

DSS ADMINISTRATIVE LETTER NO. ECONOMIC AND FAMILY SERVICES 7-2013  
**Cost-of-Living Adjustment (COLA)**  
**Sunset of American Recovery and Reinvestment Act of 2009 (ARRA)**  
**September 16, 2013**

(Food and Nutrition Services)

**TO:** County Directors of Social Services  
**ATTENTION:** Food and Nutrition Services Managers and Supervisors  
**DATE:** September 16, 2013  
**SUBJECT:** Cost-of-Living Adjustment (COLA) and Sunset of American Recovery and Reinvestment Act (ARRA)  
**EFFECTIVE:** October 1, 2013 (COLA) and November 1, 2013 (ARRA)

**I. GENERAL INFORMATION**

The purpose of this letter is to outline the procedures for handling the COLA mass change on October 1, 2013 and the Sunset of the ARRA on November 1, 2013:

- A. Gross, Net, 200% income limits will increase,
- B. SUA, BUA, and TUA amounts will increase,
- C. Standard deductions will increase and
- D. Excess shelter deduction will increase.

\*See DSS-8560 Revised October 1, 2013 for specific amounts.

On the night of September 30, 2013, NC FAST will automatically update Food and Nutrition Services benefits effective October 2013 to reflect the Cost of Living (COLA) changes. There will be three reports generated and posted on FAST Help on October 1, 2013 for this update.

On the night of October 31, 2013, NC FAST will automatically update Food and Nutrition Services benefits effective November 2013 to reflect the Sunset of the ARRA. There will be one report generated and posted on FAST Help on November 1, 2013 for this update.

Each report is listed below along with instructions.

**II. SPECIAL INSTRUCTIONS**

**A. Underpayment cases created for September 2013 expedited cases.**

**PURPOSE:** Cases that were eligible for expedited benefits with an application date between Sept 16<sup>th</sup> - Sept 30<sup>th</sup> and the case was activated prior to September 30<sup>th</sup> were issued September pro-rated and October benefits combined. Financials will be run on 9/30 which will create underpayments to make up for the difference in what was issued for October and the new benefit amount for October.

**INSTRUCTIONS:** Evaluate each case on the report to determine if there is a valid underpayment created. If the underpayment is valid, then submit the underpayment for approval. If underpayment is incorrect, close the underpayment and issue the difference using supplement methods. Document the case appropriately.

**B. Applications denied September 2013**

**PURPOSE:** Applications that were denied in September but would be eligible for October (still within the 30 day time frame) based on the new rates.

**INSTRUCTIONS:** Review each case on the report to determine if the case meets all necessary eligibility requirements. If the case is eligible for October and ongoing benefits, reopen the application and reevaluate for ongoing benefits. If the case remains ineligible for any reason, document the case notes and take no further action.

**C. Ongoing cases closed September 2013**

**PURPOSE:** Cases may be identified as ineligible during the month of September 2013 that are eligible based on new COLA amounts.

**INSTRUCTIONS:** Review each case on the report to determine if the case meets all necessary eligibility requirements. If the case is eligible for October and ongoing benefits, reopen the Product Delivery Case and reevaluate for ongoing benefits. If the case remains ineligible for any reason, document the case notes and take no further action.

**D. Cases determined ineligible due to Sunset of ARRA**

**PURPOSE:** Cases may be identified as ineligible for November ongoing or for benefits less than a dollar for November ongoing due to the decrease of the maximum allotments.

**INSTRUCTIONS:** Review each case on the report to determine if the information is correct. If the case is ineligible due to the ARRA sunset, check eligibility, accept the change with adequate notice and terminate the Product Delivery Case. If errors are found, correct the error and reevaluate the case for ongoing benefits.

If you have any questions, contact your Food and Nutrition Services & Energy Programs Regional Support Team directly via email.

Sincerely,



David Locklear, Assistant Chief  
Economic and Family Services