



North Carolina Department of Health and Human Services

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Ambassador (Ret.)  
Secretary DHHS

Adam Sholar  
Legislative Counsel  
Director of Government Affairs

February 24, 2014

**SENT VIA ELECTRONIC MAIL**

Mark Trogdon, Director  
Fiscal Research Division  
North Carolina General Assembly  
619 Legislative Office Building  
Raleigh, NC 27603-5925

Dear Mr. Trogdon:

North Carolina General Statute 143C-9-2, requires the Department of Health and Human Services to submit an annual report to the Fiscal Research Division on the expenditures generated during the last fiscal year from the Trust Fund for Mental Health, Developmental Disabilities, and Substance Abuse Services and the Bridge Funding Needs. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

Please direct all questions regarding the report to Dave Richard, Director, Division of Mental Health, Developmental Disabilities and Substance Abuse Services. Mr. Richard can be reached at (919) 733-7011.

Sincerely,

Adam Sholar

cc: Matt McKillip Kristi Huff  
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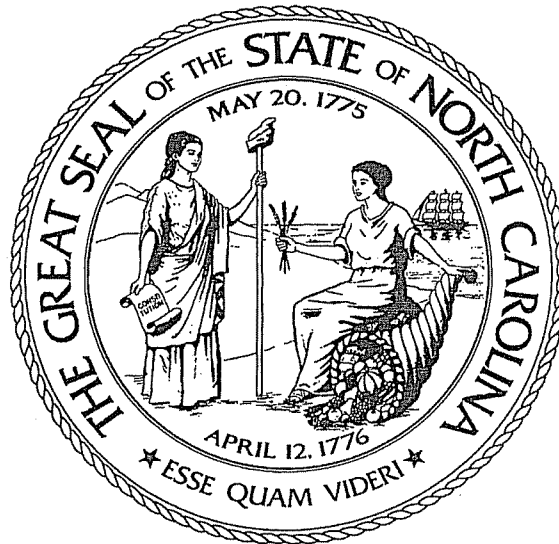
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Report on Trust Fund for Mental Health, Developmental  
Disabilities, and Substance Abuse Services  
and Bridge Funding Needs



North Carolina General Statute 143C-9-2

February 2014

Department of Health and Human Services  
Division of Mental Health, Developmental Disabilities and  
Substance Abuse Services

# Report on Trust Fund for Mental Health, Developmental Disabilities, and Substance Abuse Services and Bridge Funding Needs

**December 2013**

North Carolina General Statute 143C-9-2 on the Trust Fund for Mental Health, Developmental Disabilities, and Substance Abuse Services and Bridge Funding Needs, sets forth the reporting requirement below:

*(d) Beginning July 1, 2007, the Secretary of the Department of Health and Human Services shall report annually to the Fiscal Research Division on the expenditures made during the preceding fiscal year from the Trust Fund. The report shall identify each expenditure by recipient and purpose and shall indicate the authority under subsection (b) of this section for the expenditure.*

There were no Mental Health Trust Fund (MHTF) expenditures made from the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services' (Division) budget for State Fiscal Year (SFY) 2013, July 1, 2012 to June 30, 2013. During SFY 2013, the Division did receive \$75,000 from the MHTF for allocation to a Local Management Entity (LME) to provide community services for a consumer with a traumatic brain injury who was to be discharged from a State psychiatric hospital. However, this discharge was delayed and the \$75,000 allocation was not made in SFY 2013. The Division carried over \$75,000 from SFY 2013 to SFY 2014 in anticipation of this LME allocation being made in SFY 2014 for its original purpose.

Per the Office of State Budget and Management, the MHTF had a balance of \$277,598.09 on June 30, 2013, that is available to the Division during SFY 2014 for one-time service needs.

North Carolina G.S. 143C-9-2 specifies the purpose for which these monies may be utilized for mental health, developmental disabilities and substance abuse services and bridge funding needs. As of this report date, and in addition to the \$75,000 described above, SFY 2014 utilization needs also include the following:

- Division contract payment to Dare County in the amount of \$106,700. This amount was budgeted in a prior year by the Division from the MHTF but was not paid out and was never transferred from the MHTF Reserve to the Division's budget. Funds are being rebudgeted in SFY 2014 in order to liquidate this prior year obligation. The Division contract with Dare County is for the development of substance abuse services for this underserved population.