

ORANGE COUNTY
BOARD OF EDUCATION

AGENDA ITEM ABSTRACT

Meeting Date: October 14, 2013

AGENDA ITEM No. 13-10-15

ACTION ITEM: (Y/N) N

SUBJECT: Federal Government Shutdown

INFO. CONTACT: Dr. Gerri Martín, Sup't / Donna Coffey, Chair PHONE: 919-732-8126

ATTACHMENTS:

1. Orange County Schools - Federal Program Funds for 2013-2014.
2. Email message from Philip Price regarding the Impact of Federal Government Shutdown dated September 30, 2013 and October 8, 2013.
3. USDA October 1, 2013 Update on Food and Nutrition Service Operations: Child Nutrition Programs.
4. Email message from Donna Knight, N.C. Department of Public Instruction about the Impact of the Government Shutdown on Child Nutrition Reimbursements.
5. N.C. Department of Health and Human Services, Division of Public Health October 7, 2013 Stop Work Order for Contract #28267 that Provides Teen Pregnancy Prevention Initiatives Services, and transmittal emails.

PURPOSE: The purpose of this agenda item is to report on potential impacts to date of the 2013 Federal government shutdown.

BACKGROUND: The school district has many programs that are either directly or indirectly supported by federal dollars. A listing of Federal program funds for the 2013-2014 year totaling \$4,025,649 has been attached for information purposes. The impact of the Federal shutdown has negatively impacted, or is anticipated to impact, many of our district's programs. Staff will share information currently available regarding the impacts of the Federal government shutdown.

FINANCIAL IMPACT: The financial impact is unclear at this time.

RECOMMENDATION: The Superintendent recommends the Board of Education receive staff reports for information.

Orange County Schools
Federal Program Funds
2013-2014

Allotted ADM 7,501

Description	PRC	Amount
Career and Technical Education - Prgm. Improvement	17	\$ 73,183
IDEA VI-B, Preschool Handicapped	49	46,469
Title I	50	1,784,599
IDEA VI - B, Handicapped	60	1,672,712
Improving Teacher Quality	103	239,314
Language Acquisition	104	67,454
School Improvement (not included in planning)	105	908
21st Century	110	120,000
Language Acquisition, Significant Increase	111	54
IDEA VI-B, Special Needs	118	19,906
IDEA VI-B, Preschool	119	352
Race to the Top (ARRA)	156	699
Total		\$ 4,025,649

Impact of Federal Government Shutdown

1 message

Debby Jackson <Debby.Jackson@dpi.nc.gov>

Mon, Sep 30, 2013 at 9:51 AM

To: Lorinda Smith <lorinda.smith@orange.k12.nc.us>

Cc: "newsletter-copy@lists.dpi.state.nc.us" <newsletter-copy@lists.dpi.state.nc.us>

TO: Finance Officers

FROM: Philip Price

Impact Of Federal Government Shutdown:

If the Federal Government shutdown occurs at midnight on Monday, September 30, 2013, we do not anticipate an immediate impact on federally funded operations at the LEAs and DPI. DPI will continue to closely evaluate and monitor this situation. Should a shutdown occur, DPI will provide an update and operational guidance to the LEAs no later than October 15, 2013. If you have questions, please contact Philip Price at pprice@dpi.state.nc.us or Sarah Harris at sharris@dpi.state.nc.us .

Debby Jackson

Accounting Technician

FBS/TS – CFO/CIO Office

919-807-3603

Debby.Jackson@dpi.nc.gov

Federal Government shutdown

2 messages

Lorinda Smith <lorinda.smith@orange.k12.nc.us>

Tue, Oct 8, 2013 at 9:01 AM

To: sharris@dpi.state.nc.us

Cc: pprice@dpi.state.nc.us

Hello Ms. Harris,

We need to report to our Board of Education on Monday, October 14th regarding the impact of the shutdown on our federal grants. Please provide as much information as possible.

