

**THE JOINT CONFERENCE COMMITTEE REPORT
ON THE
CONTINUATION, EXPANSION
AND CAPITAL BUDGETS**

Senate Bill 897

North Carolina General Assembly

June 28th, 2010

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General Fund Availability Statement

| | 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 |
| 4 Beginning Unreserved Fund Balance | 3,972,262 |
| 5 Revenues Based on Existing Tax Structure | 18,199,339,016 |
| 6 Non-tax Revenues | |
| 7 Investment Income | 57,500,000 |
| 8 Judicial Fees | 239,100,000 |
| 9 Disproportionate Share | 100,000,000 |
| 10 Insurance | 67,000,000 |
| 11 Other Non-Tax Revenues | 182,700,000 |
| 12 Highway Trust Fund/Use Tax Reimbursement Transfer | 72,800,000 |
| 13 Highway Fund Transfer | 17,600,000 |
| 14 Subtotal Non-tax Revenues | 736,700,000 |
| 15 Total General Fund Availability | 18,940,011,278 |
| 16 Adjustments to Availability: Senate Bill 897 | |
| 17 Internal Revenue Code Conformity | (7,700,000) |
| 18 Unemployment Insurance Refundable Tax Credit | (34,100,000) |
| 19 Increase Sales Tax Prepayment Threshold | (7,000,000) |
| 20 Relieve Annual Report Compliance Burden on Small Businesses | (400,000) |
| 21 Fair Tax Penalties | 0 |
| 22 Extend Sunsets on Various Tax Incentives | (3,500,000) |
| 24 Improve Tax and Debt Collection Process | 3,000,000 |
| 25 Modernize Sales Tax on Accommodations | 1,700,000 |
| 26 Modernize Admissions Tax and Restore Amenities Exclusion | (700,000) |
| 27 Reserve for Pending Finance Legislation | (9,800,000) |
| 28 Reduce Franchise Tax Burden on Construction Companies | (1,500,000) |
| 29 Department of Revenue Settlement Initiative | 110,000,000 |
| 30 Disproportionate Share | 35,000,000 |
| 31 Loss of Estate Tax Revenues for FY 2010-11 | (85,000,000) |
| 32 Increase Justice and Public Safety Fees | 13,930,670 |
| 33 Transfer from the Health and Wellness Trust Fund | 5,397,000 |
| 34 Transfer Aviation From Department of Commerce to Department of Transportation | (500,000) |
| 35 Transfer from Wildlife Resources Commission | 3,000,000 |
| 36 Divert Funds from Scrap Tire Disposal Account | 2,500,000 |
| 37 Divert Funds from White Goods Fund | 1,200,000 |
| 38 Transfer from Mercury Pollution Prevention Fund | 2,250,000 |
| 39 Transfer from Bladen Lakes Special Fund | 150,000 |
| 40 Transfer from DACS-N.C. State Fair | 1,000,000 |
| 41 Transfer from ECU Magnetic Resonance Imaging Lease and Equipment Fund | 1,000,000 |
| 42 Adjust Transfer from Insurance Regulatory Fund | (2,176,454) |
| 43 Transfer from Motorfleet Internal Services Fund | 14,000,000 |
| 45 Subtotal Adjustments to Availability: Senate Bill 897 | 41,751,216 |
| 47 Revised General Fund Availability | 18,981,762,494 |
| 48 Less General Fund Appropriations | 18,958,293,337 |
| 49 Balance Remaining | 23,469,157 |

SUMMARY:

**GENERAL FUND
APPROPRIATIONS**

**Summary of General Fund Appropriations
2010 Legislative Session: Fiscal Year 2010-11**

| | FY 2010-11 | Legislative Adjustments | | | Revised | |
|-------------------------------------------------|-----------------------|--------------------------------|----------------------|----------------------|----------------|-----------------------|
| | Certified | Recurring | Nonrecurring | Net | FTE | Appropriation |
| | Budget | Adjustments | Adjustments | Changes | Changes | 2010-11 |
| <u>Education:</u> | | | | | | |
| Community Colleges | 1,012,467,778 | 57,268,183 | (14,600,000) | 42,668,183 | -7.75 | 1,055,135,961 |
| Public Education | 7,360,833,223 | (211,771,109) | (63,473,202) | (275,244,311) | -9.00 | 7,085,588,912 |
| University System | 2,656,552,008 | 1,550,221 | 8,832,977 | 10,383,198 | 382.10 | 2,666,935,206 |
| Total Education | 11,029,853,009 | (152,952,705) | (69,240,225) | (222,192,930) | 365.35 | 10,807,660,079 |
| <u>Health and Human Services:</u> | | | | | | |
| Central Management and Support | 74,172,339 | (4,462,834) | 939,000 | (3,523,834) | -24.00 | 70,648,505 |
| Aging and Adult Services | 37,282,029 | 100,000 | 0 | 100,000 | 0.00 | 37,382,029 |
| Blind and Deaf / Hard of Hearing Services | 8,649,731 | (557,484) | (75,428) | (632,912) | -3.00 | 8,016,819 |
| Child Development | 269,183,962 | (11,334,255) | (23,625,329) | (34,959,584) | -2.00 | 234,224,378 |
| Education Services | 36,844,718 | (4,223,471) | 130,211 | (4,093,260) | -82.00 | 32,751,458 |
| Health Service Regulation | 17,914,125 | (342,592) | (1,718,754) | (2,061,346) | -2.00 | 15,852,779 |
| Medical Assistance | 2,720,196,757 | 209,210,289 | (561,041,217) | (351,830,928) | 0.00 | 2,368,365,829 |
| Mental Health, Dev. Disabilities and Sub. Abuse | 664,695,955 | 7,511,466 | 33,269,193 | 40,780,659 | -1.00 | 705,476,614 |
| NC Health Choice | 81,964,241 | 6,444,925 | 0 | 6,444,925 | 0.00 | 88,409,166 |
| Public Health | 160,515,329 | (6,080,117) | 2,147,000 | (3,933,117) | -27.00 | 156,582,212 |
| Social Services | 208,589,483 | (13,604,115) | (2,255,677) | (15,859,792) | -48.00 | 192,729,691 |
| Vocational Rehabilitation | 41,020,173 | (252,067) | (1,288,915) | (1,540,982) | -5.00 | 39,479,191 |
| Total Health and Human Services | 4,321,028,842 | 182,409,745 | (553,519,916) | (371,110,171) | -194.00 | 3,949,918,671 |
| <u>Justice and Public Safety:</u> | | | | | | |
| Correction | 1,326,492,230 | (14,504,334) | (26,734,913) | (41,239,247) | 799.00 | 1,285,252,983 |
| Crime Control & Public Safety | 33,718,963 | (856,592) | (800,000) | (1,656,592) | -2.69 | 32,062,371 |
| Judicial Department | 463,753,479 | (7,518,061) | (5,916,294) | (13,434,355) | -57.75 | 450,319,124 |
| Judicial - Indigent Defense | 120,132,010 | 1,585,405 | (6,017,031) | (4,431,626) | 11.50 | 115,700,384 |
| Justice | 88,652,538 | (1,679,760) | (1,325,000) | (3,004,760) | 21.50 | 85,647,778 |
| Juvenile Justice & Delinquency Prevention | 147,183,945 | (903,138) | 0 | (903,138) | 30.50 | 146,280,807 |
| Total Justice and Public Safety | 2,179,933,165 | (23,876,480) | (40,793,238) | (64,669,718) | 802.06 | 2,115,263,447 |

**Summary of General Fund Appropriations
2010 Legislative Session: Fiscal Year 2010-11**

| | FY 2010-11 | Legislative Adjustments | | | Revised | |
|-----------------------------------------------|--------------------|-------------------------|-------------------|--------------------|---------------|--------------------|
| | Certified | Recurring | Nonrecurring | Net | FTE | Appropriation |
| | Budget | Adjustments | Adjustments | Changes | Changes | 2010-11 |
| <u>Natural And Economic Resources:</u> | | | | | | |
| Agriculture and Consumer Services | 60,559,608 | (405,556) | 226,481 | (179,075) | -31.68 | 60,380,533 |
| Commerce | 40,915,209 | (2,706,028) | 24,976,673 | 22,270,645 | -9.00 | 63,185,854 |
| Commerce - State Aid | 15,388,725 | 16,780,564 | 3,800,000 | 20,580,564 | 0.00 | 35,969,289 |
| Environment and Natural Resources | 190,399,356 | (6,839,026) | 11,065,000 | 4,225,974 | -30.03 | 194,625,330 |
| DENR - Clean Water Mgmt. Trust Fund | 50,000,000 | 0 | 0 | 0 | 0.00 | 50,000,000 |
| Labor | 17,400,863 | (1,102,555) | 0 | (1,102,555) | -7.50 | 16,298,308 |
| NC Biotechnology Center | 14,501,900 | 5,000,000 | 0 | 5,000,000 | 0.00 | 19,501,900 |
| Rural Economic Development Center | 23,832,436 | (1,191,622) | 5,125,000 | 3,933,378 | 0.00 | 27,765,814 |
| Total Natural and Economic Resources | 412,998,097 | 9,535,777 | 45,193,154 | 54,728,931 | -78.21 | 467,727,028 |
| <u>General Government:</u> | | | | | | |
| Administration | 67,446,884 | (566,492) | (178,634) | (745,126) | -9.35 | 66,701,758 |
| Auditor | 13,255,123 | (337,033) | 0 | (337,033) | -1.00 | 12,918,090 |
| Cultural Resources | 73,249,990 | (2,103,146) | 850,000 | (1,253,146) | -15.19 | 71,996,844 |
| Cultural Resources - Roanoke Island | 1,990,632 | (115,926) | 0 | (115,926) | 0.00 | 1,874,706 |
| General Assembly | 56,584,484 | (2,914,926) | 0 | (2,914,926) | 0.00 | 53,669,558 |
| Governor | 6,067,739 | (353,359) | 0 | (353,359) | -3.00 | 5,714,380 |
| Housing Finance Agency | 14,608,417 | (730,421) | (1,769,579) | (2,500,000) | 0.00 | 12,108,417 |
| Insurance | 32,242,706 | (1,180,254) | (996,200) | (2,176,454) | 1.00 | 30,066,252 |
| Insurance - Worker's Compensation Fund | 1,561,846 | 0 | 0 | 0 | 0.00 | 1,561,846 |
| Lieutenant Governor | 931,703 | (33,539) | 0 | (33,539) | -0.50 | 898,164 |
| Office of Administrative Hearings | 4,111,476 | (30,000) | 0 | (30,000) | 0.00 | 4,081,476 |
| Revenue | 87,790,970 | (958,301) | 757,118 | (201,183) | -34.00 | 87,589,787 |
| Secretary of State | 11,451,488 | (666,886) | 0 | (666,886) | -8.00 | 10,784,602 |
| State Board of Elections | 6,221,208 | 70,060 | 114,809 | 184,869 | -1.00 | 6,406,077 |
| State Budget and Management | 6,407,809 | (373,164) | 0 | (373,164) | -3.00 | 6,034,645 |
| State Budget and Management -- Special | 4,161,125 | 1,101,293 | 2,049,400 | 3,150,693 | 13.00 | 7,311,818 |
| State Controller | 23,188,207 | 8,060,088 | (624,677) | 7,435,411 | 27.50 | 30,623,618 |
| Treasurer - Operations | 17,565,400 | (205,394) | 2,685 | (202,709) | 3.00 | 17,362,691 |
| Treasurer - Retirement / Benefits | 10,804,671 | 0 | 0 | 0 | 0.00 | 10,804,671 |
| Total General Government | 439,641,878 | (1,337,400) | 204,922 | (1,132,478) | -30.54 | 438,509,400 |

