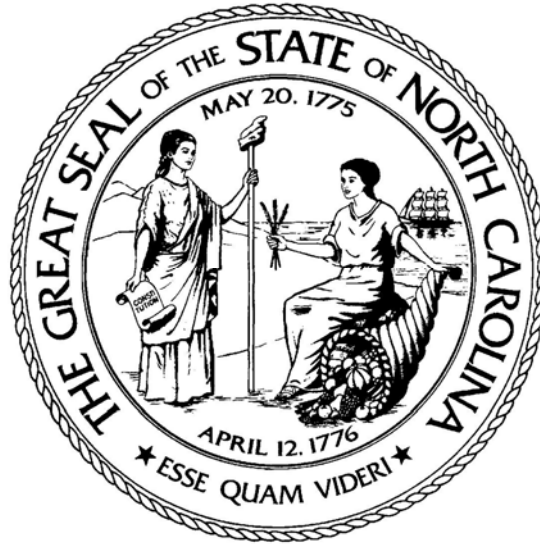


# **NORTH CAROLINA HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEE**



## **REPORT ON THE CONTINUATION, EXPANSION AND CAPITAL BUDGETS**

**PROPOSED HOUSE COMMITTEE SUBSTITUTE  
FOR SENATE BILL 897, 3<sup>RD</sup> EDITION**

**JUNE 1, 2010**



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## General Fund Availability Statement

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	FY 2010-2011
1 Unappropriated Balance Remaining from Previous Year	3,702,182
2 Adjustment from Estimated to Actual FY 2009-10 Beginning Unreserved Fund Balance	270,080
3 <b>Beginning Unreserved Fund Balance</b>	<b>3,972,262</b>
4 <b>Revenues Based on Existing Tax Structure</b>	<b>18,199,339,016</b>
5 <b>Non-tax Revenues</b>	
6 Investment Income	57,500,000
7 Judicial Fees	239,100,000
8 Disproportionate Share	100,000,000
9 Insurance	67,000,000
10 Other Non-Tax Revenues	182,700,000
11 Highway Trust Fund/Use Tax Reimbursement Transfer	72,800,000
12 Highway Fund Transfer	17,600,000
13 <b>Subtotal Non-tax Revenues</b>	<b>736,700,000</b>
14 <b>Total General Fund Availability</b>	<b>18,940,011,278</b>
15 <b>Adjustments to Availability: Senate Bill 897</b>	
16 Internal Revenue Code Conformity	(7,700,000)
17 Tax Benefits for Investments in Small Business	(3,600,000)
18 Tax Benefits for Small Businesses that Provide Health Insurance	(7,200,000)
19 Tax Benefits for Putting People Back to Work	(7,200,000)
20 Reserve for Pending Finance Legislation	(34,300,000)
21 Department of Revenue Settlement Initiative	110,000,000
22 Transfer from Disproportionate Share Reserve	35,000,000
23 Loss of Estate Tax Revenue	(85,000,000)
24 Transfer from Wildlife Resources Commission Fund	3,000,000
25 Divert Funds from Scrap Tire Disposal Account	2,500,000
26 Divert Funds from White Goods Fund	1,200,000
27 Transfer from Mercury Pollution Prevention Fund	2,250,000
28 Transfer from Express Permitting Fund	600,000
29 Transfer from Bladen Lakes Special Fund	500,000
30 Transfer from Aquariums Fund	2,000,000
31 Revert Funds from ECU Magnetic Resonance Imaging Lease and Equipment Fund	2,000,000
32 Adjust Transfer from Insurance Regulatory Fund	(2,213,620)
33 Adjust Transfer from Treasurer's Office	(380,086)
34 <b>Subtotal Adjustments to Availability: Senate Bill 897</b>	<b>11,456,294</b>
35 <b>Revised General Fund Availability</b>	<b>18,951,467,572</b>
36 Less General Fund Appropriations	18,875,484,772
37 <b>Balance Remaining for Savings Reserve Account</b>	<b>75,982,800</b>



**SUMMARY:**

**GENERAL FUND  
APPROPRIATIONS**





**SUMMARY OF GENERAL FUND APPROPRIATIONS**  
**2010 Legislative Session: Fiscal Year 2010-2011**

	FY 2010-11 Certified Budget	Legislative Adjustments			Revised Appropriation 2010-11
		Recurring Adjustments	Nonrecurring Adjustments	Net Changes	
<b><u>Education</u></b>					
Community Colleges	1,012,467,778	51,181,844	(14,600,000)	36,581,844	(7.75) 1,049,049,622
Public Education	7,360,833,223	(225,616,217)	(63,400,911)	(289,017,128)	(26.00) 7,071,816,095
University System	2,656,552,008	(87,001,338)	(5,000,000)	(92,001,338)	196.00 2,564,550,670
<b>Total Education</b>	<b>11,029,853,009</b>	<b>(261,435,711)</b>	<b>(83,000,911)</b>	<b>(344,436,622)</b>	<b>162.25 10,685,416,387</b>
<b><u>Health and Human Services</u></b>					
Central Management and Support	74,172,339	(3,233,959)	1,339,000	(1,894,959)	(4.00) 72,277,380
Aging and Adult Services	37,282,029	0	0	0	0.00 37,282,029
Blind and Deaf / Hard of Hearing Services	8,649,731	(557,484)	(150,428)	(707,912)	(3.00) 7,941,819
Child Development	269,183,962	(6,334,255)	(23,625,329)	(29,959,584)	(2.00) 239,224,378
Education Services	36,844,718	(2,885,539)	0	(2,885,539)	(64.00) 33,959,179
Health Service Regulation	17,914,125	(196,777)	(1,718,754)	(1,915,531)	(2.00) 15,998,594
Medical Assistance	2,720,196,757	254,271,283	(569,249,900)	(314,978,617)	0.00 2,405,218,140
Mental Health, Dev. Disabilities and Sub. Abuse	664,695,955	(2,023,329)	18,809,089	16,785,760	(1.00) 681,481,715
NC Health Choice	81,964,241	3,135,450	0	3,135,450	0.00 85,099,691
Public Health	160,515,329	(19,719,356)	14,099,632	(5,619,724)	0.00 154,895,605
Social Services	208,589,483	(8,910,528)	(2,216,224)	(11,126,752)	(33.00) 197,462,731
Vocational Rehabilitation	41,020,173	(516,798)	(1,288,915)	(1,805,713)	(8.00) 39,214,460
<b>Total Health and Human Services</b>	<b>4,321,028,842</b>	<b>213,028,708</b>	<b>(564,001,829)</b>	<b>(350,973,121)</b>	<b>(117.00) 3,970,055,721</b>
<b><u>Justice and Public Safety</u></b>					
Correction	1,326,492,230	(37,297,163)	(4,372,000)	(41,669,163)	803.00 1,284,823,067
Crime Control & Public Safety	33,718,963	(856,592)	(250,000)	(1,106,592)	(2.69) 32,612,371
Judicial Department	463,753,479	(5,299,957)	(5,916,294)	(11,216,251)	0.00 452,537,228
Judicial - Indigent Defense	120,132,010	1,835,405	(5,892,031)	(4,056,626)	11.50 116,075,384
Justice	88,652,538	(2,000,916)	(1,200,000)	(3,200,916)	17.50 85,451,622
Juvenile Justice & Delinquency Prevention	147,183,945	(1,456,758)	0	(1,456,758)	27.00 145,727,187
<b>Total Justice and Public Safety</b>	<b>2,179,933,165</b>	<b>(45,075,981)</b>	<b>(17,630,325)</b>	<b>(62,706,306)</b>	<b>856.31 2,117,226,859</b>

**SUMMARY OF GENERAL FUND APPROPRIATIONS**  
**2010 Legislative Session: Fiscal Year 2010-2011**

	FY 2010-11 Certified Budget	Legislative Adjustments			Revised Appropriation 2010-11
		Recurring Adjustments	Nonrecurring Adjustments	Net Changes	
<b><u>Natural and Economic Resources</u></b>					
Agriculture and Consumer Services	60,559,608	326,343	500,000	826,343	61,385,951
Commerce	40,915,209	(3,099,041)	22,350,000	19,250,959	60,166,168
Commerce - State Aid	15,388,725	9,280,564	350,000	9,630,564	25,019,289
Environment and Natural Resources	190,399,356	(6,824,019)	10,315,000	3,490,981	193,890,337
Clean Water Mgmt. Trust Fund	50,000,000	0	0	0	50,000,000
Labor	17,400,863	(902,555)	0	(902,555)	16,498,308
NC Biotechnology Center	14,501,900	4,274,905	0	4,274,905	18,776,805
Rural Economic Development Center	23,832,436	(1,191,622)	5,125,000	3,933,378	27,765,814
<b>Total Natural and Economic Resources</b>	<b>412,998,097</b>	<b>1,864,575</b>	<b>38,640,000</b>	<b>40,504,575</b>	<b>453,502,672</b>
<b><u>General Government</u></b>					
Administration	67,446,884	(734,950)	0	(734,950)	66,711,934
Auditor	13,255,123	(473,265)	0	(473,265)	12,781,858
Cultural Resources	73,249,990	(2,370,343)	233,343	(2,137,000)	71,112,990
Cultural Resources - Roanoke Island Comm.	1,990,632	(71,663)	0	(71,663)	1,918,969
General Assembly	56,584,484	(2,229,859)	0	(2,229,859)	54,354,625
Governor	6,067,739	(217,832)	0	(217,832)	5,849,907
Housing Finance Agency	14,608,417	(405,592)	(120,311)	(525,903)	14,082,514
Insurance	32,242,706	(1,213,620)	(1,000,000)	(2,213,620)	30,029,086
Insurance - Worker's Compensation Fund	1,561,846	0	0	0	1,561,846
Lieutenant Governor	931,703	(33,539)	0	(33,539)	898,164
Office of Administrative Hearings	4,111,476	(160,963)	0	(160,963)	3,950,513
Revenue	87,790,970	(1,619,341)	(700,000)	(2,319,341)	85,471,629
Secretary of State	11,451,488	(415,575)	0	(415,575)	11,035,913
State Board of Elections	6,221,208	273,430	107,129	380,559	6,601,767
State Budget and Management	6,407,809	(242,610)	0	(242,610)	6,165,199
State Budget and Management -- Special	4,161,125	(3,339)	500,000	496,661	4,657,786
State Controller	23,188,207	9,000,000	(624,677)	8,375,323	31,563,530
Treasurer - Operations	17,565,400	(380,086)	0	(380,086)	17,185,314
Treasurer - Fire/Rescue Retirement	10,804,671	0	0	0	10,804,671
<b>Total General Government</b>	<b>439,641,878</b>	<b>(1,299,147)</b>	<b>(1,604,516)</b>	<b>(2,903,663)</b>	<b>436,738,215</b>

**SUMMARY OF GENERAL FUND APPROPRIATIONS**  
**2010 Legislative Session: Fiscal Year 2010-2011**

	FY 2010-11 Certified Budget	Recurring Adjustments	Legislative Adjustments Nonrecurring Adjustments	Net Changes	FTE Changes	Revised Appropriation 2010-11
<b><u>Debt Service and Statewide Reserves</u></b>						
<b>Debt Service:</b>						
Interest / Redemption	707,573,496	(9,799,385)	0	(9,799,385)	0.00	697,774,111
Federal Reimbursement	1,616,380	0	0	0	0.00	1,616,380
<b>Subtotal Debt Service</b>	<b>709,189,876</b>	<b>(9,799,385)</b>	<b>0</b>	<b>(9,799,385)</b>	<b>0.00</b>	<b>699,390,491</b>
<b>Statewide Reserves:</b>						
Contingency and Emergency Fund	5,000,000	0	0	0	0.00	5,000,000
State Health Plan (S.L. 2009-16)	276,179,709	0	0	0	0.00	276,179,709
State Retirement System Contributions	160,000,000	40,000,000	0	40,000,000	0.00	200,000,000
Judicial Retirement System Contributions	1,300,000	1,000,000	0	1,000,000	0.00	2,300,000
Firemen's and Rescue Squad Workers System Contributions	0	1,000,000	0	1,000,000	0.00	1,000,000
Information Technology Funds	7,840,000	0	0	0	0.00	7,840,000
Statewide Administrative Support Reduction	(6,600,000)	0	0	0	0.00	(6,600,000)
Convert Contract Employees to State Employees	(4,000,000)	0	0	0	0.00	(4,000,000)
Job Development Investment Grants (JDIG)	27,400,000	0	(6,600,000)	(6,600,000)	0.00	20,800,000
Reserve for Modernization of 1040 e-File Platform	0	47,600	1,457,118	1,504,718	0.00	1,504,718
<b>Subtotal Statewide Reserves</b>	<b>467,119,709</b>	<b>42,047,600</b>	<b>(5,142,882)</b>	<b>36,904,718</b>	<b>0.00</b>	<b>504,024,427</b>
<b>Total Reserves and Debt Service</b>	<b>1,176,309,585</b>	<b>32,248,215</b>	<b>(5,142,882)</b>	<b>27,105,333</b>	<b>0.00</b>	<b>1,203,414,918</b>
<b>Total General Fund for Operations</b>	<b>19,559,764,576</b>	<b>(60,669,341)</b>	<b>(632,740,463)</b>	<b>(693,409,804)</b>	<b>789.24</b>	<b>18,866,354,772</b>
<b><u>Capital Improvements</u></b>						
Water Resources Development Projects	0	0	9,130,000	9,130,000	0.00	9,130,000
<b>Total Capital Improvements</b>	<b>0</b>	<b>0</b>	<b>9,130,000</b>	<b>9,130,000</b>	<b>0.00</b>	<b>9,130,000</b>
<b>Total General Fund Budget</b>	<b>19,559,764,576</b>	<b>(60,669,341)</b>	<b>(623,610,463)</b>	<b>(684,279,804)</b>	<b>789.24</b>	<b>18,875,484,772</b>



# **EDUCATION**

## **Section F**



## Public Education

GENERAL FUND

Total Budget Approved 2009 Session

<b>FY 10-11</b>
-----------------

  
**\$7,360,833,223**

## Budget Changes

## A. Technical Adjustments

- |   |                 |   |
|---|-----------------|---|
| <b>1 Average Daily Membership</b>   | (\$4,980,046)   | R |
| <p>Revises projected increase in ADM for FY 2010-11 to reflect 3,127 fewer students than originally projected. Dollar amount of adjustment includes revisions to all position, dollar, and categorical allotments.</p> <p>Total funded ADM for FY 2010-11 is 1,475,668, an increase of 10,754 over FY 2009-10. There was a temporary ADM reduction in FY 2009-10 precipitated by a change in the Kindergarten eligibility age.</p>      |                 |   |
| <b>2 Average Teacher Salary</b>   | (\$44,950,676)  | R |
| <p>Revises budgeted funding for certified personnel salaries based on actual salary data from December 2009. Adjustment does not reduce any salary paid to certified personnel.</p>   |                 |   |
| <b>3 Education Lottery Receipts</b>   | (\$126,638,646) | R |
| <p>Adjusts the receipts budgeted for the Classroom Teachers allotment to reflect an updated distribution between the four Lottery programs, as well as the redirection of \$16.8 million in the Lottery Reserve and \$19.3 million in projected overrealized FY 2009-10 net revenues.</p>   |                 |   |
| <b>4 Exceptional Children Headcount</b>   | (\$6,000,000)   | R |
| <p>Adjusts funding previously budgeted for the Children With Disabilities allotment to reflect actual student headcount and does not reduce funding per student. The continuation budget includes anticipated growth based on the projected headcount of children with disabilities. This adjustment revises budgeted funding for both preschool and school-age children with special needs to reflect the April 1, 2010 headcount.</p> |                 |   |

**5 Small County Supplemental Funding**

(\$2,400,000) R

Reduces funding to adjust for the expiration of Currituck County's funding eligibility in FY 2009-10 as well as a surplus of funding needed to fully fund the other eligible counties. The remaining \$44.1 million is sufficient to fully fund the 28 eligible counties.

**6 Learn and Earn Early College High Schools**

(\$306,200) R

Adjusts funding to reflect the delayed opening of one Learn and Earn School scheduled to open in FY 2009-10. S.L. 2009-451 provided funding to open twelve Learn and Earn schools that had been given planning funding in FY 2008-09. Only ten of the twelve planning schools were ready to open in FY 2009-10, but one of them will be ready to open in FY 2010-11. Currently 66 Learn and Earn "Bricks and Mortar" schools are operating in North Carolina.

**B. Other Public School Funding Adjustments****7 ADM and BRAC Contingency Reserve**

(\$2,618,501) R

Reduces the Contingency Reserve by 50%. The Reserve is maintained to provide additional support to school systems that experience greater than projected student headcount growth. \$2.6 million will remain to support the Reserve.

**8 More at Four**

(\$6,200,000) R  
(\$32,986,721) NR

Reduces recurring program funding by 3.7% from its \$165.5 million combined appropriation of General Fund and Lottery proceeds. The Joint Task Force on Early Childhood Education and Care estimates that \$5 million in program savings can be achieved by the capping of administrative costs, as proposed in section 7.x of the Budget Bill. In addition, it replaces, on a one-time basis, General Fund appropriations for More at Four Pre-kindergarten services provided to TANF-eligible children with Temporary Assistance for Needy Families (TANF) Emergency Contingency Funds.

**9 Instructional Supplies**

(\$6,000,000) R

Reduces the Instructional Supplies allotment by 6.4%. \$88.2 million will remain for this purpose.



**10 Central Office Administration**

(\$2,400,000) R

Reduces the dollar allotment to LEAs for the salaries and benefits of central office staff by 2.2%. This staff includes, but is not limited to, superintendents, associate and assistant superintendents, finance officers, athletic trainers, and transportation directors. \$107.5 million will remain to support these local staff.

**11 Mentoring**

(\$9,214,190) NR

Eliminates all State funding for LEA mentoring programs on a nonrecurring basis in FY 2010-11 only.

**12 Limited English Proficiency**

(\$4,000,000) R

Reduces funding for this allotment by 5.0%. \$76.5 million will remain available for this allotment.

**13 Transportation**

(\$10,000,000) R

Reduces funding for the allotment, which supports the salaries of transportation personnel as well as the maintenance of yellow buses, by approximately 2.4%. \$403 million will remain available for this allotment.

**14 Child and Family Support Teams**

(\$2,500,000) R

Reduces this allotment by 21.4%. This allotment provides funding for a dedicated social worker and school nurse in 100 schools. \$9.2 million will remain available for this allotment. The State Board of Education shall allocate this reduction by eliminating funding to those schools it deems to be implementing the program ineffectively.

**15 School Bus Replacement**

(\$11,900,000) NR

Eliminates funding for the purchase of new replacement school buses in FY 2010-11. \$44 million will remain available to support the extended financing payments required for buses purchased in FYs 2007-10, and an additional \$1 million will be available for emergency bus replacement purchases.

**16 Career and Technical Education Program Support**

(\$2,000,000) R

Reduces this allotment by 10.3%. This allotment supports funding to assist LEAs in expanding, improving, modernizing, and developing quality Career and Technical Education (CTE) education programs. \$17.4 million will remain available for these purposes. This reduction does not impact the \$382.2 million provided in additional State support for CTE teachers in the CTE Months of Employment allotment.

**17 Tarheel Challenge**

(\$460,631) R

Adjusts State support for this program to reflect new Federal matching requirements. The required State funding share for this activity has been adjusted from 40% to 25%. \$348,527 of the unneeded State match funding will be reinvested into the National Guard Tuition Assistance Program, which is transferred into the UNC budget in the item "National Guard Tuition Assistance Program Transfer".

**18 HMCUC Funds Transfer**

\$290,683 R

Transfers some funds from the Historically Minority Colleges and Universities Consortium Closing the Achievement Gap project in the UNC system into the Department of Public Instruction to expand funding of the Dropout Prevention Grant initiative.

**19 Connectivity**

(\$1,000,000) R

(\$3,000,000) NR

Reduces funding for the School Connectivity Initiative (SCI) as it is deployed in all LEAs and is in the operations and maintenance phase. This adjustment also includes a \$3 million nonrecurring reduction of the cash balance. The recurring cut of \$1 million represents a reduction to recurring appropriations of approximately 4.5%, and leaves recurring appropriations at \$21.0 million per year. The nonrecurring cut of \$3 million reduces initiative funding projected to be unexpended in FY 2009-10.

**20 Education Value Added Assessment System (EVAAS)**

\$1,000,000 R

Provides \$250,000 to expand funding for EVAAS licenses that had previously been funded out of reversions and \$750,000 to purchase EVAAS Teacher Analysis.

