

## FY 2027 CONSOLIDATED AGREEMENT

This Consolidated Agreement is made between the **North Carolina Department of Health and Human Services, Division of Child and Family Well-Being** (hereinafter referred to as “**DCFW**”) and **Division of Public Health** (hereinafter referred to as “**DPH**”), (herein DCFW and DPH collectively referred to as “**NCDHHS**”), and the **LHD-Legal-Name** (herein after referred to as “**LHD**”) (herein DCFW, DPH, and LHD may individually be referred to as a “party” and collectively as the “parties”) for the purposes of maintaining and promoting the advancement of public health in North Carolina. This Consolidated Agreement shall cover a period from June 1, 2026 to May 31, 2027 and shall remain in force until the next Fiscal Year Consolidated Agreement is signed except as provided for in Section X. Provision of Termination.

Now, therefore, the parties agree that the provisions and clauses herein set forth shall be incorporated in and constitute the terms and conditions applicable for activities involving State funding. (State funding or funds means State, federal, and/or special funding or funds throughout this Consolidated Agreement and any Agreement Addenda.)

### I. LHD RESPONSIBILITIES

#### A. Performance

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1. LHD shall perform activities in compliance with applicable program rules contained in the North Carolina Administrative Code (NCAC), as well as all applicable North Carolina statutes and federal laws and regulations.
2. LHD shall perform the activities specified in the Agreement Addenda for State-funded budgets. LHD must negotiate these Agreement Addenda in good faith to the satisfaction of NCDHHS representatives as part of the Agreement execution. LHD will meet or exceed the Agreement Addenda deliverables unless extenuating circumstances prevail and are explained in writing and subsequently approved by the NCDHHS division, section, branch, or program.
3. LHD shall be committed to reducing health disparities, promoting health of all populations affected by conditions contributing to health disparities (including race or ethnicity, sex, sexual identity, age, disability, socioeconomic status, and geographic location), and ensuring all staff, clinical and non-clinical, participate in ongoing training focused on addressing health disparities and/or the social factors that influence health outcomes to support individual competencies and organizational capacity to address gaps in health and promote health outcomes across populations.
4. LHD shall administer and enforce all rules that have been adopted by the Commission for Public Health or adopted by the Local Board of Health, Consolidated Human Services Board, or Board of County Commissioners (hereinafter referred to as “LHD governing board”), and laws that have been enacted by the North Carolina General Assembly.
5. LHD shall provide to DPH and DCFW a copy of any rules adopted, amended, or rescinded by the LHD governing board pursuant to N.C.G.S. § 130A-39 Powers and duties of a local board of health and Public Health Ordinances adopted by the County Commissioners, within 30 days of adoption or rescission. These rules and ordinances are to be sent to the DPH Deputy Director and DCFW Director.
6. LHD shall provide formal training/orientation for its LHD governing and advisory board members.

7. LHD shall not require a client to present identification that includes a picture of the client for, at a minimum, immunization, pregnancy prevention, sexually transmitted disease, and communicable disease services.
8. LHD may provide or assure provision of care management services for all Care Management for High-Risk Pregnancies (CMHRP) and Care Management for At-Risk Children (CMARC) populations except for Medicaid beneficiaries who instead are served by the Children and Families Specialty Plan, which launched on December 1, 2025. The services provided or assured by the LHD may be funded by Medicaid, state or federal funding through Agreement Addenda, private funders, or local funds.
  - a. Per the federal Child Abuse Prevention and Treatment Act (CAPTA) requirements, a notification to the county child welfare agency must occur upon identification of an infant as “substance-affected,” as defined by NCDHHS, for the development of a Plan of Safe Care (POSC). NCDHHS requires that all substance-affected infants be referred by the local Child Welfare Agency to CMARC or the designated care management entity for care management and care coordination for that county. The CMARC Referral and Supervisor Directory has the most up to date contact for each county for DSS.<sup>1</sup>
  - b. LHD shall use every resource including technical assistance from the regional consultants and State CMHRP and CMARC program managers to resolve issues to prevent care gaps and discontinuation of services.
  - c. In the event that LHD determines it will no longer directly provide care management services for CMHRP and/or CMARC populations, LHD shall:
    - 1) Notify NCDHHS in writing of LHD’s intention to discontinue the services at least 180 calendar days in advance of discontinuing the services. Notifications regarding the provision of CMHRP shall be provided to the DPH Deputy Director. Notifications regarding CMARC shall be provided to the DCFW Director. LHD is still responsible to provide the care management services during the 180-day period, until those services are transitioned to another entity who can assure continued care without service gaps;
    - 2) Follow the “Companion Guide Care Management Service Termination and Transfer of Services”<sup>2</sup> process from the Division of Health Benefits; and
    - 3) Identify one or more other local health departments and/or entities that can provide continuous care management services for all CMHRP and CMARC populations through SFY 26-27.
9. LHD shall notify the DCFW Director and the DPH Deputy Director if any of the following occurs:
  - a. There is a legal name change to LHD.
  - b. A local health director or interim local health director is appointed or leaves office.
  - c. LHD becomes part of a consolidated human services agency, a district, or a public health authority.
  - d. There is any other governance change.
  - e. LHD is no longer subject to the NC Human Resources Act.

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<sup>1</sup> <https://medicaid.ncdhhs.gov/care-management/care-management-risk-children-cmarc>

<sup>2</sup> <https://medicaid.ncdhhs.gov/companion-guide-care-management-service-termination-and-transfer-service-process>

Notification shall be in writing within the two business days of the change and is to include a governance organizational chart and any relevant supporting documents reflecting the change. Notification may be done via the DPH Smartsheet Reporting Portal.<sup>3</sup>

10. LHD shall retain financial and program records including electronic records in accordance with the North Carolina Department of Natural and Cultural Resources' Local Government Schedules records retention policy<sup>4</sup> and in accordance with the retention of those records as described in Section IV. Fiscal Control, Paragraph H. Records resulting from these services shall not be destroyed, purged, or disposed of except in accordance with the records retention policy and in accordance with State and federal law. The State's basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the contract is subject to federal policy and regulations, record retention may be longer than five years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Consolidated Agreement or any Agreement Addenda has been started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later.
11. The LHD is required to submit quality assurance plans to the DPH Environmental Health Section for each of the following programs: Onsite Wastewater, Private Drinking Water Wells, Childhood Lead Poisoning Prevention, Tattoos, Public Swimming Pools, and Child Care and School Buildings. LHD shall abide by the plans and any modifications to the plans required by the DPH Environmental Health Section in order for registered environmental health specialists, registered environmental health specialist interns, or registered environmental health associates employed by or contracted to work for the LHD, to be eligible for defense by the Attorney General's Office or to have all or a portion of their judgment or settlement paid by the Department in accordance with G.S. 143-300.8.<sup>5</sup>

## **B. Data/Reporting**

1. LHD shall report client, service, encounter, and other data as specified by applicable program rules, Agreement Addenda for State-funded budgets, North Carolina General Statutes, the North Carolina Administrative Code, and/or federal law or regulation. Data shall be reported through North Carolina's centralized reporting system known as the LHD Health Services Analysis (LHD-HSA). To ensure that such data is accurately linked to the specific client served in a manner that results in a unique identifier from the DHHS Common Name Data Service except as allowed by N.C.G.S. § 130A-34.2, LHD shall allow the State to submit (on its behalf) the Social Security Numbers of all clients to the Social Security Administration for verification.
2. LHD shall submit monthly reports of On-Site Wastewater activities to the On-Site Water Protection Branch in the DPH Environmental Health Section in the format provided by the DPH Environmental Health Section.

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<sup>3</sup> The DPH Smartsheet Reporting Portal is the centralized website for the LHD to submit required reports. The Main Page provides a link for Consolidated Agreement reporting items and is accessed at <https://app.smartsheet.com/b/publish?EQBCT=82018408e7b44ef9b44e113b6e536ffb>.

<sup>4</sup> <https://archives.ncdcr.gov/government/local>

<sup>5</sup> Per SL2024-49, which modifies N.C.G.S. §143-300.8(b), states that "All local health departments shall enter into an annual agreement with the Department to provide environmental health services in accordance with Chapter 130A of the General Statutes. The annual agreement shall include a requirement for quality assurance for all environmental health services."

