

ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 539

AMENDMENT NO. A1
(to be filled in by
Principal Clerk)

H539-ARQ-46 [v.1]

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Amends Title [NO]
Second Edition

Date _____, 2015

Senator Tillman

1 moves to amend the bill on page 1, line 21, through page 3, line 3, by rewriting those lines to
2 read:

3
4 "SECTION 2. G.S. 115C-426 reads as rewritten:
5 "§ 115C-426. Uniform budget format.

- 6 ...
7 (c) The uniform budget format shall require the following funds:
8 (1) The State Public School Fund.
9 (2) The local current expense fund.
10 (3) The capital outlay fund.

11 ~~In addition, other funds may be used to account for reimbursements, including indirect~~
12 ~~costs, fees for actual costs, tuition, sales tax revenues distributed using the ad valorem method~~
13 ~~pursuant to G.S. 105-472(b)(2), sales tax refunds, gifts and grants restricted as to use, trust~~
14 ~~funds, federal appropriations made directly to local school administrative units, and funds~~
15 ~~received for prekindergarten programs. In addition, the appropriation or use of fund balance or~~
16 ~~interest income by a local school administrative unit shall not be construed as a local current~~
17 ~~expense appropriation included as a part of the local current expense fund.~~

18 (c1) In addition to the requirements of subsection (c) of this section, other funds may be
19 used only for the following:

- 20 (1) Moneys received for prekindergarten programs.
21 (2) Moneys received for the federal Junior Reserve Officer Training Corps
22 program.
23 (3) Federal grants or appropriations that are restricted as to use and that the
24 federal government requires to be held separately and not co-mingled.
25 (4) Rental fees for the use of facilities of public schools.
26 (5) Sales tax refunds.
27 (6) Tuition.
28 (7) Gifts or grants (i) that expressly exclude charter schools; (ii) that have been
29 expressly restricted by the donor or grantor to an individual school; (iii) that
30 were given, awarded, bequeathed, or applied for prior to October 15, 2015.
31 (8) Enterprise funds where the local school administrative unit collects a fee for
32 service.



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- 1 (9) Fund balances used or accruing for the local school administrative unit's
- 2 current operating expenses.
- 3 (10) Interest income.
- 4 (11) Funds received for participation in federal Child Nutrition Programs, except
- 5 for indirect costs.
- 6 (12) Medicare and Medicaid reimbursements.
- 7 (13) Fees for actual costs.
- 8 (14) Funds for which the local school administrative unit is acting as the fiscal
- 9 agent and does not derive any benefit.
- 10 (c2) Each local school administrative unit shall maintain those funds shown in the
- 11 uniform budget format that are applicable to its operations.
- 12 ...
- 13 (e) The local current expense fund shall include appropriations sufficient, when added
- 14 to appropriations from the State Public School Fund, for the current operating expense of the
- 15 public school system in conformity with the educational goals and policies of the State and the
- 16 local board of education, within the financial resources and consistent with the fiscal policies of
- 17 the board of county commissioners. These appropriations shall be funded by revenues accruing
- 18 to the local school administrative unit by virtue of Article IX, Sec. 7 of the Constitution,
- 19 moneys made available to the local school administrative unit by the board of county
- 20 commissioners, supplemental taxes levied by or on behalf of the local school administrative
- 21 unit pursuant to a local act or G.S. 115C-501 to 115C-511, State money disbursed directly to
- 22 the local school administrative unit, and other moneys made available or accruing to the local
- 23 school administrative unit for the current operating expenses of the public school system.
- 24 (e1) As used in subsection (e) of this section, the phrase "other moneys made available
- 25 or accruing to the local school administrative unit" shall include, but is not limited to, all of the
- 26 following:
- 27 (1) Moneys received for indirect costs.
- 28 (2) Reimbursements, except for Medicare and Medicaid reimbursements.
- 29 (3) Sales tax revenues regardless of how they are distributed.
- 30 (4) Gifts and grants not subject to the restrictions set forth in subdivision (3) or
- 31 subdivision (7) of subsection (c1) of this section.
- 32 (5) Federal grants and appropriations made directly to local school
- 33 administrative units.".
- 34

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