**Summary of General Fund Appropriations
2010 Legislative Session: Fiscal Year 2010-11**

| | FY 2010-11 | Legislative Adjustments | | | FTE | Revised |
|----------------------------------------------------|-----------------------|-------------------------|----------------------|----------------------|---------------|-----------------------|
| | Certified | Recurring | Nonrecurring | Net | Changes | Appropriation |
| | Budget | Adjustments | Adjustments | Changes | Changes | 2010-11 |
| <u>Statewide Reserves and Debt Service:</u> | | | | | | |
| Debt Service: | | | | | | |
| Interest / Redemption | 707,573,496 | (1,668,313) | 0 | (1,668,313) | 0.00 | 705,905,183 |
| Federal Reimbursement | 1,616,380 | 0 | 0 | 0 | 0.00 | 1,616,380 |
| Subtotal Debt Service | 709,189,876 | (1,668,313) | 0 | (1,668,313) | 0.00 | 707,521,563 |
| Statewide Reserves: | | | | | | |
| 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 | 0 | 0 | 0 | 0.00 | 160,000,000 |
| Judicial Retirement System Contributions | 1,300,000 | 0 | 0 | 0 | 0.00 | 1,300,000 |
| 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 | | (6,600,000) | (6,600,000) | 0.00 | 20,800,000 |
| Subtotal Statewide Reserves | 467,119,709 | 0 | (6,600,000) | (6,600,000) | 0.00 | 460,519,709 |
| Total Reserves and Debt Service | 1,176,309,585 | (1,668,313) | (6,600,000) | (8,268,313) | 0.00 | 1,168,041,272 |
| Total General Fund for Operations | 19,559,764,576 | 12,110,624 | (624,755,303) | (612,644,679) | 864.66 | 18,947,119,897 |
| <u>Capital Improvements</u> | | | | | | |
| Water Resources Development Projects | 0 | 0 | 9,130,000 | 9,130,000 | 0.00 | 9,130,000 |
| Capital Improvements | 0 | 0 | 2,043,440 | 2,043,440 | 0.00 | 2,043,440 |
| Total Capital Improvements | 0 | 0 | 11,173,440 | 11,173,440 | 0.00 | 11,173,440 |
| Total General Fund Budget | 19,559,764,576 | 12,110,624 | (613,581,863) | (601,471,239) | 864.66 | 18,958,293,337 |

EDUCATION
Section F

Public Education

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$7,360,833,223

Budget Changes

A. Technical Adjustments

1 Average Daily Membership

(\$4,980,046) R

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.

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.

2 Average Teacher Salary

(\$44,950,676) R

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.

3 Education Lottery Receipts

(\$121,243,793) R

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.

4 Exceptional Children Headcount

(\$12,077,255) R

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.

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

(\$30,559,012) NR

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

(\$3,289,447) R

Reduces the Instructional Supplies allotment by 3.5%. \$90.9 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 North Carolina Virtual Public Schools** (\$5,574,784) R

Eliminates the direct appropriation for the North Carolina Virtual Public Schools (NCVPS). Instead of being funded through a direct appropriation, NCVPS will be funded via a new funding formula. The new funding formula reduces LEA allotments based on projected LEA enrollment in NCVPS courses, in order to recognize the extent to which "enrollment in e-learning courses affects funding required for other allotments that are based on ADM," as directed by S.L. 2006-66, Section 7.16. NCVPS courses will continue to be available at no cost to all high school students in North Carolina who are enrolled in North Carolina's public schools, Department of Defense schools, and schools operated by the Bureau of Indian Affairs.
- 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".

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|----------------------------------|
| <p>18 Eliminate Geometry End of Grade Test Eliminates funding associated with the discontinued State-required Geometry End of Grade Test.</p> | <p>(\$585,459)</p> | <p>R</p> |
| <p>19 HMCUC Funds Transfer 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.</p> | <p>\$290,683</p> | <p>R</p> |
| <p>20 Connectivity 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.</p> | <p>(\$1,000,000) (\$3,000,000)</p> | <p>R NR</p> |
| <p>21 Education Value Added Assessment System (EVAAS) 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.</p> | <p>\$1,000,000</p> | <p>R</p> |
| <p>22 Student Diagnostic and Intervention Initiative Provides recurring funding to extend the Student Diagnostic Pilot program an additional year in the existing 40 pilot schools. Additional funding will expand the pilot program to additional school sites while also supporting the training needed for teachers to properly implement the program.</p> | <p>\$10,000,000</p> | <p>R</p> |
| <p>23 JOBS Commission Schools 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.</p> | <p>\$200,000</p> | <p>R</p> |
| <p>24 North Carolina Science, Math and Technical Education Center Provides funding to the North Carolina Science, Mathematics and Technology Education Center, Inc. (NCSMTEC) to support interscholastic science competitions.</p> | <p>\$100,000</p> | <p>R</p> |

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------|
| <p>25 Kids Voting Provides funding to support continued operation of the Kids Voting program.</p> | <p>\$50,000</p> | <p>R</p> |
| <p>26 Textbooks Provides support 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.</p> | <p>\$2,500,000</p> | <p>NR</p> |
| <p>27 Science Olympiad Provides funds for North Carolina Science Olympiad, a nonprofit organization, to sponsor tournaments and increase the number of schools participating in the program.</p> | <p>\$25,000</p> | <p>NR</p> |
| C. Department of Public Instruction | | |
| <p>28 DPI Operating Reduction Reduces agency operating funds by 15.0%.</p> | <p>(\$2,000,000)</p> | <p>R</p> |
| <p>29 NC WISE 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.</p> | <p>(\$2,000,000) (\$10,025,000)</p> | <p>R NR</p> |
| <p>30 Department of Public Instruction Staffing Efficiencies Directs the Department of Public Instruction to eliminate 30 positions, up to 20 of which may be positions funded by non-General Fund sources. Any State-funded positions reduced must come from DPI's Technology Services area.</p> | <p>(\$1,080,000) -10.00</p> | <p>R</p> |

31 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

32 Superintendent of Residential Schools for the Deaf and Blind

Provides funding to establish the new position of Superintendent to oversee the operations of the North Carolina School for the Deaf, Eastern North Carolina School for the Deaf, and Governor Morehead School for the Blind.

\$55,000 R

1.00

Budget Changes

(\$211,771,109) R

(\$63,473,202) NR

Total Position Changes

-9.00

Revised Total Budget

\$7,085,588,912

DPI - Special

| |
|--------------------|
| Budget Code: 23510 |
|--------------------|

FY 2010-11

| | |
|-------------------------------------------|--------------------|
| Beginning Unreserved Fund Balance | \$3,451,556 |
| Total Budget Approved 2009 Session | |
| Requirements | \$5,687,321 |
| Receipts | \$5,687,321 |
| Positions | 0.00 |

Legislative Changes

Requirements:

| | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------|
| Teacher of the Year Awards Banquet | \$0 | R |
| Authorizes the Department of Public Instruction to receive and expend a \$35,000 grant from AT&T for expenses related to the annual Teacher of the Year awards banquet. | \$35,000 | NR |
| | 0.00 | |
| UNC-CH Partnerships For Inclusion Grant | \$0 | R |
| Authorizes the Department of Public Instruction's Office of Early Learning to expend funding for training and coaching in support of the implementation of the Center on Social Emotional Foundations for Early Learning Pyramid Model in selected Head Start programs. | \$126,492 | NR |
| | 0.00 | |
| Subtotal Legislative Changes | \$0 | R |
| | \$161,492 | NR |
| | 0.00 | |

Receipts:

| | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----|
| Teacher of the Year Awards Banquet | \$0 | R |
| Authorizes the Department of Public Instruction to receive and expend a \$35,000 grant from AT&T for expenses related to the annual Teacher of the Year awards banquet. | \$35,000 | NR |
| UNC-CH Partnerships For Inclusion Grant | \$0 | R |
| Authorizes the Department of Public Instruction's Office of Early Learning to expend funding for training and coaching in support of the implementation of the Center on Social Emotional Foundations for Early Learning Pyramid Model in selected Head Start programs. | \$126,492 | NR |

FY 2010-11

| | | |
|-------------------------------------|------------------|-----------|
| Subtotal Legislative Changes | \$0 | R |
| | \$161,492 | NR |

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|-----------------------------------|--------------------|
| Revised Total Requirements | \$5,848,813 |
|-----------------------------------|--------------------|

| | |
|-------------------------------|--------------------|
| Revised Total Receipts | \$5,848,813 |
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| | |
|-------------------------------|------------|
| Change in Fund Balance | \$0 |
|-------------------------------|------------|

| | |
|------------------------|-------------|
| Total Positions | 0.00 |
|------------------------|-------------|

| | |
|-----------------------------------------|--------------------|
| Unappropriated Balance Remaining | \$3,451,556 |
|-----------------------------------------|--------------------|

Community Colleges

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$1,012,467,778

Budget Changes

A. Technical Adjustments

33 Fully Fund Enrollment Growth

\$81,045,467 R

Provides funds to fully fund enrollment growth. According to the final enrollment for FY 2009-10, enrollment has increased by 15.3% (33,013 full-time equivalents or FTE) above the 2009-10 adjusted budgeted enrollment of 213,472. This increase brings FY 2010-11 budgeted enrollment to 246,485.

This funding is in addition to the \$41,126,850 in the continuation budget for FY 2010-11 enrollment growth, for a total of \$122,172,317 in enrollment growth funding.

B. State Aid Adjustments

34 Management Flexibility Reduction

(\$15,000,000) R

Reduces funds in the State Aid budget, bringing the total management flexibility reduction for FY 2010-11 to \$29 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.

35 Tuition Increase

(\$30,025,612) R

Increases curriculum tuition from \$50 to \$56.50 for residents (\$6.50 increase) and from \$241.30 to \$248.50 for nonresidents (\$7.20 increase). Tuition for full-time resident students will increase by a maximum of \$208 per year, from \$1,600 to \$1,808.

36 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.

37 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

38 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

39 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

40 Restore Funding for Prisoner Education

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.

\$21,000,000 R

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 \$9.2 million was reduced, for a total restoration of \$24 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.

41 Equipment

Provides \$33 million for the purchase of equipment for education and research in health, science, engineering, and technology programs through the issuance of certificates of participation. This item is included in Section D of the Capital Section of this report.

C. System Office Adjustments

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| <p>42 Move Position to Receipt Support Reduces appropriations by shifting one Education Consultant position entirely to proprietary school receipts. This position oversees the activities that generate these receipts.</p> | <p>(\$60,747) R -0.75</p> |
| <p>43 Reduce State Board Reserve Reduces funding for the State Board Reserve by 24% from \$660,000 to \$500,000.</p> | <p>(\$160,000) R</p> |
| <p>44 Reduce Advertising Budget Reduces funds for advertising, due to unprecedented enrollment growth. The remaining \$100,000 shall be used to target advertising to underserved populations.</p> | <p>(\$100,000) R (\$100,000) NR</p> |
| <p>45 Reduce System Office Operating Budget 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.</p> | <p>(\$158,764) R</p> |
| <p>46 Eliminate Positions 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:</p> <ul style="list-style-type: none"> -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. | <p>(\$575,022) R -7.00</p> |

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| Budget Changes | \$57,268,183 | R |
| | (\$14,600,000) | NR |
| Total Position Changes | | -7.75 |
| Revised Total Budget | \$1,055,135,961 | |

Total Budget Approved 2009 Session

\$2,656,552,008

Budget Changes

A. Base Budget Adjustments

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| <p>47 Management Flexibility Reduction</p> <p>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.</p> | <p>(\$70,000,000)</p> | <p>R</p> |
| <p>48 Repeal of Nonresident Athletic Full Scholarship Tuition Waiver</p> <p>Repeals the reimbursement to UNC institutions for their loss of revenue due to their compliance with G.S. 116-143.6 that grants resident tuition to nonresident student athletes on full scholarships.</p> | <p>(\$9,432,978)</p> | <p>R</p> |
| <p>49 HMCUC Funds Transfer</p> <p>Abolishes the Historically Minority Colleges and Universities Consortium Closing the Achievement Gap project and transfers \$290,683 of the savings to the Department of Public Instruction for the Dropout Prevention Grant initiative.</p> | <p>(\$527,212)</p> | <p>R</p> |
| <p>50 UNC Advertising Reduced</p> <p>Reduces the General Fund advertising budgets of UNC campuses by 24%. The campuses spent \$10.6 million from the General Fund and \$13.2 million from institutional trust funds on advertising in FY 2008-09.</p> | <p>(\$2,500,000)</p> | <p>R</p> |
| <p>51 Distance Education Reserve Eliminated</p> <p>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.</p> | <p>(\$651,483)</p> | <p>R</p> |
| <p>52 UNC-TV Utilities Reduction</p> <p>Reduces the \$1.8 million UNC-TV utilities budget due to savings from the station's conversion from analog to digital in June 2009.</p> | <p>(\$410,863)</p> | <p>R</p> |

53 ECU MRI Account Transferred

Transfers \$1 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.

