NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN • Governor
DEVDUTTA SANGVAI • Secretary
LISA TUCKER CAULEY • Division Director, Human Services

November 19, 2026

DEAR COUNTY DIRECTORS OF SOCIAL SERVICES

ATTN: DIRECTORS, CHILD WELFARE PROGRAM ADMINSTRATORS, MANAGERS, SUPERVISORS, SOCIAL WORKERS, AND FISCAL STAFF

SUBJECT: RETURN OF FUNDS RELATED TO ADOPTION ASSITANCE ERROR FINDINGS

REQUIRED ACTIONS: ☒ Information Only ☐ Time Sensitive ☐ Immediate Action

PURPOSE:
The North Carolina Department of Health and Human Services (NCDHHS), Division of Social Services, is informing county agencies of a forthcoming return of funds to counties related to certain Adoption Assistance error findings identified in Title IV-E Adoption Assistance cases.
These findings involved adoption assistance cases with adoption decrees finalized between 2010 and 2020, where the sole error cited was the absence of required Adam Walsh Child Protection and Safety Act registry checks, Responsible individual List (RIL), or portions of those checks, in the case record. Under federal law, Adam Walsh checks have been required for Title IV-E Adoption Assistance eligibility since 2010. Counties remain responsible for ensuring compliance with all federal requirements, including the completion and documentation of these checks.

Historically, these cases were identified as errors until the missing documentation or action was corrected by the county. As a result, federal and state funds associated with these findings were recouped from counties.

Following a recent review, however, the Division determined that recoupments associated with these specific findings were made in error. While the federal requirement existed during the period in question, North Carolina did not have corresponding statutory or rule authority in place addressing these requirements until 2021. Because the applicable state rule was not effective during the period when these cases were reviewed and cited, the Division has determined that recoupment of funds for these findings should not have occurred.

To ensure fairness and consistency across all county agencies, the Division will return funds previously recouped for Adoption Assistance cases meeting the following criteria:

- The adoption decree was finalized between 2010 and 2020;
- The finding was based solely on missing Adam Walsh registry checks (RILs), or a component of those checks; and

- No other eligibility or programmatic error contributed to the finding.

Counties impacted by this review will receive additional information and a follow up email from me by November 30, 2026, regarding the amount of funding being returned, the process for distributing those funds and the expected timeframe of the EFT return.

Please note that this action does not alter or negate the ongoing federal requirement for Adam Walsh checks (RIL) in Title IV-E Adoption Assistance cases. Counties should continue to ensure that all required background checks are completed and documented in accordance with current federal and state requirements.

We appreciate your continued partnership and commitment to supporting children and families across North Carolina. If you have questions regarding this matter, please contact Beth Riley at beth.riley@dhhs.nc.gov.

Sincerely,



Beth Riley, MBA

Child Welfare Financial Officer

Division of Social Services, Child Welfare

NC Department of Health and Human Services

Cc: Lisa T. Cauley, Division Director, Human Services, Child, Family, and Adult Regional Support
Carla West, Interim Deputy Secretary for Opportunity and Well-Being
Donna Fayko, Deputy Director for Child Welfare
Adrian W. Daye, Section Chief for Permanency

CWS-79-2026