3. LHD shall provide access to patient records to authorized staff from DCFW and DPH for technical consultation, program monitoring, and program evaluation, as specified by this Consolidated Agreement, Agreement Addenda for State-funded budgets, North Carolina law, North Carolina Administrative Code, and federal law and regulation.
4. In accordance with N.C.G.S. § 130A-94, the local health director shall serve as the local registrar of vital statistics. In accordance with N.C.G.S. § 130A-96, the local registrar shall appoint a deputy local registrar. The LHD shall report the name and contact information of any local registrar and deputy local registrar to the State Registrar of Vital Statistics within one business day of appointment.<sup>6</sup> The LHD shall also report to the State Registrar when any local registrar or deputy registrar resigns or otherwise departs from the role. The local registrar shall fulfill duties as set out in N.C.G.S. § 130A-97. In accordance with N.C.G.S. § 130A-97(5), the local registrar may have a copy of the data from each certificate and maintain it for up to two years. This data shall be maintained securely, as set out in Subparagraphs 5., 6., and 7. below, and used in accordance with applicable law.
5. LHD shall provide network and internet access at its facilities (or to the county network where desired) in order to:
  - a. Connect with critical data and surveillance systems including, but not limited to, the North Carolina Electronic Disease Surveillance System (NC EDSS), North Carolina Immunization Registry (NCIR), Local Health Department Health Services Analysis (LHD-HSA), North Carolina Crossroads WIC System, North Carolina Database Application for Vital Events (NCDAVE), Environmental Health Inspection Data System (EHIDS), Electronic Test Orders and Results (ETOR), and Aid-to-Counties Database (ATC);
  - b. Rapidly communicate email alerts to and from DPH regarding bioterrorism and public health topics (outbreaks, emergency alerts, etc.);
  - c. Access NCDHHS training material and information used for training staff, including access to webinars;
  - d. Maintain a secure infrastructure for remote data entry; and
  - e. Report electronically all required DPH Environmental Health Section inspection data in the format and frequency specified by DPH.
6. LHD must utilize security products (e.g., firewalls) to maintain network connectivity and security integrity. The LHD network configuration and security practices should comply with State security standards and must allow communication with systems within the NCDHHS networks.<sup>7</sup>
7. LHD shall be responsible to report all privacy and security breaches that may affect NCDHHS data and surveillance systems to NCDHHS as soon as possible but no later than 24 hours from discovery of the breach by completing a report via the NCDHHS Privacy and Security Office – Incident Reporting Form.<sup>8</sup> If the breach involves Social Security Administration (SSA) data or Centers for Medicare and Medicaid Services (CMS) data, the LHD shall report the breach within 1 hour of becoming aware of the breach. This may include but is not limited to ransomware attacks, malicious code execution, or network breaches. LHD’s access to NCDHHS data and surveillance systems may be limited or turned off until proof of remediation is supplied by LHD. LHD shall reimburse

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<sup>6</sup> LHD may report changes to names or contact information of local registrar or local deputy registrar by contacting the DPH Deputy Director, by emailing VitalRecordsTraining@dhhs.nc.gov, or via the DPH Smartsheet Reporting Portal available at <https://app.smartsheet.com/b/publish?EQBCT=82018408e7b44ef9b44e113b6e536ffb>.

<sup>7</sup> <https://it.nc.gov/resources>; <https://it.nc.gov/resources/state-it-standards>

<sup>8</sup> <https://security.ncdhhs.gov/>

NCDHHS or otherwise be held responsible for the costs associated with giving affected persons written notice of a privacy or security incident, as required by any applicable federal or state law, when the privacy or security incident arises out of LHD's performance under this Consolidated Agreement or Agreement Addenda. If a subcontractor is used by LHD in its performance of this work, the LHD must hold the subcontractor to the same privacy and security requirements set out in this Consolidated Agreement and Agreement Addenda.

### C. Assessments and Plans

1. LHD shall provide to the DPH Community Health Assessment Director:
  - a. A comprehensive community health assessment (CHA) at least every four years for each county or health district as follows:
    - 1) The CHA report is due on the first Monday in March following the year of CHA.
    - 2) The CHA report shall be submitted as an attachment via the web-based software, Clear Impact Scorecard. The executive summary and community priorities will appear in the note fields.
    - 3) The CHA shall be a collaborative effort with local partners inclusive of hospitals, businesses, community partners, and local community health coalitions, and the CHA report shall identify a list of community health problems based on the assessment.
    - 4) The CHA report shall include primary and secondary data that is collected and analyzed.
    - 5) Secondary data shall be obtained from published statistical tables and reports from the State Center for Health Statistics (SCHS) or other official sources.
    - 6) Primary data needs and methodologies shall be determined once secondary data have been reviewed and gaps in knowledge about the community are identified.
    - 7) After analyzing primary and secondary data, the CHA report shall describe available community resources and resource needs for the identified community health problems.
    - 8) Each identified community health problem shall be prioritized and described in the narrative. The CHA report shall include data analysis of those indicators listed in the Accreditation Self-Assessment Inventory, Benchmark 1, Activity 1.1.
  - b. A Community Health Improvement Plan (CHIP) no later than six months after the completion of the CHA as follows.
    - 1) The CHIP is due by the first Monday in September following the year of assessment.
    - 2) The CHIP shall be submitted via the web-based software, Clear Impact Scorecard.
    - 3) The CHIP shall address a minimum of two priorities identified in the most recent community health assessment.
    - 4) The CHIP shall be data driven and derived by using results-based accountability to focus on both population and program accountability. Results, indicators, programs, and performance measures must be included.
    - 5) The CHIP shall be aligned with one or more of the Healthy North Carolina 2030 (HNC 2030) indicators and use best evidence interventions targeting health behaviors, the physical environment, social and economic factors, and/or clinical care.
    - 6) The CHIP shall be aligned with the current North Carolina State Health Improvement Plan and consider policy recommendations as a best practice opportunity.
    - 7) The CHIP shall be updated at least annually, and LHD must monitor its performance against the CHIP annually.
    - 8) Components of the CHIP may persist across CHA-CHIP cycles when:
      - a) the health problem persists and continues to be a priority; and

- b) new interventions are needed; and/or
  - c) the interventions need to be expanded to a new target population.
- c. A state of the county or district health report (SOTCH) during each interim year between CHAs as follows:
- 1) The SOTCH is due by the first Monday in March in years when a CHA report is not submitted.
  - 2) The SOTCH shall be submitted via the web-based software, Clear Impact Scorecard.
  - 3) The SOTCH shall include:
    - a) progress made on each performance measure in the CHIP;
    - b) morbidity and mortality changes since the last CHA;
    - c) emerging issues since the last CHA; and
    - d) new, paused, and/or discontinued initiatives since the last CHA.
  - 2. LHD shall make a written request for any variances in submission of CHA, CHIP, and SOTCH documents in advance of the required date of submission. Emails may be sent to the DPH Community Health Assessment Director at [cha.sotch@dhhs.nc.gov](mailto:cha.sotch@dhhs.nc.gov).
  - 3. For LHD accreditation, all instances of Clear Impact Scorecard must be linked to the HNC 2030 Scorecard licensed by DPH.
  - 4. Guidance about CHA, CHIP, and SOTCH is located on the North Carolina State Center for Health Statistics website under “Local Data Analysis and Support.”<sup>9</sup>

## II. NCDHHS RESPONSIBILITIES

### A. Training, Consultation, and Support

- 1. DCFW and DPH shall provide training to LHD for LHD’s response to this Consolidated Agreement and to the Agreement Addenda. Upon request, consultation will be provided by DCFW and/or DPH to LHD.
- 2. DCFW and/or DPH shall coordinate and support education and training for the public health workforce, including developing training opportunities at the Section/Branch/Program level to address health disparities. This includes ensuring that all staff, both clinical and non-clinical, have access to training focused on health disparities, and/or social determinants of health to strengthen individual competencies and organizational capacity.
- 3. DCFW and DPH shall provide leadership for liaison activities between NCDHHS and LHD for general problem solving and technical support around areas addressed within this Consolidated Agreement.
- 4. DPH shall provide high-level consultation, technical assistance, and advice to local health directors and teams via the DPH Local and Community Support (LCS) Section. For more information, contact the DPH Deputy Director/LCS Section Chief. Broad content areas include, but are not limited to:
  - a. Board Relations;
  - b. Management Teams and Staffing;
  - c. Policy Development;
  - d. Program Planning and Implementation;

<sup>9</sup> <https://schs.dph.ncdhhs.gov/units/ldas/cha.htm>

- e. Quality and Performance Improvement; and
  - f. General Administrative Consultation, including consultation and technical assistance in budgeting, fiscal, administrative and management support topic areas.
5. DCFW and DPH shall provide technical assistance and consultant services, as required, for specific health program areas, including providing guidance and consultation about specific patient clinical issues, when requested. Contact the specific division's section chief or branch head to arrange for technical assistance and consultant services.
  6. DPH shall provide course coordination, consultation, and technical assistance on nursing practice and standards, policies, and procedures that cross programs via the DPH LCS Section, Local Technical Assistance and Training Branch (LTATB). Contact the DPH Chief Public Health Nurse/Branch Head, LTATB to arrange this assistance.
  7. DCFW and DPH program managers will provide support and technical assistance for LHD to comply with all applicable laws, regulations, and standards relating to the activities covered in this Consolidated Agreement.
  8. DPH shall provide support and consultation to the public health workforce in LHD, through the provision of regional public health consultants who offer professional development and training on finance, billing, and budget. Contact the DPH Chief Public Health Nurse/Branch Head, LTATB to arrange a consultation.

