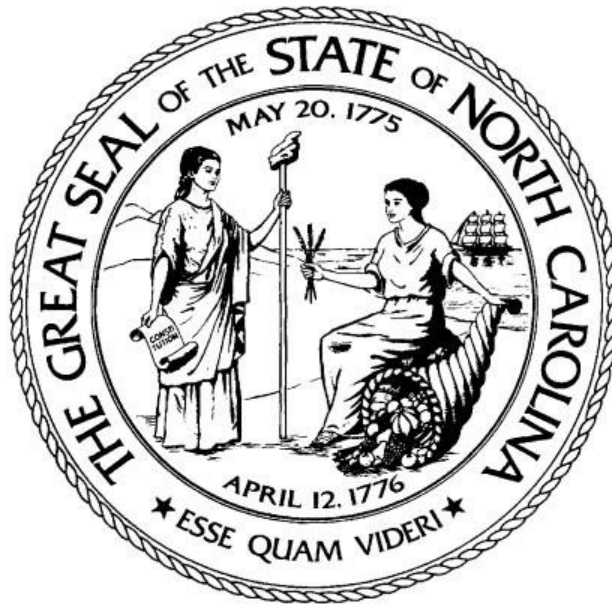


**Progress Report of Oversight of the Local Administration of
Social Services Programs other than Medical
Assistance**

Session Law 2017-41, Section 3.3



Report to

**The Joint Legislative Oversight Committee on
Health and Human Services**

by

**NC Department of Health and Human
Services**

August 4, 2026

BACKGROUND

Session Law (SL) 2017-41, Section 3.3 requires the Department of Health and Human Services (DHHS) to submit an annual report to the Joint Legislative Oversight Committee on Health and Human Services (Committee) by August 1. The report concerns oversight of the county-level administration of social services programs during the previous state fiscal year (SFY). SL 2017-41 mandates that it should include, at a minimum: (a) A copy of the template for the written agreement required by N.C.G.S. 108A-74(a2), (b) An evaluation of the implementation of the requirement for a written agreement, and (c) a summary of any oversight action taken by the Department pursuant to the agreement or NCGS 108A-74, including a list of any federal or State funds that were withheld as a result of the State's oversight.

Section 3.1(a) of SL 2017-41 rewrote N.C.G.S. 108A-74 to include the following:

(a2) Beginning in fiscal year 2018-2019, the Secretary shall require all departments of social services to enter into a written agreement each year that specifies mandated performance requirements and administrative responsibilities with regard to all social services programs other than medical assistance.

- (1) When possible, the mandated performance requirements shall be based upon standardized metrics utilizing reliable data.*
- (2) The administrative responsibilities shall address, at a minimum, staff training, data submission to the Department, and communication with the Department.*
- (3) The written agreement may be standardized or may be tailored to address issues in specific jurisdictions.*
- (4) The written agreement shall authorize the Department to withhold State and federal funds in the event the department fails to satisfy mandated performance requirements or comply with the terms of the agreement.*

DHHS designed its first Memorandum of Understanding (MOU) during SFY 2018-2019. The MOU is a written agreement between the Department and each county outlining performance expectations across social services programs. DHHS collaborated with the NC Association of County Commissioners, the NC Association of County Directors of Social Services, and each county Director of Social Services to develop the initial template agreement.

The MOU contains a total of 16 performance measures that are subject to Department evaluation and follow-up. DHHS worked with the NC Association of County Directors of Social Services to vet all measures prior to finalization. A description of each measure can be found in Attachment I of the current MOU.

Attachment II of the current MOU contains five additional performance measures. These metrics are part of the federal Children's Bureau's Child and Family Services Reviews (CFSR) that examine compliance with Title IV-B and Title IV-E child welfare requirements. Ongoing monitoring and support activities will continue as they have in prior years for these measures. The Department will continue to develop reports and validate data for these additional performance measures. DHHS has advised counties to continue monitoring and striving to make progress toward meeting these performance targets because the measures will be included in the Data Review and performance for CFSR Round IV.

This DHHS report reflects the progress on the implementation of the MOU required by NCGS 108A-74 (a2).

A. Evaluation of Implementation of Written Agreements

In April 2024, DHHS notified all 100 county Directors of Social Services that the upcoming MOU would span two state fiscal years, effective July 1, 2024 through June 30, 2026. The Department acknowledged the lasting impacts of the pandemic, increased demand for safety-net services, and ongoing policy changes and system challenges—including Medicaid and Food and Nutrition Services unwinding, Medicaid Expansion, Tailored Plans implementation, and workforce shortages—which affected counties’ ability to meet established performance measures. As a result, the Department temporarily paused the issuance of corrective action plans and continued to monitor performance while sharing data and best practices with counties, with a plan to reevaluate the approach in December 2024.

On January 7, 2025, the Department informed county managers and DSS Directors that the corrective action process required under SL 2017-41, Part II (amending NCGS §108A-74(a3)) would be reinstated effective January 1, 2025. Counties were reminded that failure to meet MOU requirements, mandated performance measures, or other applicable laws for three consecutive months—or for five months within a 12-month period—would require entry into a joint corrective action plan within 60 working days. For metrics assessed annually, failure to meet requirements for two consecutive 12-month periods would also trigger a corrective action plan.

The Department further noted that due to Hurricane Helene, 25 western North Carolina counties were under a federal state of emergency, and the corrective action process would be paused for them until conditions stabilized. These counties continued to have their data monitored and received support to improve processes but were not subject to formal corrective action during the emergency period. The Department has since notified these 25 counties that the pause has been lifted effective July 1, 2026. With the emergency period concluded, all 100 counties are now subject to the corrective action requirements outlined in the MOU if they fail to meet the mandated performance measures.

Counties Requiring Corrective Action

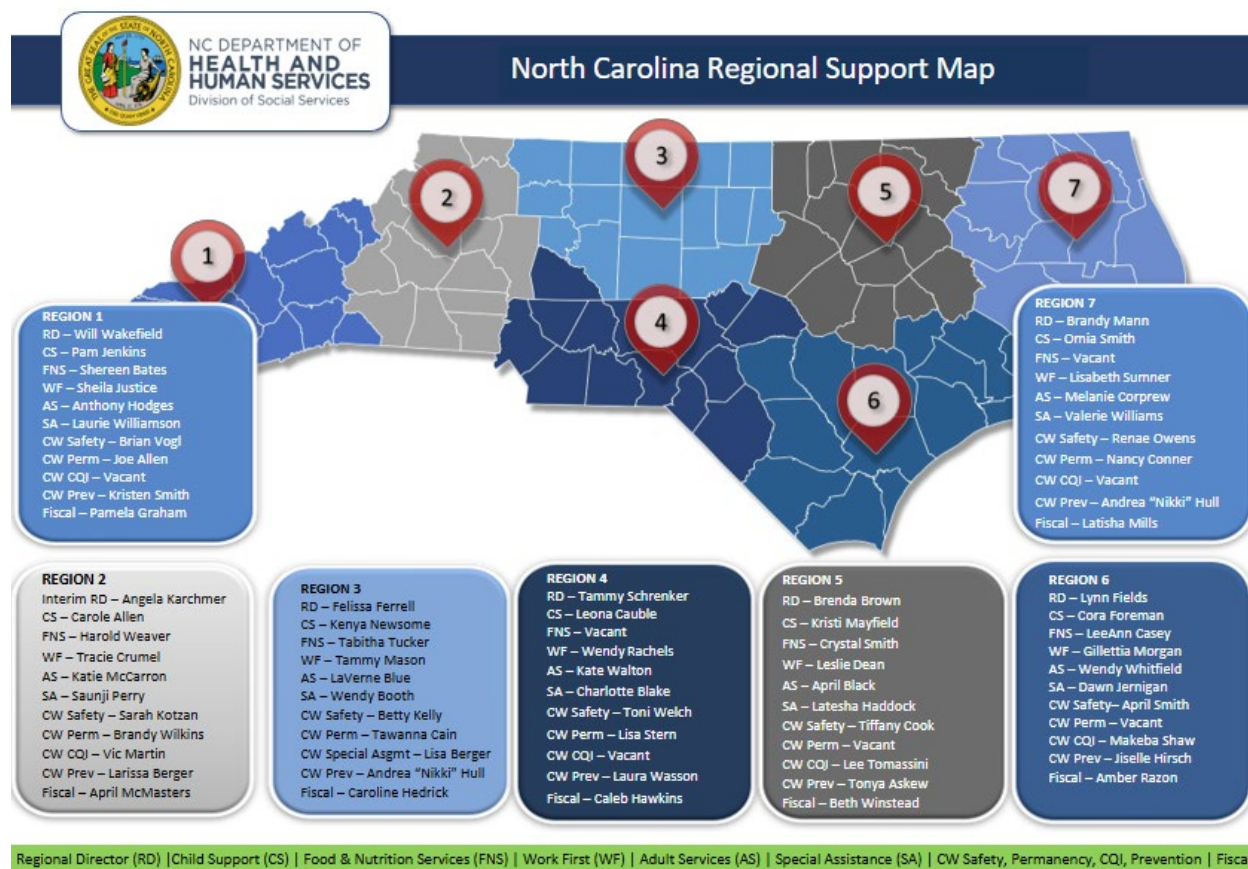
The following charts reflect the number of counties that failed each performance measure outlined in the MOU during State Fiscal Year 2025.

Energy Programs		
	Performance Measure	# of Counties failing to meet the measure in SFY 2025 and were placed on a Corrective Action Plan
1	The County will process 95% of Crisis Intervention Program (CIP) applications, with no heat or cooling source, or applications with a health-related crisis with a disconnect, final, or past due notice within one (1) business day from the date of application or date all verification is received, whichever comes first.	0
2	The County will process 95% of Crisis Intervention Program (CIP) applications without a health-related crisis that have a heating or cooling source with a past due or final notice, within two (2) business days from the date of application or date all verification is received, whichever comes first.	0
Work First		
	Performance Measure	# of Counties failing to meet the measure in SFY 2025 and were placed on a Corrective Action Plan
1	The County will process 95% of Work First applications within 45 days of receipt.	0
2	The County will process 95% of Work First recertifications within 60 calendar days prior to the last day of the current certification period.	0
Food and Nutrition Services		
	Performance Measure	# of Counties failing to meet the measure in SFY 2025 and were placed on a Corrective Action Plan
1	The County will process 95% of expedited FNS applications within the timeframe that allows the household to have access to the FNS benefits on or before the 7th calendar day from the date of application.	9 – Edgecombe, Hyde, Jones, Martin, Mecklenburg, Pitt, Stanly, Swain, Vance
2	The County will process 95% of regular FNS applications within the timeframe that allows the household to have access to the FNS benefits on or before the 30th calendar day from the date of application.	7 – Caldwell, Edgecombe, Mecklenburg, Onslow, Pitt, Stanly, Vance
3	The County will ensure that 95% of FNS recertifications are processed on time, each month.	4 – Cumberland, Mecklenburg, Stanly, Wake

Child Welfare - Foster Care		
	Performance Measure	# of Counties failing to meet the measure in SFY 2025 and were placed on a Corrective Action Plan
1	The County will ensure that 95% of all foster youth have a face-to-face visit with the social worker each month.	0
Adult Protective Services (APS)		
	Performance Measure	# of Counties failing to meet the measure in SFY 2025 and were placed on a Corrective Action Plan
1	The County will complete 85% of APS evaluations involving allegations of abuse or neglect within 30 days of the report.	3- Johnston, Madison, Macon
2	The County will complete 85% of APS evaluations involving allegations of exploitation within 45 days of the report.	0
Special Assistance (SA)		
	Performance Measure	# of Counties failing to meet the measure in SFY 2025 and were placed on a Corrective Action Plan
1	The County will process 85% of Special Assistance for the Aged (SAA) applications within 45 calendar days of the application date.	2 – Franklin, Pender
2	The County will process 85% of Special Assistance for the Disabled (SAD) applications within 60 calendar days of the application date.	3 – Pitt, Rowan, Wake
Child Support Services		
	Performance Measure	# of Counties failing to meet the measure in SFY 2025 and were placed on a Corrective Action Plan
1	Percentage of paternities established or acknowledged for children born out of wedlock. The county paternity establishment performance level must exceed 50% at the end of the State Fiscal Year (June 30).	0
2	Percentage of child support cases that have a court order establishing support obligations. The County support order establishment percentage level must exceed 50% at the end of the State Fiscal Year (June 30).	0
3	Percentage of current child support paid. The County current collections performance level must exceed 40% at the end of the State Fiscal Year (June 30).	0
4	Percentage of cases received a payment toward arrears. The County arrearage collections performance level must exceed 40% at the end of the State Fiscal Year (June 30).	0

Regional Support

During SFY 2024-2025, DHHS further enhanced the regional support structure for a continuous quality improvement (CQI) framework in all seven regions of the state. As seen in the following map, DHHS has established regional teams that include a Regional Director, a fiscal monitor and local business liaison, as well as CQI Specialists for economic services (Food and Nutrition Services, energy programs, and Work First), child support services, adult protective services, special assistance, and a child welfare team that includes CQI Specialists dedicated to safety, permanency, prevention, and overall improvement. DHHS has contracted with Public Knowledge, a public sector consulting firm, to help develop a formal CQI process and train the CQI Specialists. DHHS is using this framework in part to encourage capacity-building.



Transparency and Wellness Dashboard

DHHS has published the Rylan's Law/HB630 Transparency and Wellness Dashboard on the DHHS website - <https://www.ncdhhs.gov/divisions/social-services/reports-and-statistics>. Data on the Dashboard will be updated quarterly and made available to the public with a one-quarter lag. For example:

- The data posted in July 2025 will include data from January 2025 through March 2025.
- The data posted in September 2025 will include data from April 2025 through June 2025, and so on.

The Dashboard represents an integrated platform for county leadership and members of the public to view a counties' performance and track their progress in each MOU performance measure. Similar to the dashboards that will remain available to the DSS Directors on the secure DSS Directors' SharePoint site, viewers will be able to view the performance and outcomes measures as outlined in the MOU for all 100 counties in North Carolina.

The screenshot displays the North Carolina Social Services System Transparency and Wellness Dashboard for Food and Nutrition Services. The page features a navigation bar at the top with links to various services and a sidebar on the right titled 'Reports and Statistics' which includes a link to 'Transparency and Wellness Dashboards'. The main content area has a header 'Welcome to the North Carolina Social Services System Transparency and Wellness Dashboard Food and Nutrition Services'. Below this, a paragraph explains that the Division of Food and Nutrition Services is a federal food assistance program. Three large blue cards are presented: 'Profile' (providing county progress), 'County Comparison' (comparing performance between counties), and 'Resources' (containing details about data and measures). Each card has a 'CLICK TO BEGIN' button. At the bottom, a red-bordered box titled 'Factors that may affect whether counties meet their performance targets:' lists 'Unanticipated events' and 'Low volume of services' as potential factors, along with a note encouraging users to explore data filters and resource pages.

Designed by: Westat Improving Lives Through Research®

B. State Supervised – County Administered Written Agreement Compliance

As county workloads have increased and the unwinding of pandemic continuous coverage has progressed, DHHS has continued to collaborate closely with counties to strengthen performance, using Continuous Quality Improvement strategies to address identified areas of concern.

Through routine monitoring and oversight, DHHS identified significant policy and practice violations in the administration of child welfare services in Vance County. DHHS began intensive support with the county in July 2024; however, Vance County DSS did not make sufficient progress in resolving the systemic issues identified. As a result, on May 14, 2025, the DHHS Secretary exercised authority under NCGS 108A-14 to temporarily assume control of Vance County DSS Child Welfare due to serious violations of laws, rules, and policies that endangered children's safety and well-being. As of July 20, 2026, DHHS continues to oversee Vance County's child welfare operations, but the county has demonstrated significant progress toward meeting the standards required for safe and effective service delivery. DHHS is now preparing to return full child welfare authority to Vance County DSS, contingent upon the completion of final readiness assessments.

DHHS also temporarily assumed control of child welfare services in Bertie County on August 15, 2025, following a child fatality in December 2024 and ongoing concerns regarding compliance with state child welfare standards. This intervention represented the second state takeover of Bertie County DSS; the first occurred in May 2022 due to serious compliance deficiencies that required direct state action. As of July 20, 2026, DHHS continues to oversee Bertie County's child welfare operations, but the county has demonstrated significant progress toward meeting the standards required for safe and effective service delivery. DHHS is now preparing to return full child welfare authority to Bertie County DSS, contingent upon the completion of final readiness assessments.

On January 16, 2026, under NCGS 108A-74(h), DHHS assumed temporary control of child welfare services in Davidson County. This divestiture followed an April 2024 review triggered by the fatality of a child previously involved with Davidson County DSS. The review revealed numerous concerns for the safety and well-being of children, including systemic failures in key child welfare functions such as safety assessments, case contacts, supervision, and documentation. Despite implementation of a corrective action plan in July 2024 and heightened oversight in November 2025, DHHS found that the county did not make sufficient progress and continued to demonstrate significant failures that posed a substantial threat to the safety and welfare of children in Davidson County. State intervention was therefore necessary to safeguard children and stabilize practice and service delivery. As of July 20, 2026, DHHS continues to oversee Davidson County's child welfare operations.

CONCLUSION

As DHHS continues to fulfill its statutory responsibility to ensure the safety and well-being of children across North Carolina, the Department remains committed to supporting counties through data-driven oversight, targeted technical assistance, and ongoing Continuous Quality Improvement efforts.