<b>21 JOBS Commission Schools</b>	\$200,000	R
Provides funding to support the creation of two school sites in Wake County and Cumberland County recommended by the Joint Legislative Joining Our Businesses and Schools (JOBS) Study Commission.		
<b>22 North Carolina Science, Math and Technical Education Center</b>	\$100,000	R
Provides funding to the North Carolina Science, Mathematics and Technology Education Center, Inc. (NCSMTEC) to support interscholastic science competitions.		
<b>23 Kids Voting</b>	\$50,000	R
Provides funding to support continued operation of the Kids Voting program.		
<b>24 Diversity in Public Schools Commission</b>	\$26,244	R
Supports the establishment of a Joint Legislative Study Commission on Diversity in Public Schools as designated in section 7.x of the Budget Bill. The Commission will explore the benefits of diversity in public school enrollment, examine best practices for maintaining diversity in other states or school systems, and consider the impact of diversity on the achievement gap.		
<b>25 Textbooks</b>	\$5,000,000	NR
Provides \$5 million on a nonrecurring basis for the purchase of replacement textbooks for emergency situations. The State Board of Education shall develop rules and guidelines for the allocation of these funds.		
<b>C. Department of Public Instruction</b>		
<b>26 NC WISE</b>	(\$2,000,000)	R
Reduces the annual appropriation for the North Carolina Window on Student Education (NC WISE), as this project is deployed and is in operations and maintenance phase. As such, its annual budgetary needs are \$2 million less than previously budgeted. This item also includes a \$10 million nonrecurring reduction of the cash balance. The remaining balance will support the hardware and reporting projects associated with NC WISE.		
	(\$10,000,000)	NR

**27 Department of Public Instruction Technology Services**

(\$2,828,444) R

Eliminates 26 positions in order to find efficiencies and reduce redundancy in the Department of Public Instruction Technology Services area. The reduction includes departmental NC WISE positions, Offices of the Chief Information Officer, Chief Technology Officer, Technology Business Services, and Project Management. NC WISE has been deployed, reducing the need for personnel.

-26.00

**28 Legacy Fund Balance**

Eliminates the cash balance for this project. Funds were appropriated on a nonrecurring basis in three consecutive years to enable DPI to bring information technology applications into compliance with the statewide architecture requirements. This project has now been completed. The total appropriation for this purpose was \$6 million.

(\$1,300,000) NR

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**Budget Changes**

(\$225,616,217) R

(\$63,400,911) NR

**Total Position Changes**

-26.00

**Revised Total Budget****\$7,071,816,095**

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## Community Colleges

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$1,012,467,778

## Budget Changes

## A. Technical Adjustments

**29 Fully Fund Enrollment Growth**

\$85,041,632 R

Provides funds to fully fund enrollment growth. According to the 2009-10 spring semester census, enrollment has increased by 15.8% (34,118 full-time equivalents or FTE) above the 2009-10 adjusted budgeted enrollment of 213,472. This increase brings FY 2010-11 budgeted enrollment to 247,590.

This funding is in addition to the \$41,126,850 in the continuation budget for FY 2010-11 enrollment growth, for a total of \$126,168,482 in enrollment growth funding.

## B. State Aid Adjustments

**30 Management Flexibility Reduction**

(\$22,750,000) R

Reduces funds in the State Aid budget, bringing the total management flexibility reduction for FY 2010-11 to \$36 million. The State Board of Community Colleges shall distribute the flexibility reduction, accounting for the unique needs of each college. Each college reduced shall have the flexibility to adjust its budget to implement this reduction, but shall not impact those activities directly involved in retraining displaced workers.

**31 Tuition Increase**

(\$37,147,110) R

Increases curriculum tuition from \$50 to \$58 for residents (\$8 increase) and from \$241.30 to \$250 for nonresidents (\$8.70 increase). Tuition for full-time resident students will increase by a maximum of \$256 per year, from \$1,600 to \$1,856.

**32 Overrealized Tuition Receipts**

(\$10,000,000) NR

Increases the amount budgeted for tuition receipts to more accurately reflect anticipated receipts. Given recent enrollment growth trends, it is anticipated that enrollment in FY 2010-11 will increase by more than the budgeted amount.

**33 One-time Increase in Federal Literacy Receipts**

Increases the amount budgeted for federal literacy receipts, due to a one-time increase, and takes a corresponding one-time reduction in State funding.

(\$4,500,000) NR

**34 Supplemental Multi-Campus Center Funds**

Reduces supplemental multi-campus center funds by 5.2%, leaving \$13,073,611 for supplemental multi-campus center funds. Community colleges will continue to receive FTE funding for enrollment at multi-campus sites.

(\$711,006) R

**35 Equipment and Technology**

Provides funds for the purchase of instructional equipment and technology at all 58 colleges. These funds are in addition to the \$43.3 million included in the base budget for this purpose. Funds shall be distributed in accordance with the existing equipment formula.

\$4,000,000 R

**36 Restore Small Business Center Funding**

Restores the reduction made to the Small Business Center allotment in 2009. This funding will be added to each colleges' base allocation. With this restoration, the total funding available for this program will be \$5,756,853.

\$402,861 R

**37 Minority Male Mentoring**

Provides funds to assist Minority Male Mentoring programs at community colleges. These programs provide such activities as academic and personal counseling, drug intervention, and personal growth and development. These funds will be distributed through a competitive application process.

\$900,000 R

**38 Restore Funding for Prisoner Education**

\$22,500,000 R

Restores substantial funding to the prisoner education program. In 2009, the prison education program underwent a continuation review. Using FY 2007-08 FTE estimates, \$32.9 million was eliminated from the program and \$32.9 million was appropriated in non-recurring funds for FY 2009-10. When FY 2008-09 numbers were finalized, it was estimated that \$35,949,015 was expended on prisoner FTE; therefore, \$3.0 million remains in the continuation budget for this program.

Funding is not restored to fund prison FTE in federal prisons, local jails, or programs not related to job skills or basic skills education. In FY 2008-09, a total of 587 FTE were served in these categories, resulting in a reduction of \$2,741,189.

To increase efficiency an additional \$7.7 million was reduced, for a total restoration of \$25.5 million. First priority for use of these funds shall be to restore the FTE for basic skills courses to the FY 2008-09 level. Funds not used for this purpose may be used for continuing education and curriculum courses related to job skills training.

**C. System Office Adjustments****39 Move Position to Receipt Support**

(\$60,747) R

Reduces appropriations by shifting one Education Consultant position entirely to proprietary school receipts. This position oversees the activities that generate these receipts.

-0.75

**40 Reduce State Board Reserve**

(\$160,000) R

Reduces funding for the State Board Reserve by 24% from \$660,000 to \$500,000.

**41 Reduce Advertising Budget**

(\$100,000) R

Reduces funds for advertising, due to unprecedented enrollment growth. The remaining \$100,000 shall be used to target advertising to underserved populations.

(\$100,000) NR

**42 Reduce System Office Operating Budget**

(\$158,764) R

Reduces the System Office operating budget with specific reductions to be identified by the System Office. Reductions should focus on travel, printing, postage, and registration fees.

**43 Eliminate Positions**

(\$575,022) R

Eliminates 7 positions in the Community College System Office.  
The duties of these positions shall be eliminated or absorbed by  
other System Office employees. The positions are:

-7.00

-Education Program Director #60088191 (Bionetwork) - \$94,250  
salary and \$22,045 benefits.

-Technology Support Analyst #60088065 (Information Technology) -  
\$54,724 salary and \$14,867 benefits.

-Information Technology Manager #60088013 (Information  
Technology) - \$98,976 salary and \$22,903 benefits.

-Education Program Director II #60088192 (Workforce Development  
and Continuing Education) - \$102,750 salary and \$23,588 benefits.

-Television Production Asst III #60088049 (Distance Learning) -  
\$35,497 salary and \$11,375 benefits.

-Business Officer -C #60088111 (Facilities and Administration) -  
\$34,283 salary and \$11,155 benefits.

-Office Assistant IV #60088142 (Student Services) - \$36,966  
salary and \$11,642 benefits.

**Budget Changes**

\$51,181,844 R

(\$14,600,000) NR

**Total Position Changes**

-7.75

**Revised Total Budget**

\$1,049,049,622



## UNC System

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$2,656,552,008

## Budget Changes

## A. Base Budget Adjustments

<b>44 Management Flexibility Reduction</b>	(\$139,264,862)	R
Mandates a management flexibility reduction for the UNC operating budget with a priority on non-teaching related budget cuts. This reduction is in addition to the \$100 million management flexibility reduction authorized for the FY 2010-11 base budget.		
<b>45 Vacancies Longer Than Two Years Abolished</b>	(\$2,500,000)	R
Abolishes 47 positions in the UNC system that have been vacant two years or longer.		
	-47.00	
<b>46 Repeal of Nonresident Athlete Tuition Waiver</b>	(\$9,432,978)	R
Repeals the reimbursement to UNC institutions for their loss of revenue due to their compliance with GS 116-143.6 that grants resident tuition to nonresident student athletes.		
<b>47 Faculty Recruiting and Retention Fund</b>	(\$1,500,000)	R
Reduces a portion of the \$1.7 million unexpended fund balance in this program. \$10 million has been appropriated to this fund since FY 2006-07.		
<b>48 HMCUC Funds Transfer</b>	(\$527,212)	R
Abolishes the Historically Minority Colleges and Universities Consortium Closing the Achievement Gap project and transfers the funding to the Department of Public Instruction.		
<b>49 UNC Advertising Reduced</b>	(\$5,000,000)	R
Reduces the General Fund advertising budgets of UNC campuses by 47%.The campuses spent \$10.6 million from the General Fund and \$13.2 million from institutional trust funds on advertising in FY 2008-09.		

**50 IT Reserve Eliminated**

(\$755,917) R

Eliminates the remaining balance of a \$10 million reserve appropriated in 1999 for Information Technology (IT). UNC General Administration used the reserve to provide grants to campuses for IT software and hardware.

**51 Distance Education Reserve Eliminated**

(\$651,483) R

Eliminates the remaining balance of a \$1.93 million reserve appropriated in 1996 for distance learning efforts. The expansion of distance learning is now funded by the enrollment growth model and by reserves for UNC Online and 2+2 efforts.

**52 UNC-TV Utilities Reduction**

(\$410,863) R

Reduces the \$1.8 million UNC-TV utilities budget due to savings from the station's conversion from analog to digital in June 2009.

**53 ECU MRI Account Reverted**

Reverts \$2 million from magnetic resonance imaging (MRI) lease and equipment fund [Budget Code 06067, Fund Code 0142] at East Carolina University Brody School of Medicine to the General Fund. Created in 1993, this fund has been inactive in recent years.

**54 Aid to UNC Hospitals Reduced**

(\$10,000,000) R

Reduces the \$44 million annual appropriation to UNC Hospitals due to the entity's \$501.1 million in unrestricted reserves.

(\$5,000,000) NR

**55 Professional Development Grants Eliminated**

(\$63,635) R

Eliminates grants to Salem College for summer professional development workshops for teachers and to Wake Forest University for their Master Teacher Fellows graduate program.

**56 Enrollment Growth**

\$5,636,814 R

Increases the UNC system enrollment growth funding in the FY 2010-11 base budget due to projected increase of 441 FTE over previous estimates. This funding is in addition to the \$53,432,226 for 4,485 FTE included in the FY 2010-11 base budget.

**57 Tuition Repeal**

\$34,776,301 R

Repeals the FY 2010-11 legislative tuition rates enacted in the 2009 legislative session and restores the associated appropriation reduction.

**58 Need-Based Financial Aid**

\$12,000,000 R

Increases UNC Need-Based Financial Aid to restore need-based aid that was nonrecurring in FY 2009-10.

**59 Building Reserves Restored**

\$12,220,902 R

Restores the building reserves cut in the 2009 Session. These reserves pay for the operating costs of 55 new or renovated buildings completed in FY 2009-11. The funds are for the housekeeping, maintenance, and security requirements for the added building square footage.

184.00

**60 UNC High School Funding Restored**

\$282,016 R

Restores base budget cuts made in FY 2009-10 to the two high school programs in the UNC system. The North Carolina School of Science and Math will receive \$80,851 for lab and educational supplies and the University of North Carolina School of the Arts will receive \$201,165 for cost of living increases in their residential high school.

**61 ECU Dental School Operations**

\$6,000,000 R

Continues the phase-in of funding for the additional faculty and operating needs of the new School of Dentistry at East Carolina University that will open with 50 students in the Fall of 2011. To date, \$5.5 million has been appropriated for the school's operating budget.

36.00

**62 Energy Production Infrastructure Center (EPIC)**

\$3,000,000 R

Completes the staffing and operational needs of the Energy Production Infrastructure Center (EPIC) opening at UNC-Charlotte in the Fall of 2011. These funds will enable the hiring of research faculty in electrical power, power system infrastructure, and power plant engineering. These funds are in addition to the \$2 million appropriated in 2009.

23.00

<b>63 NC A&amp;T/UNC-G Joint School of Nanoscience and Nanoengineering</b> Continues the phase-in of faculty and staff for the NC A&T/UNC-G Joint School of Nanoscience and Nanoengineering located at the Gateway University Research Park in Greensboro. The program will conduct research in areas such as drug design and delivery, nanobioengineering, and genetic screening. There has been \$3.9 million appropriated to date for the operating budget for this program.	\$1,000,000	R
<b>64 NC A&amp;T College of Engineering</b> Provides funds to North Carolina A&T State University's College of Engineering for 1) enhancement of the research infrastructure, 2) faculty retention, 3) recruitment of high quality students, and 4) additional support staff.	\$1,000,000	R
<b>65 CASTLE</b> Continues State support for the Center for the Acquisition of Spoken Language through Listening Enrichment (CASTLE) at UNC-Chapel Hill. The funds will be used to 1) train teachers and therapists to work with deaf preschool- age children with cochlear implants and 2) provide oral preschool classes to these children. The program has received nonrecurring appropriations annually since 2005.	\$575,000	R
<b>66 Veterinary Medicine Clinical Teaching and Research Fund</b> Continues state funding for the North Carolina State University College of Veterinary Medicine Clinical Teaching and Research Fund. This fund was created in 2007 to allow advanced diagnostic and treatment options for animals where a) owner financing of such options are limited, b) significant instructional value exists, or c) the diagnostic and treatment options have the potential of adding significantly to the core knowledge in the relevant clinical area.	\$200,000	R
<b>67 Aid to Private College Students</b> Increases funding to the Legislative Tuition Grant (\$2,713,176) and the State Contractual Scholarship Fund (\$1,838,588) for a 2.9% growth in enrollment in FY 2010-11.	\$4,551,764	R

**68 National Guard Tuition Assistance Program Transfer**

\$1,862,815 R

Transfers the National Guard Tuition Assistance Program from the Department of Crime Control and Public Safety (CCPS) to the North Carolina State Education Assistance Authority (SEAA). CCPS transfers \$1,514,288 from their budget to SEAA for the program. Another \$348,527 is transferred into the program from a cut in Tarheel Challenge funds. SEAA may use \$50,000 of the funds for program administration.

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<b>Budget Changes</b>	<b>(\$87,001,338)</b>	<b>R</b>
	<b>(\$5,000,000)</b>	<b>NR</b>
<b>Total Position Changes</b>	196.00	
<b>Revised Total Budget</b>	<b>\$2,564,550,670</b>	

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**HEALTH  
&  
HUMAN SERVICES  
Section G**





## Health and Human Services

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
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**\$4,321,028,842**
**Budget Changes****( 1.0) Division of Child Development****1 Equipment, Travel and Supplies**

(\$261,518) R

Reduces the funding within the operations budget. This reduction holds the Division to its FY 2009-10 spending level for operations.

**2 Vacant Positions**

(\$72,737) R

Eliminates two vacant positions within the Division of Child Development. The positions to be eliminated are Administrative Assistant I budgeted at \$31,564 and an Administrative Officer III budgeted at \$41,173. These positions have been vacant longer than six months.

-2.00

**3 Child Care Subsidy**

(\$23,625,329) NR

Replaces State funding for child care subsidy with Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund receipts for FY 2010-11.

**4 Electronic Payment System**

(\$6,000,000) R

Reduces funds available within the Division of Child Development in anticipation of saving money related to better management and tracking of child care subsidy expenditures. The new system will reduce expenditures associated with fraudulent and inaccurate payments.

**( 2.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services****5 Vacant Position**

(\$84,864) R

Reduces funding for a vacant position within the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services. This position is a Mental Health Program Administrator II and has been vacant for one year. This position is budgeted at \$84,864 and the work location is Raleigh.

-1.00

**6 Convert Whitaker School to a PRTF**

(\$1,938,465) R

Reduces State funds for the Whitaker School; the program will become a Psychiatric Residential Treatment Facility in which services are Medicaid reimbursable.

**7 Community Service Funds**

\$18,809,089 NR

Provides funding for community services administered through Local Management Entities. Funding is transferred from the Office of Early Learning within the Department of Public Instruction. This partially restores the \$40M NR reduction for FY 2010-11.

**( 3.0) Division of Central Management and Support****8 Key Program**

(\$561,000) NR

Reduces funding available for Key Program rental subsidies. The Key Program provides rental assistance for disabled persons in targeted Low-Income Housing Tax Credit (LIHTC) units. Approximately 187 rental units will not be completed during FY 2010-11, thereby reducing projected requirements for subsidies.

**9 Information Technology Services**

(\$937,161) R

Reduces recurring funding within the Division of Information Resource Management for ITS telecommunication data services (\$300,564), computer/data processing (\$286,597), and ITS managed local area network services (\$350,000). Transitioned CSE programs, effective July 1, 2010, will assume responsibility for ITS charges for telecommunications services. Remaining reductions reflect ITS rate reductions and decreased mainframe use as new applications come online.

**10 Over-Realized Receipts**

(\$1,362,201) R

Reduces funding with the Controller's Office. This reduction will be offset by budgeting additional receipts regularly received but not currently budgeted.

**11 CARE-LINE**

(\$257,004) R

Reduces the hours of operation for the Department of Health and Human Services CARE LINE to regular business hours, and transfers after-hour calls to the Martin County Call Center. Approximately 20% of calls are presently received after regular business hours.

-4.00

**12 Equipment, Travel and Supplies**

(\$263,581) R

Reduces funding for equipment, travel, and supplies within the Division of Central Management and Support. This reduction was also taken on a non-recurring basis during FY 2009-10 to meet the projected revenue shortfall.

**13 Pesticide Task Force**

(\$39,430) R

Eliminates funding for the Pesticide Task Force activities. These activities are paid for through the federal NC Farmworker health grant.

**14 Community Care of NC Grants**

(\$183,833) R

Eliminates State appropriation for demonstration grants for obesity prevention, stroke prevention, and emergency room diversion that test alternative methods to managing the utilization of health care services.

**15 Rural Health Loan Repayment Program**

(\$190,749) R

Reduces funding for the Rural Health Loan Repayment Program. This reduction amount represents three contracts for health providers.

**16 Rural Hospitals Operation and Maintenance**

\$1,600,000 NR

Provides funding for small rural hospitals for assistance with operations and infrastructure maintenance.

**17 ALS Association**

\$300,000 NR

Provides a non-recurring grant-in-aid to the Jim "Catfish" Hunter Chapter of the ALS Association for services provided in North Carolina.

**( 4.0) Division of Public Health****18 Minority Health Interpreter Services**

(\$11,000) R

Reduces state appropriations for local health department service contracts that meet the language needs of clients.

<b>19 Community Focused Eliminating Health Disparities Contracts</b>	(\$85,895)	<b>R</b>
Reduce State appropriations for state and local health department contracts by less than 3 percent.		
<b>20 Division of Public Health Contracts</b>	(\$400,601)	<b>R</b>
Reduces State appropriations remaining in two contracts that have been eliminated: Perinatal Outreach and Family Health Resource Line.		
<b>21 Accreditation of Local Health Programs</b>	(\$325,000)	<b>NR</b>
Allows the Division of Public Health to complete the evaluation and accreditation of Local Health Departments (LHDs). Centers for Communicable Disease and Prevention is scheduled to launch a nationwide effort to accredit local health departments to national standards in 2011.		
<b>22 Medicaid Funding for WIC Metabolic Foods</b>	(\$283,477)	<b>R</b>
Replace State appropriations with Medicaid funding for Medicaid-eligible children requiring a diet of metabolic foods.		
<b>23 Operations Reduction</b>	(\$443,530)	<b>R</b>
Reduces State appropriations for equipment, travel, and supplies at Division offices.		
<b>24 Immunization Changes</b>	(\$15,894,853)	<b>R</b>
Eliminates State appropriation for the purchase of vaccine for which health care providers and local health departments should be billing health insurers for reimbursement. North Carolina health insurers reimburse for the full series of standard immunizations recommended by Centers for Disease Control and Prevention (CDC) and the American Academy of Family Physicians, as well as those required by the North Carolina Immunization Program.		
<b>25 Children's Development Services Agency</b>	(\$2,600,000)	<b>R</b>
Offsets General funds with over-realized receipts from Medicaid. This program has been increasing its third party collections.		