## **B. Performance**

1. DCFW and DPH shall act as liaisons between the public health system and the Division of Health Benefits (the State's Medicaid agency) on issues related to Medicaid-reimbursed services provided by the State and LHD. DCFW and DPH shall cooperate with the Division of Health Benefits to provide technical assistance, guidance, and consultation to local health programs to ensure compliance with Medicaid policies and procedures.
2. For services of the DPH State Laboratory of Public Health (SLPH), DPH shall:
  - a. Provide free or at-cost mailers that meet the US Postal Service/DOT UN3373 Biologic substance shipping and packaging regulations for samples submitted to the SLPH only, when ordered via the SLPH's web-based mailroom ordering system;
  - b. Ensure qualified personnel to process, analyze, and report test results;
  - c. Ensure that SLPH maintains Clinical Laboratory Improvement Amendments (CLIA) of 1988 certification;
  - d. Submit invoices to LHD via electronic means;
  - e. Collect interest (per N.C.G.S. § 147-86.23 Interest and penalties) and a 10% late fee as appropriate; and
  - f. Provide a qualified Laboratory Director and a Technical Consultant for LHD's laboratories participating in the North Carolina SLPH CLIA Contract Program. Services provided by the oversight of this personnel include training and continuing education, CLIA inspection assistance, proficiency testing and enrollment, competency assessment, and models for laboratory forms, procedures, and policies.
3. DCFW and DPH shall conduct reviews, audits, and program monitoring to determine compliance with the terms of this Consolidated Agreement and its associated Agreement Addenda.

### C. Data/Reporting

1. DCFW and DPH shall provide automated data and surveillance systems to collect and store client, service, encounter, and other data related to DCFW and DPH programs on behalf of LHD and other public health programs. DCFW and DPH shall provide business and technical support to the users of these systems. DCFW and DPH shall notify LHD as opportunities and/or timelines for improved or emerging technology systems occur. These systems may include, but are not limited to:
  - a. North Carolina Electronic Disease Surveillance System (NC EDSS);
  - b. North Carolina Immunization Registry (NCIR);
  - c. LHD-Health Services Analysis (LHD-HSA) for automated reporting of clinical service data fields;
  - d. North Carolina Crossroads WIC System;
  - e. North Carolina Database Application for Vital Events (NCDAVE) for electronic death registration.
  - f. Environmental Health Inspection Data System (EHIDS) for Food and Lodging inspection and billing data;
  - g. Electronic Test Orders and Results (ETOR); and
  - h. Aid-to-Counties Database (ATC) for reporting and claiming State funds and any federal funds which are allocated by DPH or DCFW.

Other automated data and surveillance systems may be added as they are developed; others may be discontinued.

2. DCFW and DPH shall be responsible in their use of data received and reviewed in their various roles as a public health authority, health oversight agency, and business associate. Protected health information (PHI) received by DCFW and DPH in their capacity as a covered entity or business associate shall be protected as required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (see this Consolidated Agreement's Attachment B: Business Associate Agreement Addendum).

**D. Fund Availability and Notification:** DCFW and DPH shall provide to LHD the Budgetary Estimates of Funding Allocations no later than February 14 of each year to use in preparation of its local budget proposals per N.C.G.S. § 108A-88 unless exceptions are noted in the respective Agreement Addenda. The Agreement Addendum for Activity 874 Food and Lodging is an exception, as the Agreement Addendum for it will be provided to LHD no later than March 30 for the State Fiscal Year (SFY) in which payment will be made. The Agreement Addendum for Activity 415 Breastfeeding Peer Counselor Program is also an exception; the Agreement Addendum for it will be provided to LHD no later than April 30 in advance of the SFY for which it will be effective.

1. DPH shall provide a Funding Authorization document to LHD about funds related to individual DCFW and DPH Agreement Addenda after the receipt of the Certified State Budget.
2. Following receipt of the Certified State Budget for the fiscal year and upon receipt of this executed Consolidated Agreement and the executed Agreement Addenda, DCFW and DPH shall make funds available to LHD at the beginning of each fiscal year through the Aid-To-Counties Database (ATC). Funds will be dispersed in accordance with the LHD's certified expenditure reporting within ATC, and payments will be made to LHD according to the NCDHHS Controller's Office Aid-to-Counties Expenditure Control Schedule issued December of each year for the following calendar year.

### III. FUNDING STIPULATIONS

#### A. Use of Funds

1. Funding for this Consolidated Agreement and all Agreement Addenda is subject to the availability of State, federal, and Special Funds for the purpose set forth in this Consolidated Agreement and the Agreement Addenda.
2. During the period of this Consolidated Agreement, LHD shall not use State, federal or Special Project funds received under this Consolidated Agreement or any Agreement Addenda to reduce locally appropriated funds as reflected in the Local Appropriations Budget (see Section IV. Fiscal Control, Paragraph J. Local Appropriations Budget).
3. **Required Reporting Certifications:** Per the revised Uniform Guidance, 2 C.F.R. 200, if awarded federal pass-through funds, the LHD as well as all Subrecipients of the LHD must certify the following whenever 1) applying for funds, 2) requesting payment, and 3) submitting financial reports:

“I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812.”

#### B. Compliance

1. To receive funding under this Consolidated Agreement, LHD shall comply with 10A NCAC 46, Section .0200 Standards for Local Health Departments.
2. LHD shall maintain authenticated employee time records to document the actual work activity of each employee on a daily basis. The percentage of time each employee spends in each activity shall be converted to dollars based upon the employee's salary and benefits at least on a monthly basis. The computation shall support the charges for salaries and benefits to all federal and State grants (as required in 2 C.F.R. Part 200) as well as provide the documentation of detailed labor cost per activity for preparation of Medicaid Cost Report.
3. LHD charges/billing. LHD shall:
  - a. Establish one charge per clinical/support service for all payors (including Medicaid) based on its related costs as permitted by N.C.G.S. § 130A-39(g);
  - b. Bill all payors the established charge (with the exception that when billing 340B Drug Pricing Program drugs or devices to Medicaid, all drugs or devices purchased using 340B Program must be billed to Medicaid at the acquisition cost);
  - c. Make every reasonable effort to collect charges for services through public or private third-party payors (except where prohibited by federal regulations or State law) noting, however, that no one shall be refused services mandated by law solely because of an inability to pay; and
  - d. Review all LHD fees, including environmental health fees, annually with the governing body in accordance with the North Carolina Local Health Department Accreditation Board guidance and local policies.

LHD may accept negotiated or other agreed upon lower amounts (e.g., the Medicaid reimbursement rate) as payment in full.

4. LHD shall comply with the federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”), codified at 2 C.F.R. 200, when utilizing federal grant funds.
  - a. When procuring goods and services with federal grant funds, LHD shall apply the most restrictive rule when following federal, State, and local government procurement requirements.
5. When administering the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program), LHD must adhere to the requirements set forth in Section 361 of the Healthy Hunger-Free Kids Act of 2010, which amended Section 12(b) of the Richard B. Russell National School Lunch Act (NSLA), 42 U.S.C. 1760(b). This Act requires local health departments to support full use of the federal administrative funds provided for the WIC Program. The federal administrative funds are specifically excluded from budget restrictions or limitations including, at a minimum, hiring freezes, work furloughs, and travel restrictions.
6. LHD agrees to execute the following consolidated Federal Certifications (Attachment C) as applicable when receiving federal funds and to immediately notify the DCFW Director and the DPH Deputy Director if the certifications, as executed, change during the term of the Consolidated Agreement:
  - a. Certification regarding Nondiscrimination;
  - b. Certification regarding Drug-Free Workplace Requirements;
  - c. Certification regarding Environmental Tobacco Smoke;
  - d. Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions; and
  - e. Certification regarding Lobbying.
7. Pursuant to the Federal Funding Accountability and Transparency Act (FFATA), LHD is required to submit to DCFW and DPH information that is reportable by DCFW and DPH for all qualified sub-awardees of federal funds. LHD will complete and submit the FFATA Data Reporting Requirement forms provided by DCFW and DPH to determine the eligibility as a sub-awardee for reporting purposes. Information provided by LHD will be used by DCFW and DPH to report subawards (funding authorizations) equal to or greater than \$30,000 from each federal grant.
8. If the LHD’s Unique Entity Identifier (UEI) changes, the LHD shall provide its new UEI to the DCFW Director and the DPH Deputy Director. DCFW and DPH use the LHD’s UEI when reporting subawards in the federal government’s System for Award Management (SAM). (SAM also assigns the UEI to uniquely identify business entities.)
9. LHD shall comply with the federal Required Disclosures for Federal Awardee Performance and Integrity Information System (FAPIIS) when receiving federal funds: LHD shall disclose, in a timely manner, in writing to the NCDHHS funding entity (DPH or DCFW) and the federal Health and Human Services Office of the Inspector General (HHS OIG) all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosures must be sent in writing to the DPH Deputy Director or DCFW Director and to HHS OIG. (Guidance is available on the HHS OIG website.<sup>10</sup>)

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<sup>10</sup> <https://oig.hhs.gov/compliance/self-disclosure-info/hhs-oig-grant-self-disclosure-program/>