Thank you so much,
Lorinda

Lorinda Smith
Assistant Finance Officer

Orange County Schools
200 E. King St.
Hillsborough NC 27278
(919)732.8126 x13003
(919)732.2609 fax

Philip Price <Philip.Price@dpi.nc.gov>

Tue, Oct 8, 2013 at 9:18 AM

To: Lorinda Smith <lorinda.smith@orange.k12.nc.us>

Cc: Sarah Harris <Sarah.Harris@dpi.nc.gov>, Eric Moore <Eric.Moore@dpi.nc.gov>, Alexis Schauss

<Alexis.Schauss@dpi.nc.gov>, Ben Matthews <Ben.Matthews@dpi.nc.gov>, Lynn Harvey

<Lynn.Harvey@dpi.nc.gov>, Lydia Prude <Lydia.Prude@dpi.nc.gov>, Andrew Cox <Andrew.Cox@dpi.nc.gov>

Nothing has changed from what we included in our finance officer newsletter (that we are operating normally). As the shutdown continues, i do expect issues to emerge. We will keep everyone updated through the newsletter as we identify any change in our status.

Philip

[Quoted text hidden]

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United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive
Alexandria, VA
22302-1500

DATE: October 1, 2013

SUBJECT: Update on Food and Nutrition Service Operations: Child Nutrition Programs

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

Due to a lapse in appropriations for the Food and Nutrition Service (FNS) as of October 1, 2013, FNS has initiated the process of orderly shutdown of nonessential operations. You can view the Department of Agriculture's (USDA's) plans for a lapse in appropriations at <http://www.whitehouse.gov/omb/contingency-plans>.

We understand the uncertainty that the current circumstances present for Americans that USDA serves every day, as well as our many partners around the country. Effective today, many FNS staff will be furloughed pending reinstatement of funding by Congress. These staff will not be available by phone or email, and cannot carry out work for the Agency, until funding is restored.

In FNS, this means that the Child Nutrition Programs will be impacted as discussed below. The Child Nutrition Programs include the National School Lunch Program, the School Breakfast Program, the Special Milk Program, the Child and Adult Care Food Program, the Summer Food Service Program, the Fresh Fruit and Vegetable Program, and State Administrative Expenses.

Fiscal Year (FY) 2013 Reimbursements and FY2014 Program Operations

FY 2013 funds would continue to be available to pay reimbursement claims for all Child Nutrition Program meals served in FY 2013. This means school food authorities and other program operators would receive reimbursement for meals served prior to October 1, 2013.

FNS has confirmed that the Treasury ASAP letter of credit system (LOC) will continue to operate and all State agencies will be able to draw funding for FY 2013 benefits.

The Child Nutrition Programs, including School Lunch, School Breakfast, Child and Adult Care Feeding, Summer Food Service, and Special Milk will continue operations into October. Meal providers are paid on a reimbursement basis 30 days after the end of the

Region Directors
State Directors
Page 2

service month. Limited carryover funding will be available during a lapse to support FY 2014 meal service. Once an appropriation is enacted, we expect additional resources will be available to reimburse October performance.

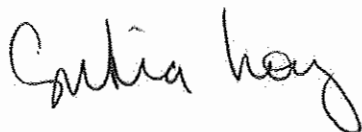
For the Fresh Fruit and Vegetable Program, the second allocation of funds for School Year 2013-2014 will be provided to States by FNS once the Federal government resumes operations.

State Administrative Activities

State Administrative Expense (SAE) grants are made available with a two year performance period. Therefore, State agencies may utilize the funds that they already have available to them to cover State administrative costs during a shutdown.

FNS expects that a large majority of States will have enough SAE carryover from FY 2013 SAE funds to last at least several weeks. States with more than one agency administering Child Nutrition programs should ensure that all agencies have adequate SAE funds to continue program operations by transferring unspent FY 2013 SAE funds between agencies if needed. In addition, funds provided through Section 201 of the Healthy, Hunger-Free Kids Act of 2010 may also be used to support State administrative activities related to implementation of the new school meal standards, and remain available in FY 2014. SP 39-2013 provides guidance on allowable uses of these funds.

We are committed to keeping you as up to date as possible, within the limits of current circumstances.



