



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT

BEVERLY EAVES PERDUE
GOVERNOR

ANDY WILLIS
STATE BUDGET DIRECTOR

October 31, 2011

MEMORANDUM

TO: Senator Phil Berger, President Pro-Tempore of the Senate
Representative Thom Tillis, Speaker of the House of Representatives

FROM: Andy Willis, State Budget Director

SUBJECT: Over-expenditures Report

Pursuant to G.S 143C-6-4(c), the Office of State Budget and Management (OSBM) must report quarterly, beginning October 31, to the Joint Legislative Commission on Governmental Operations on all program over-expenditures approved by OSBM during the previous quarter.

The first two attached reports include: 1) a summary of all budget revisions submitted by the state agencies and universities and approved by OSBM that caused an over-expenditure for the program or purpose (fund) during the first quarter of FY 2011-12, and 2) a detail report that contains agency justifications for each over-expenditure. Over-expenditures are defined as an increase in the authorized budget of a program or purpose (fund) above the amount in the certified budget.

Over-expenditures result for a variety of reasons and to facilitate the review of the attached reports, the budget revisions in these reports are organized by the following categories:

1. Revisions approved pursuant to General Statute,
2. Revisions approved pursuant to special provision,
3. Revisions that budget the initial receipt of a grant award,
4. Revisions that increase the budget of an existing grant award,
5. Revisions that budget over-realized departmental receipts,
6. Revisions that realign money/positions between funds,
7. Revisions that budget carry forwards,
8. Revisions due to program budget restructure, and
9. Other revisions.

In addition to the reporting requirements set out in G.S. 143C-6-4, the Office of State Budget and Management must also report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division within 30 days after the end of each quarter on any overrealized receipts approved for expenditure. Pursuant to Section 5.1(b) of S.L 2011- 145 the report shall include the source of the receipt, the amount over-realized, the amount authorized for expenditure, and the rationale for expenditure. The over-realized receipt is attached as well.

cc: David Brown, OSBM
Joint Budget Development, NCGA

Attachment