### C. Training Reimbursement

1. Subject to the availability of funds and approval by the DPH Environmental Health Section, LHD may request reimbursement for in-person Centralized Intern Training (CIT) and a one-time mileage allocation. Reimbursement requests must be submitted by LHD to the DPH Environmental Health Section within 60 days of course completion and within the same fiscal year the training is completed. Reimbursement requires successful completion of the course. No reimbursements are offered for virtual trainings. (Reimbursement Request Form DHHS 4125 *Centralized Intern Training Funds Reimbursement Request* is available on the DPH Environmental Health website under “Centralized Intern Training and Authorization.”<sup>11</sup>)
  - a. For Interns attending CIT sessions in person, reimbursement amounts are based on the session attended:
    - 1) Food Protection & Facilities Track — \$280
    - 2) On-Site Water Protection Track — \$560
  - b. For cross-training Registered Environmental Health Specialists (REHS) attending CIT sessions in person, reimbursement amounts are based on the session attended:
    - 1) Food, Lodging, & Institutions — \$170
    - 2) Child Care & School Sanitation — \$62
    - 3) On-Site Water Protection — \$450
    - 4) Private Drinking Water Wells — \$62
    - 5) Public Swimming Pools — \$62
    - 6) Tattoo — \$62
  - c. A one-time mileage allocation per two REHSs from the same county per training session is based on one of the four geographical areas in which they are employed.
    - 1) Area 1 — \$57: Alamance, Caswell, Chatham, Cumberland, Duplin, Durham, Edgecombe, Franklin, Granville, Greene, Guilford, Halifax, Harnett, Hoke, Johnston, Lee, Lenoir, Montgomery, Moore, Nash, Orange, Person, Randolph, Sampson, Vance, Wake, Warren, Wayne, Wilson.
    - 2) Area 2 — \$170: Alexander, Alleghany, Anson, Ashe, Beaufort, Bertie, Bladen, Brunswick, Cabarrus, Camden, Carteret, Catawba, Chowan, Columbus, Craven, Currituck, Dare, Davidson, Davie, Forsyth, Gaston, Gates, Hertford, Hyde, Iredell, Jones, Lincoln, Martin, Mecklenburg, New Hanover, Northampton, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Pitt, Richmond, Robeson, Rockingham, Rowan, Scotland, Stanly, Stokes, Surry, Tyrrell, Union, Washington, Watauga, Wilkes, Yadkin.
    - 3) Area 3 — \$283: Avery, Buncombe, Burke, Caldwell, Cleveland, Haywood, Henderson, Jackson, Madison, McDowell, Mitchell, Polk, Rutherford, Transylvania, Yancey.
    - 4) Area 4 — \$396: Cherokee, Clay, Graham, Macon, Swain.

### D. Purchases

1. Equipment is a type of fixed asset consisting of specific items of property that: (1) is tangible in nature; (2) has a life longer than one year; and (3) has a significant value.

<sup>11</sup> <https://www.dph.ncdhhs.gov/programs/environmental-health/centralized-intern-training-and-authorization>

Note: This form can also be downloaded at <https://www.dph.ncdhhs.gov/environmental-health/cit-training-funds-reimbursement-request/download?attachment>

- a. For Inventory Purposes:
    - 1) Equipment must be accounted for in accordance with guidance published by the Governmental Accounting Standards Board (GASB) for capital assets.
    - 2) All equipment with an acquisition cost of \$500 or more that was purchased with the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program) Funds prior to January 1, 2018 will be inventoried with the DCFW Community Nutrition Services Section. The LHD is responsible for assigning a fixed asset number and applying a fixed asset tag to equipment purchased by the LHD, using WIC Program funds, after January 1, 2018. Within 60 days of the purchase, the LHD will provide to the DCFW Community Nutrition Services Section a written report of the purchase, including a description of the item purchased, serial number, fixed asset tag number, and a copy of the bill of sale.
  - b. For Prior Approval Purposes:
    - 1) Unless a more restrictive requirement applies in an Agreement Addendum, all equipment purchased or leased with an acquisition cost exceeding \$2,500, where there is an option to purchase with State/federal funds, the purchase or lease must receive prior written approval from the appropriate Section and Branch within DCFW or DPH. [See Subparagraph 2 below for WIC Program requirements.] For those purchased with DPH Public Health Preparedness and Response (PHP&R) Branch funds only, any purchase exceeding \$2,500 per invoice shall be treated as a single purchase for prior approval purposes. [For example, on one invoice, the LHD purchases a computer, monitor, and printer totaling more than \$2,500, or purchases six computers at \$500 each.]
    - 2) For WIC Program, all computer and medical equipment, whether purchased or leased, must receive prior written approval from the DCFW Community Nutrition Services Section regardless of cost. All other tangible assets (non-computer/medical) with an acquisition cost exceeding \$500 must receive prior approval. Computer accessories, such as keyboards and monitors, do not require approval.
  - c. For Accounting Purposes
    - 1) LHD must utilize the depreciation schedule provided by the State for all assets with an acquisition cost of \$5,000 or greater. The accumulated depreciation shall be recorded in the general fixed assets account group.
2. Prior approval required for purchases other than equipment:
    - a. For DPH PHP&R Branch funds, purchases for meals and refreshments must receive prior written approval from the DPH PHP&R Branch.
    - b. The use of Medicaid fees generated by maternal and child health programs for capital improvements requires prior written approval from the State Title V Director; the State Title V Director will secure proper programmatic approval as applicable.
    - c. For other prior approval requirements, see individual Agreement Addenda.

#### IV. FISCAL CONTROL

- A. LHD shall comply with the Local Government Budget and Fiscal Control Act, North Carolina General Statute Chapter 159, Article 3.
  1. LHD shall maintain a purchasing and procurement system in accordance with generally accepted accounting principles and procedures set forth by the Local Government Commission.<sup>12</sup>

<sup>12</sup> <https://www.nctreasurer.com/divisions/state-and-local-government-finance-division/local-government-commission>

- B. LHD shall execute written agreements with all parties who invoice LHD for payment for the provision of services to patients. Exceptions may be permitted in cases where the patient has a preference for a non-contracted provider and that provider verbally agrees to abide by program requirements and to accept program payment as payment in full.
- C. **When subcontracting**, LHD must meet the following requirements:
1. LHD is not relieved of the duties and responsibilities provided in this Consolidated Agreement and Agreement Addenda.
  2. LHD will not enter into a financial assistance agreement with any entity on the current North Carolina Office of State Budget and Management (OSBM) Suspension of Funding List (SOFL) and shall withhold funds not yet disbursed until the entity has been removed from the SOFL. Updated SOFLs are released weekly and are available on the OSBM website.<sup>13</sup>
  3. LHD shall require its subcontractor to agree to abide by the standards set out in this Consolidated Agreement and relevant Agreement Addenda or to provide such information as to allow LHD to comply with these standards.
  4. LHD shall subject its subcontractor to all conditions of this Consolidated Agreement and of any subsequent Agreement Addenda for which they perform work on behalf of LHD.
  5. LHD shall require its subcontractor to allow DCFW and/or DPH and federal authorized representatives' access to any records pertinent to its role as a subcontractor of LHD.
  6. Upon request, LHD will make available to DCFW and/or DPH a copy of subcontracts supported with State or federal funds.
  7. **Reporting Required Subcontract Information:** In accordance with revised NCDHHS guidelines effective October 1, 2024, the LHD must provide the information listed below for every subcontract from the LHD that is to carry out any or all of an Agreement Addendum's work and which utilizes any of that Agreement Addendum's DPH or DCFW funding.

Subcontracts are contracts or agreements issued by the LHD to a vendor ("Subcontractor" of the LHD) or a pass-through entity ("Subrecipient" of the LHD).

Subcontractors are vendors hired by the LHD via a contract to provide a good or service required by the LHD to perform or accomplish specific work outlined in an executed Agreement Addendum (AA). For example, if the LHD needed to build a data system to satisfy reporting requirements of an AA, the vendor hired by the LHD to build the data system would be a Subcontractor. Reference Section F.3. for the definition of "Vendor." However, not all Vendors are considered Subcontractors. Entities performing general administrative services to the LHD (e.g., certified professional accountants) are not considered Subcontractors.

Subrecipients of the LHD that receive DPH or DCFW pass-through funding from the LHD via a contract or agreement to carry out all or a portion of the programmatic responsibilities outlined in the executed Agreement Addendum. Reference Section F.1. and F.2. for definitions of "Subrecipient" and the "Subrecipient relationship." Subrecipients are also referred to as Subgrantees in NCAC.

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<sup>13</sup> <https://www.osbm.nc.gov/stewardship-services/grants-management/suspension-funding-memos>

The following information must be provided to the relevant Agreement Addendum's DPH Program Contact or DCFW Program Contact *prior* to the entity being awarded a contract or grant from the LHD:

- Organization or Individual's Name (if an individual, include the person's title)
- EIN or Tax ID
- Street Address or PO Box
- City, State and ZIP Code
- Contact Name
- Contact Email
- Contact Telephone
- Fiscal Year End Date (of the entity)
- State whether the entity is functioning as a Subrecipient or as a Subcontractor of the LHD.

