



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

JOSH STEIN • Governor

DEV DUTTA SANGVAI • Secretary

CARLA WEST • Division Director, Human Services

May 7, 2026

Dear County Manager and County Director of Social Services:

In April 2024, the North Carolina Department of Health and Human Services (NCDHHS) distributed the Memorandum of Understanding (MOU) for State Fiscal Years 2024–2025 and 2025–2026 to all counties, as required by Session Law 2017-41. At that time, we recognized that ongoing pandemic impacts, combined with factors such as Medicaid unwinding, Medicaid Expansion, Tailored Plans, and significant workforce shortages, would affect county capacity to meet many of the MOU performance measures.

NCDHHS committed to considering pauses in corrective action or development plans on a county-by-county basis when circumstances outside of a county's control—such as natural disasters—prevented compliance. In April 2024, the Department determined that statewide conditions met these criteria and instituted a pause on corrective action plans. This allowed counties time to stabilize operations and implement needed processes. We committed to reassessing this pause in December 2024.

At the time of reassessment, the corrective action process was reinstated effective January 1, 2025, for the majority of the state. However, it was determined that the pause should remain in effect for the 25 counties most affected by Hurricane Helene and still under a state of emergency. Those counties were: Alexander, Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Catawba, Clay, Cleveland, Gaston, Haywood, Henderson, Jackson, Lincoln, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Transylvania, Watauga, Wilkes, and Yancey.

Session Law 2017-41 (Part III), which amended N.C. Gen. Stat. § 108A-74, establishes the actions the state must take if mandated performance requirements and administrative responsibilities for social services programs—other than medical assistance—are not met under the MOU. Relevant excerpts are included below, with the full statute attached for reference.

**§ 108A-74. Counties and regional social services departments 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.**

(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:]

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(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.

Beginning **July 1, 2026**, NCDHHS will complete implementation of the corrective action process outlined in § 108A-74(a3) for all 100 counties by lifting the pause for these 25 Western North Carolina counties. Counties that fail to meet MOU terms, mandated performance measures, or other applicable laws for the timeframes specified above will be required to enter into a joint corrective action plan within 60 working days. For metrics measured annually, noncompliance for two consecutive 12-month periods will trigger the same requirement. Please note that, for the 25 Western North Carolina counties, performance prior to **July 1, 2026**, will not be considered when determining whether timeframes for corrective action have been met.

It is important to emphasize that the purpose of the corrective action process is to ensure compliance with federal and state performance expectations and to support consistent, high-quality services across North Carolina. NCDHHS remains committed to working collaboratively with counties and providing assistance through a Continuous Quality Improvement framework supported by our regional teams.

Attached you will find **Attachment I: Performance Measures At-A-Glance** from the SFY 2024–2025 and 2025–2026 MOU. It outlines performance requirements for Energy, Work First, Food and Nutrition Services, Child Welfare, Adult Protective Services, Special Assistance, and Child Support. You will soon receive the updated MOU for SFY 2026–2027 and SFY 2027–2028, which will include performance requirements for the same programs.

We appreciate your continued collaboration and commitment to serving the people of North Carolina. Please feel free to contact me directly with any questions or if you need additional information.

Sincerely,

*Carla West*

Carla West

Division Director, Human Services

Child Support, Economic Services, Aging and Operations

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Attachments: SFY 2024-25 and 2025-26 Attachment I: Performance Measures At-A-Glance  
N.C.G.S. §108A-74

Cc: Devdutta Sangvai, Secretary  
Michael Leighs, Deputy Secretary  
Lisa Tucker Cauley, Division Director, Human Services  
Julie Cronin, General Counsel, Acting Deputy Secretary for External Affairs  
Rajeev Premakumar, Deputy General Counsel



# 2024-25 & 2025-26 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.

### 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.<br>42 USC §§ 8621-8630<br>10A NCAC 71V .0200                   | 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.<br>42 USC §§ 8621-8630<br>10A NCAC 71V .0200 | 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.<br>TANF State Plan FFY 2019-2022<br>NCGS 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.<br>TANF State Plan FFY 2019-2022<br>NCGS 108A-31 | 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.<br>7 CFR § 273.2<br>FNS Manual: Section 315<br>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.<br>7 CFR § 273.2<br>FNS Manual: Section 315<br>FNS Administrative Letter1-2015    | 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.<br>7 CFR § 273.14                          | Monthly               |

## 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.<br><br>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               |

## 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. | NCDHHS will work with the county to identify the county's performance measure for FY 22-23 and FY 23-24 based on the county's performance for the preceding state fiscal year | 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.<br><br>NCGS 108A-103 | Monthly               |
| 2 | The county will complete 85% of APS evaluations involving allegations of exploitation within 45 days of the report.     | NCDHHS will work with the county to identify the county's performance measure for FY 22-23 and FY 23-24 based on the county's performance for the preceding state fiscal year | 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.<br><br>NCGS 108A-103                      | 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.     | NCDHHS will work with the county to identify the county's performance measure for FY 22-23 and FY 23-24 based on the county's performance for the preceding state fiscal year | Ensure eligible individuals receive supplemental payments to support stable living arrangements.<br><br>Timely application processing of SAA benefits is essential to an individual's proper care and treatment.<br><br>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. | NCDHHS will work with the county to identify the county's performance measure for FY 22-23 and FY 23-24 based on the county's performance for the preceding state fiscal year | Ensure eligible individuals receive supplemental payments to support stable living arrangements.<br><br>Timely application processing of SAD benefits is essential to an individual's proper care and treatment.<br><br>10A NCAC 71P .0604 | 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.<br>45 CFR § 305.33 (b)<br>NCGS 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.<br>45 CFR § 305.33 (d)<br>NCGS 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.<br>45 CFR § 305.33 (e)<br>NCGS 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<br>45 CFR § 305.33 (h)<br>NCGS 110-129.1              | Annual                |



**§ 108A-74. Counties and regional social services departments 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 agreement 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.

(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

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

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).)