



**North Carolina Department of Health and Human Services
Division of Public Health – Women’s & Children’s Health Section**

1914 Mail Service Center • Raleigh, North Carolina 27699-1914
Tel 919-707-5800 • Fax 919-870-4818

Beverly Eaves Perdue, Governor

Albert A. Delia, Acting Secretary

November 5, 2012

CACFP 12-15
SFSP 12-13

To: Institutions Participating in the Child and Adult Care Food Program
Sponsors Participating in the Summer Food Service Program

From: Arnette Cowan, MS, RD, LDN
Supervisor, Special Nutrition Programs

Subject: Accounts Receivable

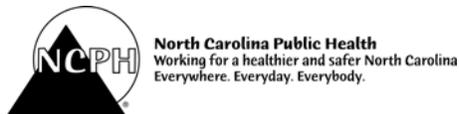
The Department of Health and Human Services, Special Nutrition Program administers the Child and Adult Care Food Program (CACFP) and the Summer Food Service Program (SFSP). An Accounts Receivable Module was recently implemented into the NC Cares system. This module will automatically calculate penalty and interest, as appropriate, on balances that remain unpaid to the State Agency after thirty (30) days from the date of the first letter. Interest is calculated based on the Current Value of Funds Rate (CVFR) which is used to calculate interest on overdue federal government receivables. A first letter is sent to notify institutions of balances due to either CACFP or SFSP. In accordance with 10A NCAC 43J.0101 and 7 CFR §226.14 accounts receivable to the State Agency must be repaid within thirty (30) days.

CACFP regulations (7 C.F.R. §226.14(a)) requires interest to be assessed and North Carolina General Statute 105-241.21 requires a penalty of ten (10) percent to be applied to balances unpaid after thirty (30) days. Regulations for the SFSP do not require the State agency to assess interest on unpaid balances. Therefore, any CACFP balances unpaid within thirty (30) days will incur a ten (10) percent penalty and interest. Any SFSP balances unpaid within thirty (30) days will incur a ten (10) percent penalty.

Repayment of the accounts receivable balance can be completed by filing a claim, submitting a check, or a combination of both. The check should be sent to DHHS Controllers Office, 2025 Mail Service Center, Raleigh, NC 27699-2025. If the entire balance is paid within thirty (30) days of the date of the first letter, no penalty or interest will be applied.

For any questions, please contact Kathryn Seawell, Financial Program Manager at (919) 707-5737.

cc: SNP Staff (via email)



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