**26 Improve Birth Outcomes and Reduce Infant Mortality**

Provides funding to educate women on the benefits of 17-p Progesterone, to purchase medication for eligible women at risk of pre-term births, and for continued development and implementation of safe sleep public awareness campaign.

\$247,000 NR

**27 AIDS Drug Assistance Program**

Provides State funds to continue to serve people in the AIDS Drug Assistance program who are enrolled as of July 1, 2010. These funds will allow eligible individuals with annual incomes of up to 125% FPL, who are on the waiting list as of July 1, 2010 to be enrolled. To the degree that funds are available, additional people will be enrolled in the program. Funding is transferred from the Office of Early Learning within the Department of Public Instruction.

\$14,177,632 NR

**( 5.0) NC Health Choice****28 Optical Supplies**

Directs the Health Choice Program to contract with Department of Correction for optical supplies.

(\$114,550) R

**29 Health Choice**

Provides additional State appropriations for Health Choice.

\$3,250,000 R

**( 6.0) Division of Medical Assistance****30 CCNC Savings**

Provides savings in overall Medicaid expenditures through the expanded efforts of the Community Care Network of North Carolina (CCNC). DHHS contracts with CCNC to manage utilization of Medicaid services. Savings will be generated by expanding CCNC's care management programs in hospital discharge, mental health; palliative care, and pharmacy. The improved Informatics system will enhance data integration, analytics, and reporting, increasing performance and cost savings.

(\$26,000,000) R

**31 Maternal Outreach Workers (MOW)**

(\$292,974) R

Transitions pregnant women receiving services through Local Health Departments from Maternal Outreach Workers (MOW) to services provided by Maternal Care Coordinators (MCC) and Children Services Coordinators (CSC). MCC and CSC personnel are required to have a Bachelor's Degree.

**32 Pharmacy Program Improvements**

(\$5,566,096) R

Generates savings by implementing various pharmacy program improvements, including collecting drug rebates on certain prescription drug claims (\$3.6 million); stopping reimbursement for lost prescriptions (\$252,000); requiring prior approval on brand drugs when 'medically necessary' is written on the prescription (\$938,700); creating a specialty drug network for dispensers of certain high cost drugs (\$316,040); requiring prior approval on all requests for the drug Synagis (\$376,253); and eliminating the ineffective FORM pharmacy program (\$83,103).

**33 Prescription Vitamins**

(\$777,138) R

Eliminates Medicaid coverage of prescriptions for vitamins and minerals that are available over-the counter, while continuing to reimburse for multi-vitamin prescriptions for pregnant women.

**34 Narcotic Prescriptions**

(\$603,000) R

Reduces General Fund appropriations for Medicaid pharmacy by locking Medicaid enrollees with a narcotic prescription (e.g. Vicodin, Benzodiazepine) into a single pharmacy and single doctor to prevent pharmacy and doctor shopping and narcotics abuse.

**35 Mental Health Drug Savings**

(\$10,000,000) R

Generates savings by adding mental health drugs to the Preferred Drug List (PDL), which were previously not part of the PDL savings, and also requires prior authorization but only for off-label prescribing of mental health drugs.

**36 Capitated Behavior Health Pilot Programs**

(\$1,560,600) R

Expands the capitated behavioral health pilot program to two additional local management entities (LMEs), effective January 1, 2011. Effort is based on the Piedmont Behavioral Health pilot.

<b>37 Prior Authorization for Children's Outpatient Mental Health Services</b>	(\$933,547)	R
Establishes Prior Authorization for Children's Outpatient Mental Health Services at 16 visits versus the current 26 visits.		
<b>38 Enhanced Mental Health Changes</b>	(\$41,000,000)	R
The Department shall manage enhanced services through rate and utilization management to secure a savings of forty-one million dollars (\$41,000,000).		
<b>39 Independent Assessments on Mental Health Services</b>	(\$5,000,000)	R
Implements independent assessments on various mental health services in the Medicaid program. Prior to the service being delivered, an independent assessment will be conducted to ensure the proper utilization of services.		
<b>40 In-Home Personal Care Services</b>	(\$34,519,278)	R
Reduces General Fund appropriations to reflect the continued use of independent assessments for In-Home Personal Care services.		
<b>41 Dental Program Improvements</b>	(\$16,982)	R
Generates savings by implementing policy improvements in the dental program for children, including implementing limits on imaging for children under the age of 6 years of age; limiting three film radiographs to children aged 13 and older; and limiting the reimbursement for primary teeth composites.		
<b>42 Health Insurance Premium Payment Program (HIPP)</b>	(\$3,000,000)	R
Expands the HIPP Program, in which Medicaid pays for employer-based health insurance costs on behalf of Medicaid-eligible individuals when it is less expensive than Medicaid coverage.		
<b>43 Reimbursement of 'Never Events'</b>	(\$5,000,000)	R
Eliminates Medicaid reimbursement of 'never events' in hospital inpatient settings. 'Never events' are certain types of medical issues that develop or are acquired while a person is in a hospital, but should have been prevented. The policy change brings Medicaid in line with Medicare reimbursement.		

**44 Coverage of Certain Types of Surgery**

(\$125,148) R

Eliminates coverage of certain types of surgery, including breast reduction and mastopexy (breast lift) surgery (\$23,420); panniculectomy surgery (\$12,328); and surgery for severe obesity (\$89,400).

**45 Medical Assistance Co-Payments**

(\$4,530,404) R

Increases current copayment amounts to a maximum of \$3.40, and expands collection of copayments to local health departments and outpatient behavioral health services. In addition, implements a \$6.80 copayment for nonemergency hospital emergency room (ER) visits.

**46 Program Integrity Savings**

(\$36,188,013) R

Generates savings through new Program Integrity initiatives, including Medicaid SWAT teams for on-site investigations, strengthening Medicaid fraud laws, innovative technology to detect fraud and abuse, and prepayment reviews for questionable providers.

**47 Attorney General's Office (AGO) Medicaid Investigative Unit Staff Savings**

(\$1,000,000) R

Generates savings by doubling the Medicaid Investigative Unit staff at the AGO to expand the prosecution of Medicaid fraud and abuse. Additional staff will ensure increased prosecution and additional Medicaid funds recovered from fraudulent providers.

**48 Contract Reductions**

(\$180,250) R

Reduces payment for duplicative or unnecessary administrative functions performed under the Medicaid contract with HP, including eliminating the processing of duplicative claims and processing prior approval (PA) on claims that do not require PA.

**49 ARRA Federal Enhanced Matching Funds Extension**

(\$489,830,066) NR

Reduces General Fund appropriations anticipating that Congress will pass a law extending by six months the enhanced federal matching funds provided under the American Recovery and Reinvestment Act (ARRA) through June 2011.



**50 ARRA Medicare Part D Clawback Savings**

Reduces General Fund appropriations based on savings from enhanced federal matching funds provided by the American Recovery and Reinvestment Act (ARRA). The enhanced federal funds offset State funding for Medicaid paid to cover a portion of prescription drug costs paid by Medicare Part D for dually-eligible (Medicaid/Medicare) individuals. Savings also anticipate that Congress will pass legislation extending the enhanced rate for six months, through June 2011.

(\$79,419,834) NR

**51 Medicaid Rebase**

Increases General Fund appropriations to the FY 2010-11 Medicaid budget to account for 5.6% growth in eligibles above current levels (\$5,054,765); consumption (\$121,867,913); inflation for cost-settled providers (\$5,568,149); new services and mix of services (\$16,094,752); anticipated cost of flu (\$7,985,000); reductions not achieved in the previous fiscal year (\$225,537,633); and increased appropriations due to the change in the Federal Medical Assistance Percentage (FMAP) (\$48,456,502).

\$430,564,713 R

**( 7.0) Division of Health Service Regulation****52 Medicaid Funding for Home Care Licensure and Certification**

Generates savings by collecting federal Medicaid receipts to support licensure and certification activities for home care agencies. Since home care agencies are Medicaid providers, this will allow DHSR to collect federal Medicaid receipts.

(\$104,739) R

**53 Home Base Licensure and Certification Staff/Lexington Office**

Closes Lexington office and home-bases licensure and certification staff, eliminating operating costs and two administrative positions.

 (\$92,038) R  
 \$22,797 NR  
 -2.00
**54 Nursing Home Licensure and Certification Funds**

Replaces General Fund appropriations with federal receipts in the Nursing Home Licensure and Certification Section on a nonrecurring basis. The receipts come from civil monetary penalties assessed against nursing homes.

(\$1,741,551) NR

**( 8.0) Division of Social Services**

<b>55 Equipment, Travel, and Supplies</b>	(\$120,000)	<b>R</b>
Reduces funding for equipment, travel, and supplies within the Division of Social Services.		
<b>56 Adult Care Home Case Management</b>	(\$150,000)	<b>R</b>
Reduces over-budgeted funds for adult care home case management services, per historical reversions.		
<b>57 Economic Services Contract</b>	(\$192,166)	<b>R</b>
Eliminates funding for contracted installation and support for Supplemental Nutrition Assistance Program (SNAP) Electronic Benefit Transfer (EBT) infrastructure at Farmers Markets. Federal funds are available to support this initiative, and there has been limited vendor activity to date.		
<b>58 Child Support Enforcement Consolidation</b>	(\$1,282,777)	<b>R</b>
Streamlines functions within the Child Support Section and reduces operating funds to coincide with the elimination of sixteen State-operated Child Support Enforcement offices. Effective July 1, 2010, S.L. 2009-451 transitions financial and administrative responsibilities for local child support enforcement to twenty-eight counties presently served by the State offices. Under this proposal, approximately twenty filled and thirteen vacant positions within the central Child Support Section are eliminated.		
	-33.00	
<b>59 NC REACH Post-Secondary Scholarship Program</b>	(\$160,507)	<b>R</b>
Reduces funding for NC REACH scholarships per projected growth in awards during FY 2010-11. This non-recurring reduction leaves \$1,584,125 available to support scholarships in FY 2010-11. In addition, funding for contractual case management services is reduced commensurate with actual FY 2009-10 obligations.		
	(\$1,584,125)	<b>NR</b>

**60 Child Welfare Contracts**

(\$1,238,821) R

Eliminates funding for 1) Multiple Response (\$229,086) and Adoption Programs (\$459,156); 2) Grants-in-Aid (\$413,044) for child placement services; and 3) Methamphetamine Training (\$137,535). This reduction eliminates funding for non-mandated services, conferences, and trainings. Additionally, because placement agencies receive standardized rates for children in foster care (standardization effective January 2009), supplementary grants-in-aid are no longer necessary. Lastly, prior Methamphetamine training and support to all county DSS' have led to the creation of community protocols, reducing the need for ongoing training.

**61 Electing Counties' Work First State Funds**

(\$2,378,213) R

Replaces funding for Electing Counties' Work First programs with Temporary Assistance for Needy Families (TANF) funds. This reduction does not reduce budgeted funds for Electing Counties' Work First County Block Grants or Work First Family Assistance.

**62 State-County Special Assistance**

(\$3,388,044) R

Reduces funding in accordance with projected FY 2010-11 assistance levels. Counties' requirements are likewise reduced, due to equal financial participation for State-County Special Assistance. Projected savings are the result of the Special Assistance rate reduction that took effect October 1, 2009.

**63 FMAP Extension - Foster Care & Adoption Assistance**

(\$1,421,552) NR

Reduces funding for foster care and adoption assistance payments per extension of the ARRA enhanced federal financial participation (FMAP) rate - base 6.2 percentage point increase from January 2011 through June 2011.

**64 Over-Realized Receipts**

(\$450,000) NR

Budgets prior year earned revenue on a non-recurring basis to offset an equivalent reduction in General Fund appropriations.

**65 Child Welfare Education Collaborative**

\$239,453 NR

Continues support of the Child Welfare Education Collaborative educational assistance program for social work students who commit to working in child protective services in county departments of social services.

**66 Food Banks**

Provides a non-recurring grant-in-aid to be equally distributed to the six regional food banks within North Carolina.

\$1,000,000 NR

**( 9.0) Office of Education Services****67 Position Eliminations**

Eliminates positions within the Office of Education Services.

(\$2,127,065) R

-50.00

**68 Food Service Staffing**

Eliminates ten filled food service staff positions within the residential schools for the blind and deaf. The Department of Public Instruction's Child Nutrition Section, using USDA standards, audited the three residential schools' food service operations and determined that food service operations were over-staffed. Under USDA standards, meals per labor hour should average between 15 and 20. Present ratios at the residential schools are approximately 1.7 meals per labor hour.

(\$282,991) R

-10.00

**69 Temporary Staffing**

Reduces funding for temporary wages within the Office of Education Services.

(\$58,500) R

**70 Beginnings, Inc. Contract**

Reduces funding for training of early intervention and public school professionals. This is a 4.8% reduction in total funding for contractual services provided by Beginnings, Inc, leaving \$919,730 in recurring funding.

(\$46,459) R

**71 Residential School Administrative Staffing**(\$370,524) **R**

Merges responsibilities of the residential school directors and school principals at the residential schools for the deaf and blind, and reduces the number of assistant principals to one per school.

-4.00

Eliminates one vacant and one filled position within the North Carolina School for the Deaf:

School Principal, #60039101 - \$101,516

School Assistant Principal, #60039080 - \$88,804

Eliminates one filled position within the Eastern North Carolina School for the Deaf:

School Principal, #60039225 - \$108,565

Eliminates one vacant position within the Governor Morehead School for the Blind:

School Administrator, #60039380 - \$71,639

**(11.0) Divisions of Services for the Blind and Services for the Deaf and Hard of Hearing****72 Special Assistance for the Blind Consolidation**(\$287,807) **R**

Merges the Special Assistance for the Blind sub-program presently administered by the Division of Services for the Blind with the State-County Special Assistance program within the Division of Aging and Adult Services.

-1.00

**73 Over-Realized Receipts**(\$176,256) **R**

Budgets receipts within the Division of Services for the Blind as follows: 1) Social Security Administration receipts (\$150,428) per successful vocational rehabilitation client employment outcomes on a non-recurring basis; and 2) Other vending receipts (\$155,829) for independent living services.

(\$150,428) **NR**

In addition, \$20,417 in Telecommunications Relay Trust Fund receipts are budgeted within the Division of Services for the Deaf and Hard of Hearing for general administration. These additional receipts were identified during FY 2009-10 through updates to DHHS cost allocation plans.

These cumulative receipts offset equivalent reductions in General Fund appropriations.

**74 Position Eliminations**(\$93,421) **R**

Eliminates positions within the Divisions of Services for the Blind, Deaf and Hard of Hearing.

-2.00

**(12.0) Division of Vocational Rehabilitation****75 Position Eliminations**

(\$516,798) R

Eliminates positions within the Division of Vocational Rehabilitation Services.

-8.00

**76 Aid & Public Assistance - Vocational Rehabilitation Basic Support**

(\$1,288,915) NR

Reduces funding for vocational rehabilitation (VR) services. This reduction reflects projected match requirements for the VR Basic Support Grant, and leaves \$24,254,076 in appropriations for case services. DHHS implemented a non-recurring reduction of \$5,513,648 during FY 2009-10 to manage the projected revenue shortfall. DVRS will budget federal funds matched in prior years to partially offset this non-recurring reduction in FY 2010-11 appropriations.

**Budget Changes**

\$213,028,708 R

(\$564,001,829) NR

**Total Position Changes**

-117.00

**Revised Total Budget**

\$3,970,055,721

**NATURAL  
&  
ECONOMIC  
RESOURCES  
Section H**





## Agriculture and Consumer Services

GENERAL FUND

FY 10-11

\$60,559,608

## Total Budget Approved 2009 Session

## Budget Changes

## Department-wide

<b>1 Vacant Positions</b>	(\$440,218)	R
Eliminates 9.0 vacant positions across the Department.		
Eliminated positions include:		
	-9.00	
#60012677 Research Technician		
#60011868 Technology Support Analyst		
#60011886 Processing Assistant III		
#60011902 Processing Assistant III		
#60011965 Food Inspector		
#65006175 Quality Assurance Manager		
#60012160 Vet Lab Assistant I		
#60012115 Livestock Compliance Officer		
#60095971 Processing Assistant III		
<b>2 IT Budget Reductions</b>	(\$84,036)	R
Reduces the Department's non-salary IT budget by 3%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.		
<b>3 Travel Budget Reductions</b>	(\$70,995)	R
Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.		
<b>4 Equipment Budget Reductions</b>	(\$447,039)	R
Reduces the equipment budget in the Department by \$447,039. This represents approximately a 9.0% reduction to the Department's equipment budget.		

**Ag Statistics****5 Operating Expense Reduction**

(\$55,000) R

Reduces the operating budget within the Ag Statistics Division by approximately 16%.

**Emergency Programs****6 Contracts Funds**

(\$15,000) R

Reduces funds for contracts within the Emergency Programs Division by \$15,000, approximately 12% of total funds for miscellaneous contractual services.

**Food and Drug Protection****7 NC Egg Law Program**

(\$151,481) R

Reduces the Egg Law Program by eliminating 3.0 positions and associated operating. One position will remain and will focus on investigations and consumer complaints. Other inspectors within the Food and Drug Protection Division will assume Egg Law inspection duties where possible. The eliminated positions include:

#60011637 Egg Law Inspector  
 #60011638 Egg Law Inspector  
 #60011639 Egg Law Inspector

-3.00

**8 Spay/ Neuter Funds**

(\$250,000) R

Requires the Animal Feed & Pet Food Branch within the Food & Drug Protection Division to budget over realized receipts contingent upon the enactment of any bill or provision that transfers the Spay/ Neuter program from the Department of Health and Human Services to the Department of Agriculture and Consumer Services. The Branch has over realized receipts by at least \$250,000 each year since FY 2006-07.

**9 Spay/ Neuter Funds**

\$250,000 R

Directs the Division to use the over-realized receipts required to be budgeted in the Animal Feed and Pet Food Branch for the Spay/ Neuter program contingent upon the enactment of any bill or provision that transfers the Spay/ Neuter program from the Department of Health and Human Services to the Department of Agriculture and Consumer Services.

**Food Distribution**

- 10 Fuel Budget to Federal Receipts** (\$50,000) R  
Fund shifts a portion of the diesel fuel budget within the Food Distribution division to Federal receipts. Federal receipts fund approximately 45% of the Division's operations.

**General Administration**

- 11 Agricultural Development and Farmland Preservation Trust Fund** \$2,000,000 R  
Provides \$2 million nonrecurring for the Agricultural Development and Farmland Preservation Trust Fund.
- 12 FFA Foundation, Inc** (\$2,376) R  
Reduces the recurring pass-through appropriation for the FFA Foundation, Inc by 5%, leaving \$45,144 recurring.

**Markets**

- 13 Farmers Markets** (\$90,000) R  
Reduces operating funds for the Farmers Markets operated by the Department.
- 14 International Trade** \$200,000 NR  
Provides funds to support international trade initiatives.
- 15 Got to Be NC** \$300,000 NR  
Provides \$300,000 nonrecurring for Got to Be NC marketing. This program promotes North Carolina's farmers by helping to develop markets for North Carolina produce and products in grocery stores, restaurants, farmers markets, and other establishments.

**Public Affairs**

- 16 Operating Budget** (\$25,000) R  
Reduces General Fund support for the Public Affairs Division by approximately 6%.

**17 Ag in the Classroom**

(\$1,188) R

Reduces the recurring pass-through appropriation for Ag in the Classroom by 5%, leaving \$22,572 recurring.

**Structural Pest and Pesticides****18 Pesticide Section**

(\$226,324) R

Reduces General Fund support for the Pesticide Section by requiring the Section to budget over realized receipts. This change requires that positions be transferred to receipt support.

-5.00

**Veterinary Services****19 Online Reporting of Lab Results**

(\$15,000) R

Directs the Veterinary Services Division to increase the use of online reporting of vet lab results. The Division shall default to online reporting of vet results but will provide printed results upon request.

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**Budget Changes**

\$326,343 R

\$500,000 NR

**Total Position Changes**

-17.00

**Revised Total Budget****\$61,385,951**

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## Labor

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$17,400,863

## Budget Changes

## Department-wide

**20 Salary Reserve** (\$280,280) R

Reduces salary reserve across the Department by \$280,280. Salary Reserve is the difference between the budgeted amount for a position and the actual salary paid.

