



North Carolina Department of Health and Human Services

DIVISION OF CHILD DEVELOPMENT

Phone: 919.662.4499 Fax: 919.661.4845 Courier Number: 56-20-17



Physical Address:
319 Chapanoke Road
Raleigh, NC 27603

Mailing Address:
2201 Mail Service Center
Raleigh, NC 27699-2201


Beverly Eaves Perdue, Governor

Lanier M. Cansler, Secretary

Deborah J. Cassidy, Director

MEMORANDUM

TO: Directors of County Department of Social Services
Directors of Local Purchasing Agencies

FROM: Deborah J. Cassidy 

DATE: October 4, 2010

RE: Subsidy Business Plan Options for State Fiscal Year 2010-2011

The purpose of this memorandum is to provide guidance to county Departments of Social Services regarding the available options for the development of the Subsidy Business Plans as agreed upon in collaboration with the Division of Child Development (DCD) and the North Carolina Association of County Directors of Social Services (NCACDSS). This option pertains to all counties identified as having combined spending in excess of 100% of their SFY 10-11 annual allocation and revises the deadline for submitting all business plans to October 29, 2010.

The business plan model was provided to counties on September 17, 2010 to assist in establishing plans to bring the county's current over spending to within their allocation for SFY 10-11. Counties are given the option of submitting a letter signed by the Director of the local county Department of Social Services stating their plan to take responsibility for spending within their allocation. The business plan letter must include references to the following minimal reduction in spending commitments and local collaborative endeavors. All business plans, regardless of the format, will be reviewed for approval by the Division with reference to the county spending history and current spending pattern.

Minimal Spending Reduction Requirements

The optional county business plan letter must provide details the county intends to follow to bring spending within allocation limits. The county will be responsible for expenditures beyond their approved spending level.

The letter must address the following:

- The steps you plan to bring spending within your allocation,
- The anticipated spending priorities you plan to adjust,
- The timeline that you think is realistic to bring spending within your allocation,
- All available funds to provide services beyond your regular allocation, if any, and
- Any local collaborative efforts you plan to engage.

Potential spending commitments are identified, but not limited to those listed below.

- Not filling slots vacated by children receiving subsidy who have moved to the More at Four Pre-Kindergarten Program,
- Not filling slots vacated by preschool children who have started to school,
- Revising services to priority groups to essential care such as Child Protective Services, etc., and
- Identifying other resources to cover spending over the allocation, if applicable.

Signature Process and Distribution

The business plan or optional letter requires the signature of the DSS and/or LPA director, if the Subsidized Child Care Program is contracted to an outside entity. Copies of the Subsidy Business Plan or optional letter must be distributed to governing board members of the DSS/LPA and county commissioners.

Mail the signed original plan or letter by October 29th to Annie Blacknall, Policy and Planning Consultant, at 2201 Mail Service Center, Raleigh, NC 27699-2201. In addition, email a copy to Ms. Blacknall at annie.blacknall@dhhs.nc.gov and a copy to your Subsidy Services Consultant.

NOTE: Child care services for families can not be terminated without approval from the Division. Your agency can submit a request for termination of services to Ron Byrd, Subsidy Services Section Chief. Please submit the request via email directly to ron.byrd@dhhs.nc.gov.

Under Spending Counties

Under spending counties have received this notice **only** to keep them informed and under spending counties **do not** have to complete the Child Care Subsidy Business Plan at this time.