Appendix A: NC General Statute §108A-74

North Carolina General Statute §108A-74. Counties and regional social services departments are required to enter into annual written agreement for all social services programs other than medical assistance; local department failure to comply with the written agreement or applicable law; corrective action; State intervention in or control of service delivery.

- a) Notwithstanding any other provision of law to the contrary, the Secretary may take action in accordance with this section to ensure the delivery of social services programs other than medical assistance in accordance with State laws and applicable rules. As used in this section, the following definitions shall apply:
- (1) Board of social services. – The governing body responsible for oversight of the department of social services, includes a county social services board, a regional board of social services, a consolidated human services board, or a board of county commissioners that has assumed the powers and duties of a social services governing board pursuant to G.S. 153A-77(a), whichever applies.
 - (2) Child welfare services or program. – Child protective services, foster care, and adoption services related to juveniles alleged to be abused, neglected, or dependent as required by Chapter 7B of the General Statutes.
 - (3) Department of social services. – The department responsible for administration of the social services and programs of public assistance in a county. It includes a county department of social services, a consolidated human services agency, or a regional social services department, whichever applies.
 - (4) Director of social services. – The person responsible for managing and administering the department of social services, including a county social services director, a regional social services director, or a human services director, whichever applies.
 - (5) Social services programs other than medical assistance. – Social services and public assistance programs established in this Chapter other than the medical assistance program (Chapter 108A, Article 2, Part 6). This includes, but is not limited to, child welfare programs, adult protective services, guardianship services for adults, and programs of public assistance established in Chapter 108A. It also includes the child support enforcement program, as established in Chapter 110, Article 9.

(a1) Repealed by Session Laws 2017-41, s. 3.2(a), effective March 1, 2020.

- (a2) The Secretary shall require all counties and regional social services departments to enter into a written agreement each year that specifies mandated performance requirements and administrative responsibilities with regard to all social services programs other than medical assistance, [subject to the following:]
- (1) The mandated performance requirements shall be based upon standardized metrics utilizing data and outcome measures derived from the Social Services System Transparency and Wellness Dashboard and other reliable data sources.
 - (2) The administrative responsibilities shall address, at a minimum, staff training, data submission to the Department, and communication with the Department.
 - (3) The written agreement may be standardized or may be tailored to address

issues in specific jurisdictions.

- (4) The written complaint shall authorize the Department to withhold State or federal funds in the event the department fails to satisfy mandated performance requirements or comply with the terms of the agreement or applicable law. G.S. 108A-74.

(a3) If a department of social services fails to comply with the terms of the written agreement, the mandated performance measures, or other applicable law for three consecutive months or for five months within any consecutive 12-month period for those terms or mandated performance measures that are measured less than annually, or fails to comply for two consecutive 12-month periods for those terms or mandated performance measures that are measured on an annual basis, the Secretary and the department of social services shall enter into a joint corrective action plan within 60 working days. The Secretary may also require a corrective action plan more quickly in urgent circumstances, regardless of whether the circumstances are directly related to a mandated performance requirement specified in the written agreement. The board of social services and the county manager shall be notified of any joint corrective action plan.

(a4) The corrective action plan shall include each of the following components:

- (1) The duration of the joint corrective action plan, not to exceed 12 months. If the Secretary determines that the department of social services has not shown measurable progress within six months, or at the half-way point if the duration of the plan is less than 12 months, the Secretary may summarily conclude that the department of social services has failed to successfully complete the joint corrective plan and may proceed with steps necessary to temporarily assume administrative responsibilities of the department of social services. If the Secretary determines the department of social services has shown measurable progress within six months, or at the half-way point if the duration of the plan is less than 12 months, the Secretary may extend the joint corrective action plan by six months, but in no case shall a joint corrective action plan exceed 18 months.
- (2) The performance requirements for the department of social services that constitute successful completion of the joint corrective action plan.
- (3) A schedule and plan for providing updates to the board of social services and county manager regarding the department's progress implementing the corrective action plan.
- (4) An acknowledgement that failure to successfully complete the joint corrective action plan shall result in temporary assumption of all or part of the department of social services administration.

(b) If the Secretary determines that a department of social services has failed to successfully complete the joint corrective action plan, then the Secretary shall give the board of county commissioners, the department of social services, the county manager, and the board of social services at least 30 days' notice that the Secretary, through the Division of Social Services, intends to temporarily assume all or part of the department's social services administration in accordance with subsection (c) of this section. In a regional

department of social services, notice shall be provided to boards of county commissioners and county managers for all counties served by the region.

(c) Notwithstanding any provision of law to the contrary, if a department of social services fails to successfully complete its joint corrective action plan, the Secretary shall direct the Division of Social Services to temporarily assume all or part of the department's social services administration no later than 30 calendar days after providing notice as required by subsection (b) of this section. During the period the Secretary assumes administration of the social services program, the following shall occur:

- (1) The Secretary, through the Division of Social Services shall administer all or part of the social services program in a county or region. Administration by the Secretary may include direct operation by the Department, including G.S. 108A-74 Page 3 supervision of program staff or contracts for operation, to the extent permitted by federal law.
 - (2) The department of social services shall be divested of administrative authority for any component of the program the Secretary assumes.
 - (3) The director of social services shall be divested of all service delivery powers conferred upon the director by G.S. 108A-14 and other applicable State law as it pertains to the programs or services to be assumed. The Secretary may assign any of the powers and duties of the director of social services to an employee of the Department or a contractor, as the Secretary deems necessary and appropriate to continue the provision of services in the county. If the local director of social services has delegated any authority to staff pursuant to G.S. 108A-14(b), delegated authority shall remain in effect until the Secretary, or the Secretary's designee, specifically revokes the delegation.
 - (4) The Secretary shall direct and oversee the expenditure of all funding for the administration of the components of the program assumed by the Secretary.
 - (5) The county shall not withdraw funds previously obligated or appropriated for program administration and services. The county shall continue to pay the county's or region's nonfederal share for the program services and administration.
 - (6) The Secretary shall work with the county and the department of social services to develop a plan for the department to resume program administration.
 - (7) The Secretary shall inform the appropriate board or boards of county commissioners, the county manager or managers, the director of social services, and the board of social services of key activities and ongoing concerns during the temporary assumption of social services program administration.
- (c1) Upon the Secretary's determination that the department of social services is able to meet performance requirements and that program administration responsibilities should be restored to the department of social services, the Secretary shall notify

the board of county commissioners, the department of social services, the county manager, and the board of social services that the temporary assumption of program administration will be terminated and the effective date of the termination. Upon termination, the department of social services shall resume its full authority to administer the program or programs that were assumed.

(d)through (g) Repealed by Session Laws 2017-41, s. 3.2(a), effective March 1, 2020.

- (h) If the Secretary determines that a county department of social services is not providing child protective, foster care, or adoption services in accordance with State law and with applicable rules adopted by the Social Services Commission, or fails to demonstrate reasonable efforts to do so, and the failure to provide the services poses a substantial threat to the safety and welfare of children in the county who receive or are eligible to receive the services, then the Secretary, after providing written notification of intent to the chair of the county board of commissioners, to the chair of the county board of social services, and to the county director of social services, and after providing them with an opportunity to be heard, shall withhold funding for the particular service or services in question and shall ensure the provision of these services through contracts with public or private agencies or by direct operation by the Department of Health and Human Services.
- (i) In the event that the Secretary assumes control of service delivery pursuant to subsection (h) of this section, the county director of social services shall be divested of all service delivery powers conferred upon the director by G.S. 108A-14 and other applicable State law as the powers pertain to the services in question. Upon assumption of control of service delivery, the Secretary may assign any of the powers and duties of the county director of social services to the G.S. 108A-74 Page 4 Director of the Division of Social Services of the Department of Health and Human Services or to a contractor as the Secretary deems necessary and appropriate to continue the provision of the services in the county.
- (j) In the event the Secretary takes action under this section, the Department of Health and Human Services shall, in conjunction with the county board of commissioners, the county board of social services, and the county director of social services, develop and implement a corrective plan of action. The Department of Health and Human Services shall also keep the chair of the county board of commissioners, the chair of the county board of social services, and the county director of social services informed of any ongoing concerns or problems with the delivery of the services in question.
- (k) Upon the Secretary taking action pursuant to subsection (h) of this section, county funding of the services in question shall continue and at no time during the period of time that the Secretary is taking action shall a county withdraw funds previously obligated or appropriated for the services. Upon the Secretary's assumption of the control of service delivery, the county shall also pay the nonfederal share of any additional cost that may be incurred to operate the services in question at the level necessary to comply fully with State law and Social Services Commission rules.
- (l) During the period of time that the Secretary is taking action pursuant to subsection (h) of this section, the Department of Health and Human Services shall work with the county board of commissioners, the county board of social services, and the county

director of social services to enable service delivery to be returned to the county if and when the Secretary has determined that services can be provided by the county in accordance with State law and applicable rules. (1997-390, s. 10; 1997-443, s. 11A.118(a); 2017-41, ss. 3.1(a), 3.2(a); 2017-41, s. 40(a)-(c); 2019-240, s. 12(a)-(d))

MEMORANDUM OF UNDERSTANDING
(STATE FISCAL YEAR 2026-27 and 2027-28)
BETWEEN
THE NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
AND
_____ **COUNTY**

A Written Agreement Pursuant to N.C. Gen. Stat. § 108A-74,
an Act of the North Carolina General Assembly

This Memorandum of Understanding (“MOU”) is made by and between the North Carolina Department of Health and Human Services, (hereinafter referred to as the “Department”) and _____ County a political subdivision of the State of North Carolina (hereinafter referred to as the “County”) to comply with the requirements of law, N.C. Gen. Stat. § 108A-74. The Department and the County may be referred to herein individually as a “Party” and collectively as the “Parties.”

TERMS OF UNDERSTANDING

In consideration of the mutual promises and agreements contained herein, as well as other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the Parties agree to this MOU, effective July 1, 2026, in compliance with the mandates of law enacted by the North Carolina General Assembly and in recognition of possible amendments by the General Assembly, the Parties further agree to conform to changes made to the law, notwithstanding a contractual term previously agreed upon.

1.0 Parties to the MOU

The only Parties to this MOU are the North Carolina Department of Health and Human Services and _____ County, a political subdivision of the State of North Carolina.

1.1 Relationships of the Parties

Nothing contained herein shall in any way alter or change the relationship of the parties as defined under the laws of North Carolina. It is expressly understood and agreed that the enforcement of the terms and conditions of this MOU, and all rights of action relating to such enforcement, shall be strictly reserved to the Department and the County. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Department and County that any such person or entity, other than the Department or the County, receiving services or benefits under this MOU shall be deemed an incidental beneficiary only.

Subcontracting: The County shall be responsible for the performance of all of its subcontractors. The County shall disclose the names of its subcontractors to the Department within thirty (30) days of the execution thereof. The County shall also provide additional information concerning its subcontractors as may be requested by the Department within thirty (30) days of the request. The County additionally agrees not to enter into any confidentiality agreement or provision with a

subcontractor or other agent to provide services related to this MOU that would prevent or frustrate the disclosure of information to the Department. Subcontractors shall be defined under this MOU to mean any party the County enters into a contractual relationship with for the complete administration of one or more social services programs covered by this MOU. Temporary employees hired by the County shall not be considered subcontractors under this MOU.

Assignment: No assignment of the County's obligations or the County's right to receive any funding made in any way concerning the matters covered by this MOU hereunder shall be permitted.

2.0 Terms of the MOU

This MOU is established for SFY 2026-2027 and will renew automatically for SFY 2027-2028. Either party may decline renewal by providing written notice no later than April 30, 2027.

2.1 Default and Modification

Default: In the event the County fails to satisfy the mandated performance requirements as set forth in **Attachment I** or fails to otherwise comply with the terms of this MOU, the Department may withhold State and/or federal funding. Any such withholding shall be in compliance with, and as allowed by, state and/or federal law.

Performance Improvement: Prior to the Department exercising its authority to withhold State and/or federal funding for a failure to satisfy the mandated performance requirements set forth in **Attachment I** or failure to meet the terms of this MOU, the process for performance improvement set forth in N.C. Gen. Stat. § 108A-74 will govern. Nothing contained in this MOU shall supersede or limit the Secretary's authority to take any action otherwise set forth in N.C. Gen. Stat. § 108A-74.

Waiver of Default: Waiver by the Department of any default or breach in compliance with the terms of this MOU by the County shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this MOU unless stated to be such in writing, signed by an authorized representative of the Department and the County and attached to the MOU.

Force Majeure: Neither Party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, public health emergency or other catastrophic natural event or act of God.

Modification: The terms and conditions of this MOU may only be modified by written agreement of the Parties, signed by an authorized representative of the Parties.

3.0 MOU Documents

The Recitals and the following attachments are incorporated herein by reference and are part of this MOU:

- (1) The portions hereof preceding the Terms of Understanding, including but not limited to the introductory paragraph and the Recitals, which are contractual as well as explanatory.
- (2) The Terms of Understanding
- (3) Addendum A – Data Sharing Memorandum of Agreement
- (4) DSS Performance Measures Summary
- (5) Attachment I – Mandated Performance Requirements:
 - a. Adult Protective Services
 - b. Child Support Services
 - c. Child Welfare – Foster Care
 - d. Energy Programs
 - e. Food and Nutrition Services
 - f. Special Assistance
 - g. I-B: Work First
- (6) Attachment II - Child Welfare - CFSR

4.0 Entire MOU

This MOU and any documents incorporated specifically by reference represent the entire agreement between the Parties and supersede all prior oral or written statements or agreements between the Parties.

5.0 Definitions

While “County” is used as an abbreviation above, the following definitions, some of which are contained in N.C. Gen. Stat. § 108A-74(a), also apply to this MOU:

- (1) "County department of social services" also means the consolidated human services agency, whichever applies.
- (2) "County director of social services" also means the human services director, whichever applies.
- (3) "County board of social services" also means the consolidated human services board, whichever applies.
- (4) "Child welfare services or program" means protective, foster care, and adoption services related to juveniles alleged to be abused, neglected, or dependent as required by Chapter 7B of the General Statutes.
- (5) "Social services programs" or "Social services programs other than medical assistance" means social services and public assistance programs established in Chapter 108A other than the medical assistance program (Part 6 of Article 2 of Chapter 108A). This includes, but is not limited to, child welfare programs, adult protective services, guardianship services for adults, and programs of public assistance established in Chapter 108A. It also includes the child support enforcement program, as established in Article 9 of Chapter 110 of the General Statutes, and the North Carolina Subsidized Child Care Program.

To the extent that any term used herein is defined by a statute or rule applicable to the subject matter of this MOU, the statutory or rule definition shall control. For all remaining terms, which are not defined by statute or rule, those terms shall have their ordinary meaning. Should any further definition be needed, the Parties agree that the meanings shall be those contained in the current version (as of the time the dispute or question arises) of Black's Law Dictionary, and if not defined therein, then of a published unabridged modern American English Language Dictionary published since the year 2000.

6.0 Audit Requirements

The County shall furnish to the State Auditor, upon his/her request, all books, records, and other information that the State Auditor needs to fully account for the use and expenditure of state funds in accordance with N.C.G.S. § 147-64.7. Additionally, as the State funding authority, the Department of Health and Human Services shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions.

7.0 Record Retention

The County shall retain records at its own expense in accordance with applicable State and Federal laws, rules, and regulations. The County shall facilitate and monitor the compliance of its subcontractors with all applicable requirements of record retention and disposition.

In order to protect documents and public records that may be the subject of Department litigation, the Department shall notify the County of the need to place a litigation hold on those documents. The Department will also notify the County of the release of the litigation hold. If there is no litigation hold in place, the documents may be destroyed, disposed of, or otherwise purged through the biannual Records Retention and Disposition Memorandum from the Department's Controller's Office.

8.0 Liabilities and Legal Obligations

Each party hereto agrees to be responsible for its own liabilities and that of its officers, employees, agents or representatives arising out of this MOU. Nothing contained herein is intended to alter or change the relationship of the Parties as defined under the laws of the State of North Carolina.

9.0 Confidentiality

Any medical records, personnel information or other items exempt from the NC Public Records Act or otherwise protected by law from disclosure given to the Department or to the County under this MOU shall be kept confidential and not divulged or made available to any individual or organization except as otherwise provided by law. The Parties shall comply with all applicable confidentiality laws and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the administrative simplification rules codified at 45 Parts 160, 162, and 164, alcohol and drug abuse patient records laws codified at 42 U.S.C. §290dd-2 and 42 CFR Part 2, and the Health Information Technology for Economics and Clinical Health Act (HITECH Act) adopted as part of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5).

10.0 Secretary's Authority Undiminished

Certain functions delegated to the County pursuant to this MOU are the duty and responsibility of the Department as the grantee of federal grant funds. The Parties understand and agree that nothing in this MOU shall be construed to diminish, lessen, limit, share, or divide the authority of the Secretary of the Department to perform any of the duties assigned to the Department or its Secretary by the North Carolina General Statutes, the terms and conditions of the federal funds and their applicable laws and regulations or other federal laws and regulations regarding any federal funding which is used by the Department to reimburse the County for any of its duties under this MOU.

11.0 MOU does not Diminish Other Legal Obligations

Notwithstanding anything to the contrary contained herein and to facilitate the mandated performance requirements of N.C. Gen. Stat. § 108A-74, the Parties acknowledge and agree that this MOU is not intended to supersede or limit, and shall not supersede or limit, the County's obligations to comply with all applicable: 1) federal and state laws; 2) federal and state rules; and 3) policies, standards, and directions of the Department, as all such currently exist and may be amended, enacted, or established hereafter.

