

DSS ADMINISTRATIVE LETTER NO. ECONOMIC AND FAMILY SERVICES 4-2014
FNS POLICY REMINDERS AND PROCEDURAL REQUIREMENTS
(October 9, 2014)

(Food and Nutrition Services)

TO: County Directors of Social Services

ATTENTION: Food and Nutrition Services Managers and Supervisors

DATE: October 9, 2014

SUBJECT: FNS Policy Reminders and Procedural Requirements

EFFECTIVE: Upon Receipt

I. GENERAL INFORMATION

The purpose of this letter is to provide policy reminders and procedural requirements as a result of the Food and Nutrition Services Management Evaluation conducted by the United States Department of Agriculture (USDA) in June 2014. North Carolina was cited for a number of findings around lack of oversight and internal controls of the local county department of social services offices. Policies and procedures discussed in this letter will be reviewed during the local FNS Management Evaluations scheduled for 2014-15.

1. Customer Complaints Tracking Log
2. Scheduling FNS Interviews
3. Program Integrity Issues
4. FNS Employment & Training
5. NC FAST and EBT Dual System Access

II. POLICY PROCEDURES

1. Customer Complaints Tracking Log

All customer complaints regarding the timely processing of FNS benefits for both initial applications and recertifications must be tracked in accordance with the Customer Complaint Tracking Procedures using the Complaint Tracking Log attached. The data collected from this spreadsheet must be used to conduct agency analysis and take appropriate action as required. County analysis of the complaints must be submitted to the Division of Social Services every six months to determine the potential need for statewide training and/or process improvement. Instructions for submitting the data and a spreadsheet are attached to this letter.

2. Scheduling FNS Interview

The DSS-8650, Food and Nutrition Services (FNS) Notice of Information Needed, must be provided to households who are not interviewed on the same day they apply for benefits which includes the official appointment date and time. (FNS Section 310.03).

3. Program Integrity

Records containing an IPV disqualification and/or an IPV claim must be retained indefinitely. This would include but is not limited to signed waivers, notices signed, and court orders (FNS Section 135.01).

If a client requests a fair hearing within 90 days of the Letter of Overissuance, all collection action must cease. The investigator MUST enter "X" in the Food Stamp Appeal Indicator field on the Debtor Detail screen in EPICS and send the State Office/Attn: Program Integrity a written request to block the debtor from TOP and DOR interception until a hearing decision is received (FNS Sections 810.06, 815.08, and 820.10). After a hearing decision has been rendered, the DSS-8658, Post Hearing Notice MUST be sent informing the household they still owe the claim if the ruling was in favor of the county. The investigator MUST enter the date the notice was sent to the client on the Debtor Detail screen in EPICS. This date is used by EPICS to recalculate the 180 days before it sends the debtor to TOP to be certified (FNS Sections 705.25 & 705.26).

All Quality Control Claims must be established in EPICS within the regulatory timeframe (180 days), regardless of the amount (FNS 810.01).

All claims must be established before the 180th day. If the process of investigating and establishing a claim is not completed within the time frames listed the case is considered overdue. Federal regulations require that time frames be tracked and corrective action implemented when more than 10% of referrals in a county are more than 180 days old (FNS 810.01); NC is currently at 33%. Supervisors must check the Daily Report of Pending FNS Referrals located in Data Warehouse.

Written notice must be provided to all clients prior to implementing Disqualifications: ADH Hearings-DSS-8558, State Hearings-DSS-8557, Waiver of ADH-DSS-8587, and Court Action-DSS-8586 (FNS Section 820.09).

Repayment Agreement amounts must be arranged as follows: Divide the entire amount of the claim by 36 months; this should be the required monthly payment amount. If this amount is not financially feasible, work with the individual by lowering the monthly payment, however the payment period cannot exceed 60 months. The required minimum monthly payment amount cannot be less than \$25.00.

All USDA Charge Letters MUST be investigated and when appropriate, take administrative and/or criminal action to disqualify the violating individual. The amount of the overissuance is the amount of benefits trafficked. Trafficking claims may be determined by the individual's admission, adjudication, or documentation that demonstrates trafficking. Documentation may include the Charge Letter from USDA and the EBT transaction history. The Charge Letter is considered as evidence in an ADH or court action. Do not base a trafficking claim solely on the letter (FNS Section 830.04). Policy was updated to reflect trafficking to include the attempt to buy or sell FNS benefits online (FNS 830.01).

Social Media, such as Craigslist, Twitter and Facebook must be monitored for potential FNS benefits trafficking. SNAP RSS Feed Procedure is a tool available to assist in monitoring multiple social media sights collectively.

To access this tool go to:

<http://www.ncwss.com/documents/Resources/LeadershipSummit/FNS%20Fun%20With%20PI%20RSS%20Feed%20Procedure.pdf>

Disqualifications must be imposed within 45 days of the date of the court order or within 45 days of the client being found guilty of an IPV even if the client is currently serving a disqualification period.

4. FNS Employment & Training

Required work registered individuals must be appropriately registered in NC FAST. Refer to FNS Section 240.02 for Exemptions from Work Requirements or NC FAST: *Work Registration Exemptions Job Aide*.

Participating E&T counties must explain the program to work registrants and refer them to the Division of Workforce Solutions when appropriate (FNS Section 241.01).

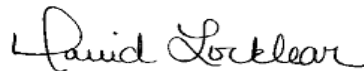
5. Dual System Access

FNS issuance responsibilities must be divided between at least two persons to prevent any single individual from having complete control over the benefit award and the issuances themselves. County security officers must review NC FAST and EBT Edge access for all staff. If staff has update capabilities for NC FAST, they cannot have update capabilities in EBT Edge; access must be inquiry only. The county must determine the appropriate access needed and revise accordingly to prevent any single individual from having update capabilities in both systems.

County security officers must report back to the Division that staff has the appropriate access no later than October 31, 2014. Confirmation can be sent to Joan Otto at joan.otto@dhhs.nc.gov.

If you have any FNS policy questions, please contact DHHS Operational Support Team (OST) at ost.policy.questions@dhhs.nc.gov. Program Integrity questions can be sent to dss.energy.pi.questions@dhhs.nc.gov.

Sincerely,



David Locklear, Acting Chief
Economic and Family Services Section