- D. LHD must receive prior written approval from the DCFW Director and/or the DPH Deputy Director to subcontract when either of the following conditions exist:
1. LHD proposes to subcontract to a single entity 50 percent or more of the total State and federal funds made available through this Consolidated Agreement;
  2. LHD proposes to subcontract 50 percent or more, or \$50,000, whichever is greater, of the total State and federal funds made available through this Consolidated Agreement or any Agreement Addendum.
- E. LHD must receive prior written approval from the Program Contact listed on the applicable DCFW or DPH Agreement Addendum to subcontract when either of the following conditions exist:
1. LHD proposes to subcontract for any of the services in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program).
  2. LHD provides financial assistance of any funding amount with a contract to a Subrecipient who will carry out the LHD's programmatic responsibilities within the Agreement Addendum, regardless of funding source.
- F. Definitions for Subrecipient and Vendor:
1. Subrecipient: The federal government defines a subrecipient as a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal [or State] program.<sup>14</sup> Subrecipient means any entity who receives pass-through funding in the form of a grant or grant contract from a grant recipient or Subrecipient. For example, CDC issues NCDHHS a grant, making NCDHHS the prime recipient; NCDHHS passes-through grant funds to an LHD, making the LHD a Subrecipient of NCDHHS; If the LHD further passes through their grant funds to a community-based organization, that organization is a Subrecipient of the LHD.
- The definition of Subrecipient does not include an individual who is a beneficiary of such program (e.g., a client) or a vendor that provides administrative services (e.g., accountant, staffing) or products (e.g., software, assessment) to the program.
- A Subrecipient receives financial assistance to provide core programmatic services and is responsible for how the programmatic work is done, programmatic and financial reporting, and abiding by the award terms and conditions. "Subgrantee" shall have the same meaning as Subrecipient.

<sup>14</sup> <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR031321e29ac5bbd/section-200.331>

2. **Subrecipient Relationship:** A Subrecipient Relationship exists when a recipient or Subrecipient issues its own subaward for financial assistance via a contract with an entity, through which the entity becomes responsible for the programmatic work, reporting, and award terms and conditions in the same way the original recipient or Subrecipient is responsible. The entity receiving the subaward of passed-through funding is now a Subrecipient. All conditions of the original funding are passed through to all recipients and Subrecipients; this is a key feature of the Subrecipient Relationship. A Subrecipient Relationship exists between NCDHHS and the LHD. If the LHD passes funding through to their own Subrecipient, the LHD is responsible for monitoring its Subrecipients in the same way DCFW and DPH monitor the LHD.
  3. **Vendor:** A Vendor provides goods and/or services to the LHD via a purchase order or contract to pay for the purchased goods or services. A Vendor has no responsibility beyond delivering the purchased goods or services; a Vendor is not responsible for the programmatic work, reporting, or award terms/conditions within the applicable Agreement Addendum. A Vendor provides these goods or services as part of its regular business to any customer that orders from it or contracts with it.
- G. LHD shall return by email a signed copy of all Funding Authorization documents to the DPH Budget Office.
- H. LHD shall retain a copy of all signed Funding Authorization documents, the files (paper or electronic) produced by the LHD to document its monthly expenditure requests made in the Aid-to-Counties Database (ATC), this signed Consolidated Agreement and subsequent Amendments, all signed Agreement Addenda, signed Agreement Addenda Revisions, and other financial records in accordance with the current Records Disposition Schedule for Local Health Departments issued by the North Carolina Department of Natural and Cultural Resources.<sup>15</sup>
- I. **Audits/Monitoring:** The county or LHD shall have an annual audit performed in accordance with the Single Audit Act of 1984 (with amendment in 1996) and 2 C.F.R. Part 200. The audit report shall be submitted to the Local Government Commission (LGC) by the County Administration (if single county LHD) or the District Health Department or Public Health Authority (if so organized) within six months following the close of the Agreement. Audit findings referred to the NCDHHS Internal Audit Office by LGC will be investigated and findings verified by the NCDHHS Controller's Office staff with assistance of DPH and/or DCFW Program Staff.
- J. **Local Appropriations Budget:**
1. LHD shall prepare and maintain a Local Appropriations Budget (reflecting the plans to use local appropriations or earned fees) for each Agreement Addendum in a manner consistent with instructions provided in funding-specific budgetary guidance from DCFW and DPH and the specific guidance from the respective programs.
  2. LHD shall not reduce county appropriations for maternal and child health services provided by the local health departments because they have received State appropriations for this purpose, pursuant to N.C.G.S. § 130A-4.1(a) State funds for maternal and child health care/nonsupplanting.
  3. LHD shall budget and expend all income earned by LHD for maternal and child health programs supported in whole or in part from State or federal funds, received from NCDHHS, to further the objectives of the program that generated the income, pursuant to N.C.G.S. § 130A-4.1(b) State funds for maternal and child health care/nonsupplanting.

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<sup>15</sup> <https://archives.ncdcr.gov/government/local-government-agencies/local-health-departments-schedule>

4. LHD shall not reduce county appropriations for health promotion services provided by the local health departments because they have received State appropriations for this purpose, pursuant to N.C.G.S. § 130A-4.2. State funds for health promotion/nonsupplanting.
5. LHD shall complete and return to DPH the LHD Assurance of County Appropriations Maintenance (Nonsupplanting) (Attachment A) regarding its compliance with these requirements.

**K. Local Earned Revenues Budgeting and Reporting:** LHD shall observe the following conditions when budgeting and expending Local Earned Revenues:

1. Locally appropriated funds may not be withdrawn due to fee collection greater than projected in the budget or due to new grant funding except during the last two months of the fiscal year to allow the county to manage end of year budget close out.
2. Earned revenue (officially classified as local funds) must be budgeted and spent in the program that earned it unless otherwise noted in the respective Agreement Addenda.
  - a. Revenue generated by a women's or children's health program may be budgeted and expended in any women's or children's health program, unless a specific Agreement Addendum has a more restrictive requirement.
3. LHD shall not use personal health program funds to support environmental health programs nor use environmental health program funds to support personal health programs.
4. Use of program income generated by the expenditure of federal categorical funds will be governed by applicable federal regulations, including, but not limited to, 2 C.F.R. Part 200.
5. A local account shall be maintained for unexpended earned revenues (i.e., Title XIX fees, private insurance, or private pay [cash]). Accounts shall be maintained in sufficient detail to identify the program source generating the fees.
6. The amount of Title XIX fees budgeted and expended in FY 2026-2027 must equal or exceed the amount of Title XIX revenues earned during FY 2024-2025. The State will not approve program activity budgets that do not include an amount of Title XIX fees sufficient to meet the requirements of this section. The State may waive this requirement if LHD provides sufficient justification.

**L. Aid-to-Counties Database and Expenditure Reporting:**

1. LHD shall submit its actual State, federal, and local required match expenditures for all its program Activities to the NCDHHS Controller's Office via the Aid-to-Counties Database (ATC).
2. Specific ATC instructions and training will be provided by DPH LTATB to LHD.
3. Submission dates for these expenditures are published each December for the following calendar year by the NCDHHS Controller's Office and are found in its Aid-to-Counties Expenditure Control Schedule. This schedule allows LHD at least seven days to enter the pertinent month's expenditures into ATC. LHD must submit these monthly Expenditure Reports via ATC consecutively throughout the Consolidated Agreement period. Failure to meet the month's reporting deadline will result in the exclusion of those expenditures for that month.
4. The LHD's health director and finance officer will approve the monthly expenditures in ATC to certify them. Certification here indicates that the total State and federal expenditures reported by the LHD, as well as the local required match expenditures, are valid for the pertinent month's actual

expenditures. Funding is based on an allocation method, not a contract method, and counties receive reimbursement for services provided during one month in the following month.

Once the LHD has certified the month's expenditures in ATC, ATC will alert the NCDHHS Controller's Office staff that expenditures have been approved and certified, and are ready to be paid.

5. May is the last service month to be paid in the SFY, with the final expenditure reporting submitted, certified, and paid in June. (Services provided in June are reported in July and will be paid out of the next SFY.)
6. When Agreement Addenda are supported by federal funding or grants that do not coincide with the SFY, care must be taken to be attentive to the service month and payment months for each grant as well as the ending liquidation date for each grant. Expenditures of federal funds must be reported according to the funding period for a grant. For each grant, the Budgetary Estimate document and the Funding Authorization document will have service and payment month dates listed. Failure to report expenditures after the payment period ends may result in non-payment.
7. LHD shall have the opportunity to amend its expenditure reporting in the month following discovery of the error. LHD must not wait to submit its adjustments as there must be sufficient time remaining for verification of the adjustments before the last payment in the SFY.
  - a. In accordance with Subparagraph 6 above, LHD must ensure that its reporting adjustments against federal funds are received in time to be paid within the grant's payment period. Amended expenditure reports must be submitted no later than the next reporting date after the grant period ends in order to be paid, unless an exception is approved by the DCFW Budget Office or the DPH Budget Office, as appropriate.
  - b. Any overpayments identified by either the State or LHD will be adjusted out of the next month's claim for reimbursement by the NCDHHS Controller's Office or by submitting a check to NCDHHS for payment if it is the last month of the fiscal year or if the federal grant is closed. There is no provision to carry forward funds from one SFY to another.
8. LHD shall review its prior reimbursement claims against payments monthly.