**21 Travel Budget Reductions** (\$32,778) R

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

**22 Operating Expense Reduction** (\$38,295) R

Reduces the operating budget across the Department by \$38,295.

**23 Vacant Positions** (\$157,234) R

Eliminates 3.5 vacant positions in the Department. Positions include:

-3.50

#60012895 Accounting Clerk IV  
#60013222 Processing Assistant IV  
#60013055 Admin Services Assistant  
#60012877 Physical Facilities Manager

## Commissioner's Office

**24 Administrative Position to Fee Support** (\$52,784) R

Fund shifts an administrative position within the Commissioner's Office to fees generated by the Elevator and Amusement Device and Boiler Inspection Bureaus.

-1.00

**Occupational Safety & Health****25 Operating Expenses to Federal Receipts**

(\$341,184) R

Replaces General Fund appropriations for the Occupational Safety & Health Division with federal receipts. In FY 2008-09, federal receipts accounted for approximately 35.5% of the budget for Occupational Safety & Health.

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<b>Budget Changes</b>	<b>(\$902,555)</b>	<b>R</b>
<b>Total Position Changes</b>	<b>-4.50</b>	
<b>Revised Total Budget</b>	<b>\$16,498,308</b>	

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## Environment &amp; Natural Resources

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$190,399,356

## Budget Changes

## (1.0) Department-wide

**26 IT Budget Reductions** (\$523,047) R

Reduces the Department's non-salary IT budget based on the average difference between budgeted and actual expenditures for the past four fiscal years.

**27 Travel Budget Reductions** (\$120,432) R

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

**28 Division of Environmental Assistance and Outreach** (\$230,000) R

Consolidates the Division of Pollution Prevention and Environmental Assistance, the Customer Service Center, and the Small Business Ombudsman into one Division, the Division of Environmental Assistance and Outreach. This consolidation eliminates 4.0 positions:

#60035073 Environmental Program Supervisor II  
#60035069 Administrative Secretary II  
#60035079 Info & Comm Spec II  
#60035068 Accounting Tech

-4.00

**29 Special Fund Closures**

Directs the Department to transfer the operating budgets, positions, and remaining cash balances from the Bladen Lakes special fund (24300-2221) to the Division of Forest Resources (14300-1210) and the Lab Certification Fees fund (24300-2335) into the Division of Water Quality (14300-1695).

**(3.0) Coastal Management****30 Position to Receipt Support**

(\$48,788) R

Fund shifts 0.5 of a district manager position to express permit receipts.

-0.50

**(3.0) Environmental Assistance and Outreach****31 Sustainable Communities Task Force**

Contingent on the enactment of HB 1701, the Department shall transfer the vacant District Planner position (#60031547) in the Division of Coastal Management to the Sustainable Communities Task Force. This position shall be filled in a timely manner in order to provide support for the operations and activities of the Task Force.

**32 Positions to Receipts**

(\$250,000) R

Fund shifts 3.37 positions to the Solid Waste Management Trust Fund.

-3.37

**(3.0) Environmental Health****33 Bedding Program**

(\$17,008) R

Fund shifts a portion of rent for the Division to receipts collected from bedding inspections.

**34 Childhood Lead Poisoning Prevention Program**

(\$141,730) R

This reduction eliminates 1.0 vacant position (\$71,562, #60034294) and funding for reimbursements to counties (\$70,168).

-1.00

**35 Food and Lodging Program**

(\$200,000) R

Reduces aid to counties for food and lodging programs by 33%. Each county's share will be reduced from \$6,000 to \$4,000.

**36 Shellfish Sanitation**

(\$124,635) R

Eliminates 1.0 vacant shellfish sanitation position (#60034496) for a savings of \$77,713; this position has been vacant since February 10, 2010. In addition, fund shifts 1/2 of 2.0 shellfish sanitation positions (#60034517 and #60034516) to receipt support for a savings of \$43,990. Reduces operating budget for scientific supplies by \$2,932.

-2.00



<b>37 Water Supply Section</b>	(\$55,540)	<b>R</b>
Eliminates 1.0 vacant Business Officer position (#60034259) in the Water Supply Section. This position has been vacant since July 10, 2009.	-1.00	
<b>(3.0) Land Resources</b>		
<b>38 Position to Receipt-Support</b>	(\$44,431)	<b>R</b>
Fund shifts 1.083 Environmental Technician positions to receipts.	-1.08	
<b>39 Sediment and Erosion Control</b>	(\$101,357)	<b>R</b>
Eliminates aid to local governments for the establishment of sediment and erosion control programs.		
<b>40 Workshops and Educational Materials</b>	(\$66,700)	<b>R</b>
Reduces funding for workshops and educational outreach materials related to erosion and sedimentation control. After this reduction, \$100,000 will remain for these purposes.		
<b>41 State Boundary Program Contractors</b>	(\$24,708)	<b>R</b>
Eliminates funds used to hire contractors to perform state boundary surveys in support of the State Boundary Commission.		
<b>42 Natural Gas and Petroleum Potential</b>	\$138,165	<b>R</b>
Provides funding for 1.0 new position and associated operating expenses to work on the characterization of natural gas and petroleum potential in the Mesozoic Deep River basin in North Carolina.	1.00	
<b>43 Dam Safety Inspections</b>	\$165,000	<b>R</b>
Provides funding for an Environmental Engineer position to manage and conduct dam safety inspections, including those at coal ash ponds.	1.00	

**(3.0) Waste Management****44 Positions & Operating to Receipts**

(\$165,405) R

Fund shifts 1.1 positions and associated operating costs to EPA grant funding and 1.0 position and associated operating costs to hazardous waste receipts.

-2.10

**(3.0) Water Quality****45 Positions to Federal Support**

(\$442,875) R

Shifts 8.0 General Fund Water Quality positions to federal grant support.

-8.00

**46 Neuse River Rapid Response Team**

(\$113,498) R

Eliminates funding for one filled and one vacant position associated with the Neuse River Rapid Response Team. The eliminated positions are

-2.00

#60035508 Environmental Senior Technician

#60035507 Environmental Supervisor

**47 Water Quality Monitoring on Ferry Vessels**

\$250,000 NR

Provides funds for the FerryMon Program, which evaluates water quality in the Pamlico Sound and its tributary rivers using equipment attached to ferry vessels.

**(3.0) Water Resources****48 River Basin Commissions**

(\$35,000) R

Reduces funding for the river basin commissions. \$5,000 will remain to support the work of these commissions.

**49 Vacant Position and Operating Budget**

(\$252,134) R

Eliminates 1.0 vacant Environmental Supervisor III position (\$104,750) and reduces the Division's operating budget for streamflow gages (\$73,692) and well drilling and repair (\$73,692).

-1.00

**(4.0) Aquariums****50 Operating Budget**

(\$2,500,000) R

Reduces General Fund appropriation by \$2.5 million. This reduction returns the Aquariums to approximately the same appropriation received in FY 2006-07.

**(4.0) Forest Resources****51 Aircraft Operations**

(\$219,000) R

Reduces personnel and operating expenses for aircraft operations. This reduction eliminates 2.0 pilot positions and 1.0 mechanic position. The sale of 10 eliminated aircraft is expected to result in over \$1 million in one time revenue.

(\$1,000,000) NR  
-3.00

**52 Aircraft Hangars**

(\$13,060) R

Directs the Division to consolidate the location of aircraft and terminate the leases of two unnecessary hangars.

**53 Liability Insurance**

(\$14,900) R

Reduces funding for liability insurance in the Division of Forest Resources by 4.6%, leaving over \$280,000 for this purpose.

**54 Principal Payments for Equipment**

(\$1,000,000) R

Reduces funding for principal payments for new equipment. On average over the last four fiscal years, over one million dollars in funds have not been expended from this line item.

**55 Rendezvous Educational State Forests**

(\$156,568) R

Closes the Rendezvous Educational State Forest in Wilkes County and eliminates two associated ranger positions.

-2.00

**56 Young Offenders Forest Conservation Program (BRIDGE)**

\$991,648 R

Restores 95% of the funding for the BRIDGE program, which was subject to Continuation Review in FY 2009-10.

10.00

**(4.0) Marine Fisheries**

<b>57 Helicopter Operations</b>	(\$25,218)	<b>R</b>
Eliminates the Division's 3 helicopters and associated operating expenses in accordance with the recommendations from the Program Evaluation Division's Study of State Aircraft. The aircraft will be sold, generating one time revenue of \$35,000.	(\$35,000)	<b>NR</b>
<b>58 Communication Equipment</b>	(\$32,322)	<b>R</b>
Reduces funding for communication equipment in the Division of Marine Fisheries by approximately 29.5%, or \$32,322.		
<b>59 Positions to Receipt Support</b>	(\$132,836)	<b>R</b>
Fund shifts 3.0 positions to receipt support (#60032528 - Public Information Asst IV, #60032665 - Info & Communication Spec I, and #60032536 - Info & Communication Spec).	-3.00	
<b>60 Fisheries Resource Grant Program</b>	(\$300,000)	<b>R</b>
Adjusts funding for the Fisheries Resource Grant Program run through Sea Grant. \$300,000 of the \$600,000 recurring appropriation for this program will be used to establish the At-Sea Observer program to monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions. The remaining \$300,000 that is annually appropriated to this program is eliminated for one year.	(\$300,000)	<b>NR</b>
<b>61 At-Sea Observer Program</b>	\$300,000	<b>R</b>
Uses the \$300,000 from the Fisheries Resource grant program to establish the At-Sea Observer program. This program is necessary to meet federal requirements to monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions.	3.00	
<b>62 Oyster Sanctuary Program</b>		
Reduces funding for the Oyster Sanctuary program by \$700,000 for one year.	(\$700,000)	<b>NR</b>

**(4.0) Museum of Natural Sciences****63 Academic Services** (\$67,851) R

Reduces funding for Academic Services within the Public Programs and Exhibits Sections of the Museum of Natural Sciences. The academic services line item is used to purchase services from independent contractors and/or external organizations for contracted professional and consultative personal services.

**64 Operating Budget** (\$280,688) R

Reduces various operating expenses within the Museum of Natural Sciences by approximately 14%.

**65 Temporary Wages** (\$45,000) R

Reduces funds for temporary wages within the Museum of Natural Sciences by approximately 10%, leaving approximately \$450,000 for this purpose.

**(4.0) Natural Resource Planning and Conservation****66 Conservation Information and Incentives Program** (\$312,213) R

Replaces General Fund support for the Conservation Information and Incentives program with receipts from the Natural Heritage Trust Fund. This change shifts 5.48 positions to receipts.

-5.48

**(4.0) Soil and Water Conservation****67 Conservation Reserve Enhancement Program** (\$289,640) R

Reduces funding for the Conservation Reserve Enhancement Program (CREP) by 50%, leaving \$289,640 for this program.

**68 Community Conservation Assistance Program** (\$6,903) R

Reduces funding for the Community Conservation Assistance Program (CCAP) by approximately 5%, leaving \$131,155 for this program.

**(4.0) Zoological Park****69 Vehicle Replacement Funds** (\$500,000) NR

Reduces funding for the replacement of vehicles and trams for one year.

**70 Tort Claims**

(\$40,000) R

Reduces funds available for tort claims by 80%, leaving \$10,000 for this purpose.

**(5.0) Reserves and Transfers****71 Partnership for the Sounds**

(\$25,345) R

Reduces the recurring pass-through appropriation for the Partnership for the Sounds by 5%, leaving \$481,560 in funding.

**72 Clean Water State Revolving Fund**

\$6,398,128 NR

Provides funding to meet the 20% State match requirement for drawing down the maximum available federal funds for the Clean Water (Wastewater Treatment Plant) State Revolving Fund. In addition to the amount appropriated, \$935,271 in interest earned on the Clean Water State Revolving Fund will be used to reach the full match amount of \$7,333,399.

**73 Drinking Water State Revolving Fund**

\$6,201,872 NR

Provides fund to meet the 20% State match requirement for drawing down the maximum available federal funds for the Drinking Water State Revolving Fund.

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<b>Budget Changes</b>	<b>(\$6,824,019)</b>	<b>R</b>
	<b>\$10,315,000</b>	<b>NR</b>
<b>Total Position Changes</b>	<b>-24.53</b>	
<b>Revised Total Budget</b>	<b>\$193,890,337</b>	

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## DENR-Clean Water Management Trust Fund

GENERAL FUND
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Total Budget Approved 2009 Session

FY 10-11
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\$50,000,000

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### Budget Changes

#### Clean Water Management Trust Fund

##### 74 No Change

Receives appropriation per S.L. 2009-451.

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### Budget Changes

Total Position Changes

Revised Total Budget

\$50,000,000

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## Commerce

GENERAL FUND

FY 10-11  
\$40,915,209

## Total Budget Approved 2009 Session

## Budget Changes

## Department-wide

**75 Vacant Positions** (\$220,649) R

Eliminates 4.0 vacant positions in the Department: 1.0 position in Policy, Research, and Planning; 2.0 positions in Business and Industry; and 1.0 position in the Secretary's Office. The positions are:

-4.00

#60077154 Administrative Assistant  
#60080971 Administrative Assistant  
#60080963 Program Assistant IV  
#60081030 Economist

**76 IT Budget Reduction** (\$755,242) R

Reduces the Department of Commerce's non-salary IT budget by 7.9%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.

**77 Travel Budget Reductions** (\$36,284) R

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

## Administration

**78 Operating Budget Reduction** (\$20,000) R

Reduces the operating budget for administration by \$20,000

## Business and Industry

**79 Business Recruitment and Product Marketing** \$1,000,000 NR

Provides funding to attract businesses to locate operations in North Carolina and to increase the sale of North Carolina exports, including agricultural commodities.



**80 Operating Budget Reduction**

(\$30,000) R

Reduces the operating budget for the Division of Business and Industry Development by \$30,000.

**Commerce Finance****81 One NC Fund**

\$10,000,000 NR

Provides additional funding for the One NC Fund to enhance the competitive position of North Carolina when recruiting national and international business and industry projects. Three percent of these funds shall be used for small business expansion.

**82 Jobs Maintenance and Capital Development Fund (JMAC)**

\$5,500,000 NR

Appropriates funding for JMAC.

**83 One NC Small Business Fund**

\$1,500,000 NR

Funds the One NC Small Business Fund program, which provides matching grants to businesses that qualify for federal SBIR/STTR Incentives funds.

**84 In-Source NC Network**

\$150,000 NR

Provides funding to develop university-based buyer-supplier networks within emerging and established industry clusters inside the State. These buyer-supplier networks would be modeled on an existing network developed and operated through the NCSU College of Textiles.

**Community Assistance****85 Main Street Solutions**\$2,000,000 NR  
1.00

Provides funding for the Main Street Solutions Program and the creation of one two-year time limited position to administer the program. This program provides grants to active Main Street Communities and designated micropolitans with populations between 10,000 and 50,000 people. Grants are to be used to support downtown economic development, historic preservation initiatives, and other public and private improvement projects that will support small businesses and job creation.

**Executive Aircraft****86 Aircraft to DOT** (\$800,000) R

Eliminates the Executive Aircraft Division within the Department of Commerce, including 1.0 pilot position, 1.0 mechanic position, and \$300,000 in associated position and operating expenses. 3.0 pilots, 1.0 mechanic, \$500,000, and Commerce's two aircraft and their associated receipts will be transferred to the Aviation Division within the Department of Transportation (DOT). Commerce will retain \$127,315 for expenses related to using DOT's aircraft. This reduction reflects recommendations from the Program Evaluation Division's Study of State Aircraft.

-6.00

**Industrial Commission****87 Over Realized Receipts** (\$429,863) R

Requires the Industrial Commission to budget over realized receipts.

**International Trade****88 International Trade** \$200,000 NR

Provides funds to help create additional export opportunities for NC companies in Asian and South American markets and to increase North Carolina investment interest from Asian and South American companies.

**Marketing****89 Marketing Travel** (\$17,350) R

Reduces funding for marketing-related travel by \$17,350.

**Policy, Research, and Strategic Planning****90 Operating Budget Reduction** (\$20,000) R

Reduces the operating budget for the Policy, Research, and Strategic Planning Division by \$20,000

**Science and Technology****91 Energy Research Grants**

Appropriates \$1 million to Commerce for matching funds for US Department of Energy grants to support energy research and green jobs.

\$1,000,000 NR

**92 Operating Budget Reduction**

Reduces the operating budget for the Board of Science and Technology by approximately 7%.

(\$25,000) R

**State Energy Office****93 Utility Training Sessions**

Reduces funding for training sessions offered by the Utility Savings Initiative Program in the State Energy Office. These sessions are offered to representatives of State agencies on various energy efficiency topics. Approximately 35 fewer sessions will be held as a result of this reduction.

(\$127,657) R

**Tourism, Film, and Sports Development****94 Tourism Marketing Funds**

Provides funding for marketing North Carolina as a tourist destination.

\$1,000,000 NR

**95 Postage and Printing**

Reduces funding for postage and printing in the Division.

(\$75,000) R

**Wanchese Seafood Industrial Park****96 Oregon Inlet Project**

Eliminates 100% of funding for the Oregon Inlet Project. Funding is no longer being used for this purpose.

(\$248,327) R

**97 Operating Budget to Receipt Support**

Eliminates 100% of the General Fund appropriation to the Wanchese Seafood Industrial Park and transfers 1.0 position to receipt support.

(\$185,312) R

-1.00

**Wine & Grape Growers Council****98 Operating Budget Reduction**

(\$108,357) R

Reduces the Wine & Grape Growers Council operating budget by approximately 13%.

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<b>Budget Changes</b>	<b>(\$3,099,041)</b>	<b>R</b>
	<b>\$22,350,000</b>	<b>NR</b>
<b>Total Position Changes</b>	-10.00	
<b>Revised Total Budget</b>	<b>\$60,166,168</b>	

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## Commerce - State Aid

GENERAL FUND

FY 10-11  
\$15,388,725

## Total Budget Approved 2009 Session

## Budget Changes

<b>99 Land Loss Prevention</b>	(\$37,235)	R
Reduces the recurring pass-through appropriation for Land Loss Prevention by 5%, leaving \$707,465 recurring.		
<b>100 Institute of Minority Economic Development</b>	(\$132,495)	R
Reduces the recurring pass-through appropriation for the Institute of Minority Economic Development by 5%, leaving \$2,517,405 recurring.		
<b>101 Association of Community Development Corporations (CDCs)</b>	(\$51,615)	R
Reduces the recurring pass-through appropriation for the Association of CDCs by 5%, leaving \$980,685 recurring.		
<b>102 Minority Support Center</b>	(\$164,670)	R
Reduces the recurring pass-through appropriation for the Minority Support Center by 5%, leaving \$3,128,730 recurring.		
<b>103 Community Development Initiative</b>	(\$246,460)	R
Reduces the recurring pass-through appropriation for the Community Development Initiative by 5%, leaving \$4,682,740 recurring.		
<b>104 e-NC Authority</b>	(\$23,265)	R
Reduces the recurring pass-through appropriation for the e-NC Authority by 5%, leaving \$442,035 recurring.		
<b>105 Councils of Government (COGs)</b>	(\$21,250)	R
Reduces the recurring pass-through appropriation for the COGs by 5%, leaving \$403,750 recurring.		

<b>106 High Point Furniture Market</b>	(\$42,446)	<b>R</b>
Reduces the recurring pass-through appropriation for the High Point Furniture Market by 5%, leaving \$806,479 recurring.		
<b>107 Defense and Security Technology Accelerator</b>	(\$1,000,000)	<b>NR</b>
Eliminates the non-recurring pass-through appropriation for the Defense and Security Technology Accelerator.		
<b>108 Regional Economic Development Commissions</b>	\$5,000,000	<b>R</b>
Provides funding to support the seven Regional Economic Development Commissions.		
<b>109 Biofuels Center</b>	\$5,000,000	<b>R</b>
Provides \$5 million recurring for the Biofuels Center.		
<b>110 Research Triangle Institute</b>	\$500,000	<b>NR</b>
Provides \$500,000 in nonrecurring matching funds for a US Department of Energy grant for energy research and green jobs.		
<b>111 Indian Economic Development Initiative</b>	\$100,000	<b>NR</b>
Provides nonrecurring funding for the Indian Economic Development Initiative.		
<b>112 Minority Support Center</b>	\$750,000	<b>NR</b>
Provides \$750,000 for funds for small business loans for those that have limited access to credit.		
<b>Budget Changes</b>	<b>\$9,280,564</b>	<b>R</b>
	<b>\$350,000</b>	<b>NR</b>
<b>Total Position Changes</b>		
<b>Revised Total Budget</b>	<b>\$25,019,289</b>	

## N.C. Biotechnology Center

GENERAL FUND
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Total Budget Approved 2009 Session

FY 10-11
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\$14,501,900

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**Budget Changes**

**113 Operating Funds**

\$4,274,905 R

Provides additional funding for the Biotechnology Center.