54 Aid to UNC Hospitals Reduced

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

(\$8,000,000) NR

55 Professional Development Grants Eliminated

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

(\$63,635) R

56 Enrollment Growth

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.

\$5,636,814 R

57 Tuition Repeal

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

\$34,776,301 R

58 Need-Based Financial Aid

Increases UNC Need-Based Financial Aid to account for 1) funding 4,600 additional students that qualify for assistance and inflationary increases for previously funded students (\$22.85 million) and 2) restoring need-based aid that was nonrecurring in FY 2009-10 (\$12 million). This General Fund appropriation plus lottery receipts of \$26,661,046 equals the additional \$34,856,563 needed in FY 2010-11 for UNC need-based aid.

\$8,195,517 NR

59 Building Reserves Restored

Restores most of the building reserves cut in the 2009 Session. These reserves pay for the operating costs of 40 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.

\$19,176,682 R
\$4,828,460 NR
286.10

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| <p>60 UNC High School Funding Restored</p> <p>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.</p> | <p>\$282,016</p> | <p>R</p> |
| <p>61 University Cancer Research Fund</p> <p>Adjusts the continuation budget for the University Cancer Research Fund to account for a decline in revenues from the tax on tobacco products other than cigarettes. This adjustment maintains the legislative commitment of \$50 million a year invested in this fund. With this adjustment, the General Fund appropriation will be \$16,020,000.</p> | <p>\$600,000</p> | <p>R</p> |
| <p>62 ECU Dental School Operations</p> <p>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.</p> | <p>\$6,000,000</p> <p>36.00</p> | <p>R</p> |
| <p>63 Energy Production Infrastructure Center (EPIC)</p> <p>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.</p> | <p>\$3,000,000</p> <p>23.00</p> | <p>R</p> |
| <p>64 ASU College of Health Sciences and Allied Professions</p> <p>Funds the operating and staffing needs of the newly established College of Health Sciences and Allied Professions at Appalachian State University.</p> | <p>\$500,000</p> <p>4.00</p> | <p>R</p> |
| <p>65 NC A&T/UNC-G Joint School of Nanoscience and Nanoengineering</p> <p>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. The funds will be used to hire 4 additional faculty, 1 technician, 2 post doc positions, 1 staff scientist, and 15 additional graduate student positions. There has been \$3.9 million appropriated to date for the operating budget for this program.</p> | <p>\$1,000,000</p> <p>23.00</p> | <p>R</p> |

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| <p>66 NC A&T State University College of Engineering</p> <p>Provides funds to North Carolina A&T State University's College of Engineering to strengthen its research profiles in the three targeted areas of energy, network security, and aviation safety. The funds will enable the school to hire 6 additional faculty, 2 lab technicians, an industrial extension officer, and a research associate. Funds will also be used to provide startup laboratory resources for new faculty members as well as for matching commitments for new research proposals.</p> | <p>\$1,000,000</p> <p>10.00</p> | <p>R</p> |
| <p>67 NC State University College of Engineering</p> <p>Provides funds to enable faculty hiring in the areas of health systems, energy and environmental systems, and advanced materials and engineering. A portion of the funds may be used to provide matching support to hire research faculty for the recently awarded US Department of Energy Modeling and Simulation for Nuclear Reactors Energy Innovation Hub as well as the NSF Engineering Research Center for Distribution and Management of Renewable Energy Sources (FREEDM).</p> | <p>\$3,000,000</p> | <p>R</p> |
| <p>68 Distinguished Professor Endowment Fund</p> <p>Increases the Distinguished Professor Endowment Fund to reduce the backlog of 66 professorships awaiting State matching funds. The Fund has an annual base budget appropriation of \$8 million.</p> | <p>\$3,500,000</p> | <p>NR</p> |
| <p>69 Institute for Emerging Issues Fellows Program</p> <p>Funds an expansion of the Fellows program at the Institute for Emerging Issues at North Carolina State University. Faculty and student Fellows will apply their expertise to the State's current public policy issues such as job growth and economic development.</p> | <p>\$309,000</p> | <p>NR</p> |
| <p>70 CASTLE</p> <p>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.</p> | <p>\$550,000</p> | <p>R</p> |

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| 71 Coastal Wave Energy Research | Funds research, design, and construction of devices to capture the energy of ocean waves. The research will be conducted by a consortium that includes the University of North Carolina Coastal Studies Institute and the Colleges of Engineering at North Carolina State University, North Carolina Agricultural and Technical State University, and the University of North Carolina Charlotte. | \$2,000,000 | R |
| 72 Veterinary Medicine Clinical Teaching and Research Fund | 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 |
| 73 Aid to Private College Students | 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 |
| 74 National Guard Tuition Assistance Program Transfer | 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. | \$1,862,815 | R |
| 75 NC Research Campus at Kannapolis | Provides funding to hire researchers and to provide equipment and supplies for University personnel working at the NC Research Campus in Kannapolis. Seven UNC-system campuses are involved in collaborative research at the Campus to bring new employers and jobs to the State. | \$1,000,000 | R |

| | | |
|-------------------------------|------------------------|-----------|
| Budget Changes | \$1,550,221 | R |
| | \$8,832,977 | NR |
| Total Position Changes | 382.10 | |
| Revised Total Budget | \$2,666,935,206 | |

**HEALTH
&
HUMAN SERVICES
Section G**

Health and Human Services

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$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

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

(\$23,625,329) NR

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.

5 Smart Start

(\$5,000,000) R

Reduces funding for the North Carolina Partnership for Children, Inc. This is a 2.5% reduction to Smart Start, leaving a balance of \$188 million.

(2.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

6 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

7 Division Management Funds

(\$7,180,807) NR

Reduces unobligated funding available at the Division's discretion for one-time needs of community providers or LME system needs. The total includes \$1,169,355 for mental health, \$3,398,534 for developmental disabilities, and \$2,612,918 for substance abuse services. These funds have historically been spent to address specific one-time needs; these funds are not allocated to LMEs for service provision.

8 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.

9 Local In-Patient Bed Capacity

\$9,000,000 R

Increases funds available for the three-way contracts to purchase local hospital bed capacity for crisis response within communities. These funds will support additional community hospital beds, bringing the total funding to \$29 million annually.

10 Training in Facilities

\$534,795 R

Increases funds available for training direct care staff and front line leaders in patient care. Training will include medication administration, therapeutic communication, clinical and legal aspects of documentation and cultural awareness.

11 Community Service Funds

\$40,000,000 NR

Provides funding for community services administered through Local Management Entities. This funding fully restores the mental health, developmental disabilities, and substance abuse services funding reduced for FY 2010-11. This amount includes \$30,559,012 of funds transferred from Department of Public Instruction's Office of Early Learning.

12 Leadership Academy

Provides funds for a Mental Health Leadership Academy for training for Mental Health managers, finance/budget officers, and other leaders within Local Management Entities.

\$250,000 NR

13 Outreach and Support Intervention Services (OASIS) Program

Provides bridge funding and ongoing support for the OASIS Program within the UNC School of Medicine, Department of Psychiatry.

\$200,000 NR

(3.0) Division of Central Management and Support

14 Key Program

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.

(\$561,000) NR

15 Information Technology Services

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.

(\$937,161) R

16 Over-Realized Receipts

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

(\$1,362,201) R

17 CARE-LINE

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.

(\$257,004) R

-4.00

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| <p>18 Equipment, Travel and Supplies 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.</p> | <p>(\$263,581)</p> | <p>R</p> |
| <p>19 Position Eliminations Eliminates positions within the Division of Central Management.</p> | <p>(\$1,228,875)</p> <p style="text-align: right;">-20.00</p> | <p>R</p> |
| <p>20 Pesticide Task Force Eliminates funding for the Pesticide Task Force activities. These activities are paid for through the federal NC Farmworker Health Program.</p> | <p>(\$39,430)</p> | <p>R</p> |
| <p>21 Community Care of NC Grants 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.</p> | <p>(\$183,833)</p> | <p>R</p> |
| <p>22 Rural Health Loan Repayment Program Reduces funding for the Rural Health Loan Repayment Program. This reduction amount represents three contracts for health providers.</p> | <p>(\$190,749)</p> | <p>R</p> |
| <p>23 Special Olympics Provides funding for a grant-in-aid to Special Olympics.</p> | <p>\$100,000</p> | <p>NR</p> |
| <p>24 Rural Hospitals Operation and Maintenance Provides funding for small rural hospitals for assistance with operations and infrastructure maintenance.</p> | <p>\$1,000,000</p> | <p>NR</p> |
| <p>25 ALS Association These funds are transferred from the Health and Wellness Trust Fund for SFY 2010-11 to provide a non-recurring grant-in-aid to the Jim "Catfish" Hunter Chapter of the ALS Association for services provided in North Carolina.</p> | <p>\$400,000</p> | <p>NR</p> |

(4.0) Division of Public Health

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| <p>26 Minority Health Interpreter Services Reduces funds for local health department service contracts that meet language needs of clients.</p> | <p>(\$11,000)</p> | <p>R</p> |
| <p>27 Community Focused Eliminating Health Disparities Contracts Reduces State appropriations for State and local health department contracts by less than 3 percent.</p> | <p>(\$85,895)</p> | <p>R</p> |
| <p>28 Division of Public Health Contracts Reduces funds remaining in two contracts that have been eliminated: Perinatal Outreach and Family Health Resource Line.</p> | <p>(\$400,601)</p> | <p>R</p> |
| <p>29 Accreditation of Local Health Programs Reduces one half of the funds available for accreditation of local health departments. Remaining funds allow the Division of Public Health to complete evaluations and accreditations 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.</p> | <p>(\$325,000)</p> | <p>NR</p> |
| <p>30 Medicaid Funding for WIC Metabolic Foods Replace State appropriations with Medicaid receipts for Medicaid-eligible children requiring a diet of metabolic foods.</p> | <p>(\$283,477)</p> | <p>R</p> |
| <p>31 Position Eliminations Eliminates 27 positions in Division of Public Health.</p> | <p>(\$900,000)</p> | <p>R</p> |
| | <p>-27.00</p> | |
| <p>32 Operations Reduction Reduces funds for equipment, travel, and supplies at Division offices.</p> | <p>(\$481,923)</p> | <p>R</p> |

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| 33 Immunization Changes | Eliminates funding for the purchase of vaccines 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. | (\$15,894,853) | R |
| 34 Children's Development Services Agency | Reduces State appropriations and budgets anticipated over-realized receipts from Medicaid. This program has been increasing its third party collections. | (\$2,700,000) (\$350,000) | R NR |
| 35 Over-realized Receipts | Reduces funds available for the Division of Public Health and budgets anticipated over-realized receipts on a non-recurring basis. | (\$3,000,000) | NR |
| 36 School Health Nurses | Provides funds to hire 10 additional school nurses to bring the total number of school health nurses supported by the Division of Public Health to 255. This is in addition to the 20 school nurses provided for in SFY 2010-11 in S.L. 2009-451, Sec. 10.24. | \$500,000 | R |
| 37 Prevent Blindness | Provides funds for a grant-in-aid to Prevent Blindness of North Carolina. These funds are transferred from the Health and Wellness Trust Fund for SFY 2010-11. | \$150,000 | NR |
| 38 AIDS Drug Assistance Program | Provides 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. | \$14,177,632 | R |

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| <p>39 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. These funds are transferred from the Health and Wellness Trust Fund.</p> | <p>\$247,000</p> | <p>NR</p> |
| <p>40 NC Folic Acid Campaign Provides funding for the March of Dimes to continue to provide outreach, educational materials, and vitamins through the NC Folic Acid Campaign to reduce the occurrence of neural tube defects. These funds are transferred from the Health and Wellness Trust Fund for SFY 2010-11.</p> | <p>\$350,000</p> | <p>NR</p> |
| <p>41 High Risk Pregnancy Program At East Carolina School of Medicine Provides funding for continued operation of a high-risk maternity clinic to improve the birth outcomes of women in 29 eastern counties.</p> | <p>\$325,000</p> | <p>NR</p> |
| <p>42 Poison Control Center Provides funds to increase the State contract with the Poison Control Center operated by Carolinas Medical Center.</p> | <p>\$500,000</p> | <p>NR</p> |
| <p>43 Stroke Prevention Provides funding for the operation of the Stroke Advisory Council, the continued implementation of the public awareness campaign, and identification of stroke rehabilitation services throughout the State. These funds are transferred from the Health and Wellness Trust Fund for SFY 2010-11.</p> | <p>\$450,000</p> | <p>NR</p> |
| <p>44 Adolescent and Teen Pregnancy Prevention Provides \$400,000 in non-recurring funding for the adolescent pregnancy prevention, teen parenting, and school dropout prevention program, and \$250,000 in non-recurring for a grant-in-aid to the Adolescent Pregnancy Prevention Campaign of North Carolina. These funds are transferred from the Health and Wellness Trust Fund for SFY 2010-11.</p> | <p>\$650,000</p> | <p>NR</p> |
| <p>45 North Carolina Arthritis Patient Services Provides funding for a non-recurring grant-in-aid to North Carolina Arthritis Patient Services. These funds are transferred from the Health and Wellness Trust Fund for SFY 2010-11.</p> | <p>\$50,000</p> | <p>NR</p> |

46 Healthy Carolinians

Provides funding for local health departments to establish and maintain infrastructure to reduce rates of diabetes, cancer, heart disease, obesity, injury, and infant mortality. These funds are transferred from the Health and Wellness Trust Fund for SFY 2010-11.