12.0 Notice

The person named below shall be the person to whom notices provided for in this MOU shall be given. Either Party may change the person to whom notice shall be given upon written notice to the other Party. Any notice required under this MOU will only be effective if actually delivered to the Parties named below. Delivery by hand, by first class mail, or by email are authorized methods to send notices.

For the Department of Health and Human Services, Division of Social Services

Carla West
NCDHHS Headquarters
2417 Main Services Center
Raleigh, NC 27699-2001

1915 Health Services Way
Raleigh, NC 27607
Phone: 919-855-4755
E-mail: carla.west@dhhs.nc.gov

For _____ County:

Name: _____

Title: _____

Mailing Address: _____

Phone Number: _____

E-Mail: _____

13.0 Responsibilities of the Department

The Department hereby agrees that its responsibilities under this MOU are as follows:

- (1) The Department shall develop performance requirements for each social services program based upon standardized metrics utilizing reliable data. The performance requirements are identified in Attachments I and II.
- (2) The Department shall provide supervision, program monitoring and technical assistance to the counties in the administration of social services programs.
- (3) The Department shall provide leadership and coordination for developing strategies that address system-level barriers to the effective delivery of social services programs, including but not limited to: the Administrative Office of Courts, the LME/MCO, Department of Public Instruction, and the Department of Public Safety.
- (4) The Department shall have the following administrative responsibilities:
 - a. Staff Training and Workforce Development:
 - i. Develop training requirements for county personnel and provide guidance for adequate staffing patterns related to the provision of social services programs. The Department will publish annually, a list of required and recommended trainings for county personnel directly involved in the administration of social services programs covered under this MOU.
 - ii. Develop training curricula and provide, timely, adequate access to statewide training opportunities for county personnel related to the provision of social services programs. Training opportunities may include in-person, self-guided, web-based and remotely facilitated programs.
 - iii. The Department will publish a training calendar, at least quarterly, notifying the counties of training opportunities.
 - iv. Provide timely written guidance related to new federal or state statutes or regulations. The Department will provide information thirty days in advance of the effective date of new policy to the extent feasible or practicable, including interpretations and clarifications of existing policy.
 - v. Provide technical assistance and training in areas where quality control, monitoring or data indicates a lack of correct application of law, rule or policy.
 - b. Performance Monitoring:
 - i. Monitor and evaluate county compliance with applicable federal and state laws, rules and policies.
 - ii. Provide feedback to counties with recommended changes when necessary.

- iii. Monitor that all financial resources related to the provision of social services programs covered by this MOU are utilized by the county in compliance with applicable federal and state laws.
- c. Data Submission:
 - i. Maintain and review data submitted by counties pursuant to the mandatory performance requirements.
 - ii. Provide counties with reliable data related to their performance requirements as well as accuracy and timeliness of programs in accordance with state and federal program guidelines. This includes but is not limited to processing applications and recertification, quality control standards, program statistics and fiscal information.
 - iii. The Department shall be responsible for the maintenance and functionality of its information systems utilized in the statewide administration of social services programs covered by this MOU.
- d. Communication:
 - i. Provide counties with clarification or explanation of law, rule or policy governing social services programs when necessary or as requested.
 - ii. Disseminate policy on social services programs and provide counties with timely information on any updates to policy.
 - iii. Provide timely information to counties on any changes to federal law or policy made known to the Department.
 - iv. Provide counties with a timely response to requests for technical assistance or guidance.
 - v. Maintain all policies covering social services programs in a central, accessible location. Policies will be updated, to the extent possible, in advance of the effective date of any new policies or policy changes.
 - vi. Provide counties with an opportunity to submit questions, concerns and feedback related to the administration of social services programs to the Department and provide County a timely response to such communication.
 - vii. Communicate proactively with the County Director of Social Services on matters that affect social services programs covered under this MOU. Communication shall be timely, and alerts sent to counties to let them know of the upcoming changes.
 - viii. Communicate directly with the County Manager, Governing Boards, and the County Director of Social Services on matters including but not limited to, corrective action, and significant changes to law, rule and policy that impact the administration of social services programs covered by this MOU.
- e. Inter-agency Coordination:
 - i. Provide guidance to counties in the event they are unable to reach a resolution on a conflict of interest that arises related to the provision of social services programs covered by this MOU.
 - ii. Provide guidance for county DSS personnel on federal and state Emergency Management, mass shelter, Business Continuity Plan (BCP) and Continuity of Operations Plan (COOP) requirements.
 - iii. Coordinate with and communicate to county DSS agencies regarding available and required training opportunities associated with DSS Mass Shelter, BCP and COOP responsibilities.

- iv. Assist and support counties as needed in implementation of operational functions of mass shelter operations and as needed during other emergencies as they arise.
- (5) The Department shall timely meet all of its responsibilities contained in this MOU. “Timely” shall be defined consistent with timeliness requirements set forth in relevant statute, regulation, and policy. Where timeliness is not otherwise defined, “timely” shall mean within a reasonable time under the circumstances.

14.0 Responsibilities of the County

The County hereby agrees that its responsibilities under this MOU are as follows:

- (1) The County shall adhere to the mandated performance requirements for each social services program as identified in Attachment I. The County will ultimately work toward achievement of the Standard Measure for all performance requirements set forth in Attachments I and II.
- (2) The County shall comply with the following administrative responsibilities:
 - a. Staff Requirements and Workforce Development:
 - i. The personnel, including new hires and existing staff, involved in the County’s provision of social services programs covered by this MOU shall complete all required and necessary training, which is documented as required by federal and state law and policy.
 - b. Compliance:
 - i. Perform activities related to its social services programs in compliance with all applicable federal and State laws, rules, regulations and policies. Nothing contained herein is intended to, nor has the effect of superseding or replacing state law, rules or policy related to social services programs.
 - ii. Develop and implement internal controls over financial resources related to the County’s social services programs to ensure that all financial resources are used in compliance with applicable federal and state laws.
 - iii. Provide and adhere to corrective action plans as required based on monitoring findings and the Single Audit.
 - c. Data Submission:
 - i. Maintain accurate, thorough records of all social services programs covered by this MOU, in particular, records related to the mandated performance requirements that can be accessed for the purpose of data collection, service provision, monitoring or consultation.
 - ii. Ensure reliable data entry into state systems utilized for the administration of social services programs covered under this MOU.
 - iii. Provide, upon request, data to the state for the purpose of, but not limited to, conducting monitoring, case file reviews, error analysis and quality control.
 - iv. Utilize data to understand the performance of their county and to conduct analysis and implement changes where needed if performance measures are not being met.
 - d. Communication:
 - i. Respond and provide related action in a timely manner to all communications received from the Department.
 - ii. Provide timely information on all matters that have a potential negative impact on the social services programs they administer, including but not

limited to, litigation risks (not including child welfare cases governed by Chapter 7B or adult services cases governed by Chapter 35A or 108A), network and computer issues, or data breaches.

- iii. Provide timely information regarding temporary or permanent changes to the Social Services Governing Board or the County Social Services Director, including retirements, separations, or any leave of absence greater than two calendar weeks.

e. Inter-agency Cooperation:

- i. Ensure that county social services personnel complete required training and are prepared to engage in Disaster Management, mass shelter, BCP and COOP operations.
- ii. Ensure that all plans and systems are in place to meet potential disaster (natural, technical, otherwise) response requirements.
- iii. Engage with DHHS, state Emergency Management and local leadership in associated efforts.
- iv. Assist or operate mass shelter operations or other required disaster management responsibilities.

- (3) The County shall timely meet all its responsibilities contained in this MOU. “Timely” shall be defined consistent with timeliness requirements set forth in relevant statute, regulation, policy or as otherwise required by the Department. If timeliness is not otherwise defined, “timely” shall mean within a reasonable time under the circumstances.

15.0 Data Security and Reporting

Data Security: The County shall adopt and apply data privacy and security requirements to comply with all applicable federal, state, department and local laws, regulations, and rules. The Parties hereby adopt and incorporate the terms of the Data Sharing Agreement attached as Addendum A as if fully set forth herein.

Duty to Report: To enable NCDHHS to effectively mitigate impact and comply with its own reporting obligations to federal partners, the County shall report any suspected or confirmed privacy or security incidents or breaches involving NCDHHS Data, NCDHHS Information Systems, or other NCDHHS IT Resources to the NCDHHS Office of Privacy and Security via electronic mail and through the Office’s website, <https://www.ncdhhs.gov/about/administrative-offices/privacy-and-security>, within twenty-four (24) hours after the suspected or confirmed incident or breach is first discovered. For reports involving Social Security Administration (SSA) information, the County shall report suspected or confirmed incidents or breaches immediately, but no later than (one) 1 hour after the suspected or confirmed privacy or security incident or breach is first discovered. If reports involving SSA information occur after normal business hours, the County shall also make a report to the NCDHHS Chief Information Security Officer via the phone numbers listed at the link above. See *Addendum A: Data Sharing Memorandum of Agreement Section 8.f* for more information regarding the duty to report.

During the performance of this MOU, the County is to notify the Department of any contact by the federal Office for Civil Rights (OCR) received by the County related to the provision of social services programs covered by the MOU. In case of a privacy and security incident, the County, including any subcontractors or agents it retains, shall fully cooperate with the Department.

16.0 Miscellaneous

Choice of Law: The validity of this MOU and any of its terms or provisions, as well as the rights and duties of the Parties to this MOU, are governed by the laws of North Carolina. The Parties, by signing this MOU, agree and submit, solely for matters concerning this MOU, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this MOU and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

Amendment: This MOU may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Department and the County. The Parties agree to obtain any necessary approvals, if any, for any amendment prior to such amendment becoming effective. Also, the Parties agree that legislative changes to state law shall amend this MOU by operation of law to the extent affected thereby.

Effective Date: This MOU shall become effective July 1, 2026, and shall continue in effect until June 30, 2027. This MOU shall renew automatically on July 1, 2027 and continue in effect until June 30, 2028, unless either party declines renewal by providing written notice no later than April 30, 2027.

Signature Warranty: Each individual signing below warrants that he or she is duly authorized by the party to sign this MOU and to bind the party to the terms and conditions of this MOU.

County

BY: _____
Name

BY: _____
Name

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

North Carolina Department of Health and Human Services

BY: _____
Secretary, Department of Health and Human Services

DATE: _____

ADDENDUM A: DATA SHARING AND INFORMATION TECHNOLOGY SECURITY
MEMORANDUM OF AGREEMENT

Between

THE NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

And

_____ COUNTY

This Data Sharing and Information Technology Security Memorandum of Agreement (MOA) between the North Carolina Department of Health and Human Services (NCDHHS) and _____ County (County), collectively with NCDHHS referred to as the “Parties”, establishes the agreement between the Parties regarding the County’s access to, use, and disclosure of all confidential data, information, and NCDHHS IT Systems and NCDHHS IT Resources provided by NCDHHS to the County for purposes of administering North Carolina’s public assistance and public service programs.

1. PURPOSE AND SCOPE

- a. Purpose. The purpose of this MOA is to identify certain roles and responsibilities of each party as it relates to the sharing and use of all confidential data, information, and access to a NCDHHS Information System or other NCDHHS IT Resource provided by NCDHHS to the County and the data collected by the County on behalf of NCDHHS in connection with the administration of North Carolina’s public assistance programs as well as the County’s administration and performance of other public services delegated to it by law (collectively referred to as NCDHHS Data). For purposes of this MOA, NCDHHS Data includes, but is not limited to:
- i. Social Security Administration (SSA) data;
 - ii. Federal Tax Information (FTI) as defined in the current IRS Publication 1075, Tax Information Security Guidelines for Federal, State and Local Agencies (IRS Publication 1075);
 - iii. Protected health information as defined by 45 CFR 160.103;
 - iv. Identifying information, as defined by N.C.G.S. § 14-113.20(b); and
 - v. Personal information, as defined by the North Carolina Identity Theft Protect Act, N.C.G.S. § 75-61(10);
 - vi. Names or other information concerning persons applying for or receiving public assistance or social services which are confidential pursuant to N.C.G.S. §108A- 80.
 - vii. Sensitive IT Security Information, including but not limited to security features of electronic data processing systems, applications, programs, information technology systems, telecommunications networks, or electronic security systems, including hardware or software security, passwords, or security standards, procedures, processes, configurations, software, and codes.

For purposes of this MOA, “IT Resource” includes NCDHHS Information Systems and all platforms (i.e. operating systems), servers, software, infrastructure, digital devices (e.g.

computers, smart phones, tablets, mainframes, switches, routers, etc.), equipment (e.g. faxes, copiers, phones, etc.), hosted services or infrastructure, network connections, applications (both developed in-house and acquired from third parties) and the data accessed, used, created by, or contained within them that are owned or operated by the Party.

b. Objectives. The objectives of this MOA are to:

- i. Manage the information technology process and systems pertaining to NCDHHS Data and NCDHHS IT Resources to ensure compliance with all applicable federal and state laws, regulations, standards and policies regarding the confidentiality, privacy and security of this NCDHHS Data and NCDHHS IT Resources;
- ii. Enhance the County's and NCDHHS's secure receipt, access to, and use of NCDHHS Data and IT Resources provided by NCDHHS to the County; and
- iii. Permit and facilitate efficient use of and ready access to NCDHHS Data and NCDHHS IT Resources for purposes of administering North Carolina's public assistance and public service programs.

2. BACKGROUND

The NCDHHS administers and oversees a variety of public assistance and public service programs for the State of North Carolina (collectively, Public Assistance Programs), including, but not limited to, the following:

- NC Medicaid Program
- NC Health Choice for Children (North Carolina's CHIP Program)
- Temporary Assistance for Needy Families
- Supplemental Nutrition Assistance Program
- NC Food and Nutrition Services (North Carolina's SNAP Program)
- Work First (North Carolina's Temporary Assistance for Needy Families program)
- Women, Infants and Children (WIC)
- Adult and Family Services
- Child Support Services
- Child Welfare Services

As part of its role pertaining to these Public Assistance Programs, NCDHHS receives, maintains, and stores certain data pertaining to applicants for, and recipients participating in, the Public Assistance Programs, which includes NCDHHS Data.

The County administers the daily operations of many of the Public Assistance Programs at the local level, in accordance with State and Federal law, and policies and rules adopted by NCDHHS. As part of its role pertaining to these Public Assistance Programs, the County collects, accesses, and utilizes certain data pertaining to applicants for, or recipients participating in, the Public Assistance Programs, which includes NCDHHS Data.

NCDHHS and the County agree to work cooperatively to ensure that NCDHHS Data and NCDHHS IT Resources are available to the County for purposes of administering North Carolina's Public Assistance Programs, and that the County accesses and utilizes NCDHHS Data and NCDHHS IT Resources in accordance with applicable federal and state laws, regulations,

standards and policies governing confidentiality, privacy and security of the NCDHHS Data and NCDHHS IT Resources and the terms of this MOA. The parties acknowledge and agree that this MOA is intended to renew and amend prior similar memoranda of agreement in place between the Parties, which was effective on or about October 14, 2016.

3. AUTHORITY OF PARTIES

Each Party is a separate and distinct agency of the government of the State of North Carolina and operates pursuant to their respective statutory authority and obligations. This MOA is authorized under the provisions of N.C.G.S. §§ 108A-25, 108A-54, and 153A-11 and Article 13 of Chapter 153A of the North Carolina General Statutes, and the implementing recommendations or regulations of these laws, if any. For the convenience of the Parties and avoidance of doubt, the Parties acknowledge and agree that NCDHHS is the “NCDHHS” as such term is used in IRS Publication 1075, and that the County is a statutory agent but not a “contractor” or “agent” as such term is used in North Carolina statutory or common law. The NCDHHS and County separately acknowledge their respective organizations are authorized to receive and use FTI pursuant to 26 U.S.C. § 6103.

4. PARTIES’ ROLES AND RESPONSIBILITIES

- a. Pursuant and subject to this MOA, NCDHHS shall provide to the County NCDHHS Data and access to NCDHHS IT Resources, and the County shall provide NCDHHS County Data and access to County IT Resources pertaining to the Public Assistance Programs, through access to NCDHHS’s information technology systems utilized in conjunction with the Public Assistance Programs. These information technology systems include, but are not limited to, the NCDHHS’s current NC FAST case management system (NC FAST), and the legacy information systems which preceded NC FAST (collectively, NCDHHS Information Systems). The NCDHHS Information Systems are secured via NCDHHS access control mechanisms and related procedures, including, but not limited to, Resource Access Control Facility (RACF), North Carolina Identification (NCID), and Web Identity Role Management Portal (WIRM) (collectively, NCDHHS Access Controls).
- b. All NCDHHS Data shall remain confidential and secure at all times. Confidentiality and security of this NCDHHS Data and NCDHHS IT Resources will be maintained by the County in accordance with all applicable federal and state laws, regulations, standards and policies governing this NCDHHS Data and NCDHHS IT Resources and in accordance with the terms of this MOA. Only appropriately authorized County employees and contractors whose job responsibilities require access to the NCDHHS Data and NCDHHS IT Resources will be granted access, only to the minimum extent required, through the NCDHHS Information Systems and NCDHHS Access Controls. Any data, records or other information shared through this MOA are protected from unauthorized use and disclosure and shall be accessed and used by the County only for purposes of administering and operating the Public Assistance Programs and for no other purpose.
- c. NCDHHS Responsibilities:
 - i. To provide NCDHHS Data to the County through access to the NCDHHS Information Systems in strict accordance with the NCDHHS Access Controls and in accordance with the terms of this MOA.