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**Budget Changes**

\$4,274,905 R

**Total Position Changes**

**Revised Total Budget**

\$18,776,805

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## Rural Economic Development Center

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$23,832,436

## Budget Changes

<b>114 Operating Reductions</b>	(\$1,191,622)	R
Reduces the recurring pass-through appropriation for the Rural Center by 5%, leaving \$22,640,814 recurring.		
<b>115 Home Grown Jobs</b>	\$3,125,000	NR
Provides additional funding for the Rural Center's Building Reuse and Restoration Program to strengthen the capacity of rural communities to compete for and attract new and expanding businesses. Funding for small-scale regional community development projects is also included.		
<b>116 Small Business Assistance Fund</b>	\$1,000,000	NR
Provides funding to the Rural Center to continue the Small Business Assistance Fund.		
<b>117 Family Farm Opportunity and Innovation Fund</b>	\$1,000,000	NR
Provides funding for the Rural Center to provide assistance to farmers via grants up to \$20,000 in three areas:		
1. Improving energy efficiency on the farm		
2. Developing new markets		
3. Developing new products		

## Budget Changes

(\$1,191,622) R  
\$5,125,000 NR

## Total Position Changes

## Revised Total Budget

\$27,765,814



**DENR - Special**

Budget Code: 24300

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	<b>FY 2010-11</b>
<b>Beginning Unreserved Fund Balance</b>	<b>\$20,914,606</b>
<b>Total Budget Approved 2009 Session</b>	
Requirements	<b>\$63,100,266</b>
Receipts	<b>\$48,337,247</b>
Positions	<b>368.99</b>

---

**Legislative Changes****Requirements:****2119 - Mercury Pollution Prevention Fund**

Transfers \$2.25 million from the cash balance of the Mercury Pollution Prevention Fund to the General Fund for general availability.

\$0 R  
\$2,250,000 NR  
0.00

**2221 - Bladen Lakes Receipts**

Closes the Bladen Lakes special fund and directs the Department to budget these requirements and the 10 positions in this fund in the Division of Forest Resources General Fund budget (14300-1210).

(\$851,966) R  
\$0 NR  
0.00

**2221 - Bladen Lakes Cash Balance**

Transfers \$500,000 of the June 30th, 2010 cash balance in the Bladen Lakes fund to the General Fund for general availability. This fund will be closed and budgeted in the Division of Forest Resources General Fund budget code(14300-1210). Any remaining cash balance will be diverted to the Division of Forest Resources.

\$0 R  
\$500,000 NR  
0.00

**2335 - Lab Certification Fees**

Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1695.

(\$847,515) R  
\$0 NR  
0.00

**2335 - Lab Certification Fees**

Transfers the cash balance from the Lab Certification Fees fund to the appropriate General Fund code for the Division of Water Quality.

\$0 R  
\$459,830 NR  
0.00

## House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

<b>2356 - Express Permitting</b>	\$0	R
Transfers \$600,000 from the cash balance of the Express Permitting Fund to the General Fund for general availability.	\$600,000	NR
This Fund received \$500,000 in General Fund appropriation in FY 2003-04 and \$100,000 in FY 2004-05.	0.00	
<b>2865 - Aquariums Fund Cash Balance</b>	\$0	R
Transfers \$2 million of the June 30th, 2010 cash balance in the Aquariums fund to the General Fund for general availability.	\$2,000,000	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>(\$1,699,481)</b>	<b>R</b>
	<b>\$5,809,830</b>	<b>NR</b>
	0.00	

---

**Receipts:**

<b>2221 - Bladen Lakes Receipts</b>	(\$744,483)	R
Closes the Bladen Lakes special fund and directs the Department to budget these receipts in the Division of Forest Resources General Fund budget (14300-1210).	\$0	NR
<b>2335 - Lab Certification Fees</b>	(\$773,983)	R
Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1695.	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>(\$1,518,466)</b>	<b>R</b>
	<b>\$0</b>	<b>NR</b>

---

<b>Revised Total Requirements</b>	<b>\$67,210,615</b>
<b>Revised Total Receipts</b>	<b>\$46,818,781</b>
<b>Change in Fund Balance</b>	<b>(\$20,391,834)</b>
<b>Total Positions</b>	<b>368.99</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$522,772</b>
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## Solid Waste Management Trust Fund

Budget Code: 64303

	FY 2010-11
<b>Beginning Unreserved Fund Balance</b>	<b>\$6,798,949</b>
<b>Total Budget Approved 2009 Session</b>	
Requirements	<b>\$7,383,604</b>
Receipts	<b>\$7,361,604</b>
Positions	<b>9.31</b>
<hr/>	
<b>Legislative Changes</b>	
<b>Requirements:</b>	
<b>6770 - Scrap Tire Disposal Account</b>	\$0 R
	\$0 NR
	0.00
<b>6780 - White Goods</b>	\$0 R
	\$0 NR
	0.00
<b>Subtotal Legislative Changes</b>	<b>\$0 R</b>
	<b>\$0 NR</b>
	0.00
<hr/>	
<b>Receipts:</b>	
<b>6770 - Scrap Tire Disposal</b>	\$0 R
Diverts \$2.5 million from the Scrap Tire Disposal Account to the General Fund for FY 2010-11.	(\$2,500,000) NR
<b>6780 - White Goods</b>	\$0 R
Diverts \$1,200,000 from the White Goods Fund to the General Fund for FY 2010-11.	(\$1,200,000) NR
<b>Subtotal Legislative Changes</b>	<b>\$0 R</b>
	<b>(\$3,700,000) NR</b>

House Appropriations Subcommittee on Natural and Economic Resources

**FY 2010-11**

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<b>Revised Total Requirements</b>	<b>\$7,383,604</b>
<b>Revised Total Receipts</b>	<b>\$3,661,604</b>
<b>Change in Fund Balance</b>	<b>(\$3,722,000)</b>
<b>Total Positions</b>	<b>9.31</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$3,076,949</b>
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## WRC - Special Non-Interest Bearing

Budget Code: 24353

	FY 2010-11	
<b>Beginning Unreserved Fund Balance</b>	<b>\$0</b>	
<b>Total Budget Approved 2009 Session</b>		
Requirements	<b>\$21,500,000</b>	
Receipts	<b>\$21,500,000</b>	
Positions	<b>0.00</b>	
<hr/>		
<b>Legislative Changes</b>		
<b>Requirements:</b>		
<b>Sales Tax Transfer</b>	\$0	R
Reduces the sales tax transfer from \$21.5 million to \$18.5 million.	(\$3,000,000)	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>(\$3,000,000)</b>	<b>NR</b>
	0.00	
<hr/>		
<b>Receipts:</b>		
<b>Sales Tax Transfer</b>	\$0	R
Reduces the sales tax transfer from \$21.5 million to \$18.5 million.	(\$3,000,000)	NR
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>(\$3,000,000)</b>	<b>NR</b>

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<b>Revised Total Requirements</b>	<b>\$18,500,000</b>
<b>Revised Total Receipts</b>	<b>\$18,500,000</b>
<b>Change in Fund Balance</b>	<b>\$0</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$0</b>
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**JUSTICE  
&  
PUBLIC SAFETY  
Section I**





## Judicial

GENERAL FUND

<b>Total Budget Approved 2009 Session</b>	<b>FY 10-11</b>	<b>\$463,753,479</b>
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**Budget Changes**

- |  |               |    |
|--|---------------|----|
| <b>1 Establish a Management Flexibility Reserve</b>  | (\$1,650,000) | R  |
| Establishes a Management Reserve to provide the Administrative Office of the Courts the flexibility to determine where reductions can be made.   | (\$3,300,000) | NR |
|  |               |    |
| <b>2 Reduce Technology Services Program</b>  | (\$2,616,294) | NR |
| Reduces the budget for the Administrative Office of the Courts' Technology Services Program by 8%. The AOC is authorized to delay or cancel technology projects in its discretion to achieve this reduction. |               |    |
|  |               |    |
| <b>3 Reduce Operating Accounts to FY 2008-09 Levels</b>  | (\$1,164,843) | R  |
| Reduces various operating budgets throughout the Department to FY 2008-09 actual expenditure levels.   |               |    |
|  |               |    |
| <b>4 Reduction to Administration</b>   | (\$2,383,890) | R  |
| Reduces the Administrative Office of the Courts central administration budget by 5%.   |               |    |
|  |               |    |
| <b>5 Reduce Dispute Settlement Center Pass Through</b>   | (\$59,974)    | R  |
| Reduces the pass-through appropriation to the Dispute Settlement Centers by 5%.  |               |    |
|  |               |    |
| <b>6 Reduce NC Bar-Civil Justice Funds</b>   | (\$37,500)    | R  |
| Reduces the pass-through appropriation to the NC Bar Association for Access to Civil Justice by 5%.  |               |    |
|  |               |    |
| <b>7 Reduce Financial Protection Law Center</b>  | (\$3,750)     | R  |
| Reduces the pass-through appropriation to the Financial Protection Law Center by 5%.   |               |    |

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<b>Budget Changes</b>	<b>(\$5,299,957)</b>	<b>R</b>
	<b>(\$5,916,294)</b>	<b>NR</b>
<b>Total Position Changes</b>		
<b>Revised Total Budget</b>	<b>\$452,537,228</b>	

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## Judicial - Indigent Defense

GENERAL FUND

<b>Total Budget Approved 2009 Session</b>	<b>FY 10-11</b>
	<b>\$120,132,010</b>

**Budget Changes****Department-wide**

<b>8 Reduce Various Operating Accounts</b>	(\$264,200)	R
Reduces the operating budget in temporary personnel, registration fees, travel, communications, books and publications, and other operating expenses.		

**Indigent Person Attorney**

<b>9 Reduce PAC Continuation Budget</b>	(\$5,750,000)	NR
Reduces the Private Assigned Counsel (PAC) Continuation Budget. The Office of Indigent Defense Services expects to end the fiscal year without carrying forward any unpaid PAC bills.		

<b>10 Reduce NC Prisoner Legal Services Program budget</b>	(\$142,031)	NR
Reduces the NC Prisoner Legal Services Program (PLS) budget by 5% nonrecurring, leaving \$2.7 million recurring.		

<b>11 Reduce Center for Death Penalty Litigation Funding</b>	(\$23,821)	R
Reduces Center for Death Penalty Litigation appropriation by 5%, leaving \$452,604.		

**Sentencing Services**

<b>12 Restore Sentencing Services Program</b>	\$2,123,426	R
Restores the Sentencing Services Program and adds a 5% reduction.		
	11.50	

**Budget Changes****\$1,835,405 R****(\$5,892,031) NR****Total Position Changes**

11.50

**Revised Total Budget****\$116,075,384**

## Justice

## GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$88,652,538

## Budget Changes

## A. Department-wide

- 13 Eliminate Vacant Positions** (\$501,600) R  
Eliminates vacant positions throughout the agency.  
-7.50
- 14 Management Flexibility Reserve** (\$1,812,000) R  
Provides the Department with the flexibility to determine where  
reductions will be made throughout its budget. (\$1,200,000) NR

## B. Legal Services

- 15 Increase Medicaid Fraud Recovery Receipts** (\$168,566) R  
Adjusts the budgeted receipts for Medicaid Fraud Recovery to reflect twelve months of collections. This reduction was implemented in the FY 2009-10 budget, but the reduction only accounted for six months of collections.
- 16 Medicaid Fraud Criminal Investigation Team** \$600,000 R  
Provides funds to expand the Medicaid Fraud Criminal Investigation Team. The expanded unit will consist of sworn investigators, attorneys, program assistants, financial investigators, and administrative support personnel. This investigative unit is responsible for obtaining convictions of community service providers that commit fraud, recovering restitution and civil penalties for the benefit of the Medicaid Program and the Civil Forfeiture Fund, and deterring fraud.  
25.00
- 17 NC LEAF** (\$118,750) R  
Reduces the pass-through appropriation for the NC Legal Education Assistance Fund (NC LEAF). The FY 2010-11 appropriation for this non-profit will be \$256,250.

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<b>Budget Changes</b>	<b>(\$2,000,916)</b>	<b>R</b>
	<b>(\$1,200,000)</b>	<b>NR</b>
<b>Total Position Changes</b>	<b>17.50</b>	
<b>Revised Total Budget</b>	<b>\$85,451,622</b>	

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## Juvenile Justice & Delinquency Prevention

GENERAL FUND

Total Budget Approved 2009 Session

**FY 10-11**  
**\$147,183,945**

### Budget Changes

#### Administrative Services

- 18 Reduce Administrative Services Budget** (\$362,913) R  
Reduces the Administrative Services Budget by 5%.

#### Community Services

- 19 Reduce Project Challenge Funding** (\$6,400) R  
Reduces the Project Challenge appropriation by 5%, leaving \$121,600. Project Challenge continues to receive \$1.4 million from county Juvenile Crime Prevention Councils.
- 20 Eliminate Camp Woodson Wilderness Camp** (\$1,016,041) R  
Eliminates the Camp Woodson Wilderness Camp, which is a Department-operated facility in Buncombe County.  
-21.00

#### Department-wide

- 21 Establish a Management Flexibility Reserve** (\$2,538,342) R  
Establishes a Management Reserve to provide the Department the flexibility to determine where reductions can be made.
- 22 Eliminate Vacant Positions** (\$508,495) R  
Eliminates vacant positions throughout the agency.  
-14.00
- 23 Reduce Continuation Budget Increases** (\$546,521) R  
Reduces Continuation Budget increases to a level at or below the FY 2008-09 Authorized Budget.

**Youth Development Centers****24 Restore Samarkand YDC**

\$3,521,954 R

Restores the Samarkand YDC in Moore County.

62.00

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**Budget Changes**

(\$1,456,758) R

**Total Position Changes**

27.00

**Revised Total Budget****\$145,727,187**

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## Correction

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$1,326,492,230

## Budget Changes

- |  |                |    |
|--|----------------|----|
| <b>25 Reduce Continuation Budget for Lower Population</b>  | (\$25,925,047) | R  |
| Reduces continuation budget increases from FY 2009-10 to account for a lower-than-projected inmate population. Although the Division of Prisons remains overcrowded, new admissions have leveled following a surge in 2008 and 2009, resulting in a lower inmate count than previously expected as of June 30, 2010. |                |    |
| <b>26 Budget Alien Assistance Receipts</b>   | (\$872,000)    | NR |
| Reduces General Fund appropriations to the Department of Correction by \$872,000 to account for receipts from the federal State Criminal Alien Assistance Program.   |                |    |
| <b>27 ITS Billing Reduction</b>  | (\$200,000)    | R  |
| Reduces the appropriation to the Department of Correction for communications and other data processing to account for lower rates charged by the Office of Information Technology Services.  |                |    |
| <b>28 Transfer Four Positions to Receipt Support</b>   | (\$182,500)    | R  |
| Transfers four positions in the DOC Controller's Office that handle Inmate Welfare Fund accounting to receipt support from the Welfare Fund, and eliminates the General Fund appropriation for those positions.  |                |    |
| <b>29 Reduce Vehicle Replacement Budget</b>  | (\$1,500,000)  | NR |
| Reduces the Vehicle Replacement line item on a non-recurring basis.  |                |    |
| <b>30 Reduce Fuel Oil Budget</b>   | (\$500,000)    | R  |
| Reduces the Fuel Oil line item on a recurring basis.   |                |    |
| <b>31 Reduce PC Equipment</b>  | (\$300,000)    | NR |
| Reduces the Personal Computer Equipment line item on a non-recurring basis.  |                |    |



**32 Reduce Equipment Accounts**

Reduces various equipment accounts on a non-recurring basis.

(\$800,000) NR

**33 Reduce Supply Accounts**

Reduces various supply accounts on a non-recurring basis.

(\$800,000) NR

**34 Eliminate .223 Rifle Training**

Eliminates a component of rifle training and reduces annual costs for ammunition and targets.

(\$54,757) R

**35 Eliminate Our Children's Place**

Eliminates funding for Our Children's Place, a non-profit pass-through in the Department of Correction. The total funding for the program is \$109,500.

(\$109,500) R

**Alcoholism and Chemical Dependency Programs****36 Eliminate Four Program Positions**

Eliminates four DACDP positions that work in the In-Prison Out Patient Services at South Piedmont, Western Youth and North Piedmont.

(\$211,060) R

-4.00

**Community Corrections****37 Reduce Criminal Justice Partnership Program**

Reduces the Criminal Justice Partnership Program by \$1.1 million nonrecurring, which leaves \$8.3 million for allocations for county programs. This reduction will not affect the core operations of the program.

(\$1,100,000) NR

**38 Reduce Contractual Services**

Reduces the Contractual Services budget in the Division of Community Corrections.

(\$50,000) R

**39 Eliminate Community Corrections Positions**

Eliminates two Division of Community Corrections positions and their associated costs. These positions are duplicative due to the automation of the parole/post-release violation process.

(\$142,910) R

-2.00

<b>40 Reduce Harriet's House Funds</b>	(\$10,313)	R
Reduces the pass-through appropriation to Passage Home for Harriet's House by 5%, leaving \$195,938.		
<b>41 Reduce Summit House Funding</b>	(\$55,408)	R
Reduces the pass-through appropriation to Summit House by 5%, leaving \$1,052,756.		
<b>42 Reduce Women At Risk Funding</b>	(\$13,125)	R
Reduces the pass-through appropriation to Women At Risk by 5%, leaving \$249,375.		
<b>Prisons</b>		
<b>43 Reduce Inmate Medical Costs</b>	(\$20,500,000)	R
Reduces the appropriation for medical services for inmates based on capping fees paid as a percentage of billed charges. This reduction applies to inpatient and outpatient hospital services as well as professional services.		
<b>44 Eliminate Seven DOP Administrative Positions</b>	(\$359,384)	R
Eliminates seven positions in the central office of the Division of Prisons. The Department has discretion to identify the positions to reach the cut level of \$359,384.		
	-7.00	
<b>45 Consolidate Administrative Positions at Prisons</b>	(\$149,038)	R
Consolidates administrative functions between Brown Creek Correctional Center and Piedmont Correctional Institution and eliminates four duplicative positions.		
	-4.00	
<b>46 Modify Close Custody Inmate Transfers</b>	(\$74,150)	R
Reduces the transportation budget based on reducing the frequency of inter-facility transfers of close custody inmates from every week to every other week.		
<b>47 Reduce Drug Testing Frequency</b>	(\$130,000)	R
Changes the drug testing policy to 10% instead of 15% frequency and reduces appropriations to pay for analysis.		
<b>48 Reduction in Clothing Budgets</b>	(\$500,000)	NR
Reduces funding for inmate clothing and officer uniforms within the Division of Prisons.		

**49 Operating Reserves for Central Prison Hospital**

\$6,767,918 R

Establishes an operating reserve and creates positions to staff the Central Prison Hospital and Mental Health Facility. This facility is scheduled for completion in August 2011, and occupancy in October 2011. This reserve will allow positions to be established so staff can be recruited and trained prior to the projected occupancy date.

\$774,843 NR  
554.00

**50 Operating Reserve for Women's Prison Hospital**

\$3,000,017 R

Establishes an operating reserve and creates positions to staff the hospital and mental health facility at NC Correctional Institution for Women, scheduled for completion in August 2011, and occupancy in October 2011. This fund will allow recruitment and training to be completed prior to occupancy.

\$725,157 NR  
227.00

**51 Establish Community Work Crews**

\$1,602,094 R

Provides funds for community work crews at prisons throughout the State. These crews provide labor services for local governmental entities.

43.00

**52 Prisoner Education Program**

The Prisoner Education Program is partially restored in the Community College System. Under this partial restoration, educational services will be provided to inmates in the areas of basic skills, general education, and vocational training. No services are provided for degree programs, nor for county jail or federal inmates. The funding is found in the Education section of the budget.