\$100,000 NR

47 Immunizations

Provides funds for the initial stocking of required vaccines for the 2010-2011 school year. These funds are transferred from the Health and Wellness Trust Fund for SFY 2010-11 on a one-time basis.

\$3,000,000 NR

(5.0) NC Health Choice

48 Optical Supplies

Reduces funds available for optical supplies and directs the Health Choice Program to contract with Department of Correction for the purchase of optical supplies.

(\$114,550) R

49 NC Health Choice Transition Staff

Provides funds for three staff to transition the administration of NC Health Choice from the State Health Plan to the Division of Medical Assistance. The staff includes two time-limited employees for clinical policy and provider enrollment and one permanent employee for program integrity activities.

\$59,475 R

50 NC Health Choice Enrollment

Provides funds to increase enrollment in the Health Choice program by 2% or 2,750 children for a total of 137,789 children served by the program.

\$6,500,000 R

(6.0) Division of Medical Assistance

51 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.

(\$45,000,000) R

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| <p>52 Maternal Outreach Workers (MOW) 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.</p> | <p>(\$292,974) R</p> |
| <p>53 Pharmacy Program Improvements 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).</p> | <p>(\$5,566,096) R</p> |
| <p>54 Prescription Vitamins 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.</p> | <p>(\$777,138) R</p> |
| <p>55 Narcotic Prescriptions Reduces General Fund appropriations for Medicaid pharmacy by locking Medicaid enrollees with a narcotic prescription (e.g. Vicodin, Benzodiazipine) into a single pharmacy and single doctor to prevent pharmacy and doctor shopping and narcotics abuse.</p> | <p>(\$603,000) R</p> |
| <p>56 Mental Health Drug Savings 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.</p> | <p>(\$10,000,000) R</p> |
| <p>57 Capitated Behavior Health Pilot Programs 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.</p> | <p>(\$1,560,600) R</p> |

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| <p>58 Prior Authorization for Children's Outpatient Mental Health Services Establishes Prior Authorization for Children's Outpatient Mental Health Services at 16 visits versus the current 26 visits.</p> | <p>(\$933,547) R</p> |
| <p>59 Enhanced Mental Health Changes The Department shall manage enhanced services through rate and utilization management to secure a savings of forty-one million dollars (\$41,000,000).</p> | <p>(\$41,000,000) R</p> |
| <p>60 Independent Assessments on Mental Health Services 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.</p> | <p>(\$7,730,207) R</p> |
| <p>61 In-Home Personal Care Services Reforms the In-Home Personal Care Services program to provide care to those individuals at greatest risk of needing institutional care. Reform transitions eligible recipients into a new program for adults with the most intense needs - those needing extensive assistance with two or more activities of daily living (ADLs).</p> | <p>(\$50,714,943) R</p> |
| <p>62 Dental Program Improvements 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.</p> | <p>(\$16,982) R</p> |
| <p>63 Durable Medical Equipment Program Improvements Generates savings through bulk purchasing of incontinence supplies by selecting one provider through a competitive bidding process (\$1,654,714). Also eliminates coverage for high-tech adult orthotics and prosthetics when lower-tech alternatives exist or when medical necessity does not demand the higher-tech device (\$204,716).</p> | <p>(\$1,859,430) R</p> |
| <p>64 Health Insurance Premium Payment Program (HIPP) 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.</p> | <p>(\$3,000,000) R</p> |

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| <p>65 Reimbursement of 'Never Events' 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.</p> | <p>(\$5,000,000) R</p> |
| <p>66 Improved Utilization Management for Optional Services Generates savings through limits and prior approval policies on outpatient optional services, including chiropractic, optical, and podiatry services.</p> | <p>(\$2,065,647) R</p> |
| <p>67 Private Duty Nursing Changes Transitions adult private nursing recipients to a new Community Alternatives Program (CAP) technology waiver upon approval by the federal government. Children would continue to receive private duty nursing services after an independent assessment.</p> | <p>(\$1,298,058) R</p> |
| <p>68 Coverage of Certain Types of Surgery 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).</p> | <p>(\$125,148) R</p> |
| <p>69 Medical Assistance Copayments Increases current copayment amounts to a maximum of \$3, and expands collection of copayments to local health departments and outpatient behavioral health services. In addition, implements a \$6 copayment for nonemergency hospital emergency room (ER) visits.</p> | <p>(\$2,630,404) R</p> |
| <p>70 Program Integrity Savings 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.</p> | <p>(\$40,000,000) R</p> |
| <p>71 Attorney General's Office (AGO) Medicaid Investigative Unit Staff Savings 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.</p> | <p>(\$1,000,000) R</p> |

72 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.

73 ARRA Federal Enhanced Matching Funds Extension

(\$481,621,383) 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.

74 ARRA Medicare Part D Clawback Savings

(\$79,419,834) NR

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.

75 Medicaid Rebase

\$430,564,713 R

Increases State 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).

(7.0) Division of Health Service Regulation

76 Medicaid Funding for Home Care Licensure and Certification

(\$104,739) R

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.

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| <p>77 Fee for Assisted Living Medication Aide Testing Establishes a \$25 fee for the testing and materials provided to assisted living medication aides to help defray the costs of administering the tests.</p> | <p>(\$110,575)</p> | <p>R</p> |
| <p>78 Fees for Assisted Living Administrator Testing and Certificates Establishes a \$50 assisted living administrator test fee and a \$30 assisted living administrator certificate renewal fee. Certificate renewals occur every two years.</p> | <p>(\$35,240)</p> | <p>R</p> |
| <p>79 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.</p> | <p>(\$92,038) \$22,797 -2.00</p> | <p>R NR</p> |
| <p>80 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.</p> | <p>(\$1,741,551)</p> | <p>NR</p> |
| <p>(8.0) Division of Social Services</p> | | |
| <p>81 Equipment, Travel, and Supplies Reduces funding for equipment, travel, and supplies within the Division of Social Services.</p> | <p>(\$120,000)</p> | <p>R</p> |
| <p>82 Adult Care Home Case Management Reduces over-budgeted funds for adult care home case management services, per historical reversions.</p> | <p>(\$150,000)</p> | <p>R</p> |
| <p>83 Position Eliminations Eliminates positions within the Division of Social Services.</p> | <p>(\$959,632) -15.00</p> | <p>R</p> |

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| <p>84 Economic Services Contract</p> <p>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.</p> | <p>(\$192,166)</p> | <p>R</p> |
| <p>85 Child Support Enforcement Consolidation</p> <p>Streamlines functions within the Child Support Enforcement 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 Child Support Enforcement Section are eliminated.</p> | <p>(\$1,282,777)</p> <p>-33.00</p> | <p>R</p> |
| <p>86 Children's Advocacy Centers</p> <p>Replaces recurring grants-in-aid for the twenty-two accredited Children's Advocacy Centers statewide. This reduction is offset by a non-recurring allocation of Social Services Block Grant receipts for services provided by the Children's Advocacy Centers during FY 2010-11.</p> | <p>(\$375,000)</p> | <p>R</p> |
| <p>87 NC REACH Post-Secondary Scholarship Program</p> <p>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.</p> | <p>(\$160,507)</p> <p>(\$1,584,125)</p> | <p>R</p> <p>NR</p> |
| <p>88 Child Welfare Contracts</p> <p>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 (standardization effective January 2009), supplementary grants-in-aid are no longer necessary. Prior Methamphetamine training and support has also led to the creation of community protocols, thereby reducing the need for ongoing training.</p> | <p>(\$1,238,821)</p> | <p>R</p> |

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| <p>89 Electing Counties' Work First State Funds</p> <p>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.</p> | <p>(\$2,378,213) R</p> |
| <p>90 State-County Special Assistance</p> <p>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.</p> | <p>(\$3,388,044) R</p> |
| <p>91 FMAP Extension - Foster Care & Adoption Assistance</p> <p>Reduces funding for foster care and adoption assistance payments per extension of the ARRA enhanced federal medical assistance percentage (FMAP) rate - a base 6.2 percentage point increase from January 2011 through June 2011.</p> | <p>(\$1,421,552) NR</p> |
| <p>92 Over-Realized Receipts</p> <p>Budgets prior year earned revenue on a non-recurring basis to offset an equivalent reduction in General Fund appropriations.</p> | <p>(\$450,000) NR</p> |
| <p>93 Permanency Planning State Match</p> <p>Transfers the twenty-five percent state match requirement for federal IV-B1 funding to county departments of social services. These receipts support permanency planning services for children, including activities to support foster care, adoption, and child protective services.</p> | <p>(\$682,512) R</p> |
| <p>94 State Adult Care Home Specialist Fund</p> <p>Adjusts the current non-federal financial participation rates for the state and counties, evenly distributing the non-federal share at twenty-five percent. Currently, the state contributes forty percent of the non-federal share and counties contribute ten percent. Adult Care Home Specialist funds are allocated to counties based on the number of licensed adult care homes. Funds support monitoring and inspection activities by county departments of social services.</p> | <p>(\$525,000) R</p> |

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| <p>95 State Funding Authorizations for Counties Continues a reduction in state funding authorizations for counties for Foster Care/Adoption Title IV-E, Child Protective Services-State, and Child Protective Services Title IV-E. These reductions were implemented during FY 2009-10 to cover the projected revenue shortfall.</p> | <p>(\$2,390,896) R</p> |
| <p>96 Food Banks Provides a non-recurring grant-in-aid to be equally distributed to the six regional food banks within North Carolina.</p> | <p>\$1,000,000 NR</p> |
| <p>97 Child Welfare Education Collaborative 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.</p> | <p>\$239,453 R</p> |
| <p>98 Children's Home Society Provides a non-recurring grant-in-aid to the Children's Home Society for FY 2010-11.</p> | <p>\$200,000 NR</p> |
| <p>(9.0) Office of Education Services</p> | |
| <p>99 Position Eliminations Eliminates positions within the Office of Education Services.</p> | <p>(\$2,127,065) R -50.00</p> |
| <p>100 Food Service Staffing Eliminates ten filled food service positions within the residential schools for the blind and deaf, per evaluation of food service operations by the Department of Public Instruction's Child Nutrition Section, using the USDA meal per labor hour (MPLH) efficiency standard. Present ratios of approximately 1.7 MPLH are significantly lower than the USDA recommended minimum of 15 - 20 MPLH for Child Nutrition Programs.</p> | <p>(\$282,991) R -10.00</p> |
| <p>101 Temporary Staffing Reduces funding for temporary wages within the Office of Education Services.</p> | <p>(\$58,500) R</p> |

