



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

**ROY COOPER** • Governor  
**MANDY COHEN, MD, MPH** • Secretary  
**MARK T. BENTON** • Assistant Secretary for Public Health  
Division of Public Health

July 27, 2020

Dr. Lilly Bouie, Regional Director  
United States Department of Agriculture  
Food and Nutrition Service  
61 Forsyth Street, Suite 8T36  
Atlanta, GA 30303

Dear Dr. Bouie:

The North Carolina Department of Health and Human Services respectfully requests a waiver from 7 CFR 226.16(h) which states “Sponsoring organizations shall make payments of program funds to child care centers, adult day care centers, emergency shelters, at-risk afterschool care centers, or outside-school-hours care centers within five working days of receipt from the State agency, on the basis of the management plan approved by the State agency...” Details of the waiver request are submitted in the format as required by the USDA and are described herein. **This waiver submission is a revision to the original that was submitted March 16, 2020. The dates of use in the original waiver request have now passed. The State agency still believes Sponsoring Organizations would benefit from the flexibility granted under this waiver due to working remotely and staffing shortages.**

**Subject of waiver request: Child Nutrition Program Waiver of 5-Day Reimbursement Disbursal Requirement from Sponsoring Organizations of Centers and Homes as a result of COVID-19 Outbreaks**

**1. State agency submitting waiver request and responsible State agency staff contact information:**

Name of State agency: North Carolina Department of Health and Human Services  
State agency staff contact: Mary Anne Burghardt  
Mailing address: 1914 Mail Service Center, Raleigh, NC 29699-1914  
Telephone number: (919) 707-5783  
Email address: [maryanne.burghardt@dhhs.nc.gov](mailto:maryanne.burghardt@dhhs.nc.gov)

State agency staff alternate contact: Courtney Jones  
Mailing address: 1914 Mail Service Center, Raleigh, NC 29699-1914  
Telephone number: (919) 368-4369

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF PUBLIC HEALTH • NUTRITION SERVICES BRANCH**

LOCATION: 5601 Six Forks Road, Building 2, Raleigh, NC 27609  
MAILING ADDRESS: 1914 Mail Service Center, Raleigh, NC 27699-1914  
[www.ncdhhs.gov](http://www.ncdhhs.gov) • TEL: 919-707-5800 • FAX: 919-870-4818

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Email address: [courtney.jones@dhhs.nc.gov](mailto:courtney.jones@dhhs.nc.gov)

2. **Region:** Southeast

3. **Eligible service providers participating in waiver and affirmation that they are in good standing:**

Only institutions operating in good standing will be approved to participate in this waiver.

4. **Description of the challenge the State agency is seeking to solve, the goal of the waiver to improve services under the Program, and the expected outcomes if the waiver is granted.**

The NCDHHS respectfully requests waiver of 7 CFR 226.16(h), which requires Sponsoring Organizations to disburse reimbursement funds to sponsored facilities within five days of receipt.

The NC State of Emergency related to the spread of COVID-19 necessitates social distancing when possible. As a result, most businesses are encouraging staff to work remotely when possible and are operating on a skeletal crew if the physical structure is open at all. This waiver would allow Sponsoring Organizations to focus on operationalizing disaster response on the local level where possible. The NCDHHS seeks to allow Sponsoring Organizations up to 15 days to disburse funds to sponsored facilities without impact on their program integrity.

5. **Specific Program requirements to be waived (include statutory and regulatory citations).**

The NCDHHS proposes a waiver of regulations in 7 CFR 226.16(h) to require Sponsoring Organizations to disburse reimbursement funds within five days of receipt from the State agency. If approved, the waiver will allow the NCDHHS to approve CACFP institutions, in good standing, the flexibility to extend the required disbursement timeframe from five to fifteen days. All other CACFP requirements would apply.

6. **Detailed description of alternative procedures and anticipated impact on Program operations, including technology, State systems, and monitoring:**

If approved, this request will allow institutions closed or operating with minimum staff time to operationalize local disaster response, which will be the priority in the coming days. Once the immediate need is assessed and responded to, institutions may resume day-to-day business operations.

Institutions wishing to exercise this flexibility would request in writing approval to do so. The NCDHHS Special Nutrition Programs Unit would review and approve all requests and approve institutions in writing.

**7. Description of any steps the State has taken to address regulatory barriers at the State level.**

No state level barriers have been identified. On February 11, 2020, Governor Roy Cooper directed the establishment of a COVID-19 Task Force to further prevent, prepare for, and respond to the COVID-19 infections in the State. Currently, the Task Force is developing a response strategy that addresses a range of possible scenarios. On March 10, 2020 Governor Cooper declared a State of Emergency. On March 14, 2020, an Education and Nutrition Operations workgroup was established to ensure North Carolina's children continue receive access to healthy meals and snacks, as well as distance learning opportunities, during the unprecedented mandatory statewide closure of schools.

**8. Anticipated challenges State or eligible service providers may face with the waiver implementation:**

The NCDHHS does not anticipate this waiver will present any challenges to the department or the participating institutions. Implementation of this waiver will decrease the challenges faced by institutions in providing nutritious meals to children and adults as businesses close due to the novel Coronavirus.

**9. Description of how the waiver will not increase the overall cost of the Program to the Federal Government. If there are anticipated increases, confirm that the costs will be paid from non-Federal funds.**

The NCDHHS does not anticipate the waiver will increase the overall cost of the Program to the Federal Government.

**10. Anticipated waiver implementation date and time period:**

Requested Waiver Timeframe:

- Waiver Request Start Date: **July 28**, 2020 or upon approval of the waiver
- Waiver Request End Date: June 30, **2021**

**11. Proposed monitoring and review procedures:**

The State agency has discontinued on-site administrative reviews at this time to comply with social distancing recommendations. Desk reviews are being conducted. Usual review procedures will resume when the State of Emergency is lifted. Institutions found to have non-compliance issues related to this waiver will be required to work with the NCDHHS/DPH on an individualized corrective action plan and will have follow-up reviews scheduled as needed.

**12. Proposed reporting requirements (include type of data and due date(s) to FNS):**

The NCDHHS will report to FNS the number of institutions that used this waiver through the FNS 44 report every 30 and 90 days.

13. The State agency has submitted an update request to our webmaster to post the waiver request on our website, [www.nutritionnc.com](http://www.nutritionnc.com), as required.

14. **Signature and title of Requesting Official:**

A handwritten signature in blue ink that reads "Mary Anne Burghardt".

Title: Nutrition Services Branch Program Director | State Director, Special Supplemental Nutrition Program for Women, Infants and Children (WIC) State Director, Child and Adult Care Food Program (CACFP)

Requesting official's email address for transmission of response:

[maryanne.burghardt@dhhs.nc.gov](mailto:maryanne.burghardt@dhhs.nc.gov)