## **V. PERSONNEL POLICIES**

- A. LHD shall adhere to and fully comply with State and county personnel policies, as applicable.
- B. Environmental Health Specialists employed by the LHD shall be delegated authority by the State to administer and enforce State environmental health rules and laws as directed by the State pursuant to N.C.G.S. § 130A-4 Administration. This delegation shall be done according to 15A NCAC 01O .0101 Scope of Delegated Authority.
  1. LHD is responsible for enrolling its newly employed environmental health specialists (interns) in centralized intern training within 180 days from date of employment.
  2. LHD, when contracting with an environmental health specialist (EHS) employed by another entity, shall be responsible for ensuring that all original documents/public records (e.g., permits, inspection reports, correspondence) generated by the contracted EHS be maintained by LHD. All contracts covering this work shall stipulate that the contracted EHS shall be available for consultation with the public concerning work performed under the contract.

- C. LHD shall comply with 10A NCAC 46 .0301 Minimum Standard Health Department: Staffing and 10A NCAC 46 .0302 Medical Consultants.
- D. LHD shall complete the State Certifications (Attachment D) regarding its compliance with E-Verify, its eligibility status as a Subrecipient of NCDHHS, and that its officers have not violated any State or federal Securities Acts.

## VI. CONFIDENTIALITY

- A. LHD shall protect the confidentiality of all information, data, instruments, documents, studies, or reports received under this Consolidated Agreement and/or Agreement Addenda in accordance with the standards of the State of North Carolina and NCDHHS privacy<sup>16</sup> and security policies,<sup>17</sup> applicable local laws, State regulations, and federal regulations including: the Privacy Rule at 45 C.F.R. Part 160 and subparts A and E of Part 164, Security Standards at 45 C.F.R. Parts 160, 162, and subparts A and C of Part 164 (“the Security Rule”), and the applicable provisions of the Health Information Technology for Economic and Clinical Health Act (HITECH).
- B. All information obtained by LHD personnel in connection with the provision of services or other activity under this Consolidated Agreement and/or Agreement Addenda shall be confidential, except as may be required or allowed by law or otherwise permitted by this Consolidated Agreement and/or Agreement Addenda. Information may be disclosed in accordance with North Carolina and federal law, which may include in summary, statistical, or other form that does not directly or indirectly identify particular individuals. Otherwise, information shall not be disclosed or made available to any individual or organization without the prior written consent of the client or responsible person, except as may be required or allowed by law or otherwise permitted by this Consolidated Agreement and/or Agreement Addenda.
- C. LHD employees, contractors, volunteers, students, and those acting on LHD’s behalf and authority must sign confidentiality agreements documenting knowledge of confidentiality requirements and the agreement to maintain personal and medical confidentiality.

## VII. CIVIL RIGHTS

- A. LHD shall assure that no person, on the grounds of race, color, age, religion, sex (including pregnancy, gender identity, and sexual orientation), marital status, immigration status, national origin, disability, or genetic information (including family medical history) be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity covered by this Consolidated Agreement and/or Agreement Addenda.
- B. The Americans with Disabilities Act of 1990 (ADA) makes it unlawful to discriminate in employment against a qualified individual with a disability and outlaws discrimination against individuals with disabilities in State and local government services and public accommodations. LHD certifies that it and its principals and subcontractors will comply with regulations in ADA Title I (Employment), Title II (Public Services), and Title III (Public Accommodations) in fulfilling the obligations under this Consolidated Agreement and Agreement Addenda.
- C. As required by Title VI of the Civil Rights Act of 1964, LHD, because it receives federal funds, must provide interpreter services at no charge to Limited English Proficiency clients in all programs and services offered by LHD.

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<sup>16</sup> [https://policies.ncdhhs.gov/wp-content/uploads/nc\\_dhhs\\_privacy\\_manual\\_2024.pdf](https://policies.ncdhhs.gov/wp-content/uploads/nc_dhhs_privacy_manual_2024.pdf)

<sup>17</sup> [https://policies.ncdhhs.gov/wp-content/uploads/DHHS-Security-Manual-v01\\_03-2025-revision.pdf](https://policies.ncdhhs.gov/wp-content/uploads/DHHS-Security-Manual-v01_03-2025-revision.pdf)

## **VIII. DISBURSEMENT OF FUNDS**

- A. DCFW and/or DPH, as applicable, shall disburse funds to LHD on a monthly basis; monthly disbursements for each program Activity will be based on monthly expenditures reported.
- B. Total payment by program Activity is limited to the total amount listed on the Funding Authorization document and any Funding Authorization revision documents received after the initial notification.
- C. Final payments for the State Fiscal Year will be made based on the final monthly expenditure reporting, which is due as delineated per the NCDHHS Controller's Office's Aid-to-Counties Payment Schedule.

## **IX. AMENDMENT OF AGREEMENT**

Amendments, modifications, or waivers of this Consolidated Agreement may be made at any time by mutual written consent of all parties, signed by appropriate representatives of the parties. This Consolidated Agreement may not be amended orally or by performance.

## **X. PROVISION OF TERMINATION**

- A. Any party may terminate this Consolidated Agreement or any Agreement Addendum for reasons other than non-compliance upon 60 days written notice from the terminating party to the other parties. If termination occurs, LHD shall receive payment only for allowable expenditures, up to and including the date of termination. Termination for reasons of non-compliance shall be handled in accordance with Section XI. Compliance.
- B. In the event of termination of this Consolidated Agreement or any associated Agreement Addendum, DCFW and/or DPH may withhold payment to LHD until it can be determined whether LHD is entitled to further payment or whether DCFW and/or DPH is entitled to a refund.

## **XI. COMPLIANCE**

- A. DCFW and/or DPH shall respond to non-compliance with all terms of this Consolidated Agreement or any Agreement Addendum, unless otherwise stated in the respective Agreement Addendum or required by law, as follows:
  - 1. Upon determination of non-compliance, DCFW and/or DPH shall give LHD 60 days prior written notice to come into compliance. If the deficiency is corrected, LHD shall submit a written report to DCFW and/or DPH that sets forth the corrective action taken.
  - 2. If the stated deficiency is not corrected to the satisfaction of DCFW and/or DPH after the 60-day period, disbursement of funds may be temporarily suspended pending negotiation of a plan of corrective action.
  - 3. If the deficiency is not corrected to the satisfaction of DCFW and/or DPH within 90 days of the written notice in Subparagraph 1. above, funds may be suspended unless LHD can provide evidence that the deficiency has been corrected within those 90 days.
  - 4. In the event of LHD's non-compliance with clauses of this Consolidated Agreement or any Agreement Addenda, NCDHHS may cancel, terminate, or suspend this Consolidated Agreement and any Agreement Addenda in whole or in part, and LHD may be declared ineligible for further DCFW and/or DPH contracts or agreements. Such terminations for non-compliance shall not occur until the provisions of Subparagraphs 1., 2., and 3. above have been followed and documented and have failed to correct the deficiency.

B. **Monitoring** – “Uniform Guidance” or “Omni-Circular” 2 C.F.R. Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F Audit Requirements requires that pass-through entities monitor the activities of its subcontractors as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provision of contracts or grant agreements and that performance goals are achieved.

North Carolina establishes related monitoring requirements for State funds received by Subrecipients of State Agencies in N.C.G.S. § 143C-6-23 State grant funds: administration; oversight and reporting requirements. Also, DCFW and DPH must perform monitoring as required in the current NCDHHS Policy and Procedure Manual and the current DPH Subrecipient Monitoring Plan.

Additionally, LHD is required under 2 C.F.R., Part 200 Subpart F, N.C.G.S. § 143C-6-23, and N.C.G.S. § 159-34 Annual independent audit; rules and regulations, to perform monitoring of its Subrecipients and to maintain records to support such monitoring activities and results. Accordingly, LHD shall participate fully in monitoring by DCFW and DPH and shall appropriately monitor its Subrecipients to the extent necessary based on the assessed level of risk.

In witness whereof, **LHD, DCFW, and DPH** have executed this Consolidated Agreement.

**LHD-Legal-Name**

**North Carolina Department of Health and Human Services, Division of Public Health**

Health or Human Services Director \_\_\_\_\_ Date \_\_\_\_\_

Division Director \_\_\_\_\_ Date \_\_\_\_\_

Finance Officer \_\_\_\_\_ Date \_\_\_\_\_

**North Carolina Department of Health and Human Services, Division of Child and Family Well-Being**

County Official \_\_\_\_\_ Date \_\_\_\_\_  
(when locally required)

Division Director \_\_\_\_\_ Date \_\_\_\_\_

**Template**  
**Do Not Sign**

**ATTACHMENT A**  
**LHD ASSURANCE OF COUNTY APPROPRIATIONS MAINTENANCE (NONSUPPLANTING)**

The LHD assures compliance with the following North Carolina General Statutes:

§ 130A-4.1. State funds for maternal and child health care/nonsupplanting.