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| <p>102 Residential School Administrative Staffing</p> <p>Consolidates functions among residential school administrative positions, requiring the directors of the residential schools to assume full oversight of academic and business operations.</p> <p>Eliminates two filled and one vacant position within the North Carolina School for the Deaf: School Principal, #60039101 - \$101,516 School Assistant Principal, #60039082 - \$88,786 School Assistant Principal, #60039080 - \$88,804</p> <p>Eliminates two filled positions within the Eastern North Carolina School for the Deaf: School Principal, #60039225 - \$108,563 School Assistant Principal, #60039138 - \$85,317</p> <p>Eliminates one filled and one vacant position within the Governor Morehead School for the Blind: School Administrator, #60039380 - \$71,636 School Assistant Principal, #60039392 - \$60,764</p> | <p>(\$605,386) R</p> <p>-7.00</p> |
| <p>103 Beginnings, Inc. Contract</p> <p>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.</p> | <p>(\$46,459) R</p> |
| <p>104 Office of Education Services Central Office</p> <p>Eliminates the Office of Education Services Central Administration and DHHS Exceptional Children Support programs, effective October 1, 2010. Non-recurring funds are appropriated to support the activities of the interim Superintendent.</p> | <p>(\$1,103,070) R</p> <p>\$130,211 NR</p> <p>-15.00</p> |
| <p>(10.0) Division of Aging and Adult Services</p> | |
| <p>105 Project C.A.R.E.</p> <p>Provides funds for Project C.A.R.E.</p> | <p>\$100,000 R</p> |

(11.0) Divisions of Services for the Blind and Services for the Deaf and Hard of Hearing

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| 106 Special Assistance for the Blind Consolidation | (\$287,807) | R |
| <p>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.</p> | | |
| | -1.00 | |
| | | |
| 107 Over-Realized Receipts | (\$176,256) | R |
| <p>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.</p> | | |
| | (\$150,428) | NR |
| <p>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.</p> | | |
| <p>These cumulative receipts offset equivalent reductions in General Fund appropriations.</p> | | |
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| 108 Position Eliminations | (\$93,421) | R |
| <p>Eliminates positions within the Divisions of Services for the Blind, Deaf and Hard of Hearing.</p> | | |
| | -2.00 | |
| | | |
| 109 Accessible Electronic Information for Blind and Disabled Persons | \$75,000 | NR |
| <p>Funds contracted electronic information services, which allow visually-impaired persons to access print media through telephone systems.</p> | | |
| | | |
| (12.0) Division of Vocational Rehabilitation | | |
| 110 Position Eliminations | (\$252,067) | R |
| <p>Eliminates vacant positions within the Division of Vocational Rehabilitation Services Independent Living program.</p> | | |
| | -5.00 | |

111 Aid & Public Assistance - Vocational Rehabilitation Basic Support

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.

(\$1,288,915) NR

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| Budget Changes | \$182,409,745 | R |
| | (\$553,519,916) | NR |
| Total Position Changes | -194.00 | |
| Revised Total Budget | \$3,949,918,671 | |

**NATURAL
&
ECONOMIC
RESOURCES
Section H**

Agriculture and Consumer Services

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$60,559,608

Budget Changes

Department-wide

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------|
| 1 Vacant Positions | (\$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 | | |
| 2 IT Budget Reductions | (\$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. | | |
| 3 Travel Budget Reductions | (\$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. | | |
| 4 Equipment Budget Reductions | (\$223,520) | R |
| Reduces the equipment budget in the Department by \$447,039; half of this reduction is taken on a recurring basis and half is nonrecurring. This represents approximately a 9.0% reduction to the Department's equipment budget in FY 2010-11. | | |
| | (\$223,519) | NR |

Ag Statistics

| | | |
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| 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 Spay/ Neuter Funds

Requires the Animal Feed & Pet Food Branch within the Food and Drug Protection Division to transfer \$250,000 in receipts to the Spay/ Neuter Account annually. This branch has over realized receipts by at least \$250,000 each year since FY 2006-07.

8 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:

-3.00

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

Food Distribution

9 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

10 Agricultural Development and Farmland Preservation Trust Fund

\$2,000,000 R

Provides \$2 million for the Agricultural Development and Farmland Preservation Trust Fund.

11 FFA Foundation, Inc

(\$2,376) R

Reduces the recurring pass-through appropriation for the FFA Foundation, Inc by 5%, leaving \$45,144 recurring.

Markets

12 Got to Be NC

Provides funds 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. \$250,000 NR

13 International Trade

Provides funds to support international trade initiatives. \$200,000 NR

14 Farmers Markets

Reduces operating funds for the Farmers Markets operated by the Department. (\$90,000) R

Plant Industry

15 Phytosanitary Fees

Increases phytosanitary fees within the Plant Industry Division. Subchapter 48A of North Carolina Administrative Code, Export Certification Inspection Fee, directly ties the Division's fee structure for phytosanitary inspections to the federal phytosanitary fee structure. This fee increase brings the Department's fee structure in line with USDA. (\$20,000) R

Public Affairs

16 Operating Budget

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

17 Ag in the Classroom

Reduces the recurring pass-through appropriation for Ag in the Classroom by 5%, leaving \$22,572 recurring. (\$1,188) R

Structural Pest and Pesticides

18 Pesticide Section

Reduces General Fund support for the Pesticide Section by requiring the Section to budget over realized receipts and increase fees. This change requires that 12.68 positions be transferred to receipt support (\$629,944) R
-12.68

Conference Report on the Continuation, Capital and Expansion Budgets

FY 10-11

19 Structural Pest Section Fees (\$100,000) R
 Increases fees for certified applicator and license exams, structural licenses, structural certified applicator cards, and registered technician cards.

Veterinary Services

20 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.

21 Rose Hill Vet Lab (\$431,798) R
 Eliminates the Rose Hill Vet Lab. The Rose Hill Lab is the least active and oldest of the Division's five veterinary labs. Elimination of this lab will streamline laboratory processes and eliminate an underperforming facility. This will eliminate 7.0 positions, including:

- #60012203 Veterinarian
- #60012204 Veterinarian
- #60012205 Processing Assistant III
- #60012206 Processing Assistant III
- #60012208 Vet Lab Assistant I
- #60012209 Medical Lab Technologist I
- #60012214 Medical Lab Assistant II

-7.00

| | | |
|-------------------------------|---------------------|-----------|
| Budget Changes | (\$405,556) | R |
| | \$226,481 | NR |
| Total Position Changes | -31.68 | |
| Revised Total Budget | \$60,380,533 | |

Labor

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$17,400,863

Budget Changes

Department-wide

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---|
| 22 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. | | |
| 23 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. | | |
| 24 Operating Expense Reduction | (\$38,295) | R |
| Reduces the operating budget across the Department by \$38,295. | | |
| 25 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 | | |
| 26 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

27 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.

Standards and Inspections

28 Apprenticeship Program (\$200,000) R
 Reduces General Fund appropriation for the Apprenticeship Program and fund shifts 3.0 positions to receipts. If sufficient receipts are not realized to support these positions, the positions shall be eliminated. The Department is encouraged to promote this program to maximize participation and enrollment. -3.00

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| Budget Changes | (\$1,102,555) | R |
| Total Position Changes | -7.50 | |
| Revised Total Budget | \$16,298,308 | |

Environment & Natural Resources

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$190,399,356

Budget Changes

(1.0) Department-wide

29 IT Budget Reductions (\$750,000) 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.

30 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.

31 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:

-4.00

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

32 Special Fund Closure

Directs the Department to transfer the operating budgets, positions, and remaining cash balance from the Lab Certification Fees fund (24300-2335) into the Division of Water Quality (14300-1635).

(2.0) Administration

33 Chief Technology Officer (\$99,578) R

Eliminates funding for the Chief Technology Officer. This position is currently vacant.

-1.00

(2.0) Secretary's Office

34 Sustainable Communities Task Force

Provides funding for the Sustainable Communities Task Force to make North Carolina competitive to leverage federal Sustainable Communities Program funds. Housing and Urban Development has \$150,000,000 available in grant funding for this program this fiscal year. These funds will be used to provide grants to regional sustainable development partnerships.

\$250,000 NR

35 Office of Conservation, Planning, and Community Affairs

Consolidates the Office of Conservation and Community Affairs and the Natural Resources Planning and Conservation Division into the Office of Conservation, Planning, and Community Affairs. The new Office will be housed in the Secretary's Office.

36 Office of Environmental Education and Public Affairs

Consolidates the Office of Environmental Education and the Office of Public Affairs into the Office of Environmental Education and Public Affairs. The new Office will be housed in the Secretary's Office.

(3.0) Coastal Management

37 Position to Receipt Support

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

(\$48,788) R
-0.50

(3.0) Environmental Assistance and Outreach

38 Positions to Receipts

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

(\$250,000) R
-3.37

(3.0) Environmental Health

39 Bedding Program

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

(\$17,008) R

40 Childhood Lead Poisoning Prevention Program

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

(\$141,730) R
-1.00

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------|
| <p>41 Food and Lodging Program Reduces aid to counties for food and lodging programs by 33%. Each county's share will be reduced from \$6,000 to \$4,000.</p> | <p>(\$200,000)</p> | <p>R</p> |
| <p>42 Shellfish Sanitation 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.</p> | <p>(\$124,635)</p> <p>-2.00</p> | <p>R</p> |
| <p>43 Water Supply Section Eliminates 1.0 vacant Business Officer position (#60034259) in the Water Supply Section. This position has been vacant since July 10, 2009.</p> | <p>(\$55,540)</p> <p>-1.00</p> | <p>R</p> |
| <p>44 Public Health Pest Management Reduces grants-in-aid for mosquito pest management by \$100,000, leaving \$186,191 for this purpose.</p> | <p>(\$100,000)</p> | <p>R</p> |
| <p>(3.0) Land Resources</p> | | |
| <p>45 Position to Receipt-Support Fund shifts 1.083 Environmental Technician positions to receipts.</p> | <p>(\$44,431)</p> <p>-1.08</p> | <p>R</p> |
| <p>46 Sediment and Erosion Control Eliminates aid to local governments for the establishment of sediment and erosion control programs.</p> | <p>(\$101,357)</p> | <p>R</p> |
| <p>47 Workshops and Educational Materials Reduces funding for workshops and educational outreach materials related to erosion and sedimentation control. After this reduction, \$100,000 will remain for these purposes.</p> | <p>(\$66,700)</p> | <p>R</p> |
| <p>48 Natural Gas and Petroleum Potential 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.</p> | <p>\$135,000</p> <p>1.00</p> | <p>R</p> |

49 Dam Safety Fee

Provides for a one-time assessment on utilities to pay for 1.0 two-year time-limited Environmental Engineer position to manage and conduct dam safety inspections. This position will be wholly receipt supported by this assessment. The \$1,100 per dam equivalent fee is expected to generate approximately \$170,120.

(3.0) Waste Management

50 Hazardous Waste Fees

(\$325,000) R

Raises fees on hazardous waste generators, transporters, as well as storage, treatment, and disposal facilities. Some fees were last raised in 2003. Others have not been raised since their inception in 1987.

51 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

52 Positions to Federal Support

(\$442,875) R

Fund shifts positions within the Division of Water Quality to federal support.

-7.50

53 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

54 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

- 55 River Basin Commissions** (\$35,000) R
 Reduces funding for the river basin commissions. \$5,000 will remain to support the work of these commissions.

- 56 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

- 57 Operating Budget** (\$714,297) R
 Eliminates the General Fund appropriation that supports special activities and events (\$410,000). Funds for special events and activities are replaced by increased rental fees at the three Aquariums. 3.0 positions are fund shifted to these increased receipts. General Fund appropriations used for daily operations are reduced by \$304,297. Gate admissions budgeted in the North Carolina Aquariums special fund shall be used to offset this reduction. -3.00

(4.0) Forest Resources

- 58 Aircraft Operations** (\$469,817) R
 Reduces personnel and operating expenses for aircraft operations by \$469,817, partially implementing the recommendations included in the Program Evaluation Division's Study of State Aircraft. This reduction eliminates 4.0 pilot positions and 2.0 mechanic positions. The Division is to sell not less than 10 aircraft, resulting in \$1.5 million in one-time funds. If the sale of the aircraft does not bring in \$1.5 million, the Division is to manage this nonrecurring reduction. (\$1,500,000) NR
-6.00

- 59 Aircraft Hangars** (\$13,060) R
 Directs the Division to consolidate the location of aircraft and terminate the leases of two unnecessary hangars.

