

Some county governments operate their own child care facilities. Also, some county governments contract with other agencies that operate their own facilities. The county must separate the management of the SCC Program from the child care facility. Both the county and contracting agencies must develop and implement a board approved conflict of interest policy that assures parents are offered the freedom to choose from a variety of child care options. In addition, a notarized copy of the conflict of interest policy must be sent to the Subsidy Services Section of DCDEE.

NOTE: For a detailed listing of suggested responsibilities of a local child care coordinator refer to Attachment 1: SCC Program Responsibilities at the end of the chapter. For further information regarding contracting procedures, contact the Subsidy Services Section (919-662-4561) or refer to Attachment 2: Contract Requirements for County Department of Social Services Agencies at the end of the chapter.

VIII. ROLE OF THE LOCAL PURCHASING AGENCY

Some county departments of social services contract with other agencies to administer their SCC Program and earmark their state allocation of subsidized child care funds to a specific agency or organization. In counties served by these agencies, the county DSS has two options for coordinating funding resources with the contracting agency or organizations:

- A. Retain all of its allocation and purchase or provide child care services.
- B. Contract all of its allocation to a contractor who will purchase and/or provide child care services for eligible children in the county.

The option chosen by the county department of social services must be included in the contract with the contractor administering the SCC Program. Agencies or organizations selected to administer the SCC Program by the county DSS must submit contract development information to the DSS. Also, the county DSS must include in this contract its expectations of the contractor such as maintaining staff to support the SCC Program and to make payments to providers in a timely manner.

When the agency owns or operates facilities, all contracting subsidy administrators must have a conflict of interest policy that provides parental choice for recipients of subsidized child care and separates management of the SCC Program. In addition, a Child Care Provider Agreement ([DCD-0452](#)) signed by the designated authority must be maintained in each facility file.

Funding amounts for child care services support and/or direct services, if applicable, may vary during the contract period. Contract amendments that reflect changes in funding amounts will be forwarded by DCDEE to the

contracting agency as they occur. Spending levels must be adjusted by the contractor accordingly.

Any agency, such as a contracting subsidy administrator or department of social services that administers the SCC Program must provide records of administration of the program upon request for review by staff of local, state, or federal agencies. These records must be maintained for at least three (3) state fiscal years and may not be destroyed until authorized by DCDEE. Additional information regarding specific requirements for counties who contract with other agencies is provided in this chapter. See [Attachment 1: SCC Roles and Responsibilities](#) and Attachment 2: Contract Requirements for County Department of Social Services Agencies.

Local purchasing agencies that have transitioned to a paperless system are required to produce electronic files and paper copies of the entire child care and provider's record(s) when requested by local, state and federal officials. Both sides of the documents must be scanned and stored so that records are free from contamination and deterioration. The electronic files must contain the same information and signatures that paper files include. Any updates or revisions to child care and provider records must also be scanned, stored properly and produced when requested.

LPAs must implement safeguards for the paperless system to protect the integrity of the scanned files. The Local Records Management Unit in the Department of Cultural Resources can provide information regarding the requirements and guidelines related to imaging (scanning) paper documents. The contact number is 919-807-7365.

Paperless records must be maintained for at least three state fiscal years or until all audits continued beyond the three year period are officially completed by local, state and federal officials. LPAs must request permission from the Subsidy Services Section of the Division to purge paperless and paper records.

IX. ROLE OF THE WOMEN'S AND CHILDREN'S HEALTH SECTION, NUTRITION SERVICES BRANCH - (919) 707-5000

The Women and Children's Health Section of the Division of Public Health administers the [Child and Adult Care Food Program \(CACFP\)](#). Information about the program can be accessed on their website at www.ncpublichealth.com/.

The CACFP was established by Congress in 1968 in response to the need to provide good nutrition for children in low-income areas where there were large numbers of working mothers. It also introduces young children to many different types of foods and helps them learn good eating habits. Child care programs that participate in the Child and Adult Care Food Program receive reimbursement for nutritious meals served to the children.