

STATE OF NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER Governor MANDY COHEN, MD, MPH Secretary

April 1, 2020

SENT VIA ELECTRONIC MAIL

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

Dear Director Trogdon:

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.

Should you have any questions regarding this report, please contact Marjorie Donaldson, Director of the Division of Budget and Analysis, at <u>Marjorie.Donaldson@dhhs.nc.gov</u>.

Sincerely,

Mandy Çohen, MD, MPH Secretary

cc: Kody Kinsley Tara Myers Matt Gross Katherine Restrepo Erin Matteson reports@ncleg.net Susan G. Perry Rob Kindsvatter Hattie Gawande Jared Simmons Theresa Matula Dave Richard Marjorie Donaldson Joyce Jones Deborah Landry Mark Collins Ben Money Zack Wortman Lisa Wilks Luke MacDonald Jessica Meed

WWW.NCDHHS.GOV TEL 919-855-4800 • Fax 919-715-4645 Location: 101 Blair Drive • Adams Building • Raleigh, NC 27603 Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2001 An Equal Opportunity / Affirmative Action Employer



STATE OF NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER GOVERNOR MANDY COHEN, MD, MPH Secretary

April 1, 2020

SENT VIA ELECTRONIC MAIL

The Honorable Joyce Krawiec, Chair Senate Appropriations Committee on Health and Human Services North Carolina General Assembly Room 308, Legislative Office Building Raleigh, NC 27603

Dear Chairwoman Krawiec:

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.

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Mandy Cohen, MD, MPH

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April 1, 2020

SENT VIA ELECTRONIC MAIL

The Honorable Donna White, Chair House Appropriations Committee on Health and Human Services North Carolina General Assembly Room 306A2, Legislative Office Building Raleigh, NC 27603 The Honorable Larry Potts, Chair House Appropriations Committee on Health and Human Services North Carolina General Assembly Room 306B1, 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.

Should you have any questions regarding this report, please contact Marjorie Donaldson, Director of the Division of Budget and Analysis, at <u>Marjorie.Donaldson@dhhs.nc.gov</u>.

Sincerely

Mandy Cohen, MD, MPH Secretary

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SFY 2019-2020

Quarterly Report of Temporary Assistance for Needy Families Maintenance of Effort (TANF MOE) as Required by GS 108A-27.12 Expenditures through the Second Quarter (December 31, 2019) Submitted on April 1, 2020

* Baseline TANF MOE Requirement - SFY 19-20

\$ 164,014,910

	Projected SFY 2019-20 MOE						SFY 2019-20 MOE Recorded In North Carolina Accounting System (NCAS) July 1, 2019 -December 31, 2019					
MOE Items from Business Plan	State		County		Total		State		County		Total	
A. TANF DIRECT PROGRAM COSTS												
1. Work First County Block Grant - Total	\$ -	\$	103,033,663	\$	103,033,663	\$	-	\$	61,109,116	\$	61,109,116	
2. State Administration												
(Division of Social Services)	\$ 1,792,827	\$	-	\$	1,792,827	\$	1,023,388	\$	-	\$	1,023,388	
3. State Administration												
(Central Administration)	\$ 133,537	\$	-	\$	133,537	\$	51,756	\$	-	\$	51,756	
4. TANF Automation Projects												
(Division of Information Resources Management)	\$ 579,299	\$	-	\$	579,299	\$	383,417	\$	-	\$	383,417	
TOTAL DIRECT TANF PROGRAM COSTS	\$ 2,505,663	\$	103,033,663	\$	105,539,326	\$	1,458,561	\$	61,109,116	\$	62,567,677	
B. Division of Child Development and Early Education												
1. Non Smart Start Subsidy through DCDEE	\$ 27,386,354	\$	-	\$	27,386,354	\$	10,443,042	\$	-	\$	10,443,042	
2. Smart Start Subsidy through DCDEE	\$ 13,342,565	\$	-	\$	13,342,565	\$	12,445,242	\$	-	\$	12,445,242	
3. Smart Start Subsidy through NC Partnership for Children	\$ 9,581,414	\$	-	\$	9,581,414	\$	4,969,258	\$	-	\$	4,969,258	
4. **NC Pre-K	\$ 8,165,251	\$	-	\$	8,165,251	\$	8,165,251	\$	-	\$	8,165,251	
TOTAL DCDEE PROVIDED MOE	\$ 58,475,584	\$	-	\$	58,475,584	\$	36,022,793	\$	-	\$	36,022,793	
TOTAL	\$ 60,981,247	\$	103,033,663	\$	164,014,910	\$	37,481,354	\$	61,109,116	\$	98,590,469	

* 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 \$164,014,910. 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 2019-20. Total TANF MOE allowable NC Pre-K expenditures may exceed the amount that is counted towards meeting the baseline TANF MOE.