



Food and Nutrition
Service

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February 01, 2021

SUBJECT: Pandemic Electronic Benefits Transfer Program (P-EBT)
Approval of North Carolina's State Plan for School Children

TO: Willie Taylor
Regional Administrator
Southeast Regional Office

The Families First Coronavirus Response Act (P.L. 116-127; the Act) as amended by the Continuing Appropriations Act, 2021 and Other Extensions Act (P.L. 116-159) and the Consolidated Appropriations Act, 2021 (P.L. 116-260) authorized the continuation of a temporary assistance program for households with children affected by school closures during the public health emergency that was declared on January 27, 2020. Pursuant to the authority granted under Section 1101 of the Act, FNS approves North Carolina's enclosed plan to operate P-EBT for school children.

Summary of North Carolina's Plan

The North Carolina Department of Health and Human Services (NC DHHS) and the North Carolina Department of Public Instruction (DPI) will issue P-EBT benefits through the State's Supplemental Nutrition Assistance Program (SNAP) EBT card system to current SNAP households and non-SNAP households with eligible children. The State's plan covers the months of August 2020 through June 2021.

Children are eligible if they would have received free or reduced price meals at their schools through the National School Lunch Program (NSLP) if not for the closure or reduced attendance or hours of their schools for a period of at least 5 consecutive days. The State will use the best feasibly available data and USDA-approved simplifying assumptions to issue benefits in amounts that are tied as closely as possible to the number of days that eligible children do not receive a meal service at school.

The State and its school districts will identify children eligible for free or reduced price NSLP meals using the most current available data. All school districts that rely on SY 2019-2020 eligibility data will have a means to address that they do not issue benefits to last year's graduates and non-students, and will offer households with new students the ability to establish their eligibility through the traditional school food authority-run school meal application and direct certification processes.

In addition, North Carolina has or will:

- issue benefits for the months of August through December in one distribution in February and issue benefits for January-February in one distribution in March; issuances will be staggered throughout February and March,
- issue benefits for the rest of the school year retrospectively on a monthly basis,

- collect schedule and attendance data from school districts every month for the remainder of the school year,
- use child-level attendance data collected from school districts for every child with a hybrid schedule to set or adjust average benefits for each remaining one-month period in the school year for children with hybrid schedules; if justified by the data, the state will set a single statewide average benefit for these children, and
- set a constant monthly benefit for children with fully virtual schedules by averaging the number of instructional days by the number of months in the school year.

Finally, the State will identify risks for improper payments and ensure a high level of integrity.

Estimated Caseload and Value of P-EBT Benefits

The State will calculate monthly benefits for each eligible child in the household equal to the daily reimbursement for free breakfast and lunch multiplied by the number of benefit days calculated as described in the State's plan.

North Carolina estimates that it will issue \$860 million to approximately 900,000 children for school closures and reductions in attendance and hours extending from August 2020 through September 2021.

Release of Information

Pursuant to Section 1101(e) of the Act, the Secretary hereby authorizes the release of the information necessary to carry out P-EBT in North Carolina. Section 1101(e) of the Act states, "Notwithstanding any other provision of law, the Secretary of Agriculture may authorize State educational agencies and school food authorities administering a school lunch program under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) to release to appropriate officials administering the supplemental nutrition assistance program such information as may be necessary to carry out this section."

Plan Timetable and Revisions

North Carolina will distribute benefits to households consistent with the timeframes identified in the State plan. Should the State encounter challenges or delays that significantly impair its ability to implement the approved P-EBT plan or require substantive changes, the State must notify the FNS Regional Office as soon as possible. The FNS Regional Office will work with the State to identify reasonable solutions and review revised plans for approval or further revision.

Civil Rights

North Carolina will continue to comply with civil rights requirements, to include providing equal access to individuals with disabilities and individuals who are limited English proficient.

Administrative Funds

The NC DHHS will participate in a P-EBT Administrative Budget Planning process using the FNS-366(a) Program and Budget Summary. When the FNS-366(a) is finalized, that will determine the State's Administrative Grant level. However, the FNS-366(a), Program and Budget Summary, may be updated and revised as the State's operational plan evolves.

Reporting

The NC DHHS will complete the FNS-292B, the FNS-46, the FNS-388, and the FNS-778 reports in accordance with existing requirements.

FNS appreciates North Carolina's commitment to meet the nutritional needs of children during a challenging time. If you have questions, please contact the FNS Southeast Regional Office.

Sincerely,

Cindy Long
Deputy Administrator
Child Nutrition Programs