Cynthia Long
Director
Child Nutrition Division

----- Forwarded message -----

From: **Donna Knight** <Donna.Knight@dpi.nc.gov>

Date: Mon, Oct 7, 2013 at 10:19 AM

Subject: A message from the Chief about the Impact of the Government Shutdown on Child Nutrition Reimbursements

To: Valerie Green <valerie.green@orange.k12.nc.us>

Child Nutrition Administrators:

It has been an anxiety-filled week for everyone in the aftermath of the government shutdown. Throughout the week, the Child Nutrition Services Section has been in continuous communications with the Southeast Regional and National Offices of the USDA to discuss issues related to funding of the school meals programs should the shutdown continue. We have also explored several options that may be available to us as we continue to operate these important programs in an environment of uncertainty.

Your responsiveness to our request to submit your September claim for reimbursement on October 1 was greatly appreciated. Your quick action enabled us to draw down Federal funds before FNS began its "orderly shutdown" and ultimately provide timely reimbursement payments for meals served in the month of September. Your quick response has also enabled us to determine the amount of 2013 carryover funds that will be available to pay claims for the month of October.

As indicated in the attached USDA Policy Memo, limited carryover funds from 2013 may be available for meal reimbursements for a limited time. Should the government shutdown continue, the department has access to Federal funds to cover approximately 11 operating days during the month of October. Additional funds should become available to support school meal reimbursements once a Federal budget is approved. Many speculate that since the School Nutrition Programs are entitlements, their funding levels should be the same as they would have been prior to the shutdown, so one would expect that funds would eventually be available to reimburse SFAs for meals served at the approved rate once a Federal budget is approved. However, there are no guarantees at this time and SFAs should plan accordingly.

I share this information with you not to alarm you, but to inform you and encourage you to take immediate action. It is CRITICAL that we immediately EDUCATE the North Carolina Congressional Delegation about the potentially devastating impact the government shutdown may have on students if a budget is not passed....SOON. I am confident you have begun to consider how your SFA will continue to serve meals to students in the absence of Federal funds. Like us, you probably find yourself considering every conceivable option to keep meal service going while meeting your obligations for salaries/benefits, food and supplies and other expenditures required to operate the program.

Also like us, you probably realize the lack of Federal funds for continuous program operations would be catastrophic to the school nutrition programs and the students and families they serve. With this in mind, PLEASE take the time to INFORM members of your Congressional Delegation about the serious unintended consequences the continued government shutdown will have on your PROGRAM, your PERSONNEL and your PUPILS. We recommend you begin to work immediately with your Superintendent, Board members and other school officials to inform your elected officials about the critical need to provide funding for school meals by approving a Federal budget as quickly as possible that restores funds for the school nutrition programs.

As additional information becomes available to us, we will share it with you as soon as possible. In the meantime, if you have questions about school nutrition operations as we await the passage of a Federal budget, please let me know. I welcome your e-mail questions at lynn.harvey@dpi.nc.gov. Questions that require a response from the USDA may require additional time as most program specialists have been furloughed.

As we begin the second week of the government shutdown, let's continue to live by our mantra..."we are all in this

together, and together, we will find a way to provide wholesome, nutritious, appealing, affordable meals to students."

Thank you for your continued commitment during this very unsettling time and a special THANK YOU for taking the time to educate your decision-makers in Washington.

Lynn

Donna Knight
Child Nutrition Services
NC Department of Public Instruction
Phone: (919) 807-3512

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

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Daniel Staley
Acting Division Director

October 7, 2013

Ms. Nancy Coston, Director
Orange County Department of Social Services
113 Mayo Street
Hillsborough, NC 27278-2573

RE: Stop Work Order for Contract #28267 that Provides Teen Pregnancy Prevention Initiatives (TPPI) Services.

Dear Ms. Coston:

The shutdown of our federal government that commenced on Tuesday, October 1, 2013 is affecting program operations and the people of North Carolina in significant ways. The federal fiscal year 2013 ended on September 30, 2013 and a federal appropriations act for federal fiscal year 2014 has not been enacted. In addition, there has been no continuing resolution. As a result, all states are experiencing a lapse of funding for certain federal grants.