- 60 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.

| | | | |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----|
| 61 Principal Payments for Equipment | Reduces funding for principal payments for new equipment. On average over the last four fiscal years, over a million dollars in funds have not been expended from this line item. | (\$1,260,686) | R |
| 62 Temporary Wages | Reduces temporary wages within the Division by approximately 20%, leaving \$867,175 in appropriation for temporary wages. The Division also budgets over \$411,000 in receipts for temporary wages. | (\$249,189) | R |
| 63 Young Offenders Forest Conservation Program (BRIDGE) | Restores 95% of the funding for the BRIDGE program, which was subject to Continuation Review in FY 2009-10. | \$991,648 | R |
| | | 10.00 | |
| (4.0) Marine Fisheries | | | |
| 64 Helicopter Operations | 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. | (\$25,218) | R |
| | | (\$35,000) | NR |
| 65 Communication Equipment | Reduces funding for communication equipment in the Division of Marine Fisheries by approximately 29.5%, or \$32,322. | (\$32,322) | R |
| 66 Positions to Receipt Support | Fund shifts 3.0 positions to receipt support (#60032528 - Public Information Asst IV, #60032665 - Info & Communication Spec I, and #60032536 - Info & Communication Spec). | (\$132,836) | R |
| | | -3.00 | |
| 67 At-Sea Observer Program | Reduces funding for the Fisheries Resource Grant Program run through Sea Grant by \$300,000 to provide recurring appropriation for the At-Sea Observer program. The At-Sea Observer program will monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions. This leaves \$300,000 for the Fisheries Resource Grant Program. | (\$300,000) | R |

68 At-Sea Observer Program \$300,000 R
 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

(4.0) Museum of Natural Sciences

69 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.

70 Operating Budget (\$280,688) R
 Reduces various operating expenses within the Museum of Natural Sciences by approximately 14%.

71 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

72 Conservation Information and Incentives Program (\$401,658) 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) Parks and Recreation

73 State Park Parking Fees
 In lieu of charging for parking as directed in S.L. 2009-451, the Division is directed to manage the \$2,237,963 recurring reduction through decreased operating expenditures in line items 532XXX through 535XXX.

(4.0) Soil and Water Conservation

- 74 Agriculture Cost Share Financial Assistance Program** (\$212,153) R
 Reduces funding for the financial assistance portion of the Agriculture Cost Share Program by 5%, leaving approximately \$4 million in matching funds for implementing agricultural best management practices.

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

- 76 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

- 77 Vehicle Replacement Funds** (\$500,000) NR
 Reduces funding for the replacement of vehicles and trams for one year.

- 78 Tort Claims** (\$40,000) R
 Reduces funds available for tort claims by 80%, leaving \$10,000 for this purpose.

(5.0) Reserves and Transfers

- 79 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.

- 80 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.

81 Drinking Water State Revolving Fund

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

\$6,201,872 NR

Budget Changes

(\$6,839,026) R

\$11,065,000 NR

Total Position Changes

-30.03

Revised Total Budget

\$194,625,330

DENR-Clean Water Management Trust Fund

| |
|---------------------|
| GENERAL FUND |
|---------------------|

| |
|-----------------|
| FY 10-11 |
|-----------------|

Total Budget Approved 2009 Session

\$50,000,000

Budget Changes

Clean Water Management Trust Fund

82 No Change

Receives appropriation per S.L. 2009-451.

Budget Changes

Total Position Changes

Revised Total Budget

\$50,000,000

Commerce

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$40,915,209

Budget Changes

Department-wide

83 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:

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

-4.00

84 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.

85 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

86 Operating Budget Reduction (\$20,000) R
Reduces the operating budget for administration by \$20,000

Business and Industry

87 Business Recruitment and Product Marketing \$875,000 NR
Provides funding to attract businesses to locate operations in North Carolina and to increase the sale of North Carolina exports, including agricultural commodities.

Conference Report on the Continuation, Capital and Expansion Budgets

FY 10-11

88 Operating Budget Reduction

(\$30,000) R

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

Commerce Finance

89 Jobs Maintenance and Capital Development Fund (JMAC)

\$6,000,000 NR

Appropriates \$6 million for Bridgestone/Firestone and Goodyear agreements for the 2009 Grant Year.

90 Jobs Maintenance and Capital Development Fund (JMAC)

\$500,000 NR

Appropriates \$500,000 for a pending agreement with Domtar for the 2010 Grant Year.

91 One NC Fund

\$12,500,000 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.

92 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.

93 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

94 Main Street Solutions

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.

\$1,500,000 NR
1.00

Executive Aircraft

95 Aircraft to DOT

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.

(\$800,000) R
-6.00

Industrial Commission

96 Over Realized Receipts

Requires the Industrial Commission to budget over realized receipts.

(\$429,863) R

International Trade

97 International Trade

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.

\$200,000 NR

Policy, Research, and Strategic Planning

98 Operating Budget Reduction

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

(\$20,000) R

Science and Technology

99 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

100 Operating Budget Reduction

Reduces the Board of Science and Technology's budget by approximately 5%. (\$18,000) R

State Energy Office

101 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

102 Tourism Marketing Funds

Provides funding for marketing North Carolina as a tourist destination. The Department is encouraged to use historically underutilized businesses and to support supplier diversity when expending these funds. \$1,000,000 NR

103 Tourism Matching Grants

Eliminates 100% of funds for small matching grants for local tourism projects. (\$129,976) R

Wanchese Seafood Industrial Park

104 Oregon Inlet Project

Eliminates funding for the Oregon Inlet Project for FY 2010-11. (\$248,327) NR

105 Operating Budget Reduction

Reduces the Wanchese Seafood Industrial Park's operating budget by approximately 5%. (\$10,000) R

Wine & Grape Growers Council

106 Operating Budget Reduction

(\$108,357) R

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

| | | |
|-------------------------------|----------------------|-----------|
| Budget Changes | (\$2,706,028) | R |
| | \$24,976,673 | NR |
| Total Position Changes | -9.00 | |
| Revised Total Budget | \$63,185,854 | |

Commerce - State Aid

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$15,388,725

Budget Changes

| | | |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------|---|
| 107 Land Loss Prevention | (\$37,235) | R |
| Reduces the recurring pass-through appropriation for Land Loss Prevention by 5%, leaving \$707,465 recurring. | | |
| 108 Institute of Minority Economic Development | (\$132,495) | R |
| Reduces the recurring pass-through appropriation for the Institute of Minority Economic Development by 5%, leaving \$2,517,405 recurring. | | |
| 109 Association of Community Development Corporations (CDCs) | (\$51,615) | R |
| Reduces the recurring pass-through appropriation for the Association of CDCs by 5%, leaving \$980,685 recurring. | | |
| 110 Minority Support Center | (\$164,670) | R |
| Reduces the recurring pass-through appropriation for the Minority Support Center by 5%, leaving \$3,128,730 recurring. | | |
| 111 Community Development Initiative | (\$246,460) | R |
| Reduces the recurring pass-through appropriation for the Community Development Initiative by 5%, leaving \$4,682,740 recurring. | | |
| 112 e-NC Authority | (\$23,265) | R |
| Reduces the recurring pass-through appropriation for the e-NC Authority by 5%, leaving \$442,035 recurring. | | |
| 113 Councils of Government (COGs) | (\$21,250) | R |
| Reduces the recurring pass-through appropriation for the COGs by 5%, leaving \$403,750 recurring. | | |

Conference Report on the Continuation, Capital and Expansion Budgets

FY 10-11

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|----------------------------------|
| <p>114 High Point Furniture Market Reduces the recurring pass-through appropriation for the High Point Furniture Market by 5%, leaving \$806,479 recurring.</p> | <p>(\$42,446)</p> | <p>R</p> |
| <p>115 Defense and Security Technology Accelerator Reduces the non-recurring pass-through appropriation for the Defense and Security Technology Accelerator by 5%, leaving \$950,000 non-recurring.</p> | <p>(\$50,000)</p> | <p>NR</p> |
| <p>116 Minority Support Center Provides \$750,000 for funds for small business loans for those that have limited access to credit.</p> | <p>\$750,000</p> | <p>NR</p> |
| <p>117 Regional Economic Development Commissions Provides funding for the seven Regional Economic Development Commissions. Each Commission shall receive a combination of recurring and nonrecurring funds.</p> | <p>\$2,500,000 \$2,500,000</p> | <p>R NR</p> |
| <p>118 Biofuels Center Provides \$5 million recurring for the Biofuels Center.</p> | <p>\$5,000,000</p> | <p>R</p> |
| <p>119 Research Triangle Institute Provides \$500,000 in nonrecurring matching funds for a US Department of Energy grant for energy research and green jobs.</p> | <p>\$500,000</p> | <p>NR</p> |
| <p>120 Indian Economic Development Initiative Provides nonrecurring funding for the Indian Economic Development Initiative.</p> | <p>\$100,000</p> | <p>NR</p> |
| <p>121 Institute for Regenerative Medicine Provides funding for the Institute for Regenerative Medicine.</p> | <p>\$10,000,000</p> | <p>R</p> |

| | | |
|-------------------------------|---------------------|-----------|
| Budget Changes | \$16,780,564 | R |
| | \$3,800,000 | NR |
| Total Position Changes | | |
| Revised Total Budget | \$35,969,289 | |

N.C. Biotechnology Center

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session **\$14,501,900**

Budget Changes

122 Operating Funds **\$5,000,000** R
Provides additional funding for the Biotechnology Center.

Budget Changes **\$5,000,000** R

Total Position Changes

Revised Total Budget **\$19,501,900**

Rural Economic Development Center

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 10-11 |
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| | |
|-------------------------------------------|---------------------|
| Total Budget Approved 2009 Session | \$23,832,436 |
|-------------------------------------------|---------------------|

Budget Changes

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| <p>123 Operating Reductions Reduces the recurring pass-through appropriation for the Rural Center by 5%, leaving \$22,640,814 recurring.</p> | <p>(\$1,191,622) R</p> |
| <p>124 Home Grown Jobs 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.</p> | <p>\$3,125,000 NR</p> |
| <p>125 Small Business Assistance Fund Provides funding to the Rural Center to continue the Small Business Assistance Fund.</p> | <p>\$1,000,000 NR</p> |
| <p>126 Family Farm Opportunity and Innovation Fund Provides funding for the Rural Center to provide assistance to farmers via grants up to \$20,000 in three areas:</p> <ol style="list-style-type: none"> 1. Improving energy efficiency on the farm 2. Developing new markets 3. Developing new products | <p>\$1,000,000 NR</p> |

| | |
|-----------------------|------------------------|
| Budget Changes | (\$1,191,622) R |
| | \$5,125,000 NR |

Total Position Changes

| | |
|-----------------------------|---------------------|
| Revised Total Budget | \$27,765,814 |
|-----------------------------|---------------------|

North Carolina State Fair

Budget Code: 53750

| | FY 2010-11 |
|-------------------------------------------|---------------------|
| Beginning Unreserved Fund Balance | \$2,262,050 |
| Total Budget Approved 2009 Session | |
| Requirements | \$15,738,702 |
| Receipts | \$14,768,425 |
| Positions | 67.00 |

Legislative Changes

Requirements:

| | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------|
| Cash Balance | \$0 | R |
| Transfers \$1,000,000 of the June 30th, 2010 cash balance in the NC State Fair enterprise funds to the General Fund for general availability. This change is estimated to leave a cash balance of over \$685,000. | \$1,000,000 | NR |
| | 0.00 | |
| Subtotal Legislative Changes | \$0 | R |
| | \$1,000,000 | NR |
| | 0.00 | |

Receipts:

| | | |
|-------------------------------------|------------|-----------|
| Cash Balance | \$0 | R |
| | \$0 | NR |
| Subtotal Legislative Changes | \$0 | R |
| | \$0 | NR |

FY 2010-11

| | |
|-----------------------------------|----------------------|
| Revised Total Requirements | \$16,738,702 |
| Revised Total Receipts | \$14,768,425 |
| Change in Fund Balance | (\$1,970,277) |
| Total Positions | 67.00 |

| | |
|-----------------------------------------|------------------|
| Unappropriated Balance Remaining | \$291,773 |
|-----------------------------------------|------------------|

DENR - Special

Budget Code: 24300

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

Legislative Changes

Requirements:

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------|
| 2335 - Lab Certification Fee | \$847,515 | |
| Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1635. | \$0 | NR |
| | 0.00 | |
| 2221 - Bladen Lakes Cash Balance | \$0 | R |
| Transfers \$150,000 of the June 30th, 2010 cash balance in the Bladen Lakes fund to the General Fund for general availability. | \$150,000 | NR |
| | 0.00 | |
| 2119 - Mercury Pollution Prevention Fund | \$0 | R |
| Transfers \$2.25 million from the cash balance of the Mercury Pollution Prevention Fund to the General Fund for general availability. | \$2,250,000 | NR |
| | 0.00 | |
| 2335 - Lab Certification Fees | \$0 | R |
| Transfers the cash balance from the Lab Certification Fees fund to the appropriate General Fund code for the Division of Water Quality. | \$459,830 | NR |
| | 0.00 | |
| Subtotal Legislative Changes | \$847,515 | R |
| | \$2,859,830 | NR |
| | 0.00 | |

Receipts:

| | FY 2010-11 |
|----------------------------------------------------------------------------------------------------------|-----------------------|
| 2335 - Lab Certification Fees | (\$733,983) R |
| Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1635. | \$0 NR |
| Subtotal Legislative Changes | (\$733,983) R |
| | \$0 NR |
| <hr/> | |
| Revised Total Requirements | \$66,807,611 |
| Revised Total Receipts | \$47,603,264 |
| Change in Fund Balance | (\$19,204,347) |
| Total Positions | 368.99 |
| <hr/> | |
| Unappropriated Balance Remaining | \$1,710,259 |

Solid Waste Management Trust Fund

| |
|--------------------|
| Budget Code: 64303 |
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| | FY 2010-11 |
|-------------------------------------------|--------------------|
| Beginning Unreserved Fund Balance | \$6,798,949 |
| Total Budget Approved 2009 Session | |
| Requirements | \$7,383,604 |
| Receipts | \$7,361,604 |
| Positions | 9.31 |

Legislative Changes

Requirements:

| | |
|-------------------------------------------|---------------|
| 6770 - Scrap Tire Disposal Account | \$0 R |
| | \$0 NR |
| | 0.00 |
| 6780 - White Goods | \$0 R |
| | \$0 NR |
| | 0.00 |
| Subtotal Legislative Changes | \$0 R |
| | \$0 NR |
| | 0.00 |

Receipts:

| | |
|------------------------------------------------------------------------------------------------|-------------------------|
| 6770 - Scrap Tire Disposal | \$0 R |
| Diverts \$2.5 million from the Scrap Tire Disposal Account to the General Fund for FY 2010-11. | (\$2,500,000) NR |
| 6780 - White Goods | \$0 R |
| Diverts \$1,200,000 from the White Goods Fund to the General Fund for FY 2010-11. | (\$1,200,000) NR |
| Subtotal Legislative Changes | \$0 R |
| | (\$3,700,000) NR |

FY 2010-11

| | |
|-----------------------------------|----------------------|
| Revised Total Requirements | \$7,383,604 |
| Revised Total Receipts | \$3,661,604 |
| Change in Fund Balance | (\$3,722,000) |
| Total Positions | 9.31 |

| | |
|-----------------------------------------|--------------------|
| Unappropriated Balance Remaining | \$3,076,949 |
|-----------------------------------------|--------------------|

Wildlife Resources - Special

Budget Code: 24350

| | FY 2010-11 |
|-------------------------------------------|---------------------|
| Beginning Unreserved Fund Balance | \$923,486 |
| Total Budget Approved 2009 Session | |
| Requirements | \$62,615,438 |
| Receipts | \$62,615,438 |
| Positions | 652.50 |

Legislative Changes

Requirements:

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------------|-----------|
| Transfer to General Fund | | \$0 | |
| Budgets the Wildlife Resources Commission (WRC) \$3 million transfer to the General Fund for general availability. WRC shall transfer \$750,000 to the General Fund at the beginning of each quarter. | \$3,000,000 | | NR |
| | 0.00 | | |
| Subtotal Legislative Changes | | \$0 | R |
| | | \$3,000,000 | NR |
| | | 0.00 | |

Receipts:

| | | | |
|-------------------------------------|--|------------|-----------|
| Transfer to General Fund | | \$0 | |
| | | \$0 | NR |
| Subtotal Legislative Changes | | \$0 | R |
| | | \$0 | NR |

FY 2010-11

| | |
|-----------------------------------|----------------------|
| Revised Total Requirements | \$65,615,438 |
| Revised Total Receipts | \$62,615,438 |
| Change in Fund Balance | (\$3,000,000) |
| Total Positions | 652.50 |

| | |
|-----------------------------------------|----------------------|
| Unappropriated Balance Remaining | (\$2,076,514) |
|-----------------------------------------|----------------------|

JUSTICE
&
PUBLIC SAFETY
Section I

| |
|----------|
| FY 10-11 |
|----------|

Total Budget Approved 2009 Session

\$463,753,479

Budget Changes

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| <p>1 Establish a Management Flexibility Reserve Establishes a Management Reserve to provide the Administrative Office of the Courts the flexibility to determine where reductions can be made.</p> | <p>(\$3,400,000) R (\$3,300,000) NR</p> |
| <p>2 Reduce Technology Services Program 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.</p> | <p>(\$2,616,294) NR</p> |
| <p>3 Eliminate Vacant Central Office Positions Eliminates vacant positions in the Central Administration of the Administrative Office of the Courts.</p> | <p>(\$1,082,420) R -18.75</p> |
| <p>4 Eliminate Vacant Field Positions Eliminates vacant positions statewide.</p> | <p>(\$1,769,574) R -39.00</p> |
| <p>5 Reduce Operating Accounts to FY 2008-09 Levels Reduces various operating budgets throughout the Department to FY 2008-09 actual expenditure levels.</p> | <p>(\$1,164,843) R</p> |
| <p>6 Reduce Dispute Settlement Center Pass Through Reduces the pass-through appropriation to the Dispute Settlement Centers by 5%.</p> | <p>(\$59,974) R</p> |
| <p>7 Reduce NC Bar-Civil Justice Funds Reduces the pass-through appropriation to the NC Bar Association for Access to Civil Justice by 5%.</p> | <p>(\$37,500) R</p> |

Conference Report on the Continuation, Capital and Expansion Budgets

FY 10-11

8 Reduce Financial Protection Law Center

(\$3,750) R

Reduces the pass-through appropriation to the Financial Protection Law Center by 5%.

| | | |
|-------------------------------|----------------------|-----------|
| Budget Changes | (\$7,518,061) | R |
| | (\$5,916,294) | NR |
| Total Position Changes | -57.75 | |
| Revised Total Budget | \$450,319,124 | |

Judicial - Indigent Defense

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$120,132,010

Budget Changes

Department-wide

- 9 Reduce Various Operating Accounts** (\$264,200) R
Reduces the operating budget in temporary personnel, registration fees, travel, communications, books and publications, and other operating expenses.

Indigent Person Attorney

- 10 Reduce PAC Continuation Budget** (\$5,875,000) 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.
- 11 Reduce NC Prisoner Legal Services Program budget** (\$142,031) NR
Reduces the NC Prisoner Legal Services Program (PLS) budget by 5% nonrecurring, leaving \$2.7 million recurring.
- 12 Reduce Center for Death Penalty Litigation Funding** (\$23,821) R
Reduces Center for Death Penalty Litigation appropriation by 5%, leaving \$452,604.
- 13 Increase the Attorney Appointment Fee** (\$250,000) R
Increases the Attorney Appointment Fee by \$10 to \$60.

Sentencing Services

- 14 Restore Sentencing Services Program** \$2,123,426 R
Restores the Sentencing Services Program and adds a 5% reduction.

11.50

| | | |
|-------------------------------|----------------------|-----------|
| Budget Changes | \$1,585,405 | R |
| | (\$6,017,031) | NR |
| Total Position Changes | 11.50 | |
| Revised Total Budget | \$115,700,384 | |

FY 10-11

Total Budget Approved 2009 Session

\$88,652,538

Budget Changes

A. Department-wide

| | | |
|------------------------------------------------------------------------------------------------------|---------------|----|
| 15 Eliminate Vacant Positions | (\$501,600) | R |
| Eliminates vacant positions throughout the agency. | | |
| | -7.50 | |
| 16 Operating Reductions | (\$1,237,000) | R |
| Reduces various operating budgets throughout the Department to FY 2008-09 actual expenditure levels. | | |
| | (\$1,325,000) | NR |
| 17 Reduce Salary Reserve | (\$175,000) | R |
| Reduces various personal services line items throughout the Department to reflect actual salaries. | | |

B. Legal Services

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---|
| 18 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. | | |
| 19 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 | |
| 20 NC LEAF Funds | (\$18,750) | R |
| Reduces the pass-through appropriation for the NC Legal Education Assistance Fund (NC LEAF) by 5%. The FY 2010-11 appropriation for this non-profit will be \$356,250. | | |

C. State Bureau of Investigation (SBI)

| | | |
|---------------------------------------------------------------------------------------|-------------|---|
| 21 SBI Equipment Reduction | (\$400,000) | R |
| Reduces the budget for equipment purchases in the State Bureau of Investigation. | | |
| 22 Crime Laboratory DNA Capacity | \$221,156 | R |
| Provides the SBI Crime Lab with additional professional staff to analyze DNA samples. | | |
| | 4.00 | |

| | | |
|-------------------------------|----------------------|-------|
| Budget Changes | (\$1,679,760) | R |
| | (\$1,325,000) | NR |
| Total Position Changes | | 21.50 |
| Revised Total Budget | \$85,647,778 | |

Juvenile Justice & Delinquency Prevention

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 10-11 |
|----------|

Total Budget Approved 2009 Session

\$147,183,945

Budget Changes

Community Services

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| 23 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. | | |

Department-wide

| | | |
|-----------------------------------------------------------------------------------------------------------------------|---------------|---|
| 24 Establish a Management Flexibility Reserve | (\$2,713,342) | R |
| Establishes a Management Reserve to provide the Department the flexibility to determine where reductions can be made. | | |

| | | |
|----------------------------------------------------|---------------|---|
| 25 Eliminate Vacant Positions | (\$1,158,829) | R |
| Eliminates vacant positions throughout the agency. | | |
| | -31.50 | |

| | | |
|------------------------------------------------------------------------------------------------|-------------|---|
| 26 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

| | | |
|---------------------------------------------|-------------|---|
| 27 Restore Samarkand YDC | \$3,521,954 | R |
| Restores the Samarkand YDC in Moore County. | | |
| | 62.00 | |

| | | |
|-----------------------|--------------------|----------|
| Budget Changes | (\$903,138) | R |
|-----------------------|--------------------|----------|

| | |
|-------------------------------|-------|
| Total Position Changes | 30.50 |
|-------------------------------|-------|

| | |
|-----------------------------|----------------------|
| Revised Total Budget | \$146,280,807 |
|-----------------------------|----------------------|

Correction

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$1,326,492,230

Budget Changes

28 Reduce Continuation Budget for Lower Population

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.

(\$22,000,000) NR

29 Budget Alien Assistance Receipts

Reduces General Fund appropriations to the Department of Correction by \$872,000 to account for receipts from the federal State Criminal Alien Assistance Program.

(\$872,000) NR

30 ITS Billing Reduction

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.

(\$200,000) R

31 Transfer Four Positions to Receipt Support

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.

(\$182,500) R

-4.00

32 Reduce Vehicle Replacement Budget

Reduces the Vehicle Replacement line item on a non-recurring basis.

(\$1,500,000) NR

33 Reduce Fuel Oil Budget

Reduces the Fuel Oil line item on a recurring basis.

(\$500,000) R

34 Reduce PC Equipment

Reduces the Personal Computer Equipment line item on a non-recurring basis.