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**Budget Changes**

(\$37,297,163) R

(\$4,372,000) NR

**Total Position Changes**

803.00

**Revised Total Budget****\$1,284,823,067**

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## Crime Control and Public Safety

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$33,718,963

## Budget Changes

## A. Department-wide

<b>53 Eliminate Vacant Positions</b>	(\$442,304)	R
Eliminates vacant positions throughout the Department.		
	-7.69	

## B. Administration

<b>54 Law Enforcement Support Services (LESS)</b>	\$300,000	R
Partially restores a reduction to the LESS budget. In the 2009 Budget, LESS was directed to establish a fee schedule to become 100% receipt supported. They have been unable to find sufficient fees to sustain their operations. This item provides continued General Fund support to them while a fee schedule is developed. LESS coordinates the distribution of excess federal property for local law enforcement agencies, provides evidence and DNA storage, and administers a program to provide lower-cost vehicles and other equipment to law enforcement.		
	5.00	

## C. National Guard

<b>55 National Guard Armory Maintenance</b>	\$1,000,000	R
Provides funds for maintenance and operation of plant for the National Guard's 97 armories.		
<b>56 Transfer TAP to SEAA</b>	(\$1,514,288)	R
Transfers the Tuition Assistance Program (TAP) for the National Guard to the State Education Assistance Authority (SEAA). The Education Section of the Budget shows a corresponding item, and also includes additional funding for the program. The total amount available for TAP for FY 2010-11 will be \$1,862,815.		

## D. Alcohol Law Enforcement (ALE)

<b>57 ALE Equipment Reduction</b>	(\$200,000)	R
Reduces the appropriation for equipment for Alcohol Law Enforcement.		
	(\$200,000)	NR

**E. Victim's Compensation Services****58 Victim's Compensation Fund**

Reduces the Victim's Compensation Fund budget on a nonrecurring basis.

(\$200,000) NR

**F. Governor's Crime Commission****59 Sheriff's Association Funds**

Provides funds to the NC Sheriff's Association for training for sheriffs and other law enforcement agencies across the State on the nationwide Secure Communities program and on methods to improve the inmate booking process.

\$150,000 NR

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**Budget Changes**

(\$856,592) R

(\$250,000) NR

**Total Position Changes**

-2.69

**Revised Total Budget**

**\$32,612,371**

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**GENERAL  
GOVERNMENT  
Section J**





## Administration

GENERAL FUND

FY 10-11

\$67,446,884

## Total Budget Approved 2009 Session

## Budget Changes

## 1111 Office of the Secretary

**1 Reduce Various Operating Expenses** (\$114,089) R

Reduces miscellaneous operating expenses.

Temporary services (\$64,080)

Contracted services (\$50,000)

## 1121 Fiscal Management

**2 Transfer 1.5 FTE to Receipt Support** (\$83,250) R

Transfers salaries and benefits for 1.5 FTE to receipt support:

-1.50

60014102: Accountant (0.50 FTE)

60014119: Accountant (0.25 FTE)

60014118: Accountant (0.50 FTE)

60014107: Accounting Clerk (0.13 FTE)

60014114: Accounting Technician (0.12 FTE)

## 1122 Human Resources Management

**3 Transfer 1.2 FTE to Receipt Support** (\$71,271) R

Transfers salaries and benefits for 1.2 FTE to receipt support:

-1.20

60014092: Staff Development Specialist III (0.20 FTE)

60014094: Safety Officer III (0.20 FTE)

60014098: Personnel Technician I (0.20 FTE)

60014096: Personnel Technician II (0.20 FTE)

60014093: Personnel Analyst II (0.20 FTE)

60014097: Personnel Analyst II (0.20 FTE)

## 1123 Historically Underutilized Businesses

**4 Reduce Operating Expenses** (\$37,740) RReduces operating expenses, including travel, conference fees,  
and contracted services.

**1264 Agency for Public Telecommunications****5 Transfer 1.0 FTE to Receipt Support**

(\$67,442) R

Transfers salary and benefits for 1.0 FTE to receipt support:

-1.00

60014549: TV Producer/Director II

531211 Salaries	(\$52,905)
531511 Social Security	(\$4,047)
531521 Retirement	(\$5,560)
531561 Medical Insurance	(\$4,929)

**1311 Office of State Personnel****6 Reduce Various Operating Accounts**

(\$284,000) R

Reduces various operating accounts:

532821 Computer/Data Processing Services	(\$145,000)
532170 Temporary Employees	(\$50,000)
532700 Travel	(\$15,000)
533110 Supplies - General Office	(\$10,000)
534511 Supplies - Office Furniture	(\$5,000)
535830 Membership & Dues	(\$15,000)
532143 LAN Support Serv.	(\$5,000)
532144 PC Printer Support Serv.	(\$10,000)
532812 Telecomm. Data Charge	(\$7,000)
532822 Managed LAN Services	(\$7,000)
532930 Registration Fees	(\$5,000)
536905 Employer OJT Incentive	(\$10,000)

**1411 State Construction Office****7 Eliminate 2.0 Filled and 1.0 Vacant Positions**

(\$233,914) R

Eliminates salaries and benefits of two filled positions and one vacant position. Specific positions for elimination have not yet been identified; the Department has flexibility to consolidate and/or eliminate positions in order to meet this reduction.

-3.00

**1412 State Property Office****8 Eliminate 1.0 Vacant Position**

(\$57,967) R

Eliminates salary and benefits for 1.0 vacant position:

-1.00

60014649: Administrative Assistant II

531211 (\$44,886)

531511 (\$3,434)

531521 (\$4,718)

531561 (\$4,929)

**1421 Facilities Management****9 Provide Funding to Support the New North Carolina Museum of Art Building**

\$1,409,477 R

Adds 8.0 FTEs, increases budgeted utility costs, and increases various operating expenses:

8.00

531211 Salary \$464,571

531511 Social Security \$35,540

531521 Retirement \$48,826

531561 Hospitalization \$39,432

531631 Worker's Compensation \$6,932

532210 Engr Serv - Electrical \$302,462

532220 Engr Serv - Nat Gas/Propane \$163,979

532230 Engr Serv - Water &amp; Sewer \$23,126

532911 Property Insurance \$72,155

533510 Uniforms \$2,454

532199 Misc. Contractual Services \$250,000

**10 Reduce Operating Expenses**

(\$211,849) R

Reduces operating expenses:

534500 Equipment (\$100,000)

532500 Equipment rental (\$50,000)

533300 Vehicle Operating Costs (\$50,000)

532300 Repairs (\$11,849)

**11 Shift Recycling Costs to Receipt Support**

(\$29,503) R

Shifts recycling costs to receipt support. Receipts are from other state agencies whose recycling services are provided by DOA in buildings that are not owned by DOA.

**12 Reduce Janitorial Services**

(\$192,816) R

Reduces janitorial services.

**13 Eliminate 2.0 Vacant Positions**

(\$89,038) R

Eliminates salaries and benefits for two vacant positions:

-2.00

60014806: Building &amp; Environmental Supervisor (\$29,575)

60014846: Facilities Maintenance Tech. - Building Trades (\$37,436)

531211 Salaries (\$67,011)

531511 Social Security (\$5,126)

531521 Retirement (\$7,043)

531561 Medical Insurance (\$4,929)

**14 Eliminate 4.0 Filled Positions**

(\$194,831) R

Eliminates salaries and benefits of four filled positions:

-4.00

60014738 Construction &amp; Renovation Design Tech I

60014742 Electronics Technician III

60014769 Administrative Assistant III

60014777 Processing Assistant IV

531211 Salaries (\$148,202)

531511 Social Security (\$11,337)

531521 Retirement (\$15,576)

531561 Medical Insurance (\$19,716)

**1511 Purchase and Contracts****15 Transfer 2.9 FTE to Receipt Support**

(\$225,268) R

Transfers salaries and benefits of 2.9 FTE to receipt support:

-2.90

60013901: State Procurement Specialist III (1.0 FTE)

60013860: State Procurement Specialist III (1.0 FTE)

60013899: State Purchase Administrator (0.9 FTE)

**16 Reduce Various Operating Expenses**

(\$12,500) R

Reduces budget for repairs to building.

**1731 NC Council for Women/DV Commission****17 Transfer 1.5 FTE to Receipt Support (\$91,979) R**

Transfers salaries and benefits for 1.5 FTE to receipt support:

-1.50

60014074: Community Development Specialist I (0.50 FTE)

60019848: Community Development Specialist I (1.0 FTE)

531211 Salaries (\$71,585)

531511 Social Security (\$5,476)

531521 Retirement (\$7,524)

531561 Medical Insurance (\$7,394)

**1741 Human Relations Commission****18 Reduce Rent (\$24,455) R**

Reduces budgeted rent due to move to D0A-owned space:

532512 Rent (\$24,455)

**1761 Youth Advocacy & Involvement****19 Reduce Rent (\$22,205) R**

Reduces rent due to move to D0A-owned space:

532512 (\$22,205)

**1771 Veterans Affairs****20 Shifts 2.0 Positions to Receipt Support (\$73,286) R**

Shifts salaries and benefits of 2.0 FTEs to receipt support:

-2.00

60014225: Processing Assistant III (\$27,100)

60014232: Processing Assistant III (\$26,580)

531211 Salaries (\$53,680)

531511 Social Security (\$4,107)

531521 Retirement (\$5,642)

531561 Medical Insurance (\$9,858)

**21 Reduce Operating Expenses**

(\$51,453) R

Reduces operating expenses:

533700 Travel (\$20,000)  
 532100 Supplies (\$10,000)  
 534500 Equipment (\$21,453)

**1781 Domestic Violence Fund****22 Eliminate 1.0 Filled Position**

(\$58,299) R

Eliminates salary and benefits for one filled position:

-1.00

60014567 Administrative Officer I

531211 Salaries (\$45,168)  
 531511 Social Security (\$3,455)  
 531521 Retirement (\$4,747)  
 531561 Health Insurance (\$4,929)

**1810 State Ethics Commission****23 Increased Support for the State Ethics Commission**

\$547,600 R

Appropriates funding for four positions and operating expenses to ensure the State Ethics Commission has resources for design, implementation, training, and technological support for an online/electronic personal and financial disclosure system (Statement of Economic Interest, or SEI), and to meet the gift ban requirement.

4.00

531211 Salaries	\$218,281
531511 Soc Sec	\$16,091
531521 Retirement	\$22,368
531516 Med Insurance	\$19,716
532140 Oth ITS	\$20,400
532144 PC/Printer Support Svs	\$1,680
532535 Lease Server Equip	\$13,817
532542 Lease Software	\$3,691
5327XX Travel	\$1,500
532811 Telephone Svs	\$1,500
532815 E-Mail and Calendaring	\$156
5329XX Registration & Ed Expenses	\$300
533XXX Supplies	\$2,000
535830 Subscriptions	\$6,000
532140 Oth ITS	\$115,600
532199 Oth Contractual Svs	\$100,000
534511 Office Furniture	\$2,000
534521 Office Equipment	\$2,000
534713 PC Software	\$500

**24 Operating Budget Adjustment to Rent**

(\$60,000) R

Eliminates funds for office rent as Commission is now housed in State office space.

532512 Rent (\$60,000)

**1861 Commission on Indian Affairs****25 Reduce Rent**

(\$29,985) R

Reduces budgeted rent due to move to D0A-owned space:

532512 Rent (\$29,985)

**Department-Wide****26 Reduce Travel Expenditures**

(\$15,000) R

Reduces travel expenditures across the agency.

5327xx (\$15,000)

**27 Adjust ITS Rate**

(\$3,172) R

Reduces line item for ITS based on reduction in ITS rates.

532140 (\$3,172)

**28 Eliminate 8.0 Vacant Positions**

(\$356,715) R

Eliminates salaries and benefits for eight vacant positions department-wide:

-8.00

60013887: State Purchase Administrator	(\$70,111)
60013965: Summer Intern	(\$2,000)
60014664: Administrative Assistant III	(\$51,594)
60013878: Processing Assistant V	(\$37,768)
60014215: Accounting Technician	(\$27,985)
65009979: Accountant	(\$30,880)
60014716: Building & Environmental Technician	(\$28,898)
60014836: Building & Environmental Technician	(\$23,763)

531211 Salaries	(\$272,999)
531511 Social Security	(\$20,731)
531521 Retirement	(\$28,482)
531561 Medical Insurance	(\$34,503)

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<b>Budget Changes</b>	<b>(\$734,950)</b>	<b>R</b>
<b>Total Position Changes</b>	<b>-17.10</b>	
<b>Revised Total Budget</b>	<b>\$66,711,934</b>	

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## Auditor

GENERAL FUND

FY 10-11  
\$13,255,123

## Total Budget Approved 2009 Session

## Budget Changes

## 1120

**29 Reduce Various Operating Accounts** (\$56,000) R

Reduces various operating accounts:

532942 Other Employee Educational Expense (\$12,000)  
 533110 General Office Supplies (\$10,000)  
 532430 Maint Agreement - Equipment (\$6,000)  
 532332 Repairs - Other Computer Equip (\$8,000)  
 532811 Telephone Service (\$20,000)

## 1210 Field Audit

**30 Eliminate 2.0 Vacant Positions** (\$165,232) R

Eliminates salaries and benefits for 2.0 vacant positions:

-2.00

60089837: Assistant State Auditor (\$73,745)  
 60008867: Assistant State Auditor (\$57,750)

531211 Salaries (\$131,495)  
 531511 Social Security (\$10,059)  
 531521 Retirement (\$13,820)  
 531561 Medical Insurance (\$9,858)

**31 Shift 1.0 Position to Receipt Support** (\$60,033) R

Shifts salary and benefits of 1.0 FTE to receipt support due to creation of billing for Battleship/State Ports Authority audits.

-1.00

60008998: Assistant State Auditor (\$46,635)

531211 Salaries (\$46,635)  
 531511 Social Security (\$3,568)  
 531521 Retirement (\$4,901)  
 531561 Medical Insurance (\$4,929)

**32 Reduce Various Operating Accounts**

(\$192,000) R

Reduces various operating accounts:

532714 Transp-Ground - In-state	(\$10,400)
532721 Lodging - In-state	(\$19,600)
532724 Meals - In-state	(\$12,700)
532725 Meals - Out-of-state	(\$1,500)
532715 Trans-Ground - Out-of-state	(\$800)
532722 Lodging - Out-of-state	(\$300)
532723 Misc. Travel	(\$900)
532726 Misc. Travel	(\$250)
5345xx Equipment/Computers	(\$145,550)

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**Budget Changes**

(\$473,265) R

**Total Position Changes**

-3.00

**Revised Total Budget****\$12,781,858**

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## Cultural Resources

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$73,249,990

## Budget Changes

## 1110 Office of the Secretary

## 33 Operating Budget and Personnel Adjustments

(\$169,749) R

Reduces funding for Misc Contractual Services. Additionally, 21.5 positions will remain vacant for four months of FY 2010-11 with a non-recurring reduction of \$249,419.

(\$249,419) NR

532199 Misc Contractual Services (\$169,749)

## 1120 Administrative Services

## 34 Personnel and Operating Budget Adjustments

(\$130,792) R

Eliminates salary and benefits of a vacant Purchasing Agent II position (#60083290), and reduces funding for IT and office furniture.

-1.00

531211 Salaries (\$21,471)  
 531511 Social Security (\$1,643)  
 531521 Retirement (\$2,257)  
 531561 Medical Insurance (\$4,929)  
 532490 Maint Agreement (\$48,382)  
 534511 Furniture (\$52,110)

## 1210 Archives &amp; History - Admin

## 35 Eliminate Personnel Costs and Adjust Expenditure Accounts

(\$82,262) R

Eliminates salary and benefits, but not FTE, for Administrative Officer position (#60083312), and reduce expenditure accounts.

531211 Salaries (\$63,157)  
 531511 Social Security (\$4,832)  
 531521 Retirement (\$6,638)  
 531561 Medical Insurance (\$4,929)  
 532722 Lodging-out of state (\$490)  
 534511 Furniture (\$1,416)  
 534521 Office Equipment (\$800)

**1220 Historical Publications****36 Eliminate Filled Positions and Reduce Operating Budget**

(\$210,495) R

Eliminates salaries and benefits of three filled positions:  
 Historic Pub Editor III (#60083317) at \$53,023; Historic Pub  
 Editor II (#60083319) at \$43,296; and Historic Pub Editor I  
 (#60083323) at \$31,622; and transfers split-funding of \$22,227  
 (0.69 FTE) for Info & Comm Specialist position (#60083321)  
 including benefits. Also reduces expenses for various expenditure  
 accounts.

-3.69

531211 Salaries	(\$150,168)
531460 EPA & SPA Longvty Pay	(2,586)
531511 Social Security	(\$11,408)
531521 Retirement	(\$15,783)
531561 Medical Insurance	(\$14,787)
532199 Misc Contractual Svs	(\$262)
532333 Repairs	(\$700)
532490 Maint Agreement	(\$590)
532714 Transp- Grd-In State	(\$653)
532800 Communication	(\$10,948)
533110 Gen Office Supplies	(\$2,260)
533900 Oth materials & Supplies	(\$200)
535800 Oth Admin Expenses	(\$150)

**1230 Archives and Records****37 Transfer Personnel to Receipt Support and Adjust Operating Budget**

(\$609,548) R

Transfers salaries and benefits of seven positions to receipt-  
 support from the Archives & Records Management (ARM) fee:  
 Processing Asst IV (#60083347) at \$28,336; Processing Asst IV  
 (#60083363) at \$27,879; Archives & Records Mgr (#60083364) at  
 \$62,792; Archives & Records Prof (#60083368) at \$32,796;  
 Processing Asst IV (#60083377) at \$28,500; Processing Asst IV  
 (#60083378) at \$28,503; and Processing Asst IV (#60083392) at  
 \$25,778.

-7.00

531211 Salaries	(\$234,584)
531511 Social Security	(\$17,946)
531521 Retirement	(\$24,655)
531561 Medical Insurance	(\$34,503)
532490 Maint Agreement	(\$47,515)
532512 Rent/Lease - Bldgs/Office	(\$142,765)
533900 Oth Materials & Supplies	(\$48,505)
534534 Personal Computers & Printers	(\$12,689)
534539 Other Equipment	(\$46,386)

**1241 State Historic Sites****38 Operating Budget Adjustments**

(\$452,827) R

Reduces division expenditure accounts.

532188 Lawns & Grounds Svs Agreement	(\$12,459)
532199 Misc Contractual Services	(\$105,883)
532390 Repairs	(\$250,000)
532714 Transp-Grd-In State	(\$69,412)
533900 Oth Materials & Supplies	(\$15,073)

**1243 State Capitol****39 Transfer Personnel to Receipt Support**

(\$63,133) R

Transfers salary and benefits of Administrative Officer position (#60083604) to receipt-support.

-1.00

531211 Salaries	(\$49,258)
531511 Social Security	(\$3,768)
531521 Retirement	(\$5,177)
531561 Medical Insurance	(\$4,929)

**1250 Historic Preservation****40 Personnel Costs and Operating Budget Adjustments**

(\$110,086) R

Transfers salaries and benefits of two filled positions to receipt-support: Architect (#60083621) at \$37,473 and Hist Pres/Restoration Specialist II (#60083623) at \$44,050, and reduces travel expenses.

-2.00

531211 Salaries	(\$81,523)
531511 Social Security	(\$6,237)
531521 Retirement	(\$8,568)
531561 Medical Insurance	(\$9,858)
532714 Transp-Grd-In State	(\$3,900)

**1260 Office of State Archeology****41 Operating Budget Reductions**

(\$26,444) R

Reduces division expenditure accounts.

532199 Misc Contractual Svs	(\$490)
532714 Transp- Grd-In State	(\$13,000)
532721 Lodging-In State	(\$3,954)
532724 Meals - In State	(\$9,000)

**1290 Western Office****42 Transfer Personnel Expense**

(\$52,947) R

Transfers salary and benefits of Archives & Records Specialist position (#60083647) at \$32,796 to receipt-support.

-1.00

531211 Salaries	(\$40,638)
531511 Social Security	(\$3,109)
531521 Retirement	(\$4,271)
531561 Medical Insurance	(\$4,929)

**1320 Museum of Art****43 Eliminate Personnel Expense and Adjust Operating Budget**

(\$223,611) R

Eliminates salaries and benefits, but not FTE of two new positions: Admin Officer III (#65010906) at \$41,173 and Art Handler (#65010907) at \$25,705. Also reduces various expenditure accounts.

531211 Salaries	(\$66,878)
531511 Social Security	(\$5,116)
531521 Retirement	(\$7,029)
531561 Medical Insurance	(\$9,858)
532199 Misc Contractual Services	(\$50,000)
532390 Repairs	(\$75,000)
534610 Art & Artifacts	(\$9,730)

**1330 Arts Council****44 Reduce Operating Budget**

Reduces funding for grant programs.

(\$17,238) NR

536G32 Vagabond School of Drama	(\$1,474)
536G48 Lost Colony	(\$7,882)
536G71 Shakespeare Festival	(\$7,882)

**1340 NC Symphony****45 Grant for NC Symphony**

Appropriates non-recurring funding as grant to the Symphony.