- ii. To allow the County to access and utilize the NCDHHS Data and NCDHHS IT Resources that NCDHHS determines are required to administer and operate the Public Assistance Programs.
- iii. To allow appropriately authorized County employees and contractors whose job responsibilities require access to the NCDHHS Data to access and utilize the NCDHHS Data through access to the NCDHHS Information Systems, to the extent needed to perform their job responsibilities.
- iv. To work cooperatively with the County regarding County employee and contractor access to NCDHHS Data, NCDHHS Information Systems, and other NCDHHS IT Resources in compliance with this MOA and applicable law.
- v. To safeguard all County Data, County IT Resources, and County Sensitive IT Security Information, including but not limited to investigations and reports, in accordance with all applicable federal and state laws, regulations, standards, policies, and this MOA. NCDHHS will not disclose or permit access to County Data, County IT Resource, or County IT Sensitive Security Information to third parties unless permitted under this MOA or required by law to do so. If NCDHHS determines it is required by law to disclose or permit access to County Data, Sensitive IT Security Information, or County IT Resources, NCDHHS shall promptly notify the County prior to disclosure so that County may assert whatever rights and pursue whatever legal remedies to which County may be entitled.
- vi. To perform privacy and security assessments required by CMS, or according to NCDHHS policy and this MOA, on any County IT Resource related to or impacting an NCDHHS Information System or NCDHHS Data based on compliance with NIST Standards, applicable federal and North Carolina statutes, regulations, standards, NCDHHS policies, and this MOA, to the limited extent necessary meet federal, state or NCDHHS requirements.
- vii. To be responsible for supervision of its own employees and contractors.

d. County Responsibilities:

- i. To safeguard all NCDHHS Data, NCDHHS IT Resource, and NCDHHS Sensitive IT Security Information, including but not limited to investigations and reports, in accordance with all applicable federal and state laws, regulations, standards, policies, and this MOA. The County will not disclose or permit access to NCDHHS Data, NCDHHS IT Resource, or Sensitive IT Security Information to third parties unless permitted under this MOA or required by law to do so. If the County determines it is required by law to disclose or permit access to NCDHHS Data, NCDHHS It Resource, or Sensitive IT Security Information, it shall notify the County prior to disclosure so that the County may assert any rights and pursue whatever remedy to which the County may be entitled.
- ii. To ensure County and NCDHHS IT Resources that connect to NCDHHS Information Systems or other NCDHHS IT resource are accessed and utilized only for the purposes authorized by law and under this MOA in the administration and operation of the Public Assistance Programs and for no other purpose.
- iii. To grant access to the NCDHHS Data, NCDHHS Information Systems, and County information systems that connect to NCDHHS Information Systems and other NCDHHS IT Resources only to appropriately authorized County employees and contractors whose job responsibilities require access to the NCDHHS Data or

- NCDHHS IT Resource, and only to the minimum extent necessary for purposes of administering and operating the Public Assistance Programs.
- iv. To ensure access to NCDHHS Data through access to the NCDHHS Information Systems or other NCDHHS IT Resource only to authorized County employees and contractors in strict accordance with the NCDHHS Access Controls and in accordance with the terms of this MOA.
 - v. The County shall conduct background checks for individual employees prior to authorizing their access to FTI.
 - vi. To ensure NCDHHS Information Systems and NCDHHS Data are readily available to persons authorized by law and this MOA to access and use the NCDHHS Information Systems, other NCDHHS IT Resources, and NCDHHS Data.
 - vii. To obtain prior written permission from NCDHHS for the disclosure of any NCDHHS Data or access to any NCDHHS Information System or other NCDHHS IT Resource to any contractor. If NCDHHS approves disclosure of any NCDHHS Data or access to NCDHHS Information System or other NCDHHS IT Resource to County's contractor, the County shall ensure the contractor is provided a copy of this MOA and signs a written agreement with the County acknowledging receipt of a copy of this MOA and agreeing to comply with the terms of this MOA as it relates to the contractor's access to NCDHHS Data, NCDHHS Information Systems, or other NCDHHS IT Resource.
 - viii. To ensure that all information technology systems receiving, storing, processing, or transmitting FTI meet the requirements in IRS Publication 1075, including the requirements set forth in Exhibit 7 to IRS Publication 1075, a copy of which is available at: <https://www.irs.gov/pub/irs-pdf/p1075.pdf>.
 - ix. To maintain a current list of employees and contractors authorized to access and utilize NCDHHS Information Systems, NCDHHS Data, or NCDHHS IT Resource pursuant to this MOA, and to provide NCDHHS a copy of that list upon written request by NCDHHS.
 - x. To submit, when requested by NCDHHS, a written certification that continuous security monitoring has been performed in accordance with applicable requirements. Additionally, the County will submit a written certification that all mainframe and network device configurations supporting the County environment are compliant with all applicable requirements. This certification will be provided to NCDHHS with supporting evidence, such as a recent vulnerability scan.
 - xi. At NCDHHS's request, to work with the IRS, Social Security Administration, or other federal agencies or their agents with respect to periodic safeguard and security reviews. The County will support the resolution of NCDHHS's findings based on a written plan satisfactory to both Parties.
 - xii. Upon notification from the IRS, Social Security Administration, other federal agencies, or NCDHHS of changes to functional and security specifications, to collaborate with NCDHHS to develop and implement plans to meet specified requirements in accordance with guidance and direction provided by the IRS and/or NCDHHS. The County will be responsible for costs arising from such modifications.
 - xiii. To provide annual access and disclosure awareness and incident reporting training to its employees and any approved contractors that may have access to SSA data and/or FTI data (only certain functions in support of Child Support Enforcement may allow contractor access to FTI).

- xiv. To work cooperatively with NCDHHS regarding County employee or contractor access to NCDHHS Data ,NCDHHS Information Systems, and other NCDHHS IT Resources and compliance with this MOA and applicable law.
- xv. To ensure a third party, independent evaluation of IT privacy and security compliance is performed at least annually on any IT resource related to or impacting NCDHHS data or systems and provide the report to NCDHHS upon request.
- xvi. To cooperate with and permit NCDHHS to perform its own privacy and security assessments, along with those required by CMS, on any IT resource related to or impacting NCDHHS Information System, other NCDHHS IT Resources, or NCDHHS Data based on compliance with NIST Standards, applicable federal and North Carolina statutes, regulations, standards, NCDHHS policies, and this MOA.
- xvii. In the case of NCDHHS assessments that CMS requires NCDHHS to perform, to reimburse NCDHHS for the actual cost of those assessments.
- xviii. As required by CMS in the event of breach or other unauthorized access of any FDA, CMS, or Child Support Services data, to provide NCDHHS, who will in turn provide to CMS, the final, detailed, investigation report, including those performed by third parties.
- xix. To sign a BAA, MOA, or other information or information technology security agreement as required by NCDHHS in accordance with federal and state law, rules and regulations, and NCDHHS policies and procedures consistent with this MOA.
- xx. To be responsible for supervision of its own employees and contractors.

5. SAFEGUARDING DATA

- a. Access Controls. The County shall comply with all applicable laws, ordinances, codes, rules, regulations, licensing requirements, and electronic storage standards concerning privacy, data protection, confidentiality, and security including those of federal, state, and local jurisdictions having jurisdiction where business services are provided for accessing, receiving, or processing all confidential information.
- b. Security Measures. The County shall implement internal data security measures, environmental safeguards, firewalls, access controls, and other industry security best practices utilizing appropriate hardware and software necessary to monitor, maintain, and ensure data integrity in accordance with all applicable federal regulations, state regulations, and NCDHHS privacy and security policies.
- c. Credentialing. The County shall be responsible for reviewing, approving, delegating, and monitoring access to NCDHHS Data and IT Resources by County employees and any approved contractors in strict accordance with NCDHHS Access Controls applicable to NCDHHS IT Resources and in accordance with the terms of the MOA. The County shall terminate access privileges to NCDHHS Data of County employees immediately when their employment has been terminated or their job responsibilities no longer require access.
- d. Employee Oversight. The County shall monitor County employees' access to NCDHHS Data, NCDHHS Information Systems, and other NCDHHS IT Resources, especially high-risk data elements such as Social Security numbers, dates of birth, and FTI.

- e. Adherence to Guidelines. The County will adhere to any written standard or guidelines provided by NCDHHS regarding management and implementation of NCDHHS Access Controls, and access to NCDHHS IT Resources, including, but not limited to, the information systems [access control policy](#) in the current version of the [North Carolina Statewide Information Security Manual](#).

6. DATA OWNERSHIP

- a. Data Ownership. NCDHHS and the County acknowledge and agree that NCDHHS Data that NCDHHS provides to the County shall be classified as and shall remain, “NCDHHS Data” or “State Data”, and County Data that the County provides to NCDHHS shall be classified as and shall remain County Data. At no time will NCDHHS Data provided by NCDHHS ever be classified as County data.
- b. Data Quality. The quality and accuracy of any NCDHHS Data that has been manipulated or reprocessed by the County is the responsibility of the County.

7. CONFIDENTIALITY

- a. Data Reidentification. County shall not use NCDHHS Data for any purpose beyond those specified in this MOA or subsequent written agreement. Except as permitted by this MOA, County shall not use NCDHHS Data in an attempt to track individuals, link to an individual’s data from other data sources, determine real or likely identities, or contact any individual who is the subject of NCDHHS Data.
- b. Approved Purposes. The County will be permitted to use NCDHHS Data, NCDHHS Information Systems, and other NCDHHS IT Resources only:
 - i. For the administration and implementation or public assistance and public service programs for the State of North Carolina.
 - ii. To the minimum extent necessary for the specific use case for which the access and use is authorized by NCDHHS.
 - iii. In the manner expressly approved by NCDHHS in this MOA and subsequent writing and in no other manner and for no other purpose.

The County acknowledges and agrees that in accessing, receiving, utilizing, or otherwise handling NCDHHS Data, NCDHHS Information Systems, and other NCDHHS IT Resources it will safeguard and not access, use, or disclose them except for Approved Purposes.

- c. State and Federal Requirements. The County shall protect the confidentiality of NCDHHS Data in accordance with applicable federal and North Carolina laws, regulations, standards and guidelines, including, but not limited to the following:
 - i. Privacy Act of 1974 (5 USC § 552a), as amended by the Computer Matching and Privacy Protection Act of 1988;
 - ii. IRS Publication 1075;
 - iii. Medicaid, 42 U.S.C. § 1396(a)(a)(7), 42 CFR Part 431.300-307;
 - iv. Temporary Assistance to Needy Families, 42 U.S.C. § 602 (a)(1)(A)(iv);

- v. Supplemental Nutrition Assistance Program, 7 U.S.C. § 2020 (e)(8); 7 CFR Part 272.1(c);
 - vi. Social Security Act, 42 U.S.C. § 1396(a)(a)(7);
 - vii. Social Security Administration Disclosure, 20 CFR Part 401;
 - viii. Child Support, 42 U.S.C. § 654(26);
 - ix. Public Assistance Programs (Public Welfare), 45 CFR Part 205.50; and
 - x. U.S. Department of Labor Employment and Training Administration, 20 CFR Part 603;
 - xi. Health Information Portability and Accountability Act and HIPAA Privacy Rule, 45 CFR [Part 160](#) and Subparts A and E of [Part 164](#);
 - xii. North Carolina law governing confidentiality of, and access to, public assistance program data and records, including N.C. Gen. Stat. 108A-80 and implementing regulations; and
 - xiii. North Carolina Identify Theft Protection Act, N.C. Gen. Stat. 75-60 et seq. and 132-1.10 and any implementing regulations.
- d. Identifying Information. The County acknowledges and agrees that some of the data elements within NCDHHS Data can be classified as “Identifying Information” within the meaning of N.C.G.S. § 14-113.20(b). In addition, the combination of certain data elements could classify the data elements as “Personal Information” within the meaning of N.C.G.S. § 75-61(10). Since NCDHHS and the County are subject to the North Carolina Identity Theft Protect Act requirements, N.C.G.S. § 132-1.10 and 75-65, NCDHHS and the County acknowledge and understand that the unauthorized disclosure, misuse, or loss of these certain data elements could subject the County and/or NCDHHS to security breach notification requirements.
- e. HIPAA. NCDHHS is a Hybrid Entity as defined in 45 CFR § 164.103 as that term is designated pursuant to 45 CFR § 164.105(a)(2)(iii)(D) and is comprised of covered and non-covered components. The County may or may not be a Covered Entity and may or may not be a Hybrid Entity with covered and non-covered components. It is possible NCDHHS will provide County access to NCDHHS Data or NCDHHS IT Resources containing Individually Identifiable Health Information (“IIHI”) that is considered Protected Health Information (“PHI”) as defined in 45 CFR §160.103 or Limited Data set, as defined in 45 CFR §164.514(e). The Parties agree to the provisions of this MOA in order to address the obligations or requirements enforceable under HIPAA and to protect the interests of both Parties. However, nothing in this MOA shall be construed as creating obligations or liabilities enforceable under HIPAA for NCDHHS or County when HIPAA does not apply.

8. SECURITY

- a. Secure Transport. NCDHHS data will be exchanged between the County and NCDHHS through methods approved by NCDHHS. In accordance with applicable federal and North Carolina statutes, regulations, standards, and policies, the County shall use appropriate physical and technological security safeguards to prevent re-disclosure of NCDHHS Data, and to protect NCDHHS Data in paper and/or electronic forms during transmission, storage or transport. The County shall use encryption during the data transmission process and shall protect NCDHHS Data on portable computers and devices through the use of applicable encryption and strong authentication procedures and other security controls to make NCDHHS Data unusable and inaccessible by unauthorized individuals.

- b.** Disposal and Destruction. The County shall dispose of paper, media, and equipment containing NCDHHS Data in a secure manner in accordance with applicable law and information security NIST standards. Data destruction shall be accomplished by destroying, purging or clearing NCDHHS Data so that NCDHHS Data and any related data components are not recoverable, in accordance with all applicable laws, commercially accepted and reasonable standards for the type of data being destroyed, and in compliance with the minimum standards set out in the Guidelines for Media Sanitization (NIST 800-88) guideline issued by the US Dept of Commerce (<https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-88r1.pdf>). At the request of NCDHHS, the County shall provide documentation of proper disposal of NCDHHS Data, media, or equipment to NCDHHS.
- c.** Unintentional Disclosure. The County shall safeguard and protect the security of NCDHHS Data from loss, theft, or inadvertent disclosure, in accordance with applicable federal and North Carolina laws, regulations, standards and guidelines, and policies including, but not limited to the following:
- i. Federal Information Security Management Act of 2002 (44 USC 3541 et seq.)
 - ii. SSA's "Electronic Information Exchange Security Requirements and Procedures for State and Local Agencies Exchanging Electronic Information with the Social Security Administration"
 - iii. IRS Publication 1075;
 - iv. Health Information Portability and Accountability Act and HIPAA Security Rule, 45 CFR [Part 160](#) and Subparts A and C of [Part 164](#); and
 - v. National Institute of Standards and Technology (NIST) guidelines.
- d.** Security Incidents. The County shall implement procedures for detecting, investigating, reporting and responding to security incidents involving NCDHHS Data and NCDHHS IT Resources. The County shall implement an Incident Management Plan which will be the source for how to handle incident management involving NCDHHS Data and NCDHHS IT Resources, and the Incident Management Plan will be available to NCDHHS upon request.
- e.** Duty to Report. The County shall evaluate and report all losses, misuse, or unauthorized disclosure of NCDHHS Data and NCDHHS IT Resource to the NCDHHS Privacy and Security Office without unreasonable delay. Any expenses incurred as a result of the loss, misuse, or unauthorized disclosure of NCDHHS Data or NCDHHS IT Resource by the County will be the responsibility of the County.
- f.** Reports to NCDHHS. To enable NCDHHS to effectively mitigate impact and comply with its own reporting obligations to federal partners, the County shall report any suspected or confirmed privacy or security incidents or breaches involving NCDHHS Data, NCDHHS Information Systems, or other NCDHHS IT Resources to the NCDHHS Office of Privacy and Security via electronic mail and

through the Office's website, <https://www.ncdhhs.gov/about/administrative-offices/privacy-and-security>, within twenty-four (24) hours after the suspected or confirmed incident or breach is first discovered. For reports involving Social Security Administration (SSA) information, the County shall report suspected or confirmed incidents or breaches immediately, but no later than (one) 1 hour after the suspected or confirmed privacy or security incident or breach is first discovered. If reports involving SSA information occur after normal business hours, the County shall also make a report to the NCDHHS Chief Information Security Officer via the phone numbers listed at the link above. At a minimum and to the extent known at the time of the report, such privacy and security incident or breach reports shall contain the following information:

- i. The nature of the incident or breach;
 - ii. Information about the system or data affected, including a description of the specific data or system;
 - iii. The date the incident or breach was discovered;
 - iv. The date the incident or breach occurred;
 - v. The date the County was notified of the incident or breach; and
 - vi. The identities of affected or potentially affected individual(s).
- g.** Duty to Mitigate. County will take reasonable steps to limit any further such unauthorized use or disclosure of NCDHHS Data, NCDHHS Information System, or other NCDHHS IT Resource. NCDHHS in its sole discretion may require the County to:
- i. Investigate and respond to NCDHHS regarding any alleged disclosure and promptly resolve any problems identified by the investigation.
 - ii. Submit a corrective action plan with steps designed to prevent any future unauthorized disclosures.
 - iii. Require that all of NCDHHS data files be returned or, if infeasible, be destroyed immediately.
- h.** Contact by OCR. During the performance of this MOA, the County is to notify NCDHHS Privacy and Security Office of any contact by the federal Office for Civil Rights (OCR) received by the County. In addition, the County will reasonably cooperate with NCDHHS Divisions and Offices to mitigate the damage or harm of such security incidents.
- i.** Cooperation with NCDHHS. The County will collaborate and cooperate with NCDHHS regarding investigation, actions and potential remedies pertaining to any suspected or confirmed privacy or security breach or incident involving NCDHHS Data, NCDHHS Information System, or other NCDHHS IT Resource.

