



STATE OF NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN  
GOVERNOR

DEVPUTTA SANGVAI  
SECRETARY

January 14, 2026

**SENT VIA ELECTRONIC MAIL**


Mr. Brian Matteson, Director  
Fiscal Research Division  
Suite 619, Legislative Office Building  
Raleigh, NC 27603-5925

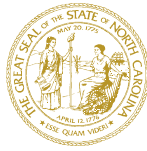
Dear Director Matteson:

North Carolina General Statute 108A-27.12(g) requires the Department of Health and Human Services to report on the extent to which State and counties are meeting federal maintenance of effort under Temporary Assistance for Needy Families and on any realignment of funds. Pursuant to the provisions of law, the Department is pleased to submit the attached report for the quarter ending June 30, 2025.

Should you have any questions regarding this report, please contact Karen Wade, Director of Policy, at [Karen.Wade@dhhs.nc.gov](mailto:Karen.Wade@dhhs.nc.gov).

Sincerely,

Signed by:  
  
33023E3C927E460...  
Devdutta Sangvai  
Secretary



STATE OF NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN  
GOVERNOR

DEVPUTTA SANGVAI  
SECRETARY

January 14, 2026

**SENT VIA ELECTRONIC MAIL**

The Honorable Benton Sawrey, Chair  
Senate Appropriations Committee on  
Health and Human Services  
North Carolina General Assembly  
Room 521, Legislative Office Building  
Raleigh, NC 27603

The Honorable Jim Burgin, Chair  
Senate Appropriations Committees on  
Health and Human Services  
North Carolina General Assembly  
Room 620, Legislative Office Building  
Raleigh, NC 27603


The Honorable Amy Gale, Chair  
Senate Appropriations Committee on  
Health and Human Services  
North Carolina General Assembly  
Room 311, Legislative Office Building  
Raleigh, NC 27603

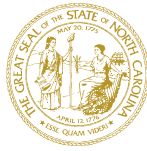
Dear Chairmen:

North Carolina General Statute 108A-27.12(g) requires the Department of Health and Human Services to report on the extent to which State and counties are meeting federal maintenance of effort under Temporary Assistance for Needy Families and on any realignment of funds. Pursuant to the provisions of law, the Department is pleased to submit the attached report for the quarter ending June 30, 2025.

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Signed by:  
  
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Devdutta Sangvai  
Secretary



STATE OF NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN  
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DEVPUTTA SANGVAI  
SECRETARY

January 14, 2026

**SENT VIA ELECTRONIC MAIL**

The Honorable Donna White, Chair  
House Appropriations Committee on  
Health and Human Services  
North Carolina General Assembly  
Room 307, Legislative Office Building  
Raleigh, NC 27603

The Honorable Larry Potts, Chair  
House Appropriations Committees on  
Health and Human Services  
North Carolina General Assembly  
Room 307B1, Legislative Office Building  
Raleigh, NC 27603


The Honorable Timothy Reeder, Chair  
House Appropriations Committee on  
Health and Human Services  
North Carolina General Assembly  
Room 416B, Legislative Office Building  
Raleigh, NC 27603

Dear Chairmen:

North Carolina General Statute 108A-27.12(g) requires the Department of Health and Human Services to report on the extent to which State and counties are meeting federal maintenance of effort under Temporary Assistance for Needy Families and on any realignment of funds. Pursuant to the provisions of law, the Department is pleased to submit the attached report for the quarter ending June 30, 2025.

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Sincerely,

Signed by:  
  
on behalf of Devdutta Sangvai  
33023E3C927E460...  
Devdutta Sangvai  
Secretary

**SFY 2024-2025**  
**Quarterly Report of Temporary Assistance for Needy Families Maintenance of Effort (TANF MOE) as Required by GS 108A-27.12**  
**Expenditures through the Fourth Quarter (June 30, 2025) Due on October 1, 2025**

\* Baseline TANF MOE Requirement - SFY 24-25

\$ 172,643,139

	Projected SFY 2024-25 MOE			SFY 2024-25 MOE Recorded In North Carolina Financial System (NCFS) July 1, 2024 - June 30, 2025		
	State	County	Total	State	County	Total
<b>MOE Items from Business Plan</b>						
<b>A. TANF DIRECT PROGRAM COSTS</b>						
1. Work First County Block Grant - Total	\$ -	\$ 110,945,382	\$ 110,945,382	\$ -	\$ 110,945,382	\$ 110,945,382
2. State Administration (Division of Social Services)	\$ 2,296,524	\$ -	\$ 2,296,524	\$ 2,296,524	\$ -	\$ 2,296,524
3. State Administration (Central Administration)	\$ 124,092	\$ -	\$ 124,092	\$ 124,092	\$ -	\$ 124,092
4. TANF Automation Projects (Information Technology Division)	\$ 68,673	\$ -	\$ 68,673	\$ 68,673	\$ -	\$ 68,673
<b>TOTAL DIRECT TANF PROGRAM COSTS</b>	<b>\$ 2,489,289</b>	<b>\$ 110,945,382</b>	<b>\$ 113,434,671</b>	<b>\$ 2,489,289</b>	<b>\$ 110,945,382</b>	<b>\$ 113,434,671</b>
<b>B. Division of Child Development and Early Education</b>						
1. Non Smart Start Subsidy through DCDEE	\$ 24,184,893	\$ -	\$ 24,184,893	\$ 24,184,893	\$ -	\$ 24,184,893
2. Smart Start Subsidy through DCDEE	\$ 13,543,173	\$ -	\$ 13,543,173	\$ 13,543,173	\$ -	\$ 13,543,173
3. Smart Start Subsidy through NC Partnership for Children	\$ 8,608,072	\$ -	\$ 8,608,072	\$ 8,608,072	\$ -	\$ 8,608,072
4. **NC Pre-K	\$ 12,872,331	\$ -	\$ 12,872,331	\$ 12,872,331	\$ -	\$ 12,872,331
<b>TOTAL DCDEE PROVIDED MOE</b>	<b>\$ 59,208,469</b>	<b>\$ -</b>	<b>\$ 59,208,469</b>	<b>\$ 59,208,469</b>	<b>\$ -</b>	<b>\$ 59,208,469</b>
<b>TOTAL</b>	<b>\$ 61,697,758</b>	<b>\$ 110,945,382</b>	<b>\$ 172,643,140</b>	<b>\$ 61,697,758</b>	<b>\$ 110,945,382</b>	<b>\$ 172,643,139</b>

\* TANF MOE provisions include specified state spending levels and general requirements on the use of funds. For example, these provisions require that each state spend at least 80 percent (75 percent if the state meets certain performance standards) of the amount it spent on welfare and related programs in fiscal year 1994, before TANF was created. The baseline TANF MOE for North Carolina is \$172,643,139. North Carolina has had difficulty meeting the two-parent participation rate performance standard and therefore has been required to meet the 80 percent requirement. (45 CFR 263.1) In addition, state law requires the Department to maintain the state's MOE at 100% of the 1996-97 certified budget. (N.C.G.S. 108A-27.12)

\*\*NC Pre-K expenditures reflect the amount that is counted towards meeting the baseline TANF MOE for North Carolina for SFY 2024-25. Total TANF MOE allowable NC Pre-K expenditures may exceed the amount that is counted towards meeting the baseline TANF MOE.