\$500,000 NR

**1410 State Library Services****46 Eliminate Personnel Costs and Reduce Operating Budget**

(\$165,521) R

Eliminates salaries and benefits of 2.50 vacant positions: W/A Processing Asst IV (#60083860) at \$33,676; Library Clerk III (#60083854) at \$29,079; and Processing Asst III (#60083866) at \$12,905; and transfers Library Technician position (#60083851) at \$36,281 to receipt-support. Also reduces various expenditure accounts.

-3.50

531211 Salaries	(\$111,941)
531511 Social Security	(\$8,563)
531521 Retirement	(\$11,765)
531561 Medical Insurance	(\$17,252)
532199 Misc Contractual Services	(\$1,000)
534630 Librry & Lrning Res Coll	(\$15,000)

**1500 Museum of History****47 Operating Budget Adjustments**

(\$72,928) R

Reduces division expenditure accounts.

532512 Rent/Lease - Bldgs/Office	(\$24,978)
534549 Oth Motorized Vehicles	(\$47,950)

**Budget Changes**

(\$2,370,343) R

\$233,343 NR

**Total Position Changes**

-19.19

**Revised Total Budget**

\$71,112,990

## Cultural Resources - Roanoke Island Commission

GENERAL FUND
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Total Budget Approved 2009 Session	<table border="1"><tr><td>FY 10-11</td></tr></table> \$1,990,632	FY 10-11
FY 10-11		

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### Budget Changes

#### 1584 Roanoke Island Commission

##### 48 Operating Budget Reduction

(\$71,663) R

Reduces funds transferred to support the Roanoke Island Commission's operating budget.

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### Budget Changes

(\$71,663) R

### Total Position Changes

### Revised Total Budget

\$1,918,969

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## General Assembly

GENERAL FUND

FY 10-11  
\$56,584,484

## Total Budget Approved 2009 Session

## Budget Changes

## 1110 Senate

## 49 Operating Budget Adjustments

(\$485,540) R

Reduces budgeted days during the interim and budgeted weeks of session for the Senate.

531311 REG(NS) Temp Wages	(\$272,184)
531461 EPA& SPA-Longvty Pay	(\$15,062)
531511 Social Sec Contrib	(\$21,976)
531521 Retirement	(\$27,824)
532714 Travel/Other Employee	(\$33,002)
532727002 Travel/Other Employee	(\$115,492)

## 1120 House

## 50 Reductions to Operating Budget

(\$1,270,658) R

Reduces budgeted days during the interim and budgeted weeks of session for the House.

531311 REG(NS) Temp Wages	(\$749,940)
531461 EPA& SPA-Longevity Pay	(\$29,567)
531511 Social Sec Contrib	(\$59,632)
531521 Retirement	(\$79,562)
532714 Travel/Other Employee	(\$79,945)
532727002 Travel/Other Employee	(\$272,012)

## 1211 Administration

## 51 Adjust Expenditure Accounts

(\$27,544) R

Reduces budgeted weeks of session in Administration Division.

531311 REG(NS) Temp Wages	(\$22,054)
531461 EPA& SPA-Longevity Pay	(\$1,045)
531511 Social Sec Contrib	(\$1,766)
531521 Retirement	(\$2,679)

**1212 Bill Drafting****52 Operating Budget Adjustments**

(\$25,662) R

Reduces budgeted weeks of session for Bill Drafting.

531311 REG(NS) Temp Wages	(\$21,110)
531461 EPA& SPA-Longevity Pay	(\$609)
531511 Social Sec Contrib	(\$1,661)
531521 Retirement	(\$2,282)

**1215 Building Maintenance****53 Operating Budget Reductions**

(\$33,224) R

Reduces budgeted weeks of session in Building Maintenance Section.

531311 REG(NS) Temp Wages	(\$28,118)
531511 Social Sec Contrib	(\$2,151)
531521 Retirement	(\$2,955)

**1216 Food Service****54 Reductions to Operating Budget**

(\$13,846) R

Reduces budgeted weeks of session for Food Services Section.

531311 REG(NS) Temp Wages	(\$11,718)
531511 Social Sec Contrib	(\$896)
531521 Retirement	(\$1,232)

**1217 Information System****55 Operating Budget Adjustments**

(\$96,350) R

Reduces various expenditure accounts.

532140 Misc Contractual Services	(\$82,000)
532448 Maintenance Agreement	(\$1,284)
532449 Maintenance Agreement	(\$13,066)

**1230 Institute of Government****56 Operating Budget Adjustments**

(\$6,020) R

Reduces budgeted weeks of session for the Institute of Government.

531311 REG(NS) Temp Wages	(\$5,095)
531511 Social Sec Contribution	(\$390)
531521 Retirement	(\$535)

**1900 Contingency Reserves****57 Reduce Contingency Reserves**

(\$271,015) R

Reduces funding for the Legislative Study Commission.

537195 Contingency Reserves (\$271,015)

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**Budget Changes**

(\$2,229,859) R

**Total Position Changes****Revised Total Budget**\$54,354,625

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## Governor

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$6,067,739

## Budget Changes

## 1100 Administration

**58 Eliminate Personnel Costs and Reduce Operating Budget** (\$217,832) R

Eliminates salaries and benefits of one vacant position: W/A  
 Administrative assistant I (#60008480). Also reduces expenditure  
 accounts. -1.00

531211 Salaries	(\$39,000)
531511 Social Security	(\$2,985)
531521 Retirement	(\$4,098)
535461 Med Insurance	(\$4,929)
532145 Server Support Services	(\$17,200)
535830 Membership, Dues & Subscriptions	(\$149,620)

<b>Budget Changes</b>	<b>(\$217,832)</b>	<b>R</b>
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<b>Total Position Changes</b>	<b>-1.00</b>
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<b>Revised Total Budget</b>	<b>\$5,849,907</b>
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## Housing Finance Agency

GENERAL FUND
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Total Budget Approved 2009 Session

FY 10-11
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\$14,608,417

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**Budget Changes**

**1100 HFA - Appropriation**

**59 Home Protection Program Reduction**

(\$405,592) R

Reduces General Fund appropriation in anticipation of federal funding from the US Treasury that will assist states with the hardest hit unemployment rates. The reduction included recurring and non-recurring adjustments, and leaves a recurring balance of \$2,474,097 for the program.

(\$120,311) NR

538104 Home Protection Program (\$525,903)

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**Budget Changes**

(\$405,592) R

(\$120,311) NR

**Total Position Changes**

**Revised Total Budget**

\$14,082,514

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## Insurance

GENERAL FUND
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Total Budget Approved 2009 Session

FY 10-11
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\$32,242,706

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### Budget Changes

#### 1100 Administration

##### 60 Reduce Misc. Operating Accounts

(\$35,515) R

Reduces misc. operating accounts:

532430 Maint Agreement-Equipment	(\$5,962)
532712 Trans Air-Out State, In US	(\$15,709)
532840 Postage, Freight & Deliveries	(\$7,854)
532942 Other Employee Educational Expense	(\$5,990)

**1200 Company Services****61 Reduce Misc. Operating Accounts**

(\$144,203) R

Reduce misc. operating accounts:

532310 Repairs-Buildings	(\$10,708)
532332 Repairs-Computer Equip	(\$471)
532333 Repairs-Other Equipment	(\$1,330)
532390 Repairs-Other	(\$148)
532430 Maintenance Agreement-Equip	(\$1,080)
532441 Maintenance Agreement-Software	(\$437)
532443 Maintenance-Agree/Non-Wan DP Equipment	(\$393)
532714 Transportation-Ground - In State	(\$31,902)
532715 Transportation Ground-Out Of State, In Us	(\$802)
532721 Lodging - In State	(\$3,825)
532722 Lodging-Out Of State, In US	(\$3,751)
532724 Meals - In State	(\$2,513)
532725 Meals-Out Of State, In US	(\$1,137)
532727 Misc. - In State	(\$13)
532728 Misc. - Out Of State, In US	(\$328)
532731 Board/Non-Employee Transportation	(\$1,100)
532811 Telephone Service	(\$10,611)
532812 Telecommunication WAN	(\$138)
532814 Cellular Phone Services	(\$45)
532817 Internet Svc Provider	(\$295)
532840 Postage, Freight & Deliveries	(\$1,020)
532850 Print, Bind, Duplicating	(\$4,166)
532860 Advertising	(\$884)
532911 Property-Insurance	(\$159)
532913 Liability Insurance	(\$39)
532930 Registration Fees	(\$7,123)
532941 Employee Education Assist Program	(\$109)
532942 Other Employee Educational Expense	(\$14,949)
533120 Data Processing Supplies	(\$3,223)
533190 Other Admin Supplies	(\$324)
533240 Carpentry & Hardware Supplies	(\$118)
534511 Furniture-Office	(\$7,992)
534521 Office Equipment	(\$5,723)
534534 Personal Comp & Printer	(\$8,934)
534713 PC Software	(\$1,104)
535830 Membership Dues & Subscriptions	(\$3,985)
535840 Employee Awards Payment	(\$27)
535890 Other Administrative Expenses	(\$13,297)

**1300 Technical Services****62 Reduce Misc. Operating Accounts**

(\$244,550) R

Reduce misc. operating account:

532133 Employ/Employment Physicals	(\$23,747)
532310 Repairs-Buildings	(\$181)
532332 Repairs-Computer Equipment	(\$132)
532712 Transportation Air-Out Of State, In US	(\$26,111)
532714 Transportation-Ground - In State	(\$21,634)
532715 Trans Ground-Out Of State, In US	(\$10,135)
532721 Lodging - In State	(\$5,006)
532722 Lodging-Out Of State, In US	(\$15,780)
532724 Meals - In State	(\$1,689)
532725 Meals-Out Of State, In US	(\$4,403)
532727 Misc. - In State	(\$95)
532728 Misc. - Out Of State, In US	(\$375)
532840 Postage, Freight & Deliveries	(\$49,159)
532850 Print, Bind, Duplicating	(\$23,352)
532860 Advertising	(\$3,690)
532930 Registration Fees	(\$3,105)
532942 Other Employee Educational Expense	(\$301)
533110 General Office Supplies	(\$10,465)
533120 Data Processing Supplies	(\$2,457)
533190 Other Admin Supplies	(\$3)
533240 Carpentry & Hardware Supplies	(\$153)
534511 Furniture-Office	(\$3,927)
534521 Office Equipment	(\$785)
534534 Personal Comp & Printer	(\$28,710)
534539 Other Equipment	(\$6,284)
535830 Membership Dues	(\$2,871)



**1400 Public Service****63 Reduce Misc. Operating Accounts**

(\$279,487) R

Reduce misc. operating accounts:

532143	LAN Support Services	(\$55,000)
532170	Administrative Services	(\$18,851)
532712	Transportation-Out-Of-State	(\$2,799)
532714	Trans-Ground - In State	(\$874)
532715	Trans Air-Out Of State, In US	(\$1,728)
532721	Lodging - In State	(\$833)
532722	Lodging-Out Of State, In US	(\$2,758)
532724	Meals - In State	(\$408)
532725	Meals - Out-Of-State	(\$473)
532728	Misc.- Out Of State, In Us	(\$123)
532811	Telephone Services	(\$61,000)
532840	Postage, Freight & Deliveries	(\$7,888)
532840001	Post, Fr & Del Mailing Services	(\$58,908)
532850	Print, Bind, And Duplicating	(\$48,006)
532860	Advertising	(\$393)
532930	Registration Fees	(\$1,700)
532942	Other Employee Education Expense	(\$5,124)
533110	General Office Supplies	(\$6,284)
533120	Data Processing Supplies	(\$2,337)
534534	PC/Printer Equipment	(\$4,000)

**1500 Office of State Fire Marshal****64 Reduce Misc. Operating Accounts**

(\$509,865) R

Reduce misc. operating accounts:

532170	Admin Services	(\$14,273)
532199	Misc Contractual Services	(\$12,726)
532850	Printing, Binding, Duplicating	(\$482,866)

**6110 NC Auto Retrospective Insurance Fund****65 Reduce NC Auto Retrospective Insurance Fund**

Reduces the NC Auto Retrospective Insurance Fund by \$1,000,000.

(\$1,000,000) NR

**Budget Changes**

(\$1,213,620) R

(\$1,000,000) NR

**Total Position Changes****Revised Total Budget****\$30,029,086**

## Insurance - Volunteer Safety Workers' Compensat

GENERAL FUND
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Total Budget Approved 2009 Session

FY 10-11
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\$1,561,846

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**Budget Changes**

66 NO LEGISLATIVE ACTION REPORTED

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**Budget Changes**

Total Position Changes

**Revised Total Budget**

**\$1,561,846**

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## Lieutenant Governor

GENERAL FUND
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Total Budget Approved 2009 Session

FY 10-11
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\$931,703

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**Budget Changes**

**67 Eliminate 0.5 Vacant Positions**

(\$33,539) R

Eliminates salaries and benefits for 0.5 vacant positions:

-0.50

60008618: Information & Comm. Spec. II (0.5 FTE)

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**Budget Changes**

(\$33,539) R

**Total Position Changes**

-0.50

**Revised Total Budget**

**\$898,164**

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## Office of Administrative Hearings

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$4,111,476**Budget Changes****68 Reduce Operating Expenses**

(\$30,000) R

Reduces various operating expenses across the department:

532800 Communications (\$10,000)  
 534700 Intangible Assets (\$5,000)  
 532700 Travel (\$15,000)

**69 Shift 1.0 Position to Receipt Support**

(\$130,963) R

Shifts salary and benefits for 1.0 position to receipt support:

-1.00

60081275: Agency Attorney (\$106,664)

531211 Salaries (\$106,664)  
 531511 Social Security (\$8,160)  
 531521 Retirement (\$11,210)  
 531561 Medical Insurance (\$4,929)

**Budget Changes**

(\$160,963) R

Total Position Changes

-1.00

Revised Total Budget

\$3,950,513

## Revenue

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$87,790,970

## Budget Changes

## 1629 Property Tax Division

**70 Convert Property Tax Division to Receipt Support**

(\$1,467,305) R

Converts the Property Tax Division to receipt support, including 17.0 positions. This requires an amendment to GS 105-501.

-17.00

## 2479 Revenue IT Projects

**71 Eliminates Funding for Call Recording Program**

(\$700,000) NR

Eliminates funding for Call Recording Program Budget Code 24708. The department was authorized to spend up to \$700,000 of sales tax collections to implement a call recording program at the Taxpayer Assistance Call Center. The system was not implemented because cost estimates exceeded the availability of funds.

## Department-Wide

**72 Provide Funding for Resolution Initiative II**

\$846,909 R

Provides funding for the Resolution Initiative II, which is estimated to collect an additional \$110 million in revenue for FY 2010-11. The Department has flexibility to apply these funds towards positions and/or operating expenses.

**73 Reduce Travel Reimbursement**

(\$39,000) R

Reduces budgeted travel reimbursement:

5327xx Travel (\$39,000)

**74 Reduce ITS Rate**

(\$158,647) R

Reduces budget ITS costs due to reduction in ITS rate:

532140 Information Technology Services (\$158,647)

**75 Eliminate 8.0 Vacant Positions**

(\$429,831) R

Eliminates salaries and benefits for 8.0 vacant positions:

-8.00

60081419: Tax Research Assistant Director	(Fund 1607)
60081345: Technology Support Analyst	(Fund 1605)
60082659: Processing Assistant IV	(Fund 1685)
60082992: Processing Assistant IV	(Fund 1685)
60082679: Data Entry Specialist	(Fund 1660)
60082667: Data Entry Specialist	(Fund 1685)
60082621: Information Processing Technician	(Fund 1685)
60081281: Information & Communication Specialist II	(Fund 1600)

531211 Salaries	(\$330,399)
531511 Social Security	(\$25,276)
531521 Retirement	(\$34,725)
531561 Med Insurance	(\$39,432)

**76 Eliminate 9.0 Vacant Positions**

(\$371,467) R

Eliminates salaries and benefits for 9.0 vacant positions:

-9.00

60081530 Revenue Officer I	(\$39,649)
60081617 Processing Assistant III	(\$27,253)
60081638 Revenue Officer I	(\$39,649)
60082561 Processing Assistant IV	(\$31,007)
60082572 Processing Assistant IV	(\$31,430)
60082633 Data Entry Specialist	(\$26,695)
60082675 Data Entry Specialist	(\$25,711)
60082757 Processing Assistant III	(\$29,628)
60082979 Processing Assistant III	(\$25,811)

531211 Salaries	(\$276,833)
531511 Social Security	(\$21,178)
531521 Retirement	(\$29,095)
531561 Med Insurance	(\$44,361)

**Budget Changes**

(\$1,619,341) R

(\$700,000) NR

**Total Position Changes**

-34.00

**Revised Total Budget****\$85,471,629**

## Secretary of State

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$11,451,488

## Budget Changes

## 1110 General Administration

**77 Eliminate Personnel Costs and Reduce Operating Budget** (\$174,041) R

Eliminates salary and benefits of vacant Processing Assistant IV position (#60094554) and transfers Paralegal (#60094563) and Agency Legal Specialist (#60008627) positions to Auction Rate Securities Time Limited receipts. Also, reduces expenditure accounts.

-3.00

531211 Salaries (\$128,540)  
 531511 Social Security (\$9,833)  
 531521 Retirement (\$13,510)  
 531561 Med Insurance (\$14,787)  
 534534 Computer/Printers (\$7,371)

## 1120 Publications

**78 Eliminate Filled Position** (\$58,995) R

Eliminates filled position - Division Director (#60008652).

-1.00

531211 Salaries (\$45,757)  
 531511 Social Security (\$3,500)  
 531521 Retirement (\$4,809)  
 531561 Med Insurance (\$4,929)

## 1210 Corporations

**79 Eliminate Vacant Position** (\$35,302) R

Eliminates filled Processing Assistant IV position (#60008683).

-1.00

531211 Salaries (\$25,705)  
 531511 Social Security (\$1,966)  
 531521 Retirement (\$2,702)  
 531561 Med Insurance (\$4,929)

**1220 Certification & Filing****80 Adjustments to Personnel and Operating Budget**

(\$85,605) R

Eliminates one vacant Processing Assistant IV (#60094577); and  
reduces expenditure accounts.

-1.00

531211 Salaries	(\$25,705)
531511 Social Security	(\$1,966)
531521 Retirement	(\$2,702)
531561 Med Insurance	(\$4,929)
532199 Misc Contractual Svs	(\$50,303)

**1230 Securities****81 Transfer Personnel Expense**

(\$61,632) R

Transfers Financial Investigator position (#60008782) to Auction  
Rate Securities Time Limited receipt.

-1.00

531211 Salaries	(\$47,988)
531511 Social Security	(\$3,671)
531521 Retirement	(\$5,044)
531561 Med Insurance	(\$4,929)

**Budget Changes**

(\$415,575) R

**Total Position Changes**

-7.00

**Revised Total Budget****\$11,035,913**



## State Board of Elections

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$6,221,208

## Budget Changes

**82 Provide Maintenance of Effort for HAVA Funds**Provides Maintenance of Effort funding in order to receive  
\$2,035,430 of Federal HAVA funds.

\$107,129 NR

**83 Provide Funding for Good Government Package**

Provides funding for the Good Government package, including:

\$450,000 R

1.00

Attorney	\$100,000
Software development	\$350,000

**1100 Administrative Division****84 Reduce Various Operating Accounts**

(\$114,632) R

Reduces various operating accounts:

532811 Telephone Services	(\$5,363)
532812 Telecommunications Data Charge	(\$20,122)
532143 LAN Supply Services	(\$28,387)
533150 Security & Safety	(\$12,100)
532100 Legal Services	(\$5,800)
532700 Travel	(\$12,860)
53218 Workshop/Conf Food Exp	(\$30,000)

**1200 Campaign Finance Division****85 Reduce Various Operating Accounts**

(\$61,909) R

Reduces various operating accounts:

532811 Telephone Services	(\$14,909)
532812 Telecommunications Data Charge	(\$37,000)
532199 Misc. Contractual Services	(\$10,000)

**Department-Wide****86 Reduce ITS Rate**

(\$29) R

Reduces budgeted ITS costs due to reduction in ITS rate:

532140: (\$29)

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<b>Budget Changes</b>	<b>\$273,430</b>	<b>R</b>
	<b>\$107,129</b>	<b>NR</b>
<b>Total Position Changes</b>	1.00	
<b>Revised Total Budget</b>	<b>\$6,601,767</b>	

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## State Budget & Management

GENERAL FUND
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FY 10-11
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Total Budget Approved 2009 Session

\$6,407,809

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### Budget Changes

#### 1310 State Budget, Management

##### 87 Eliminate Personnel Expense

(\$242,610) R

Eliminates salaries and benefits of two vacant positions: Deputy  
State Budget Officer (#60008561) - \$123,095; and Auditor  
(#60008882) - \$73,885.

