



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

PAT MCCRORY
GOVERNOR

ART POPE
STATE BUDGET DIRECTOR

June 20, 2014

MEMORANDUM

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

FROM: Art Pope *Art Pope*
State Budget Director

SUBJECT: Budget Deviation FY 2013-14

The Office of State Budget and Management (OSBM), as required by G.S. 143C-6-4(b)(3)(b1), must consult with the Joint Legislative Commission on Governmental Operations when a department's certified budget is expected to be exceeded by more than three percent (3%).

Please see the attached report for the Department of Public Instruction.

If there are questions, you may contact Assistant State Budget Officer for Education Elizabeth Grovenstein by dialing (919) 807-4780 or myself by dialing (919) 807-4717.

Thank you.

cc: David Brown
Elizabeth Grovenstein
Pam Leaman
Mark Trogdon

REQUEST TO DEVIATE UNDER G.S. 143C-6-4:

(b1) Prior consultation with Governmental Operations is required when the overexpenditure would cause a department's total requirements for a fund to exceed the department's certified budget for a fiscal year for that fund by more than three percent (3%) prior to authorizing the overexpenditures.

DEPARTMENT: NCDPI
 FISCAL YEAR: 2013-2014
 Date: 6/16/2014
 Budget Revision #: _____

Budget Code	Certified Requirements	3% Deviation Threshold	Amount of the Overexpenditure Request	Amount the Request Exceeds the Deviation Threshold
63501	\$ 12,817,894	\$ 384,537		\$ (384,537)
63503	\$ 12,416,452	\$ 372,494		\$ (372,494)
63510	\$ 10,250,000	\$ 307,500		\$ (307,500)
63511	\$ 46,632,134	\$ 1,398,964	\$ 2,749,175	\$ 1,350,211
	\$ -	\$ -		\$ -
Fund Type Total	\$ 82,116,480	\$ 2,463,494	\$ 2,749,175.00	\$ 285,681

JUSTIFICATION FOR REQUEST:

DPI requests to deviate due to the overages in the Workers Compensation Fund.
 Overages are due to the fact that the fund is not adequately appropriated state funding each year.
 4,000 to 6,000 new claims are added each year along with medical benefits.
 (This is in accordance with NCGS97).