- j. Breach Notifications. If the County experiences a security breach involving NCDHHS Data, the County will be responsible for providing notification to all affected persons. The County will collaborate and cooperate with NCDHHS Office of Privacy and Security regarding the content and timing of notification prior to providing the notification.
- k. Notification Costs. When the privacy or security breach arises out of a Party's performance under this MOA, that Party will pay for or reimburse the other Party for the costs associated with giving affected persons written notice of a privacy or security breaches.
- l. Access To NCDHHS Data, U.S. Sensitive Personal Data, and Government-Related Data By Countries Of Concern Or Covered Persons. The County shall fully comply with all restrictions in 28 CFR Part 202 concerning direct or indirect access to or bulk U.S. sensitive personal data or government-related data by Countries of concern or covered persons as identified by the United States or North Carolina Attorney General, including but not limited to China (including Hong Kong & Macau), Cuba, Iran, North Korea, Russia, and Venezuela. For purpose of this MOA, the County shall treat NCDHHS Data as if it were "bulk U.S. sensitive personal data" or "United States Government-related data" as those phrases are defined in 28 CFR 202. The County shall not engage in any acquisition, holding, use, transfer, transportation, or exportation of, or dealing in, any property in which a foreign country or national thereof has any interest ("transaction"), where the transaction: involves United States Government-related data ("government-related data") or bulk U.S. sensitive personal data, as defined by 28 CFR 202; falls within a class of transactions that has been determined by the North Carolina or U.S. Attorney General or NCDHHS to pose an unacceptable risk to the national security of the United States, the state of North Carolina, or NCDHHS because the transactions may enable access by countries of concern or covered persons to government-related data or bulk U.S. sensitive personal data; and meets other criteria specified by Executive Order 14117. This requirement applies to any transaction that takes place after the regulation's effective date, July 1, 2025, even if an agreement was signed prior to that effective date, including but not limited to: Master Service Agreements (MSAs), Data transfer agreements, Research agreements with foreign sites, and Service agreements with cloud, analytics, and tech vendors.

9. NOTICE AND CONTACTS

The Parties mutually agree that the following named individuals will be designated as points of contact for the MOA on behalf of NCDHHS and the County:

For NCDHHS:

The relevant NCDHHS Program Information Security Officers, via the head of the respective program or office.

In the event the head of a program or office head or information security officer cannot be located or contacted, the point of contact will be:

Pyreddy Reddy
Chief Information Security officer
N.C. DHHS Privacy and Security Office
1915 Health Services Way
Raleigh, NC 27607
Phone: (919) 855-3090
Fax: (919) 733-1524
Email: pyreddy.reddy@dhhs.nc.gov

For County:

[Name]
[Title]
[Address]
[Phone Number]
[Fax Number]
[E-Mail]

The Parties agree that if there is a change regarding the information in this section, the party making the change will notify the other party in writing of such change.

10. LIABILITY AND INDEMNIFICATION

- a. Sovereign Immunity. Nothing herein shall be construed as a waiver of the sovereign immunity of either Party or the State of North Carolina, or the assumption by the State of any liability contrary to the laws and statutes of North Carolina. Each Party shall be responsible for its own liabilities and neither Party shall seek indemnification from the other.
- b. Inurement. This MOA shall inure to the benefit of and be binding upon the Parties hereto and their respective successors in the event of governmental reorganization pursuant to N.C.G.S. § 143A-6 or other authority.

11. THIRD PARTY MONITORING AND AUDITING

- a. Federal Access. With advance notice, the IRS, SSA, other legally authorized other federal agency, and NCDHHS shall have the right to send its officers and employees into the offices and facilities of the County for inspection of the County's facilities to ensure that adequate safeguards and security measures have been maintained as required by this MOA. Key areas to be inspected include record keeping, secure storage, limited access areas, disposal areas, and computer security systems such as those described in IRS Publication 1075. The County and NCDHHS will work together to correct any deficiencies identified during any

internal inspection. NCDHHS may opt to utilize the County representatives for compliance validation.

- b. State Access. The State Auditor, NCDHHS internal auditors, and the Joint Legislative Commission on Governmental Operations and legislative employees whose primary responsibility is to provide professional or administrative services to the joint Legislative Commission on Governmental Operations shall have the right, upon prior written notice, to audit and inspect the County's records, systems, processes and facilities as they relate to the use, storage, processing, and protection of NCDHHS Data under this MOA. Such audits may be conducted during normal business hours. The County shall provide reasonable access to all relevant records, personnel, and systems necessary to conduct the audit, including but not limited to electronic records, databases, and networks. The County shall retain the records and information at least one (1) year following the termination or expiration of this MOA, one (1) year following the end of the record retention period, or one year after the resolution of an audit, litigation, or other action related to NCDHHS Data under this MOA, whichever is later.

The following entities may audit the records of this MOA during and after the term of this MOA to verify accounts and data affecting fees or other performance under this MOA:

- i. The State Auditor.
- ii. NCDHHS internal auditors.
- iii. The Joint Legislative Commission on Governmental Operations and legislative employees whose primary responsibility is to provide professional or administrative services to the joint Legislative Commission on Governmental Operations.

12. DURATION OF AGREEMENT

- a. Term. This MOA is effective on July 1, 2026, and shall continue through and including June 30, 2028, after which it will be renewed automatically for up to two additional one-year terms, unless either party provides prior written notice to the other party of its intent not to renew the MOA within 90 days prior to the end of the current term.
- b. Termination. The Parties may terminate this MOA at any time upon mutual written agreement. In addition, either party may terminate this MOA upon ninety (90) days' advance written notice to the other party. Such unilateral termination will be effective 90 days after the date of the notice or at a later date specified in the notice. In the event this MOA is terminated unilaterally by the County, NCDHHS will suspend the flow of NCDHHS Data and access to NCDHHS IT Resources to the County until a superseding written agreement is executed by the Parties.
- c. Effect of Failure to Perform. NCDHHS may immediately and unilaterally suspend the flow of NCDHHS Data and access to NCDHHS IT Resources to the County under this MOA, or terminate this MOA, if NCDHHS, in its sole discretion, determines that the County (including its employees, contractors and agents) has: (i) made an unauthorized use or disclosure of NCDHHS Data; (ii) provided unauthorized access to NCDHHS Information

Systems or other NCDHHS IT Resource; or (iii) violated or failed to follow the terms and conditions of this MOA (Breach of Agreement). At the request of NCDHHS, the County shall immediately discontinue access and use of any NCDHHS Data and NCDHHS IT Resources demanded by NCDHHS.

- d. Termination for Cause. If a Breach of Agreement or other failure to perform as required is not cured within thirty (30) days, or as otherwise agreed to by NCDHHS in writing and in a manner deemed acceptable by NCDHHS, then this MOA will be terminated for cause. If the NCDHHS Data is a HIPAA-covered data set, a matter resolved in an unacceptable manner will result in discontinued access and use of that NCDHHS Data and NCDHHS shall report the problem to the Secretary of the United States Department of Health and Human Services, per 45 CFR 164.514(e)(4)(iii)(A)).

13. MODIFICATION

- a. Regular Review. The Parties shall review this MOA as deemed necessary by NCDHHS and upon the written request of either NCDHHS or the County to the other party, or whenever a State or Federal statute is enacted that material affects the substance of this MOA, in order to determine whether it should be revised or renewed, as applicable.
- b. Amendments. The Parties agree that all changes and amendments to this MOA shall be in writing and executed by both parties.

14. GOVERNING LAW

- a. The Laws of the State of North Carolina. The validity of this MOA and any of its terms or provisions, as well as the rights and duties of the parties to this MOA, are governed by the laws of North Carolina.
- b. Venue. The place of this MOA and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

15. OTHER PROVISIONS/SEVERABILITY

- a. Severability. Nothing in this MOA is intended to conflict with current federal or state laws or regulations, or any governing policies of the County or NCDHHS. If any term of this MOA is found by any court or other legal authority, or is agreed by the Parties to be in conflict with any law or regulation governing its subject, the conflicting term shall be considered null and void. The remaining terms and conditions of this MOA shall remain in full force and effect.
- b. Entire Agreement. This MOA and any amendments hereto and any documents incorporated specifically by reference represent the entire agreement between the Parties and supersede all prior oral and written statements or agreements.
- c. Conflicts. The terms and conditions of this MOA shall override and control any conflicting term or condition of any prior agreement between the Parties pertaining to the NCDHHS Data, NCDHHS Information System, or other NCDHHS It Resource.

- d. Requests from Third Parties and Subpoenas or Other Legal Process. If a subpoena or other legal process in any way concerning the NCDHHS Data, NCDHHS Information System, or other NCDHHS IT Resource is served upon the County, then Recipient shall notify NCDHHS promptly following receipt of such subpoena or other legal process and shall cooperate with NCDHHS in any lawful effort by NCDHHS to contest the legal validity of such subpoena or other legal process. If the County is contacted by a third party for information related to the NCDHHS Data, NCDHHS Information System, other NCDHHS IT Resource, or the terms of this MOA, then the County shall promptly notify NCDHHS of the request and shall not provide any such information to the third party without first receiving written approval from NCDHHS unless otherwise required by law.

16. EFFECTIVE DATE

This MOA shall become effective July 1, 2026 and shall continue in effect until June 30, 2028 unless otherwise extended or terminated under the terms of this MOA.

-----*Signatures on Next Page. The Rest of This Page Left Intentionally Blank.*-----

17. SIGNATURE WARRANTY

Each individual signing below warrants that he or she is duly authorized by the party to sign this MOA and to bind the party to the terms and conditions of this MOA.

For the County

BY: _____
Name

TITLE: _____

DATE: _____

-AND-

BY: _____
Name

TITLE: _____

DATE: _____

For the North Carolina Department of Health and Human Services

BY: _____
Name

TITLE: Secretary, North Carolina Department of Health and Human Services

DATE: _____



CHILD WELFARE AND SOCIAL SERVICES REFORM EXECUTIVE SUMMARY

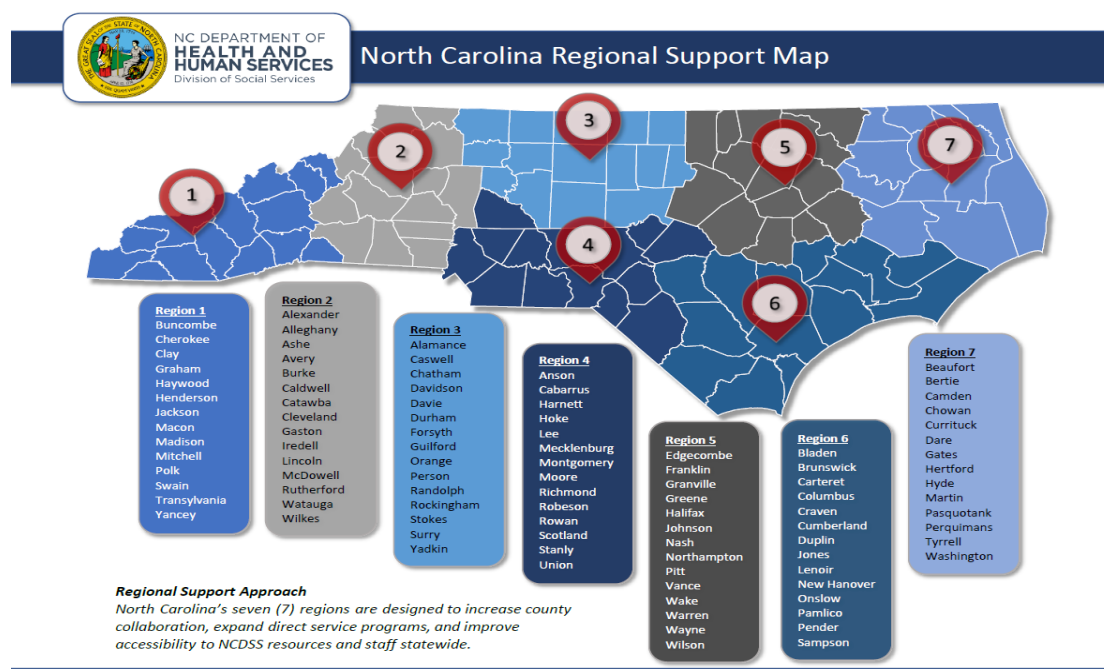
NC Session Law 2017-41, known as Rylan's Law¹, required the Department of Health and Human Services (DHHS) to submit a plan to the Joint Legislative Oversight Committee on Health and Human Services that outlined regional supervision of and collaboration among local social services programs. The law also required DHHS to submit preliminary recommendations to the Committee regarding legislative changes necessary to implement a plan to reform State supervision and accountability for the social services system, including child welfare, adult protective services and guardianship, public assistance, and child support enforcement.

The Social Services Regional Supervision and Collaboration Working Group, known as the Social Services Working Group (SSWG), was formed in 2017 and DHHS contracted with the Center for Support of Families (CSF) to develop and deliver recommendations for reform in a multi-stage process. SSWG and CSF included substantial external stakeholder input gathered through surveys and focus groups held across the state in developing their reports. DHHS senior leadership actively participated as members of the SSWG, and the Secretary's leadership team, along with various DHHS division directors and section chiefs, provided input that informed the CSF report. The preliminary recommendations made by SSWG and CSF were carefully analyzed by DHHS and significantly informed DHHS's recommendations that were presented to the General Assembly on April 10, 2018. The second stage focused on inter-county collaboration, conflicts of interest, and information sharing, leading to a second report that was released on February 20, 2019. All of these efforts culminated in a comprehensive [Social Services Reform Plan](#), which was submitted by the North Carolina Office of State Budget & Management and the Department of Health and Human Services on May 6, 2019.

A. GEOGRAPHIC REGIONS

The Department concurred with the SSWG's recommendations to establish seven regions for the regional supervision of county administered child welfare and other social services. These early considerations included maintaining contiguous regions, avoiding the division of single counties across regions, and accounting for total population, geographic size, and judicial district boundaries. DHHS likewise supported the recommendation to establish physical regional offices, while recognizing that procurement and construction or renovation would require significant time and resources.

We are now operating under the current regional structure, which reflects partnerships, county needs, and implementation realities that have evolved since the initial recommendations were developed.



¹ NC Session Law 2017-41, Rylan's Law: <https://www.ncleg.net/Sessions/2017/Bills/House/PDF/H630v6.pdf>

B. ROLES, RESPONSIBILITIES AND STAFFING FOR REGIONAL SUPERVISION

North Carolina's Department of Health and Human Services (DHHS) structures regional support for its 100 county administered social services agencies through a seven region supervision model established under Session Law 2017 41. While the law directs DHHS to establish regional offices staffed with state personnel to provide closer, more direct supervision and support to counties, dedicated brick and mortar regional office facilities have not been established due to a lack of available funding. In the absence of permanent physical offices, DHHS has implemented the regional model through a combination of virtual operations and the use of existing community or county spaces to support meetings, training, and collaboration.

Each region is led by a Regional Director and supported by a multidisciplinary team of specialists across child welfare, adult services, child support, and economic benefits, typically around eleven staff per region. As of December 2024, all seven Regional Directors had been hired, enabling full activation of the regional leadership model. These directors and the regional teams serve as essential liaisons between DHHS and county DSS agencies, providing coaching, policy guidance, operational support, and monitoring.

Regional teams also identify service trends and systemic issues, driving continuous quality improvement (CQI) and supporting the sharing of best practices across counties. The regional support structure—state supervision with county administration, strengthened by seven regionally aligned support teams—continues to enhance oversight, promote consistency in practice, and improve responsiveness to local needs across North Carolina, even as the Department works toward establishing fully funded, permanent regional office facilities in the future.

C. CURRENT STATUS

In accordance with Session Law 2017-41, Section 3.3, the Department of Health and Human Services (DHHS) is required to submit an annual progress report, outlining the Department's oversight of county-administered social services programs other than medical assistance. The report reviews the implementation and outcomes of the mandated Memorandum of Understanding (MOU) required by N.C.G.S. 108A 74(a2), evaluates county compliance with performance expectations, and details corrective actions taken under State authority.

The MOU, first implemented in SFY 2018–2019, establishes standardized performance expectations and administrative responsibilities for all 100 county social services agencies. DHHS worked closely with county partners during its development, resulting in an agreement that includes 16 core performance measures along with five federally required Child and Family Services Review (CFSR) metrics.

DHHS strengthened its seven region Continuous Quality Improvement (CQI) support model, partnering with Public Knowledge to formalize CQI processes and expand statewide capacity. Each region now includes a Regional Director, fiscal monitor, business liaison, and program specific CQI Specialists across economic services, child support, adult services, special assistance, and child welfare.