For at least a period, states will not receive any additional funds from many federal grants and funding sources. The impact in North Carolina is significant and will be felt at the State and local level. At this time, funding to administer even mandated and essential services is limited.

North Carolina General Statute §143C-6-8 states that "Unless otherwise authorized by the Director as provided by law, purchase orders, contracts, salary commitments, and any other financial obligations by State agencies shall be subject to the availability of appropriated funds or available funds that are not State funds as defined in this Chapter."

The funding for contract services provided by your organization is impacted. Therefore DHHS must issue a Stop Work on your contract effective Tuesday, October 8, 2013.

We hope the Stop Work is short in duration and your work is suspended for only a short time. Once the federal government resolves its budget debates, we will provide additional guidance. However, please realize you may not resume work until you have official written communication from our Division.

Please know we are continuing to work to minimize any negative effects of the federal government shutdown on the programs and services you offer, but unfortunately these decisions must be made at the federal level.

Thank you for your service and continued commitment to the residents of North Carolina.

If you have any questions, please contact please contact Belinda Pettiford, Women's Health Branch Head at (919) 707-5699 or Belinda.Pettiford@dhhs.nc.gov.

Sincerely,


Daniel Staley
Acting Division Director

www.ncdhhs.gov • www.publichealth.nc.gov
Tel 919-707-5000 • Fax 919-870-4829

Location: 5605 Six Forks Road • Raleigh, NC 27609
Mailing Address: 1931 Mail Service Center • Raleigh, NC 27699-1931
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PATRICIA COLEMAN <patricia.coleman@orange.k12.nc.us>

Re: Adolescent Parenting Program

1 message

"Dr. Gerri Martín " <gerri.martin@orange.k12.nc.us>

Tue, Oct 8, 2013 at 10:24 PM

To: Nancy Coston <ncoston@orangecountync.gov>

Cc: PATRICIA COLEMAN <patricia.coleman@orange.k12.nc.us>

I understand. Very unfortunate.

Sent from iPhone
Dr. Gerri P. Martin
Superintendent
Orange County Schools

On Oct 8, 2013, at 1:53 PM, Nancy Coston <ncoston@orangecountync.gov> wrote:

Gerri

I know we have not met yet but welcome to your new job! Unfortunately my first opportunity to share with you is related to the federal shutdown. We currently provide a social worker in each district to work with students who are parents or soon to be parents. As you can see from the attached letter we have been told to stop performing under this contract.

For now, we are suspending our program in each school system. Our employees and supervisors will contact all the participants to explain the situation. They will also contact their liaisons in the schools to develop interim plans for the current participants. We are committed to finding ways to minimize the negative impacts of this change on our families. Hopefully the federal shutdown will be resolved soon and our social workers can resume their normal duties.

Please let me know if you have any questions.

Nancy Coston, Director

Orange County DSS

919-245-2800

From: Staton, Joan [mailto:joan.staton@dhhs.nc.gov]

Sent: Monday, October 07, 2013 4:46 PM

To: Nancy Coston

Cc: Pettiford, Belinda; Smith, Sharon L

Subject: Stop Work Order for Contract #28267 that Provides Teen Pregnancy Prevention Initiatives (TPPI) Services.

Dear Ms. Coston:

Attached is a copy of the Stop Work Order letter for Contract #28267 that Provides Teen Pregnancy Prevention Initiatives (TPPI) Services. The original signed letter will be sent via Certified Mail.

Joan Staton

N.C. Department of Health and Human Services

Division of Public Health

Administrative Assistant, Contracts Unit

5605 Six Forks Road, Bldg. 3, 2nd Flr, Rm C5

Raleigh, NC 27609-3811

Mail Service Center 1916

Phone: 919-707-5112

Fax: 919-870-4833

joan.staton@dhhs.nc.gov

<http://publichealth.nc.gov/>

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<28267 Stop Work Order Letter 10-7-13 T2.pdf>