-2.00

531211 Salaries	(\$196,980)
531514 Social Security	(\$15,069)
531516 Retirement	(\$20,703)
535417 Med Insurance	(\$9,858)

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### Budget Changes

(\$242,610) R

### Total Position Changes

-2.00

### Revised Total Budget

\$6,165,199

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## State Budget and Management - Special

GENERAL FUND

	<b>FY 10-11</b>
<b>Total Budget Approved 2009 Session</b>	<b>\$4,161,125</b>

**Budget Changes****1022 Special Appropriations**

<b>88 Adjust Grant Funding</b>	(\$3,339)	R
Reduces the General Fund appropriation to the Humanities Council and provides a balance of \$89,661 for FY 2010-11.		

**Reserves & Transfers**

<b>89 Military Morale and Welfare Fund</b>	\$500,000	NR
Appropriates funding to sustain historical grants to military installations in order to provide community service and quality-of-life programs for military members and their families.		

<b>Budget Changes</b>	(\$3,339)	R
	\$500,000	NR

**Total Position Changes**

<b>Revised Total Budget</b>	<b>\$4,657,786</b>
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## State Controller

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$23,188,207

## Budget Changes

## 1000 Department-Wide

## 90 Close Cash Balance Accounts

Eliminates remaining cash balances of four funds in Budget Code 24160:Business Infrastructure Study; Financials Planning Fund that provided the Feasibility Report on new financial systems completed in compliance with S.L. 2007-323 (HB 1473);Escheats funds collected by OSC that have been unclaimed by State agencies; and Foreign Nationals funding that supported the purchase of the last statewide license to access software for the program.

(\$1,124,677) NR

2400 Business Infrastructure Study	(\$137)
2403 Financials Planning Fund	(\$605,000)
2500 Escheats	(\$442,460)
2600 Foreign Nationals	(\$77,080)

## 91 Criminal Justice Law Enforcement Automated Data Services (CJLEADS)

\$9,000,000 R

Appropriates funding for CJLEADS, which is a statewide information technology project designed to merge state criminal data records into one streamlined, comprehensive system. It will assist law enforcement and the courts by providing necessary information. Funding is provided to complete implementation of the Wake County pilot program, to begin expansion statewide, and for operational support and maintenance.

\$500,000 NR  
30.50

## Budget Changes

\$9,000,000 R

(\$624,677) NR

## Total Position Changes

30.50

## Revised Total Budget

\$31,563,530

## Treasurer

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11  
\$17,565,400

## Budget Changes

## 1110 General Administration

## 92 Internal Auditor Positions

Appropriates funding for the Department to employ three Internal Auditor positions. The positions were recommended by the Council of Internal Auditing in keeping with G.S. 143-746. The Internal Auditors will be responsible for developing and administering a comprehensive internal audit function for the Department. The three positions will include a Director of Internal Audit, and two additional internal auditors. The positions are supported by receipts.

Requirements	\$259,307
Recurring	\$250,307
Non-recurring	\$ 9,000

531211 Salaries	\$196,293
531511 Social Security	\$ 15,016
531521 Retirement	\$ 20,611
531561 Medical Insurance	\$ 14,787
532811 Telephone Service	\$ 1,800
533110 General Office Supplies	\$ 1,800
534511 Furniture - Office	\$ 4,500
534521 Office Equipment	\$ 4,500

## 1210 Investment Management

## 93 Operating Budget Reductions

(\$210,234) R

Reduces division's operating budget.

532120 Finan/Audit Services	(\$143,163)
532199 Misc Contractual Services	(\$32,071)
532712 Air - Out of State	(\$10,000)
532714 Transp - Ground - In State	(\$2,000)
532715 Transp - Ground - Out of State	(\$1,000)
532721 Lodging - In State	(\$3,000)
532722 Lodging - Out of State	(\$10,000)
532724 Meals - In State	(\$3,000)
532725 Meals - Out of State	(\$6,000)

**1310 Local Government Operations****94 Personnel and Budget Reductions**

(\$125,793) R

Eliminates salaries and benefits of two vacant Administrative Support positions – Administrative Support Specialist (#60009095) at \$33,750, and Administrative Support Associate (#60009100) at \$28,366; and reduces expenditure accounts.

-2.00

531211 Salaries	(\$62,116)
531511 Social Security	(\$4,752)
531521 Retirement	(\$6,528)
531561 Medical Insurance	(\$9,858)
532199 Misc Contractual Svs	(\$1,451)
32840 Postage	(\$34,088)
533110 General Office Supplies	(\$7,000)

**1410 Retirement Operations****95 Service Credit Audit Team (SAT)**

Allows department to increase receipts to provide the final year of funding for the Service Audit Team (SAT) in FY 2010–2011. For the past four years, SAT has worked to correct service data transferred from the legacy system. This funding completes work on all remaining unaudited pre-1997 active accounts that were targeted by the original RFP that had a five year plan.

**1510 Financial Operations - Banking****96 Personnel and Operating Budget Reductions**

(\$44,059) R

Eliminates salary and benefits for three vacant Administrative Support positions – Banking Specialist (#60009282) at \$27,615, Senior Banking Specialist (#60009304) at \$31,100, and Accountant (#60009090) a \$51,500; and reduce expenditure accounts.

-1.00

531211 Salaries	(\$27,615)
531511 Social Security	(\$2,113)
531521 Retirement	(\$2,902)
531561 Medical Insurance	(\$4,929)
532811 Telephone Service	(\$3,500)
532840 Postage	(\$3,000)

**Budget Changes**

(\$380,086) R

**Total Position Changes**

-3.00

**Revised Total Budget****\$17,185,314**

## Treasurer - Retirement for Fire and Rescue

GENERAL FUND
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Total Budget Approved 2009 Session

FY 10-11
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\$10,804,671

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Budget Changes

97 NO LEGISLATIVE ACTION REPORTED

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Budget Changes

Total Position Changes

Revised Total Budget

\$10,804,671

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# **TRANSPORTATION**

## **Section K**



## Highway Fund

HIGHWAY FUND

Total Budget Approved 2009 Session

FY 10-11

\$1,739,650,000

## Budget Changes

## Administration

**1 IT Budget Reductions**

(\$207,933) R

Reduces the Department's IT budget to reflect FY 2010-11 rate changes from the Office of Information Technology Services.

**2 IT Payment Card Industry Data Security Standard Compliance**

\$254,406 R

Provides funds to upgrade DOT's computer applications and supporting infrastructure that process payment cards to become compliant with new standards imposed by MasterCard. One Business and Technology Specialist position (\$95,344) is funded and will serve as the compliance officer for the program.

\$350,000 NR  
1.00

**3 IT - Enterprise IP Telephone System**

\$544,289 R

Provides funds to replace the existing DMV Interactive Voice Response hardware and applications and includes annual operating funds required for related IT expenses. The current telephone system is no longer supported and is critical to the Division's ability to respond effectively to citizens' needs and deliver a high level of customer service via its call center.

\$515,000 NR

**Aviation Division****4 Transfer of Department of Commerce Executive Aircraft Division** \$500,000 R

Transfers 3.0 pilots and 1.0 mechanic as well as the Department of Commerce's two aircraft to DOT's Aviation Division. This reduction reflects recommendations from the Program Evaluation Division Study of State Aircraft. The total amount transferred is \$989,658, including \$500,000 in General Fund appropriations and \$489,658 in receipts. The DOT Aviation budget will have additional receipts of \$127,315 from billing the Department of Commerce for use of the DOT aircraft.

4.00

The positions transferred include:

60080839 Executive Pilot II  
 60080840 Executive Pilot II  
 60080842 Aircraft Mechanic  
 60080838 Executive Pilot II

**Department-wide****5 Vacant Positions** (\$3,233,406) R

Eliminates positions vacant prior to January 1, 2009 in the Division of Motor Vehicles. Eliminates all other DOT positions vacant prior to January 1, 2010. This includes 7 DMV positions and 44 DOT positions supported by the Highway Fund. It includes 14 DMV positions and 1,059 DOT positions funded through projects, receipts, or through federal funds.

-51.00

The total cut to DMV for the salary and benefits for the vacant Highway Fund supported positions is \$416,898. The total cut to the DOT administrative budget for the salary and benefits for the vacant Highway Fund supported positions is \$2,816,508.

**Division of Motor Vehicles****6 Medical Certification Compliance**

\$264,951 R

Provides funds to allow DMV to become compliant with new federal requirements for medical certification as part of the Commercial Driver License (CDL) process. Medical certificates for all CDL holders must be reviewed by January 30, 2012 and every two years afterward to ensure they meet the medical requirements of the Federal Motor Carrier Safety Administration. In order to comply with these new federal requirements, funds are provided for additional personnel and for operating support.

\$7,550 NR

5.00

Positions include four Processing Assistant V positions (\$27,544 each) and one Administrative Assistant I (\$29,502) for a total of five positions costing \$139,678 in salaries and \$52,673 in benefits. Additional recurring costs of \$72,600 for mailing and \$7,550 in nonrecurring costs for computers and office equipment are incurred.

**7 DMV Security Measures**

Provides funds to enhance building security at the Charlotte and Raleigh Registration and Renewals, Titles, and Plate offices. Security cameras, panic buttons, and door swipe card access systems are needed to secure State funds and equipment and limit access into secure areas.

\$344,722 NR

**Ferry Division****8 Maintain Current Level of Service**

\$11,349,869 R

Provides operating funds to maintain the current level of services for FY 2010-11.

**Maintenance****9 Maintenance Funds**

(\$2,078,811) R

Decreases funds for maintenance of the State's highway infrastructure.

The total budget for maintenance is \$936,166,830 in FY 2010-11. Changes include:

	Adj (R)	Total
Primary System	\$0	\$186,055,224
Secondary System	\$0	\$269,153,619
Contract Resurfacing	\$0	\$300,000,000
System Preservation	\$0	\$100,000,000
General Maintenance Reserve	\$-2,078,811	\$ 80,957,987

**Rail Division****10 Grants to Short Line Railroads**

Provides funds to the Rail Division for grants to short line railroad companies for rehabilitation projects that strengthen North Carolina's short line rail infrastructure.

\$2,000,000 NR

**11 Pembroke Northeast Bypass Connector**

Provides funds for construction of the Pembroke Northeast Bypass project, which will provide improved multi-modal access to southeast North Carolina, linking the state's military bases and State ports.

\$4,325,000 NR

**Reserves****12 Retirement System Contribution**

Increases employer contributions to the retirement system to maintain the system's actuarially sound status.

\$1,857,000 R

**Statutory Adjustments****13 Leaking Underground Storage Tank (LUST) Fund**

Adjusts budget for the LUST fund by -1.5 percent based on projections for the motor fuels inspection fee in accordance with G.S. 119-18.

(\$40,000) R

**14 Secondary Road Improvement Program Funds**

Adjusts funding in FY 2010-11 for the secondary road improvement program based on revised projections for motor fuels tax revenue in accordance with G.S. 136-44.2A.

\$3,840,718 R

**15 Aid to Municipalities**

Adjusts funding for aid to municipalities by -0.9 percent based on revised projections for motor fuels tax revenue in accordance with G.S. 136-41.1

(\$785,319) R

**Transfers**

<b>16 DPI - Driver Education Program</b>	<b>\$32,021,964</b>	<b>R</b>
Partially restores funding to the Driver Education program. Funding was eliminated in FY2010-11 pending a Continuation Review.		
<b>17 CCPS - VIPER matching funds</b>	<b>\$2,200,000</b>	<b>NR</b>
Provides funds to the Highway Patrol for matching funds for the Public Safety Interoperability Communications grant from the US Department of Commerce. The grant will assist in the further development of the Voice Interoperability Project for Emergency Responders (VIPER) network.		
<b>18 North Carolina Global TransPark Authority</b>	<b>(\$640,000)</b>	<b>R</b>
Reduces the Global TransPark budget by 50 percent to a total of \$640,000.		
<b>19 Reduce Transfer to General Fund - Dept of State Treasurer</b>	<b>(\$500,000)</b>	<b>R</b>
Reduces the transfer to the General Fund by \$500,000 to account for the transfer of the Department of Commerce Executive Aircraft Division.		

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<b>Budget Changes</b>	<b>\$43,147,728</b>	<b>R</b>
	<b>\$9,742,272</b>	<b>NR</b>
<b>Total Position Changes</b>	<b>-41.00</b>	
<b>Revised Total Budget</b>	<b>\$1,792,540,000</b>	

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## Highway Trust Fund

HIGHWAY TRUST FUND
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Total Budget Approved 2009 Session

FY 10-11
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**\$920,990,000**
**Budget Changes****Highway Trust Fund**

<b>20 Administration</b>	\$371,520	R
Increases appropriation for administration for FY 2010-11 consistent with new revenue estimates and G.S. 136-176(b).		
<b>21 Aid to Municipalities</b>	\$524,109	R
Increases appropriation for Aid to Municipalities for FY 2010-11 consistent with new revenue estimates and G.S. 136-176(b)(3).		
<b>22 Intrastate System</b>	\$4,995,162	R
Increases appropriation for the Intrastate System for FY 2010-11 consistent with new revenue estimates and G.S. 136-176(b)(1).		
<b>23 Secondary Road Construction</b>	(\$170,627)	R
Reduces appropriation for the Secondary Road construction program for FY 2010-11 consistent with new revenue estimates and G.S. 136-176(b)(4).		
<b>24 Urban Loops</b>	\$2,019,836	R
Increases appropriation for the Urban Loops for FY 2010-11 consistent with new revenue estimates and G.S. 136-176(b)(2).		

**Budget Changes****\$7,740,000 R****Total Position Changes****Revised Total Budget****\$928,730,000**



**RESERVES/  
DEBT SERVICE/  
ADJUSTMENTS  
Section L**



## Statewide Reserves

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$1,176,309,585

## Budget Changes

## A. Employee Benefits

<b>1 State Retirement System Contributions</b>	\$40,000,000	R
Increases the State's contribution to the Teachers' and State Employees' Retirement System for Fiscal Year 2010-11.		
<b>2 Judicial Retirement System Contributions</b>	\$1,000,000	R
Increases the State's contribution to the Consolidated Judicial Retirement System for Fiscal Year 2010-11.		
<b>3 Firemen's and Rescue Squad Workers System Contributions</b>	\$1,000,000	R
Increases the State's appropriation to the Firemen's and Rescue Squad Workers' Pension Fund for Fiscal Year 2010-11.		

## B. Other Reserves

<b>4 Reserve for Modernization of 1040 e-File Platform</b>	\$47,600	R
Establishes a reserve to provide funding for the State to conform to the Internal Revenue Service's information technology requirements to modernize electronic filing of tax returns.		
<b>5 Job Development Incentive Grants Reserve</b>		
Reduces the continuation budget based on projected payment schedule.		
	(\$6,600,000)	NR

## C. Debt Service

<b>6 Increase Debt Service</b>	\$6,046,000	R
Increases debt service in anticipation of an additional \$70 million issuance of COPs for Repairs and Renovations.		
<b>7 Adjust Debt Service Payments</b>	(\$15,845,385)	R
Modifies budgeted debt service payments to correspond to projected payment schedules.		

## Budget Changes

\$32,248,215 R

(\$5,142,882) NR

## Total Position Changes

## Revised Total Budget

\$1,203,414,918



# **CAPITAL**

## **Section M**



Capital

GENERAL FUND
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A. Department of Environment and Natural Resources

1 Water Resources Development Projects

Provides funds to allow the State to match \$27.4 million in federal funding for Water Resources Development Projects and provides the State match to local grant projects. Projects are specified in a special provision.	\$9,130,000	NR
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B. Special Indebtedness

2 Repair and Renovations Reserve

Authorizes the issuance of certificates of participation to be allocated to the Reserve for Repairs and Renovation. The University of North Carolina System will receive 50 percent of the allocation. The Office of State Management and Budget will receive 50 percent of the allocation to be distributed to the various state agencies. The Office of State Management and Budget is directed to allocate \$500,000 to the Department of Crime Control and Public Safety to repair and renovate National Guard Armories. The total debt authorized is \$70,000,000.

Total Appropriation to Capital

	\$9,130,000	NR
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# **INFORMATION TECHNOLOGY**

## **Section N**



## Information Technology Fund

Budget Code: 24467

	FY 2010-11
<b>Beginning Unreserved Fund Balance</b>	<b>\$2,200,000</b>
<b>Total Budget Approved 2009 Session</b>	
Requirements	<b>\$14,821,416</b>
Receipts	<b>\$14,821,416</b>
Positions	<b>9.00</b>

**Legislative Changes****Requirements:****NC One Map Program**

\$167,549 R

Transfers the Department of Environment and Natural Resources' NC One Map program to the Office of the State Chief Information Officer.

\$0 NR

0.00

**Center for Geographic Information and Analysis**

\$572,451 R

Provides funding to support the operations of the Center for Geographic Information and Analysis (CGIA), located in the Office of the State Chief Information Officer. The CGIA is the lead agency for geographic information systems (GIS) services and GIS coordination for the State of North Carolina. CGIA provides GIS services to State and local governments, as well as the private sector.

\$0 NR

0.00

**Enterprise Security and Risk Management Office**

\$1,101,296 R

Provides funding to support the operation of the Enterprise Security and Risk Management Office (ESRMO) in the Office of the State Chief Information Officer. The ESRMO supports the development, delivery and maintenance of an information security and risk management program that safeguards the state's information assets and the supporting infrastructure against unauthorized use, disclosure, modification, damage or loss.

\$0 NR

0.00

**Enterprise Project Management Office**

\$1,795,000 R

Provides funding to support the operation of the Enterprise Project Management Office (EPMO). The EPMO is responsible for coordinating and standardizing the management of IT projects over their life cycle, to include providing oversight during the design, development, and implementation process.

\$0 NR

0.00

## House Appropriations

**FY 2010-11**

### **Architecture and Engineering**

\$648,000 R

Provides funding to support the State Chief Information Officer's efforts to establish and maintain statewide information technology standards and to design technical solutions for executive branch agencies, as well as local governments, public libraries, and K-20 organizations.

\$0 NR

0.00

### **Enterprise Licensing**

\$300,000 R

Provides funding for Statewide licenses required for ESRI, a GIS-related software, which is used to capture, manage, analyze, and display geographically referenced information.

\$0 NR

0.00

### **State Portal**

\$500,000 R

Provides funding to continue the State's effort to design, develop, and implement a Statewide portal that will improve access to State agency websites and the associated programs and services.

\$0 NR

4.00

### **Enterprise Identity Management**

\$1,250,000 R

Provides funding to continue North Carolina's Enterprise Identity Management (EIM) program, NCID. As the standard identity management and access service provided to State, local, business, and citizen users by the Office of Information Technology Services, NCID provides security and access control for real-time resources such as customer based applications and information retrieval.

\$0 NR

0.00

### **IT Consolidation**

\$2,079,467 R

Continues the State's efforts to consolidate information technology infrastructure within State agencies, coordinating the use of information technology infrastructure by focusing on the consolidation of local area network, voice, data center (servers), security, desktop, and service desk operations and services.

\$0 NR

0.00

### **Electronic Forms/Digital Signatures**

\$653,704 R

Provides funding to continue and coordinate the development effort for electronic forms and digital signature projects in State agencies, under the direction of the State CIO. This effort will allow State agencies to automate forms that currently require paper copies and to make them available on line.

\$0 NR

2.00

### **Information Technology Fund Adjustment**

R

Adjusts requirements from the previous year to allow for a comprehensive listing of intended uses of the Information Technology Fund.

(\$14,821,416) NR

0.00

## House Appropriations

FY 2010-11

## Subtotal Legislative Changes

**\$9,067,467** R  
**(\$14,821,416)** NR  
6.00

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**Receipts:****Projected Interest Income**

\$100,000 R

Increases receipts to reflect projected interest income.

\$0 NR

**Transfer NC One Map Program**

\$167,549 R

Adjusts receipts to reflect the transfer of the Department of Environment and Natural Resources's NC One Map program from the Center for Geographic Information and Analysis.

\$0 NR

**Information Technology Fund Reduction**

(\$6,981,416) R

Adjusts receipts to reflect revised General Fund appropriations to the IT Fund.

\$0 NR

## Subtotal Legislative Changes

(\$6,713,867) R

\$0 NR

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**Revised Total Requirements****\$9,067,467****Revised Total Receipts****\$8,107,549****Change in Fund Balance****(\$959,918)****Total Positions****15.00**

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**Unappropriated Balance Remaining****\$1,240,082**