In recognition of statewide operational challenges — including the unwinding of pandemic-related program flexibilities - Medicaid Expansion implementation, Tailored Plans rollout, increased service demand, and workforce shortages—DHHS initially paused the issuance of corrective action plans (CAPs), instead continuing to monitor county performance and share best practices. In January 2025, DHHS reinstated the corrective action process as required under amended N.C.G.S. 108A 74(a3). Due to the federal emergency declaration following Hurricane Helene, enforcement was temporarily delayed for 25 western counties.

In 2025, a county–state workgroup was convened to review the MOU. As part of its charge, the group examined both the structure of the MOU itself, and the recommendations associated with the performance measures. This workgroup also developed the protocol that both the state and the county would follow if a county failed to meet their performance measures. The resulting MOU Performance Measures Corrective Action Plan protocol was approved and adopted in July of 2025. The Rylan's Law/HB630 Transparency and Wellness Dashboard was publicly launched and now provides quarterly data updates, offering county leaders and the public a clear view of statewide and county-level performance.



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov
NCDHHS is an equal opportunity employer and provider. • 5/2026



2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT PERFORMANCE MEASURES AT-A-GLANCE

ATTACHMENT I

PERFORMANCE REQUIREMENTS:

The Standard Measure is the measure set forth in federal or state law, rule or policy that governs the particular program. This is the Measure that all counties are ultimately aiming to achieve.

The County Performance Measure is the measure that the County is required to achieve to be in compliance with this MOU. For some programs, the County's Performance Measure will be the same as the Standard Measure. For other programs, the County's Performance Measure may be greater or less than the Standard Measure, dependent upon previous year's performance.

The Report of Performance is the period of time in which a County's response to a particular performance requirement is measured and reported.

ADULT PROTECTIVE SERVICES (APS)

	Standard Measure	County Performance Measure	Rationale and Authority	Report of Performance
1	The County will complete 85% of APS evaluations involving allegations of abuse or neglect within 30 days of the report.	The County will ensure that 85% of all APS evaluations involving allegations of abuse or neglect are completed and a case decision is made within 30 days of the APS report date.	Responding quickly to allegations of adult maltreatment is essential to case decision-making to protect the adult. State law requires that a prompt and thorough evaluation is made of all reports of adult maltreatment. N.C.G.S. § 108A-103 Article 6	Monthly
2	The County will complete 85% of APS evaluations involving allegations of exploitation within 45 days of the report.	The County will ensure that 85% of all APS evaluations involving allegations of exploitation are completed and a case decision is made within 45 days of the APS report date.	Protecting a disabled adult from exploitation is critical to ensuring their safety and well-being. State law requires a prompt and thorough evaluation is made of all reports of adult exploitation. N.C.G.S. § 108A-103 Article 6	Monthly

CHILD SUPPORT SERVICES

	Standard Measure	County Performance Measure	Rationale and Authority	Report of Performance
1	Percentage of paternities established or acknowledged for children born out of wedlock.	The County paternity establishment performance level must exceed 50% at the end of the State Fiscal Year (June 30).	Paternity establishment is an essential component in obtaining and enforcing support orders for children. 45 CFR § 305.33 (b) N.C.G.S. 110-129.1	Annual

2	Percentage of child support cases that have a court order establishing support obligations.	The County support order establishment performance level must exceed 50% at the end of the State Fiscal Year (June 30).	A court order creates a legal obligation for a noncustodial parent to provide financial support to their children. 45 CFR § 305.33 (d)N.C.G.S. 110-129.1	Annual
3	Percentage of current child support paid.	The County current collections performance level must exceed 40% at the end of the State Fiscal Year (June 30).	The current collections rate is an indicator for the regular and timely payment of child support obligations. 45 CFR § 305.33 (e)N.C.G.S. 110-129.1	Annual
4	Percentage of cases received a payment toward arrears.	The County arrearage collections performance level must exceed 40% at the end of the State Fiscal Year (June 30).	Collection of child support has been shown to reduce child poverty rates and improve child well-being 45 CFR § 305.33 (h)N.C.G.S. 110-129.1	Annual

CHILD WELFARE - FOSTER CARE

	Standard Measure	County Performance Measure	Rationale and Authority	Report of Performance
1	The County will ensure that 95% of all foster youth have a face-to-face visit with the social worker each month.	The County will ensure that 95% of all foster youth have a face-to-face visit with the social worker each month.	Ensure the ongoing safety of children and the engagement and well-being of families. Child and Family Services Improvement Act of 2006 (Public Law 109–288, section 7) amending Section 422(b) of the Social Security Act (42 USC 622(b))	Monthly

ENERGY PROGRAMS

	Standard Measure	County Performance Measure	Rationale and Authority	Report of Performance
1	The County will process 95% of Crisis Intervention Program (CIP) applications, with no heat or cooling source, or applications with a health-related crisis with a disconnect, final, or past due notice within one (1) business day from the date of application or date all verification is received, whichever comes first.	The County will process 95% of Crisis Intervention Program (CIP) applications, with no heat or cooling source, within one (1) business day from the date of application or date all verification is received, whichever comes first.	Ensure that eligible individuals in a household without a heating or cooling source receive relief as soon as possible. 42 USC §§ 8621-8630	Monthly

2	The County will process 95% of Crisis Intervention Program (CIP) applications without a health-related crisis that have heat or cooling source with a past due or final notice, within two (2) business days from the date of application or date all verification is received, whichever comes first.	The County will process 95% of Crisis Intervention Program (CIP) applications, that have heat or cooling source with a past due or final notice, within two (2) business days from the date of application or date all verification is received, whichever comes first.	Ensure that eligible households who are in danger of losing a heating or cooling source receive financial assistance to avert the crisis. 42 USC §§ 8621-8630	Monthly
---	--	---	--	---------

FOOD AND NUTRITION SERVICES

	Standard Measure	County Performance Measure	Rationale and Authority	Report of Performance
1	The County will process 95% of expedited FNS applications within the timeframe that allows the household to have access to the FNS benefits on or before the 7th calendar day from the date of application.	The County will process 95% of expedited FNS applications within the timeframe that allows the household to have access to the FNS benefits on or before the 7th calendar day from the date of application.	Ensure all expedited FNS applications are processed within required timeframes. 7CFR § 273.2 FNS Manual: Section 425 FNS Administrative Letter 1-2015	Monthly
2	The County will process 95% of regular FNS applications within the timeframe that allows the household to have access to the FNS benefits on or before the 30th calendar day from the date of application.	The County will process 95% of regular FNS applications within the timeframe that allows the household to have access to the FNS benefits on or before the 30th calendar day from the date of application.	Ensure all regular FNS applications are processed within required timeframes. 7CFR § 273.2 FNS Manual: Section 420 FNS Administrative Letter 1-2015	Monthly
3	The County will ensure that 95% of FNS recertifications are processed on time, each month.	The County will ensure that 95% of FNS recertifications are processed on time, each month.	Ensure that eligible families have their recertification benefits processed in a timely manner without interruption. 7 CFR § 273.14	Monthly

SPECIAL ASSISTANCE (SA)

	Standard Measure	County Performance Measure	Rationale and Authority	Report of Performance
1	The County will process 85% of Special Assistance for the Aged (SAA) applications within 45 calendar days of the application date.	The County is responsible for ensuring timely application processing. To meet program standards, at least 85% of all Special Assistance for the Aged (SAA) applications must be completed and processed within 45 calendar days of the application date.	Ensure eligible individuals receive supplemental payments to support stable living arrangements. Timely application processing of SAA benefits is essential to an individual's proper care and treatment. 10A NCAC 71P .0604	Monthly

2	The County will process 85% of Special Assistance for the Disabled (SAD) applications within 60 calendar days of the application date.	The County is responsible for ensuring timely application processing. To meet program standards, at least 85% of all Special Assistance for the Aged (SAA) applications must be completed and processed within 45 calendar days of the application date.	Ensure eligible individuals receive supplemental payments to support stable living arrangements. Timely application processing of SAD benefits is essential to an individual's proper care and treatment. 10A NCAC 71P .0604	Monthly
---	--	---	---	---------

WORK FIRST

	Standard Measure	County Performance Measure	Rationale and Authority	Report of Performance
1	The County will process 95% of Work First applications within 45 days of receipt.	The County will process 95% of Work First applications within 45 days of receipt.	Ensure that eligible families receive Work First benefits in a timely manner. NC TANF State Plan FFY 2026-2028 N.C.G.S. 108A-31	Monthly
2	The County will process 95% of Work First recertifications within 60 calendar days prior to the last day of the current certification period.	The County will process 95% of Work First recertifications within 60 calendar days prior to the last day of the current certification period.	Ensure that Work First families continue to receive assistance and benefits without unnecessary interruption. NC TANF State Plan FFY 2026-2028 N.C.G.S. 108A-31	Monthly



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov
NCDHHS is an equal opportunity employer and provider. • 5/2026



2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT PERFORMANCE MEASURES AT-A-GLANCE

Note: These Performance Measures are not subject to corrective action under 108A-74 for MOU 2026-27 and 2027-28

ATTACHMENT II

PERFORMANCE REQUIREMENTS:

North Carolina completed round four of the Child and Family Services Reviews (CFSR) in 2025. The purpose of these reviews is to determine compliance with Title IV-B and Title IV-E plan requirements, and in doing so, assess the extent to which federally-funded child welfare programs function effectively to promote the safety, permanency, and well-being of children and families with whom they have contact.

The overall goals of the reviews are to:

- Ensure conformity with Title IV-B and Title IV-E child welfare requirements using a framework focused on safety, permanency and well-being through seven outcomes and seven systemic factors;
- Determine what is happening to children and families as they are engaged in child welfare services including the legal and judicial processes; and
- Assist state child welfare systems in helping children and families achieve positive outcomes.*

The review required North Carolina to develop a Program Improvement Plan to address outcomes the state did not meet.

Executive Order No. 14359, titled “Fostering the Future,” with a goal of improving child welfare outcomes throughout the United States was signed in November 2025. As part of a broad effort to focus on durable outcome improvement, supported by strong evidence, the initiative – A Home for Every Child – is being launched to orient improvement efforts around outcomes that matter most: ensuring every child has access to a safe, stable, and loving home, and that states are supported in building the capacity and systems to make that possible. **In support of this initiative and in an effort to strengthen the CFSR process, a pilot opportunity for states in various stages of CFSR Round 4 is being created to center their program improvement efforts around the A Home for Every Child goal.**

The NC Department of Health and Human Services, Division of Social Services, is considering adopting this Performance Improvement Plan. However, all statutory and regulatory provisions under 45 CFR §§ 1355.35-36 and 42 U.S.C. 1320a-2a remain in effect. Thus, the statewide assessment and onsite review processes remain the same. Since these measures will be included in the Data Review and performance for CFSR Round IV, counties need to continue monitoring and striving to achieve progress toward accomplishing these measures, to ensure that North Carolina can be determined to be in “substantial conformity.” To assist counties in monitoring and achieving these progress measures, please visit the [University of North Carolina-Chapel Hill website](#) to view data provided by UNC-CH.

**Child and Family Services Review Technical Bulletin #12 Announcement of the CFSR Round 4 reviews, August 2020, Section I. Context and Overview of Next Round of CFSR – Round 4, pp 1-3*

Standard Measure	Rationale and Authority
1 The County will initiate 95% of all screened-in reports within required timeframes	Ensure that allegations of abuse, neglect and dependency are initiated timely. The timeframes for initiating an investigation of child maltreatment are defined in state law as immediately, within 24 hours, or within 72 hours depending on the nature and severity of the alleged maltreatment. NC General Statutes § 7B-302; 10A NCAC 70A .0105; NCDHHS Family Services Manual: Vol. 1, Chapter VIII: Child Protective Services, Section 1408 - Investigative & Family Assessments

Standard Measure	Rationale and Authority
2 For all children who were victims of maltreatment during a 12-month period, no more than 9.1% received a subsequent finding of maltreatment.	Ensure that children who have been substantiated as abused, neglected or dependent are protected from further harm. National Standards for State Performance on Statewide Data Indicators established by the Children's Bureau to determine conformity with Title IV-B and Title IV-E of the Social Security Act and the Child and Family Services Review.
3 The County will provide leadership for ensuring that 40.5% of children who enter foster care in a 12-month period are discharged to permanency within 12 months of entering foster care.	Ensure that children in out-of-home placements are able to obtain safe and permanent homes as soon as possible after removal from their home. National Standards for State Performance on Statewide Data Indicators established by the Children's Bureau to determine conformity with Title IV-B and Title IV-E of the Social Security Act and the Child and Family Services Review.
4 The County will provide leadership for ensuring that, of children who enter foster care in a 12-month period who were discharged within 12 months to reunification, kinship care, or guardianship, no more than 8.3% re-enter foster care within 12 months of their discharge.	Ensure that children exiting foster care are in stable homes so that they do not re-enter foster care. CFSR: Safety Outcome 1: Children are, first and foremost, protected from abuse and neglect. National Standards for State Performance on Statewide Data Indicators established by the Children's Bureau to determine conformity with Title IV-B and Title IV-E of the Social Security Act and the Child and Family Services Review.
5 The County will provide leadership for ensuring that, of all children who enter foster care in a 12-month period in the county, the rate of placement moves per 1,000 days of foster care will not exceed 4.1%.	Ensure that children who are removed from their homes experience stability while they are in foster care. CFSR: Permanency Outcome 1: Children have permanency and stability in their living situations. National Standards for State Performance on Statewide Data Indicators established by the Children's Bureau to determine conformity with Title IV-B and IV-E of the Social Security Act and the Child and Family Services Review.





2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT ADULT SERVICES PERFORMANCE MEASURES

WHAT ARE THE PERFORMANCE MEASURES?

In 2017, the North Carolina General Assembly passed the Family/Child Accountability and Protection Act/Rylan's Law – [Session Law 2017-41](#). The law requires all counties to enter into an annual agreement with the NC Department of Health and Human Services (NCDHHS) for all social services programs excluding medical assistance (NC Medicaid). The goal of the annual agreements is to support the provision of consistent, quality child welfare and social services that ensure the safety, health and well-being of children, adults and families served across North Carolina.

The law requires the agreement to contain performance requirements and administrative responsibilities. This fact sheet is one of seven fact sheets describing the 21 performance measures in the 2026-27 and 2027-28 Memorandum of Agreement. The seven fact sheets address: 1) Adult Services, 2) Child Support Services, 3) Child Welfare Services, 4) Energy Programs, 5) Food and Nutrition Services, 6) Special Assistance and 7) Work First Services.

Adult Services

Child Support Services

Child Welfare Services

Energy Programs

Food and Nutrition Services

Special Assistance

Work First Services

Why Were These Adult Services Measures Selected?

The NCDHHS-County Memorandum of Agreement includes two Adult Services performance measures focused on ensuring timely response and protection for vulnerable adults. These measures address immediate safety and protection from abuse, neglect and exploitation, as well as longer-term stability and well-being. The goal is to provide services and protections to individuals unable to meet their essential needs, ensuring their safety while supporting them to remain in their homes through the use of the least restrictive interventions and settings possible.

BASIS

[N.C.G.S 108A-103 Article 6](#) requires that a prompt and thorough evaluation be conducted upon receipt of a report that an adult may need protective services. The evaluation must be completed and a case decision made within 30 days for allegations of abuse or neglect and within 45 days for allegations of exploitation.

A Closer Look: Adult Protective Services Performance Measures

- 1. APS evaluations involving allegations of abuse or neglect are completed and a case decision is made within 30 days of the APS report date for 85% of cases.**

RATIONALE

Adult Protective Services are considered emergency services and involve situations of significant risk, including the potential for irreparable harm or death. North Carolina General Statute §108A-103 requires a prompt and thorough evaluation of all reports of adult maltreatment and does not allow for the provision of services until the evaluation is complete. Timely completion and case decision-making are essential to ensuring the safety and protection of vulnerable adults. The 85% standard reflects recognition that extenuating circumstances may impact timeliness while demonstrating substantial compliance with statutory requirements.

BASIS

State law requires the director of social services, upon receipt of a report that an adult may need protective services, to conduct a prompt and thorough evaluation to determine whether the adult needs protective services and what services are needed. The evaluation must be completed and a case decision made within 30 days for allegations of abuse or neglect.

- NC State Statute: [NC G.S 108A-103](#)

2. APS evaluations involving allegations of exploitation are completed and a case decision is made within 45 days of the APS report date for 85% of cases.

RATIONALE

Adult Protective Services are considered emergency services and require timely action to assess financial harm, identify ongoing risk, and prevent further loss. The statute addresses exploitation of both assets and the person. These cases may involve complex financial records, third-party coordination, and legal processes. North Carolina General Statute §108A-103 requires a prompt and thorough evaluation of all reports of adult maltreatment. The 45-day timeframe allows for necessary information gathering while maintaining timely completion and case decision making. The 85% standard reflects expected performance while acknowledging extenuating circumstances.

BASIS

State law requires the director of social services, upon receipt of a report that an adult may need protective services, to conduct a prompt and thorough evaluation to determine whether the adult needs protective services and what services are needed. The evaluation must be completed and a case decision within 45 days for allegations of exploitation.

- NC State Statute: [NC G.S 108A-103](#)



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov
NCDHHS is an equal opportunity employer and provider. • 5/2026



2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT CHILD SUPPORT PERFORMANCE MEASURES

WHAT ARE THE PERFORMANCE MEASURES?

In 2017, the North Carolina General Assembly passed the Family/Child Accountability and Protection Act/Rylan's Law – [Session Law 2017-41](#). The law requires all counties to enter into an annual agreement with the NC Department of Health and Human Services (NCDHHS) for all social services programs excluding medical assistance (NC Medicaid). The goal of the annual agreements is to support the provision of consistent, quality child welfare and social services that ensure the safety, health and well-being of children, adults and families served across North Carolina.