- (a) NCDHHS shall ensure that local health departments do not reduce county appropriations for maternal and child health services provided by the local health departments because they have received State appropriations for this purpose.
- (b) All income earned by local health departments for maternal and child health programs supported in whole or in part from State or federal funds, received from NCDHHS, shall be budgeted and expended by local health departments to further the objectives of the program that generated the income. (1991, c. 689, s. 170; 1997-443, s. 11A.57.)

§ 130A-4.2. State funds for health promotion/nonsupplanting.

NCDHHS shall ensure that local health departments do not reduce county appropriations for health promotion services provided by the local health departments because they have received State appropriations for this purpose. (1991, c. 689, s. 171; 1997-443, s. 11A.58.)

Acting officially in an authorized capacity on behalf of the LHD and with an understanding of the LHD’s responsibilities under this Assurance, I assure the nonsupplantation of county appropriations as specified above.

All information provided with this Assurance is up-to-date and accurate. I am aware that false statements could be cause for invalidating this Assurance and may lead to other administrative or legal action.

**LHD-Legal-Name** Template

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Health or Human Services Director Date

**Finance Officer** Do Not Sign

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County Official Date

(Attachment A to the Consolidated Agreement requires the County Official signature if it was included on the Consolidated Agreement.)

**ATTACHMENT B  
NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
BUSINESS ASSOCIATE AGREEMENT**

This Business Associate Agreement (the “Agreement”) is made effective June 1, 2026, by and between **LHD-Legal Name** (“Covered Entity”) and **North Carolina Department of Health and Human Services, Division of Public Health** and **North Carolina Department of Health and Human Services, Division of Child and Family Well-Being** (collectively, the “Business Associate”) (the Covered Entity and the Business Associate collectively, the “Parties”).

## 1. BACKGROUND

- a. Covered Entity and Business Associate are parties to an agreement entitled FY 2027 Consolidated Agreement (the “Consolidated Agreement”), whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.
- b. Covered Entity is a Local Health Department that has been designated in whole or in part as a “covered entity” for purposes of the HIPAA Privacy Rule.
- c. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a “business associate” within the meaning of the HIPAA Privacy Rule.
- d. The Parties enter into this Business Associate Agreement as an addendum to the Consolidated Agreement with the intention of complying with the HIPAA Privacy Rule provision that a covered entity may disclose Protected Health Information to a business associate and may allow a business associate to create or receive protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

## 2. DEFINITIONS

Unless some other meaning is clearly indicated by the context, the following terms shall have the following meaning in this Agreement:

- a. “Electronic protected health information” or “ePHI” shall have the same meaning as the term “Electronic protected health information” in 45 C.F.R. § 160.103.
- b. “HIPAA” means the Administrative Simplification Provisions, Sections 261 through 264, of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, as modified and amended by the Health Information Technology for Economic and Clinical Health (“HITECH”) Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009, Public Law 111-5.
- c. “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a Person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- d. “Person” shall have the same meaning as the term “person” in 45 C.F.R. § 160.103 and shall include a human being that is born alive, trust or estate, partnership, corporation, professional association or corporation, or other entity, public or private.
- e. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164.
- f. “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to the information compiled, created, or received by Business Associate from or on behalf of Covered Entity.
- g. “Required By Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.

- h. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or the Person to whom the authority involved has been delegated.
- i. "Security Rule" shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subpart C.
- j. Unless otherwise defined in this Agreement, terms used herein shall have the same meaning as those terms have in the Privacy Rule.

### **3. OBLIGATIONS OF BUSINESS ASSOCIATE**

- a. Business Associate agrees to not use or disclose PHI other than as permitted or required by this Agreement or as Required By Law.
- b. Business Associate agrees to use appropriate safeguards and comply, where applicable, with subpart C of 45 C.F.R. Part 164 with respect to ePHI, to prevent use or disclosure of the ePHI other than as provided for by this Agreement.
- c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.
- d. Business Associate agrees to comply with all applicable requirements of the Security Rule (45 C.F.R. Part 164, Subparts A and C) with respect to electronic protected health information.
- e. Business Associate shall implement physical, administrative and technical safeguards that reasonably protect the confidentiality, integrity and availability of any ePHI that it creates, receives, maintains or transmits on behalf of the NCDHHS.
- f. Business Associate agrees to report to Covered Entity any use or disclosure of the PHI not provided for by this Agreement of which it becomes aware, including breaches of unsecured PHI as required by 45 C.F.R. § 164.410.
- g. Business Associate agrees, in accordance with 45 C.F.R. § 164.502(e)(1) and § 164.308(b)(2), to ensure that any subcontractors that create, receive, maintain, or transmit PHI on behalf of Business Associate agree to the same restrictions and conditions that apply to Business Associate with respect to such information.
- h. Business Associate agrees to make available PHI as necessary to satisfy Covered Entity's obligations in accordance with 45 C.F.R. § 164.524.
- i. Business Associate agrees to make available PHI for amendment and incorporate any amendment(s) to PHI in accordance with 45 C.F.R. § 164.526.
- j. Unless otherwise prohibited by law, Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by Business Associate on behalf of, Covered Entity available to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- k. Business Associate agrees to make available the information required to provide an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

### **4. PERMITTED USES AND DISCLOSURES**

- a. Except as otherwise limited in this Agreement or by other applicable law or agreement, if the Consolidated Agreement permits, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Consolidated Agreement, provided that such use or disclosure:
  - (1) would not violate the Privacy Rule if done by Covered Entity; or
  - (2) would not violate the minimum necessary policies and procedures of the Covered Entity.
- b. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Consolidated Agreement permits, Business Associate may disclose PHI for the proper management

and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate, provided that:

- (1) The disclosures are Required By Law; and
  - (2) Business Associate obtains reasonable assurances from the Person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the Person, and the Person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- c. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Consolidated Agreement permits, Business Associate may use PHI to provide data aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- d. Notwithstanding the foregoing provisions, Business Associate shall not use or disclose PHI if the use or disclosure would violate any term of the Consolidated Agreement or other applicable law or agreements.

## 5. TERM AND TERMINATION

- a. **Term.** This Agreement shall be effective as of the effective date stated above and shall terminate when the Consolidated Agreement terminates.
- b. **Termination for Cause.** Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:
- (1) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement and services provided by Business Associate, to the extent permissible by law, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
  - (2) Immediately terminate this Agreement and services provided by Business Associate, to the extent permissible by law; or
  - (3) If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy Rule.
- c. **Effect of Termination.**
- (1) Except as provided in paragraph (2) of this section or in the Consolidated Agreement or by other applicable law or agreements, upon termination of this Agreement and services provided by Business Associate, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
  - (2) In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

## 6. GENERAL TERMS AND CONDITIONS

- a. This Agreement amends and is part of the Consolidated Agreement.
- b. Except as provided in this Agreement, all terms and conditions of the Consolidated Agreement shall remain in force and shall apply to this Agreement as if set forth fully herein.
- c. In the event of a conflict in terms between this Agreement and the Consolidated Agreement, the interpretation that is in accordance with the Privacy Rule shall prevail. In the event that a conflict



### ATTACHMENT C FEDERAL CERTIFICATIONS

**The undersigned states that:**

1. He or she is the duly authorized representative of the Subrecipient named below;
2. He or she is authorized to make, and does hereby make, the following certifications on behalf of the Subrecipient , as set out herein:
  - a. The Certification Regarding Nondiscrimination;
  - b. The Certification Regarding Drug-Free Workplace Requirements;
  - c. The Certification Regarding Environmental Tobacco Smoke;
  - d. The Certification Regarding Debarment, Suspension, Ineligibility and Voluntary--Exclusion Lower Tier Covered Transactions; and
  - e. The Certification Regarding Lobbying;
3. He or she has completed the Certification Regarding Drug-Free Workplace Requirements by providing the addresses at which the contract work will be performed;
4. [Check the applicable statement]
  - He or she **has completed** the attached **Disclosure of Lobbying Activities** because the Subrecipient **has made, or has an agreement to make**, a payment to a lobbying entity for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action;
  - OR**
  - He or she **has not completed** the attached **Disclosure of Lobbying Activities** because the Subrecipient **has not made, and has no agreement to make**, any payment to any lobbying entity for influencing or attempting to influence any officer or employee of any agency, any Member of Congress, any officer or employee of Congress, or any employee of a Member of Congress in connection with a covered Federal action.
5. The Subrecipient shall require its subcontractors/subrecipients, if any, to make the same certifications and disclosure.

# Template

Signature

Title

Date

**LHD-Legal-Name**

Subrecipient [Organization] Legal Name

# Do Not Sign

**[This Certification must be signed by a representative of the Subrecipient who is authorized to sign contracts.]**

#### I. Certification Regarding Nondiscrimination

**The Subrecipient certifies** that it will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of

housing; (h) the Food Stamp Act and USDA policy, which prohibit discrimination on the basis of religion and political beliefs; and (i) the requirements of any other nondiscrimination statutes which may apply to this Agreement.