The law requires the agreement to contain performance requirements and administrative responsibilities. This fact sheet is one of seven fact sheets describing the 21 performance measures in the 2026-27 and 2027-28 Memorandum of Agreement. The seven fact sheets address: 1) Adult Services, 2) Child Support Services, 3) Child Welfare Services, 4) Energy Programs, 5) Food and Nutrition Services, 6) Special Assistance and 7) Work First Services.

Adult Services

Child Support Services

Child Welfare Services

Energy Programs

Food and Nutrition Services

Special Assistance

Work First Services

Why Were These Child Support Measures Selected?

The NCDHHS-County Memorandum of Agreement includes four child support performance measures. The aim of the performance measures is to ensure that child support is a reliable, accessible source of income so that custodial families can become self-sufficient. Studies have shown that policies to collect child support not only increase financial resources to families, but their impact on payments increase visitation and contact between the children and their parents.

BASIS

The [Personal Responsibility and Work Opportunity Reconciliation Acts \(PRWORA\) of 1996](#), Section 454 of the Social Security Act ([42 U.S.C. 654](#)), [42 U.S.C. 658a\(b\)\(6\)](#), [Public Law 105-200, Section 201](#), and [N.C.G.S. 110-129.1\(a\)\(9\)](#) establish guidelines for performance and an incentive system to provide additional payments to any State based on its performance under the program. The Child Support Performance and Incentive Act of 1998 (CSPIA) ([Public Law 105-200, Section 201](#)) provides the legal basis for the incentive award system. The purpose of Title IV-D incentives is to reward child support programs for good performance results, while holding these programs accountable for poor performance.

Eligibility for and the amount of incentive funding depends on all of the following:

- The total amount of federal funds that are available for a fiscal year.
- The state performance levels in five program service areas (paternity establishment, support establishment, current support payments, payments toward arrearages, and cost effectiveness). The federal Office of Child Support Enforcement (OCSE) distributes a shared pool of federal incentive funds to the states each year. To receive these funds, states must reach a specific level of performance for each of these program service areas.
- The reliability of the state's data as determined by OCSE's annual Data Reliability Audit (DRA). States must prove that their child support collection data in their computer systems is ninety-five percent (95%) reliable and accurate, based on the DRA (pursuant to 45 CFR 305).
- The relative performance levels of other states.

Each federal fiscal year, 85% of the federal incentive funds is shared with the counties, based on their performance in the program service areas mentioned above. The North Carolina Child Support Services (NCCSS) Central Office retains the remaining 15% to enhance centralized child support services.

Federal Regulations [45 CFR 303.52](#) require state IV-D programs to develop a standard methodology for the disbursement of incentive funds to the county/local agencies that are designated as the administrators of their child support programs.

NOTE: For 2026-27 and 2027-28, the Child Support MOU measures will be separated from the goals designed to ensure continuous quality improvement of our child support program. All Child Support performance measures will be growth measures.

A Closer Look: Child Support Performance Measures

In accordance with Federal Regulations at [45 CFR 305.2](#), the federal Office of Child Support Enforcement (OCSE) determines incentive funding for states by measuring performance levels in these four program areas identified below. County performance measures are established not only to ensure that the child support program meets the performance measures set by the federal government, but that the program remains focused on improving the economic self-sufficiency of families with children. Counties falling below the minimum federal performance measure are subject to a corrective action plan.

1. County paternity establishment performance level must exceed 50% at the end of the State Fiscal Year (June 30).

NOTE: For 2026-27 and 2027-28, all Child Support performance measures will be growth measures.

RATIONALE

Paternity establishment is an essential component in obtaining and enforcing support orders for children. The Paternity Establishment Percentage (PEP) is the percentage of children born out of wedlock for whom paternity has been established or acknowledged.

BASIS

Monthly performance is calculated for county/local agencies by determining the number of children in the IV-D caseload who have been born out-of-wedlock and for whom paternity has been established or acknowledged to the total number of children as of the end of the preceding state fiscal year who were born out-of-wedlock. Federal regulations require states to have a 90% minimum PEP rate to earn full incentives and avoid penalties to TANF block grant funding. To be eligible for any portion of the incentive dollars, the applicable percentage must be no lower than 50%.

- Federal Code: [42 U.S.C. 652\(g\)\(1\)\(A\)](#)
- Federal Code: [42 U.S.C. 658a\(b\)\(6\)\(A\)](#)
- North Carolina General Statute: [110-129.1\(a\)\(9\)](#)

2. County support order establishment performance level must exceed 50% at the end of the State Fiscal Year (June 30).

NOTE: For 2026-27 and 2027-28, all Child Support performance measures will be growth measures.

RATIONALE

A child support order obligates noncustodial parents to provide financial support for their children and stipulates the amount of the obligation and how it is to be paid. Child support payments enable parents who do not live with their children to fulfill their financial responsibility to them by contributing to the payment of childrearing costs.

BASIS

Monthly performance is calculated for county/local agencies by determining the number of IV-D cases with child support orders as a percentage of their overall caseload. The average of these monthly percentages is reported at the end of the federal fiscal year. Federal regulations require states to have an 80% minimum of cases under order rate to earn full

incentives and avoid penalties to TANF block grant funding. To be eligible for any portion of the incentive dollars, the applicable percentage must be no lower than 50%.

- Federal Code: [42 U.S.C. 652\(g\)\(1\)\(A\)](#)
- Federal Code: [42 U.S.C. 658a\(b\)\(6\)\(B\)](#)
- North Carolina General Statute: [N.C.G.S. 110-129.1\(a\)\(9\)](#)

3. County current collections performance level must exceed 40% at the end of the State Fiscal Year (June 30).

NOTE: For 2026-27 and 2027-28, all Child Support performance measures will be growth measures.

RATIONALE

The current collection rate is an indicator for the regular and timely payment of child support. Higher rates mean better compliance with the support order and lower accumulation of arrears.

BASIS

“Current support” is the money that is applied to current support obligations and does not include payments toward arrearages. Monthly performance is calculated by determining the amount of current support that is collected as a percentage of the total amount of current support obligations due. The average of these monthly percentages is reported at the end of the federal fiscal year. Federal regulations require states to have an 80% minimum current support collections rate to earn full incentives and avoid penalties to TANF block grant funding. To be eligible for any portion of the incentive dollars, the applicable percentage must be no lower than 40%.

- Federal Code: [42 U.S.C. 652\(g\)\(1\)\(A\)](#)
- Federal Code: [42 U.S.C. 658a\(b\)\(6\)\(C\)](#)
- North Carolina General Statute: [110-129.1\(a\)\(9\)](#)

4. County arrearage collections performance level must exceed 40% at the end of the State Fiscal year (June 30).

NOTE: For 2026-27 and 2027-28, all Child Support performance measures will be growth measures.

RATIONALE

Child support collections have been shown to reduce the child poverty rate and improve child well-being. Studies also show that receipt of child support has a positive effect on academic achievement and improves young children’s cognitive development.

BASIS

Arrearage collections is the money that was applied to past-due support on cases that have a past-due child support obligation. Federal regulations require states to have an 80% minimum current support collections rate to earn full incentives. To be eligible for any portion of the incentive dollars, the applicable percentage must be no lower than 40%.

- Federal Code: [42 U.S.C. 652\(g\)\(1\)\(A\)](#)
- Federal Code: [42 U.S.C. 658a\(b\)\(6\)\(D\)](#)
- NC General Statute: [110-129.1\(a\)\(9\)](#)



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov
NCDHHS is an equal opportunity employer and provider. • 5/2026



2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT CHILD WELFARE SERVICES PERFORMANCE MEASURES

WHAT ARE THE PERFORMANCE MEASURES?

In 2017, the North Carolina General Assembly passed the Family/Child Accountability and Protection Act/Rylan's Law – [Session Law 2017-41](#). The law requires all counties to enter into an annual agreement with the NC Department of Health and Human Services (NCDHHS) for all social services programs excluding medical assistance (NC Medicaid). The goal of the annual agreements is to support the provision of consistent, quality child welfare and social services that ensure the safety, health and well-being of children, adults and families served across North Carolina.

The law requires the agreement to contain performance requirements and administrative responsibilities. This fact sheet is one of seven fact sheets describing the 21 performance measures in the 2026-27 and 2027-28 Memorandum of Agreement. The seven fact sheets address: 1) Adult Services, 2) Child Support Services, 3) Child Welfare Services, 4) Energy Programs, 5) Food and Nutrition Services, 6) Special Assistance and 7) Work First Services.

Adult Services

Child Support Services

Child Welfare Services

Energy Programs

Food and Nutrition Services

Special Assistance

Work First Services

Why Were These Child Welfare Measures Selected?

The NCDHHS-County Memorandum of Agreement includes six child welfare performance measures. Together, the six measures address the immediate safety, ongoing protection from abuse and neglect, and long-term security and well-being for children entering the state's child welfare system.

BASIS

The federal [Child Abuse Prevention and Treatment Act](#) (CAPTA) of 1974 and subsequent amendments provide the foundational guidance for government's role in child protection. CAPTA requires states to identify a minimum set of acts or behaviors that define child abuse and neglect and establish timeframes for responding to reports of abuse and neglect. Other federal law, funding and regulations also govern components of child welfare – for example, both Titles IV-B and IV-E of the Social Security Act (SSA). Title IV-B addresses the provision of child welfare services that can be used for prevention of and response to child abuse and neglect. [Title IV-E of the Social Security Act](#) (SSA) focuses on providing safe and stable care for children who are in out-of-home care due to child maltreatment until they can achieve placement permanency by being safely returned home, placed permanently with adoptive families, or placed in other planned arrangements. The Code of Federal Regulations (CFR) [Part 45 1357.10](#) further defines requirements for child welfare services.

FEDERAL COMPLIANCE INSTRUMENTS

North Carolina participated in round four of the Child and Family Services Reviews (CFSR) in 2025. The purpose of these reviews is to determine compliance with Title IV-B and Title IV-E plan requirements, and in doing so, assess the extent to which federally-funded child welfare programs function effectively to promote the safety, permanency, and well-being of children and families with whom they have contact.

The overall goals of the reviews remain to:

- Ensure conformity with Title IV-B and Title IV-E child welfare requirements using a framework focused on safety, permanency and well-being through seven outcomes and seven systemic factors;
- Determine what is happening to children and families as they are engaged in child welfare services including the legal and judicial processes; and
- Assist state child welfare systems in helping children and families achieve positive outcomes.*

To this end, the NC Department of Health and Human Services, Division of Social Services is advising counties that since these measures will be included in the Data Review and performance for CFSR Round IV, counties need to continue monitoring and striving to achieve progress toward accomplishing these measures, to ensure that North Carolina can be determined to be in “substantial conformity.” In an effort to assist counties in monitoring and achieving these progress measures, visit the [University of North Carolina-Chapel Hill's website](#) for data provided by UNC-CH.

* Child and Family Services Review Technical Bulletin #12 Announcement of the CFSR Round 4 reviews, August 2020, Section I. Context and Overview of Next Round of CFSR – Round 4, pp 1-3

The federal Children’s Bureau assesses states for “substantial conformity” with federal requirements for child welfare services through a periodic [Child and Family Services Review](#) (CFSR). Federal guidelines define “substantial conformity” to mean the measure is achieved in 95% of cases reviewed. Two relevant tools are used to evaluate state compliance during the CFSR. They are:

- [National Standards for State Performance on Statewide Data Indicators](#): The Data Indicators are aggregate measures, calculated using available administrative data. These measures look at outcomes for children, for example, whether a child is: a victim of child abuse or neglect while in foster care; a repeat victim of abuse or neglect; or able to achieve a permanent home in 12 months.
- [The Onsite Review Instrument](#) (OSRI) includes only a limited sample of case reviews, interviews with children and families engaged in services, and interviews with community stakeholders – such as courts, community agencies, foster families, caseworkers, and service providers. The OSRI looks at **outcomes for children and the type and quality of services children in child welfare services receive**. The OSRI involves an intensive review of small samplings of family case records and looks not only at whether a particular service or action occurred, but whether it was performed in a quality manner. Therefore, the OSRI measures are NOT used as a basis for the NCDHHS County Performance Measures, because data for the Performance Measures must be available for all counties and all cases and recipients of services.

A Closer Look: Child Welfare Performance Measures

1. County will initiate 95% of all screened in reports within required timeframes.

NOTE: This measure is a growth measure. Performance over prior years will be compiled and shared with counties.

RATIONALE

The intent of this measure is to ensure allegations of child abuse, neglect and dependency are initiated within mandated timeframes. This measure addresses how quickly a “screened in” report of child maltreatment (physical, sexual or psychological abuse, neglect, dependency, or human trafficking) must be followed up on with a full investigation. A “screened in report” means that information gathered in the report of child maltreatment has been determined by a county child welfare intake caseworker and supervisors to meet the legal definition of child maltreatment. That same caseworker and their supervisor will determine the urgency of conducting the investigation depending on the nature and severity of the alleged abuse, neglect, exploitation, or dependency.

BASIS

In North Carolina, the timeframes for initiating an investigation of child maltreatment are defined in state law as immediately, 24 or 72 hours, depending on the severity of the alleged abuse. NC Administrative Rule and the NCDHHS Family Services Manual further define the processes for adhering to the state law.

- NC State Statute: [G.S. §7B-302](#)
- NC Administrative Rule: [10A NCAC 70A.0105](#)
- NCDHHS Family Services Manual: [Vol 1, Chapter VIII, Section 1408 Investigative and Family Assessments](#)

2. For children who were victims of maltreatment during a 12-month period, no more than 9.1% received a subsequent finding of maltreatment.

NOTE: This measure is a growth measure. Performance over prior years will be compiled and shared with counties.

RATIONALE

The intent of this measure is to ensure that children who have been substantiated as abused, neglected or dependent are protected from further harm. This measure assesses whether the child welfare agency was successful in preventing subsequent maltreatment of a child if the child was the subject of a substantiated or indicated report of maltreatment.

BASIS

This performance measure is one of the National Standards for State Performance on Statewide Data Indicators that the Children's Bureau uses to determine state's conformity with Titles IV-B and IV-E of the Social Security Act through the Child and Family Services Reviews (CFSRs). The National Standard is that the recurrence of substantiated or indicated maltreatment is 9.1% or less.

- [National Standards for State Performance on Statewide Data Indicators](#); pages 3, 4 and 6

3. The county will ensure that 95% of all foster youth have a face-to-face visit by the social worker each month.

NOTE: This is now a Performance Measure.

RATIONALE

The intent of this measure is to ensure the ongoing safety of children and the engagement and well-being of families. Caseworkers meet with children and families to monitor children's safety and well-being; assess the ongoing service needs of children, families and foster parents; engage biological and foster parents in developing case plans; assess permanency options for the child; monitor family progress toward established goals; and ensure that children and parents are receiving necessary services. Federal funding is contingent on the state ensuring that the safety and well-being of children in foster care is assured by a monthly face-to-face visit.

BASIS

The [Child and Family Services Improvement Act of 2006](#) amended Part B of Title IV of the Social Security Act to require that, "at a minimum ... children are visited on a monthly basis and that the caseworker visits are well-planned and focused on issues pertinent to case planning and service delivery to ensure the safety, permanency, and well-being of the children."

- [Child and Family Services Improvement Act of 2006 Section 7](#) – Monthly Caseworker Standard; revises Section 422(b) of the Social Security Act (42 U.S.C. 622(b))

4. The county will provide leadership for ensuring that 40.5% of children who enter foster care in a 12-month period are discharged to permanency within 12 months of entering foster care.

NOTE: This measure is a growth measure. Performance over prior years will be compiled and shared with counties.

RATIONALE

The intent of this measure is to ensure that children in out-of-home placements are able to obtain safe and permanent homes as soon as possible after removal from their homes. Permanency includes discharges from foster care to reunification with a child's parents or primary caregivers, living with a relative, guardianship, or adoption.

BASIS

This performance measure is one of the National Standards for State Performance on Statewide Data Indicators that the Children's Bureau uses to determine state's conformity with Titles IV-B and IV-E of the Social Security Act through the Child and Family Services Reviews (CFSRs). The National Standard is that at least 40.5% of all children who enter foster care in a 12-month period are discharged to permanency within 12 months of entering foster care.

- [National Standards for State Performance on Statewide Data Indicators](#): pages 3, 4 and 6

5. The county will provide leadership to ensure that, of children who enter foster care in a 12-month period and who were discharged within 12 months to reunification, kinship care, guardianship, or adoption, that no more than 8.3% re-enter foster care within 12 months of their discharge.

NOTE: This measure is a growth measure. Performance over prior years will be compiled and shared with counties.

RATIONALE

The intent of this measure is to ensure that children exiting foster care either through reunification guardianship or adoption are in stable homes so that they do not re-enter foster care. The measure assesses whether the agency's programs and practice are effective in supporting reunification and other permanency goals so that children do not return to foster care.

BASIS

This performance measure is one of the National Standards for State Performance on Statewide Data Indicators that the Children's Bureau uses to determine state's conformity with Titles IV-B and IV-E of the Social Security Act through the Child and Family Services Reviews (CFSRs). The National Standard is that no more than 8.3% of all children who enter into and are discharged from foster care within a 12-month period re-enter foster care within 12 months of their discharge.

- [National Standards for State Performance on Statewide Data Indicators](#): pages 5 and 6

6. The county will provide leadership to ensure that, of all children who enter foster care in a 12-month period in the county, the rate of placement moves per 1,000 days of foster care will not exceed 4.1%.

NOTE: This measure is a growth measure. Performance over prior years will be compiled and shared with counties.

RATIONALE

Research shows that children who experience fewer placement changes are more likely to experience fewer school changes, less trauma and distress, and fewer mental health and behavioral problems. Research also suggests that fewer placements therefore contribute to better academic achievement and lasting positive relationships with an adult. This measure assesses whether the agency ensures that children whom the agency removes from their homes experience stability while they are in foster care.

BASIS

This performance measure is one of the National Standards for State Performance on Statewide Data Indicators that the Children's Bureau uses to determine state's conformity with Titles IV-B and IV-E of the Social Security Act through the Child and Family Services Reviews (CFSRs). The National Standard is that of all children who enter foster care in a 12-month period, the average rate of placement moves per 1,000 days of foster care does not exceed 4.1%.

- [National Standards for State Performance on Statewide Data Indicators](#): pages 5 and 6



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov
NCDHHS is an equal opportunity employer and provider. • 5/2026



2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT ENERGY PROGRAMS PERFORMANCE MEASURES

WHAT ARE THE PERFORMANCE MEASURES?

In 2017, the North Carolina General Assembly passed the Family/Child Accountability and Protection Act/Rylan's Law – [Session Law 2017-41](#). The law requires all counties to enter into an annual agreement with the NC Department of Health and Human Services (NCDHHS) for all social services programs excluding medical assistance (NC Medicaid). The goal of the annual agreements is to support the provision of consistent, quality child welfare and social services that ensure the safety, health and well-being of children, adults and families served across North Carolina.

The law requires the agreement to contain performance requirements and administrative responsibilities. This fact sheet is one of seven fact sheets describing the 21 performance measures in the 2026-27 and 2027-28 Memorandum of Agreement. The seven fact sheets address: 1) Adult Services, 2) Child Support Services, 3) Child Welfare Services, 4) Energy Programs, 5) Food and Nutrition Services, 6) Special Assistance and 7) Work First Services.

Adult Services

Child Support Services

Child Welfare Services

Energy Programs

Food and Nutrition Services

Special Assistance

Work First Services

Why Were These Energy Programs Measures Selected?

The NCDHHS-County Memorandum of Agreement includes two Energy Performance measures. Energy programs help low-income families, seniors and adults with home heating and cooling to protect their health and well-being. These energy programs provide financial assistance so that vulnerable populations in our communities do not have to make difficult choices between heating and cooling their homes or affording other basic necessities such as food, medicine or shelter. Together the two measures address the federal requirements to assist households with the lowest incomes that pay a high proportion of household energy bills.

BASIS

The Federal Low-Income Home Energy Assistance Program (LIHEAP) Statute and Regulations and subsequent amendments provide the foundational guidance for government's role in the administration of the Energy program. The LIHEAP statute is codified in the United States Code at [42 U.S.C. § 8621-8630 \(2008\)](#).

The US HHS regulations for the LIHEAP block grant are found in [45 C.F.R. § 96. Subparts A-F, H](#). The Administration for Children and Families (ACF) conducts compliance reviews. States determined to be in noncompliance face penalties of repayment of misspent funds and/or withholding of federal funds.

A Closer Look: Energy Programs Performance Measures

- 1. The County will process 95% of Crisis Intervention Program (CIP) applications, with no heat or cooling source or applications with a health-related crisis with a disconnect, final, or past due notice, within one (1) business day from the date of application or date all verification is received, whichever comes first.**

RATIONALE

The intent of this measure is to ensure that eligible individuals in a household without a heating or cooling source receive relief as soon as possible.

BASIS

Federal Code requires that within one business day after a household applies for crisis benefits, the State will provide assistance that will resolve the energy crisis if a household is eligible to receive benefits and has services disconnected or is in a health-related life-threatening situation. North Carolina Administrative Code provides regulations on eligibility criteria.

- Federal Regulation: [42 U.S.C. § 8621-8630 \(2008\)](#)
- NC Administrative Code: [10A NCAC 71V](#)

2. The County will process 95% of Crisis Intervention Program (CIP) applications without a health-related crisis that have a heat or cooling source disconnect notice within one 1) business day from the date of application or date all verification is received, whichever comes first.

RATIONALE

The intent of this measure is to ensure that eligible households who are in danger of losing a heating or cooling source receive financial assistance to avert the crisis.

BASIS

Federal Code requires that within 48 hours after a household applies for crisis benefits, the State will provide some form of assistance that will resolve the energy crisis if such household is eligible to receive such benefits and is in a life-threatening situation without a health-related crisis. North Carolina Administrative Code provides regulations on eligibility criteria.

- Federal Regulation: [42 U.S.C. § 8621-8630 \(2008\)](#)
- NC Administrative Code: [10A NCAC 71V](#)



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov
NCDHHS is an equal opportunity employer and provider. • 5/2026



2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT FOOD AND NUTRITION SERVICES PERFORMANCE MEASURES

WHAT ARE THE PERFORMANCE MEASURES?

In 2017, the North Carolina General Assembly passed the Family/Child Accountability and Protection Act/Rylan's Law – [Session Law 2017-41](#). The law requires all counties to enter into an annual agreement with the NC Department of Health and Human Services (NCDHHS) for all social services programs excluding medical assistance (NC Medicaid). The goal of the annual agreements is to support the provision of consistent, quality child welfare and social services that ensure the safety, health and well-being of children, adults and families served across North Carolina.

The law requires the agreement to contain performance requirements and administrative responsibilities. This fact sheet is one of seven fact sheets describing the 21 performance measures in the 2026-27 and 2027-28 Memorandum of Agreement. The seven fact sheets address: 1) Adult Services, 2) Child Support Services, 3) Child Welfare Services, 4) Energy Programs, 5) Food and Nutrition Services, 6) Special Assistance and 7) Work First Services.

Adult Services

Child Support Services

Child Welfare Services

Energy Programs

Food and Nutrition Services

Special Assistance

Work First Services

Why Were These Food and Nutrition Services Measures Selected?

The NCDHHS-County Memorandum of Agreement includes three Food and Nutrition Services (FNS) performance measures. Research shows that FNS Supplemental Nutrition Assistance Program (SNAP) benefits reduce poverty and food insecurity, and that this leads to improved health and economic outcomes over the long-term, especially for those who receive SNAP as children.

BASIS

The [Food and Nutrition Act of 2008](#) (as amended through P.L.113-79, Effective Feb. 7, 2014) provides the foundational guidance for administration of the FNS program.

FEDERAL COMPLIANCE AND STATE INSTRUMENTS

The USDA is mandated by federal regulations to monitor program administration and operation of the FNS program. Monitoring of the state's compliance is completed through the Management Evaluation process. The Management Evaluation addresses and assesses State agency achievement of program objectives and FNS' strategic performance objectives and priorities.

A Closer Look: Food and Nutrition Services Performance Measures

1. The County will process 95% of expedited FNS applications within the timeframe that allows the household to have access to the FNS benefits on or before the 7th calendar day from the date of application.

RATIONALE

The intent of this measure is to ensure all households which are considered expedited FNS applications are processed within the required timeframe. A food-secure household means that all members of the household receiving FNS benefits have access to healthy and nutritious food to support the health and well-being of the family including children, the elderly and people with disabilities.

BASIS

The State is required to ensure benefits are available to the household no later than thirty (30) calendar days following the date of application. To ensure households are provided with benefits in a timely manner, FNS applications and reapplications must be approved no later than the twenty-fifth (25th) calendar day from the date of the application for regular FNS application and no later than four (4) calendar days for households identified as expedited.

- Federal Regulation: [7 CFR 274.2](#)
- Federal Regulation: [FNS Manual: Section 420](#)
- Federal Regulation: [FNS Manual: Section 425](#)
- Federal Program Policy: [FNS Administrative Letter 1-2015](#)

2. The County will process 95% of regular FNS applications within the timeframe that allows the household to have access to the FNS benefits on or before the 30th calendar day from the date of application.

RATIONALE

The intent of this measure is to ensure all regular FNS applications are processed within the required timeframe. A food-secure household means that all members of the household receiving FNS benefits have access to healthy and nutritious food to support the health and well-being of the family including children, the elderly and people with disabilities.

BASIS

The State is required to ensure benefits are available to the household no later than thirty (30) calendar days following the date of application. To ensure households are provided with benefits in a timely manner, FNS applications and reapplications must be approved no later than the twenty-fifth (25th) calendar day from the date of the application for regular FNS application and no later than four (4) calendar days for households identified as expedited.

- Federal Regulation: [7 CFR 274.2](#)
- Federal Regulation: [FNS Manual: Section 420](#)
- Federal Regulation: [FNS Manual: Section 425](#)
- Federal Program Policy: [FNS Administrative Letter 1-2015](#)

3. The County will ensure that 95% of FNS recertifications are processed within the required timeframes each month.

RATIONALE

The intent of this measure is to ensure that families that were previously determined eligible have their recertification for benefits processed in a timely manner to ensure uninterrupted access to healthy and nutritious food to support the health and well-being of families that continue to be eligible for FNS benefits.

BASIS

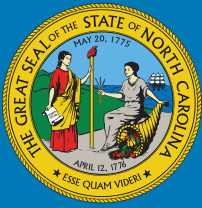
In accordance with federal regulation, the State is required to ensure that households who received a notice of expiration and reapplied, receive either a notice of eligibility or a notice of denial no later than thirty (30) days from the last allotment received.

- Federal Regulation: [7 CFR 273.14 Recertification](#)



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov
NCDHHS is an equal opportunity employer and provider. • 5/2026



2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT

STATE/COUNTY SPECIAL ASSISTANCE PERFORMANCE MEASURES

WHAT ARE THE PERFORMANCE MEASURES?

In 2017, the North Carolina General Assembly passed the Family/Child Accountability and Protection Act/Rylan's Law – [Session Law 2017-41](#). The law requires all counties to enter into an annual agreement with the NC Department of Health and Human Services (NCDHHS) for all social services programs excluding medical assistance (NC Medicaid). The goal of the annual agreements is to support the provision of consistent, quality child welfare and social services that ensure the safety, health and well-being of children, adults and families served across North Carolina.

The law requires the agreement to contain performance requirements and administrative responsibilities. This fact sheet is one of seven fact sheets describing the 21 performance measures in the 2026-27 and 2027-28 Memorandum of Agreement. The seven fact sheets address: 1) Adult Services, 2) Child Support Services, 3) Child Welfare Services, 4) Energy Programs, 5) Food and Nutrition Services, 6) Special Assistance and 7) Work First Services.

Adult Services

Child Support Services

Child Welfare Services

Energy Programs

Food and Nutrition Services

Special Assistance

Work First Services

Why Were These State/County Special Assistance Measures Selected?

The NCDHHS-County Memorandum of Agreement includes two State-County Special Assistance measures. Paired with the two Adult Services measures, these measures address the immediate safety, ongoing protection from abuse and neglect, and long-term security and well-being of older adults and individuals with disabilities. The goal is to provide services and protections to individuals and families experiencing serious health and safety needs who are not, at least temporarily, able to assist themselves with the goal of helping them return to independent, community living.

BASIS

[NC G.S 108A-103 Article 6](#) requires that an APS evaluation shall be completed within 30 days for allegations of abuse or neglect and within 45 days for allegations of exploitation. [NC Administrative Rule: 10A NCAC 71P .0604](#) requires that applications be processed and a notice approving or denying the application stating the effective date be mailed within 45 calendar days from the date the application form is signed for individuals aged 65 and older, and within 60 calendar days for those younger than 65.

A Closer Look: State-County Special Assistance Performance Measures

The NCDHHS-County Memorandum of Agreement includes two State-County Special Assistance Measures. These measures address the timeliness in which the County DSS processes applications for State-County Special Assistance (SA), which pays for room and board for low-income individuals needing care in an assisted living facility. NC Administrative Code (10NCAC 71P.0604) sets the timeliness requirement for processing SA applications.

1. The County will process 85% of Special Assistance for the Aged (SAA) applications within 45 calendar days of the application date.

RATIONALE

Individuals in need of placement in an assisted living facility generally require prompt placement to avoid further decline in health or possible harm. State-County Special Assistance (SA) pays for room and board for eligible individuals in a licensed assisted living facility. Timely receipt of these benefits is essential to ensure proper care and treatment. While state rule does not specify a percentage rate, 85% was selected because counties may encounter extenuating circumstances that preclude them from completing a timely determination of eligibility. Timely determination for 85% of applications indicates substantial compliance with the state rule.

BASIS

State administrative rules require that applications be processed and a notice approving or denying the application stating the effective date be mailed within 45 calendar days from the date the application form is signed for individuals aged 65 and older.

- NC Administrative Rule: [10A NCAC 71P .0604](#)

2. The County will process 85% of Special Assistance for the Disabled (SAD) applications within 60 calendar days of the application date.

RATIONALE

Individuals in need of placement in an assisted living facility generally require prompt placement to avoid further decline in health or possible harm. State-County Special Assistance (SA) pays for room and board for eligible individuals in a licensed assisted living facility. Eligibility for SA also qualifies an individual to receive Medicaid benefits. Timely receipt of these benefits is essential to ensure proper care and treatment. DSS staff are required to verify several factors to determine eligibility related to income and assets.

While the state rule does not speak to a percentage rate, 85% was selected because counties may encounter extenuating circumstances that preclude them from completing a timely determination of eligibility. Timely determination for 85% of applications indicates substantial compliance with the Rule.

BASIS

State regulations require that applications be processed and a notice approving or denying the application stating the effective date of the payment be mailed within 60 calendar days from the date the application form is signed for individuals younger than 65.

- NC Administrative Rule: [10A NCAC 71P .0604](#)



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov!
NCDHHS is an equal opportunity employer and provider. • 6/2026



2026-27 & 2027-28 NCDHHS/COUNTY MEMORANDUM OF AGREEMENT WORK FIRST PERFORMANCE MEASURES

WHAT ARE THE PERFORMANCE MEASURES?

In 2017, the North Carolina General Assembly passed the Family/Child Accountability and Protection Act/Rylan's Law – [Session Law 2017-41](#). The law requires all counties to enter into an annual agreement with the NC Department of Health and Human Services (NCDHHS) for all social services programs excluding medical assistance (NC Medicaid). The goal of the annual agreements is to support the provision of consistent, quality child welfare and social services that ensure the safety, health and well-being of children, adults and families served across North Carolina.

The law requires the agreement to contain performance requirements and administrative responsibilities. This fact sheet is one of seven fact sheets describing the 21 performance measures in the 2026-27 and 2027-28 Memorandum of Agreement. The seven fact sheets address: 1) Adult Services, 2) Child Support Services, 3) Child Welfare Services, 4) Energy Programs, 5) Food and Nutrition Services, 6) Special Assistance and 7) Work First Services.

Adult Services

Child Support Services

Child Welfare Services

Energy Programs

Food and Nutrition Services

Special Assistance

Work First Services

Why Were These Work First Measures Selected?

The NCDHHS-County Memorandum of Agreement includes two Work First performance measures. Together, the two measures assist families in receiving timely benefits to help with reaching their goals of self-sufficiency and reducing the need for public assistance programs. Providing timely assistance to eligible county residents is a provision of the federal block grant funding.

BASIS

[Title IV-A of the Social Security Act \(SSA\)](#) and The [Personal Responsibility and Work Opportunity Reconciliation Act \(PRWORA\)](#) provide the foundational guidance for the government's accountability in assisting needy families with children. Title IV-A addresses the required submission of a State Plan in which the State program defines timelines for the determination of assistance.

FEDERAL COMPLIANCE INSTRUMENT

The Administration for Children and Families (ACF) assesses states for compliance with federal regulations. [Title IV-A of the SSA](#) requires that eligibility determination must be provided in a reasonable and prompt manner (timely). The [North Carolina TANF State Plan](#) defines reasonable and prompt manner or timeliness for applications as 45 calendar days from the application date. The timeliness for the recertification for a cash assistance is no later than the last day of the current certification period.

A Closer Look: Work First Services Performance Measures

1. The County will process 95% of Work First applications within 45 days of receipt.

RATIONALE

The intent of this measure is to ensure that families receive the Work First benefits for which they are eligible in a timely manner. Families that participate in the Work First Program rely on this service for cash assistance, job placement, training and education. Timely processing of applications ensures that applicants can access these services quickly and begin to receive services that lead to self-sufficiency.

BASIS

This performance measure determines the state's conformity with Title IV-A of the Social Security Act to provide eligibility determination in a reasonable and prompt manner. NC General Statute and the NC State Plan provide the basis for program policy.

- North Carolina General Statute: [NC GS 108A-31](#)
- State Plan: [2026-2028 TANF State Plan Final | NCDHHS](#)

2. The County will process 95% of Work First recertifications no later than the last day of the current certification period.

RATIONALE

The intent of this measure is to ensure that families who were previously determined eligible for the Work First program continue to receive assistance and benefits without an unnecessary interruption in their benefits and case work services.

BASIS

This performance measure determines the state's conformity with Title IV-A of the Social Security Act to provide eligibility determination in a reasonable and prompt manner. NC General Statute and the NC State Plan provide the basis for program policy.

- North Carolina General Statute: [NC GS 108A-31](#)
- State Plan: [2026-2028 TANF State Plan Final | NCDHHS](#)



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

NC Department of Health and Human Services • www.ncdhhs.gov
NCDHHS is an equal opportunity employer and provider. • 5/2026