**II. Certification Regarding Drug-Free Workplace Requirements**

- 1. **The Subrecipient certifies** that it will provide a drug-free workplace by:
  - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Subrecipient’s workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - b. Establishing a drug-free awareness program to inform employees about:
    - (1) The dangers of drug abuse in the workplace;
    - (2) The Subrecipient’s policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - c. Making it a requirement that each employee be engaged in the performance of the agreement be given a copy of the statement required by paragraph (a);
  - d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the agreement, the employee will:
    - (1) Abide by the terms of the statement; and
    - (2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
  - e. Notifying the Department within ten days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction;
  - f. Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:
    - (1) Taking appropriate personnel action against such an employee, up to and including termination; or
    - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
  - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).
- 2. The sites for the performance of work done in connection with the specific agreement are listed below (list all sites; add additional pages if necessary):

Street Address No. 1: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Street Address No. 2: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

**Template**  
**Do Not Complete**

- 3. Subrecipient will inform the Department of any additional sites for performance of work under this agreement.
- 4. False certification or violation of the certification may be grounds for suspension of payment, suspension or termination of grants, or government-wide Federal suspension or debarment. 45 C.F.R. 82.510.

### III. Certification Regarding Environmental Tobacco Smoke

Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000.00 per day and/or the imposition of an administrative compliance order on the responsible entity.

**The Subrecipient certifies** that it will comply with the requirements of the Act. The Subrecipient further agrees that it will require the language of this certification be included in any subawards that contain provisions for children's services and that all subgrantees shall certify accordingly.

### IV. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

#### Instructions

[The phrase "prospective lower tier participant" means the Subrecipient.]

1. By signing and submitting this document, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originate may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant will provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549, 45 C.F.R. Part 76. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or

voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

### **Certification**

- a. **The prospective lower tier participant certifies**, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- b. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

### **V. Certification Regarding Lobbying**

**The Subrecipient certifies**, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federally funded contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form SF-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) who receive federal funds of \$100,000.00 or more and that all Subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

### **VI. Disclosure of Lobbying Activities**

#### **Instructions**

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or

subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in Item 4 checks “Subawardee”, then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal Identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., “RFP-DE-90-001.”
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action.  
(b) Enter the full names of the individual(s) performing services and include full address if different from 10(a). Enter Last Name, First Name and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate boxes. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate boxes. Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (03480046), Washington, D. C. 20503

**Disclosure of Lobbying Activities  
(Approved by OMB 0344-0046)**

**Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352**

<p>1. Type of Federal Action:</p> <p><input type="checkbox"/> a. contract</p> <p><input type="checkbox"/> b. grant</p> <p><input type="checkbox"/> c. cooperative agreement</p> <p><input type="checkbox"/> d. loan</p> <p><input type="checkbox"/> e. loan guarantee</p> <p><input type="checkbox"/> f. loan insurance</p>	<p>2. Status of Federal Action:</p> <p><input type="checkbox"/> a. Bid/offer/application</p> <p><input type="checkbox"/> b. Initial Award</p> <p><input type="checkbox"/> c. Post-Award</p>	<p>3. Report Type:</p> <p><input type="checkbox"/> a. initial filing</p> <p><input type="checkbox"/> b. material change</p> <p><b>For Material Change Only:</b></p> <p>Year _____ Quarter _____</p> <p>Date of Last Report: _____</p>
<p>4. Name and Address of Reporting Entity:</p> <p><input type="checkbox"/> Prime</p> <p><input type="checkbox"/> Subawardee Tier _____, (if known)</p> <p>Congressional District (if known) _____</p>	<p>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</p> <p>Congressional District (if known) _____</p>	
<p>6. Federal Department/Agency:</p>	<p>7. Federal Program Name/Description:</p> <p>CFDA Number (if applicable) _____</p>	
<p>8. Federal Action Number (if known)</p>	<p>9. Award Amount (if known) : \$</p>	
<p>10. a. Name and Address of Lobbying Entity (if individual, last name, first name, MI):</p> <p>(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	<p>b. Individuals Performing Services (including address if different from No. 10a.) (last name, first name, MI):</p> <p>(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	
<p>11. Amount of Payment (check all that apply):</p> <p>\$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned</p>	<p>13. Type of Payment (check all that apply):</p> <p><input type="checkbox"/> a. retainer</p> <p><input type="checkbox"/> b. one-time fee</p> <p><input type="checkbox"/> c. commission</p> <p><input type="checkbox"/> d. contingent fee</p> <p><input type="checkbox"/> e. deferred</p> <p><input type="checkbox"/> f. other; specify: _____</p>	
<p>12. Form of Payment (check all that apply):</p> <p><input type="checkbox"/> a. cash</p> <p><input type="checkbox"/> b. In-kind; specify: Nature _____</p> <p style="padding-left: 100px;">Value _____</p>		
<p>14. Brief Description of Services Performed or to be Performed and Date(s) of Services, including officer(s), employee(s), or Member(s) contacted, for Payment Indicated in Item 11(attach Continuation Sheet(s) SF-LLL-A, if necessary):</p>		
<p>15. Continuation Sheet(s) SF-LLL-A attached: <span style="float:right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span></p>		
<p>16. Information requested through this form is authorized by title 31 U. S. C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U. S. C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>	<p>Signature: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Telephone No: _____ Date: _____</p>	
<p>Federal Use Only</p>		<p>Authorized for Local Reproduction Standard Form - LLL</p>

**ATTACHMENT D**

**State Certifications**

**Subrecipient Certifications Required by North Carolina Law**

**Instructions:** The person who signs this document should read the text of the statutes and Executive Order listed below and consult with counsel and other knowledgeable persons before signing. The text of each North Carolina General Statutes and of the Executive Order can be found online at:

- Article 2 of Chapter 64: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter\\_64/Article\\_2.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_64/Article_2.pdf)
- G.S. 133-32: <http://www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=133-32>
- Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009): <https://ethics.nc.gov/media/242/download?attachment>
- G.S. 105-164.8(b): [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_105/GS\\_105-164.8.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_105/GS_105-164.8.pdf)
- G.S. 143-48.5: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-48.5.html](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-48.5.html)
- G.S. 143-59.1: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.1.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.1.pdf)
- G.S. 143-59.2: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.2.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.2.pdf)
- G.S. 143-133.3: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-133.3.html](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-133.3.html)
- G.S. 143B-139.6C: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143B/GS\\_143B-139.6C.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143B/GS_143B-139.6C.pdf)

**Certifications**

- (1) Pursuant to G.S. 133-32 and Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009), the undersigned hereby certifies that the Subrecipient named below is in compliance with, and has not violated, the provisions of either said statute or Executive Order.
- (2) Pursuant to G.S. 143-48.5 and G.S. 143-133.3, the undersigned hereby certifies that the Subrecipient named below, and the Subrecipient’s subcontractors, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system." E-Verify System Link: [www.uscis.gov](http://www.uscis.gov)
- (3) Pursuant to G.S. 143-59.1(b), the undersigned hereby certifies that the Subrecipient named below is not an “ineligible Subrecipient” as set forth in G.S. 143-59.1(a) because:
- (a) Neither the Subrecipient nor any of its affiliates has refused to collect the use tax levied under Article 5 of Chapter 105 of the General Statutes on its sales delivered to North Carolina when the sales met one or more of the conditions of G.S. 105-164.8(b); **and**
  - (b) [**check one** of the following boxes]
    - Neither the Subrecipient nor any of its affiliates has incorporated or reincorporated in a “tax haven country” as set forth in G.S. 143-59.1(c)(2) after December 31, 2001; **or**
    - The Subrecipient or one of its affiliates has incorporated or reincorporated in a “tax haven country” as set forth in G.S. 143-59.1(c)(2) after December 31, 2001 but the United States is not the principal market for the public trading of the stock of the corporation incorporated in the tax haven country.
- (4) Pursuant to G.S. 143-59.2(b), the undersigned hereby certifies that none of the Subrecipient’s officers, directors, or owners (if the Subrecipient is an unincorporated business entity) has been convicted of any violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934 within 10 years immediately prior to the date of the bid solicitation.
- (5) Pursuant to G.S. 143B-139.6C, the undersigned hereby certifies that the Subrecipient will not use a former employee, as defined by G.S. 143B-139.6C(d)(2), of the North Carolina Department of Health and Human Services in the administration of a contract with the Department in violation of G.S. 143B-139.6C and that a violation of that statute shall void the Agreement.
- (6) The undersigned hereby certifies further that:
- (c) He or she is a duly authorized representative of the Subrecipient named below;
  - (d) He or she is authorized to make, and does hereby make, the foregoing certifications on behalf of the Subrecipient; and
  - (e) He or she understands that any person who knowingly submits a false certification in response to the requirements of G.S. 143-59.1 and -59.2 shall be guilty of a Class I felony.

Subrecipient’s Name: LHD-Legal-Name

Subrecipient’s Authorized Agent: Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

Witness: Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

**Template**  
**Do Not Sign**

The witness should be present when the Subrecipient’s Authorized Agent signs this certification and should sign and date this document immediately thereafter.