(\$300,000) NR

35 Reduce Equipment Accounts

Reduces various equipment accounts on a non-recurring basis. (\$800,000) NR

36 Reduce Supply Accounts

Reduces various supply accounts on a non-recurring basis. (\$800,000) NR

37 Eliminate .223 Rifle Training

Eliminates a component of rifle training and reduces annual costs for ammunition and targets. (\$54,757) R

38 Reduce Our Children's Place Funds

Reduces the pass-through appropriation for Our Children's Place by 5%, leaving \$104,025. (\$5,475) R

Alcoholism and Chemical Dependency Programs

39 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

40 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

41 Reduce Contractual Services

Reduces the Contractual Services budget in the Division of Community Corrections. (\$50,000) R

42 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

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-----------|
| <p>43 Reduce Harriet's House Funds Reduces the pass-through appropriation to Passage Home for Harriet's House by 5%, leaving \$195,938.</p> | <p>(\$10,313)</p> | <p>R</p> |
| <p>44 Reduce Summit House Funding Reduces the pass-through appropriation to Summit House by 5%, leaving \$1,052,756.</p> | <p>(\$55,408)</p> | <p>R</p> |
| <p>45 Reduce Women At Risk Funding Reduces the pass-through appropriation to Women At Risk by 5%, leaving \$249,375.</p> | <p>(\$13,125)</p> | <p>R</p> |
| | | |
| Prisons | | |
| <p>46 Reduce Inmate Medical Costs 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.</p> | <p>(\$20,500,000)</p> | <p>R</p> |
| <p>47 Eliminate Seven DOP Administrative Positions 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.</p> | <p>(\$359,384)</p> <p style="text-align: right;">-7.00</p> | <p>R</p> |
| <p>48 Consolidate Administrative Positions at Prisons Consolidates administrative functions between Brown Creek Correctional Center and Piedmont Correctional Institution and eliminates four duplicative positions.</p> | <p>(\$149,038)</p> <p style="text-align: right;">-4.00</p> | <p>R</p> |
| <p>49 Modify Close Custody Inmate Transfers Reduces the transportation budget based on reducing the frequency of inter-facility transfers of close custody inmates from every week to every other week.</p> | <p>(\$74,150)</p> | <p>R</p> |
| <p>50 Reduce Drug Testing Frequency Changes the drug testing policy to 10% instead of 15% frequency and reduces appropriations to pay for analysis.</p> | <p>(\$130,000)</p> | <p>R</p> |
| <p>51 Reduction in Clothing Budgets Reduces funding for inmate clothing and officer uniforms within the Division of Prisons.</p> | <p>(\$862,913)</p> | <p>NR</p> |

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-----------|
| 52 Operating Reserves for Central Prison Hospital | \$4,551,375 | 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 | |
| | | |
| 53 Operating Reserve for Women's Prison Hospital | \$1,980,317 | 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 | |
| | | |
| 54 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. | 39.00 | |
| | | |
| 55 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. | | |
| | | |
| Budget Changes | (\$14,504,334) | R |
| | (\$26,734,913) | NR |
| Total Position Changes | 799.00 | |
| Revised Total Budget | \$1,285,252,983 | |

Crime Control and Public Safety

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$33,718,963

Budget Changes

A. Department-wide

56 Eliminate Vacant Positions (\$442,304) R
 Eliminates vacant positions throughout the Department. -7.69

B. Administration

57 Law Enforcement Support Services (LESS) \$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

58 National Guard Armory Maintenance \$1,000,000 R
 Provides funds for maintenance and operation of plant for the National Guard's 97 armories.

59 Transfer TAP to SEAA (\$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)

60 ALE Equipment Reduction (\$200,000) R
 Reduces the appropriation for equipment for Alcohol Law Enforcement. (\$200,000) NR

E. Victim's Compensation Services

61 Victim's Compensation Fund

Reduces the Victim's Compensation Fund budget on a nonrecurring basis. (\$700,000) NR

F. Governor's Crime Commission

62 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 methods to improve the inmate booking process. \$100,000 NR

| | | |
|-------------------------------|---------------------|-----------|
| Budget Changes | (\$856,592) | R |
| | (\$800,000) | NR |
| Total Position Changes | | -2.69 |
| Revised Total Budget | \$32,062,371 | |

**GENERAL
GOVERNMENT
Section J**

Administration

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$67,446,884

Budget Changes

1111 Office of the Secretary

1 Reduce Various Operating Expenses

(\$164,089) R

Reduces miscellaneous operating expenses.

Temporary services (\$104,089)

Contracted services (\$60,000)

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)

531211 Salaries (\$64,103)

531511 Social Security (\$4,995)

531521 Retirement (\$6,660)

531561 Medical Insurance (\$7,493)

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)

531211 Salaries (\$55,311)

531511 Social Security (\$4,231)

531521 Retirement (\$5,813)

531561 Medical Insurance (\$5,915)

1123 Historically Underutilized Businesses

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

1241 Management Info. Systems

5 Reduce LAN Serv Chg (\$56,521) R
 Reduces LAN Service Charge:
 532822: (\$56,521)

1264 Agency for Public Telecommunications

6 Transfer 1.0 FTE to Receipt Support (\$67,442) R
 Transfers salary and benefits for 1.0 FTE to receipt support:
 60014549: TV Producer/Director II -1.00
 531211 Salaries (\$52,905)
 531511 Social Security (\$4,047)
 531521 Retirement (\$5,560)
 531561 Medical Insurance (\$4,929)

1311 Office of State Personnel

7 Provide Funding for SB 1213 (Amend State Purchases and Contracts Laws) \$88,756 R
 Assuming the adoption of SB 1213, "Amend State Purchases and Contracts Laws," provides funding for 0.75 FTE and associated costs. SB 1213 expands the contracting responsibilities of the Office of State Personnel (OSP) to work with the Department of Administration and the University of North Carolina School of Government to develop a Contract Management Training and Certification Program for State employees. In order to perform the work required by SB 1213, OSP requires an additional 0.75 FTE position (Human Resource Consultant) in FY 2010-11 and associated operating costs. Salaries and benefits are budgeted for 10 months for FY 2010-11 with a start date of October 1, 2010: 0.75
 531211 Salaries \$40,250
 531511 Social Security \$3,079
 531521 Retirement \$4,230
 531561 Medical Insurance \$3,697
 5331xx General Admin. Supplies \$37,500

8 Reduce Various Operating Accounts

(\$365,336) R

Reduces various operating accounts:

| | |
|------------------------------------------|-------------|
| 532821 Computer/Data Processing Services | (\$185,395) |
| 532170 Temporary Employees | (\$50,000) |
| 532700 Travel | (\$15,000) |
| 533110 Supplies - General Office | (\$15,000) |
| 534511 Supplies - Office Furniture | (\$10,000) |
| 535830 Membership & Dues | (\$15,000) |
| 536905 Employer OJT Incentive | (\$15,941) |
| 532143 LAN Support Serv. | (\$10,000) |
| 532144 PC Printer Support Serv. | (\$20,000) |
| 532812 Telecomm. Data Charge | (\$12,000) |
| 532822 Managed LAN Services | (\$7,000) |
| 532930 Registration Fees | (\$10,000) |

9 Eliminate Filled Position

(\$82,039) R

Eliminates salaries and benefits for 1.0 filled position:

-1.00

60013771: HR Partner

| | |
|--------------------------|------------|
| 531211 Salary | (\$65,259) |
| 531511 Social Security | (\$4,992) |
| 531521 Retirement | (\$6,859) |
| 531561 Medical Insurance | (\$4,929) |

1411 State Construction Office

10 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

11 Eliminate 1.0 Vacant Position

(\$57,967) R

Eliminates salary and benefits for 1.0 vacant position:

-1.00

60014649: Administrative Assistant II

| | |
|--------------------------|------------|
| 531211 Salaries | (\$44,886) |
| 531511 Social Security | (\$3,434) |
| 531521 Retirement | (\$4,718) |
| 531561 Medical Insurance | (\$4,929) |

1421 Facilities Management

12 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) |

13 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.

14 Provide Funding to Support the New North Carolina Museum of Art Building \$1,310,260 R

Adds 8.0 FTEs, increases budgeted utility costs, and increases various operating expenses. Salaries and benefits are budgeted for 10 months for FY 2010-11 with a start date of September 1, 2010: 8.00

| | |
|------------------------------------|-----------|
| 531211 Salary | \$387,143 |
| 531511 Social Security | \$29,617 |
| 531521 Retirement | \$40,688 |
| 531561 Hospitalization | \$32,860 |
| 531631 Worker's Compensation | \$5,777 |
| 532210 Engr Serv - Electrical | \$302,462 |
| 532220 Engr Serv - Nat Gas/Propane | \$163,979 |
| 532230 Engr Serv - Water & Sewer | \$23,126 |
| 532911 Property Insurance | \$72,155 |
| 533510 Uniforms | \$2,454 |
| 532199 Misc. Contractual Services | \$250,000 |

15 Reduce Janitorial Services (\$291,775) R

Reduces janitorial services.

16 Eliminate 2.0 Vacant Positions (\$89,038) R

Eliminates salaries and benefits for two vacant positions: -2.00

| | |
|----------------------------------------------------------|------------|
| 60014806: Building & 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) |

17 Eliminate 4.0 Filled Positions

(\$194,831) R

Eliminates salaries and benefits of four filled positions:

- 60014738 Construction & Renovation Design Tech I
- 60014742 Electronics Technician III
- 60014769 Administrative Assistant III
- 60014777 Processing Assistant IV

-4.00

- 531211 Salaries (\$148,202)
- 531511 Social Security (\$11,337)
- 531521 Retirement (\$15,576)
- 531561 Medical Insurance (\$19,716)

1511 Purchase and Contracts

18 Provide Funding for SB 1213 (Amend State Purchases and Contracts Laws)

\$818,272 R

Assuming the adoption of SB 1213, "Amend State Purchases and Contracts Laws," provides funding for 8.0 FTE and associated costs. SB 1213 expands the contracting responsibilities of the Department of Administration to provide oversight of the review and award of contracts. In order to perform the work required by SB 1213, the Department requires an additional eight positions (4 Compliance Monitors, 2 Procurement Training Specialists, 1 Compliance Monitor, and 1 Procurement Standards position) and associated operating costs:

8.00

- 531211 Salaries \$426,987
- 531511 Social Security \$32,665
- 531521 Retirement \$44,876
- 531561 Medical Insurance \$39,432
- 53121xx Contractual Services \$207,432
- 5323xx Repair Services \$480
- 5324xx Maintenance Agreements \$1,600
- 5327xx Travel \$19,200
- 5328xx Communications/Data Proc. \$12,000
- 5329xx Other Services \$1,600
- 5331xx General Admin. Supplies \$4,000
- 5345xx Equipment \$28,000

19 Reduce Various Operating Expenses

(\$12,500) R

Reduces budget for repairs to building.

20 Transfer 2.9 FTE to Receipt Support

(\$225,268) R

Transfers salaries and benefits of 2.9 FTE to receipt support:

- 60013901: State Procurement Specialist III (1.0 FTE)
- 60013860: State Procurement Specialist III (1.0 FTE)
- 60013899: State Purchase Administrator (0.9 FTE)

-2.90

1731 NC Council for Women/DV Commission

21 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)

1734 Rape Crisis Program

22 Fund Grants at FY 2009-10 Level (\$151,119) NR
 Funds Rape Crisis grants at FY 2009-10 level.

1741 Human Relations Commission

23 Reduce Rent (\$24,455) R

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

532512 Rent (\$24,455)

1761 Youth Advocacy & Involvement

24 Reduce Rent (\$22,205) R

Reduces rent due to move to DOA-owned space:

532512 (\$22,205)

1771 Veterans Affairs

25 Reduce Operating Expenses (\$51,453) R

Reduces operating expenses:

533700 Travel (\$20,000)

532100 Supplies (\$10,000)

534500 Equipment (\$21,453)

26 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)

1781 Domestic Violence Program

27 Fund Grants at FY 2009-10 Level

Funds Domestic Violence grants at FY 2009-10 level.

(\$243,115) NR

28 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

29 Provide Funding for HB 961 (Government Ethics and Campaign Reform Act)

\$277,102 R
 \$215,600 NR
 4.00

Assuming the adoption of HB 961, the "Government Ethics and Campaign Reform Act," provides funding for four positions (Attorney II, Paralegal III, and two Paralegal IIIs) and operating expenses. This appropriation is to ensure that the State Ethics Commission has resources to respond to customer service queries regarding ethics law compliance and any additional ethics rules or standards implemented by the Governor. Salaries and benefits are budgeted for 10 months for FY 2010-11 with a start date of September 1, 2010:

| | | | | |
|-----------------------------------|-----------|---|-----------|----|
| 531211 Salaries | \$173,601 | R | | |
| 531511 Social Security | \$13,281 | R | | |
| 531521 Retirement | \$18,246 | R | | |
| 531561 Medical Insurance | \$16,430 | R | | |
| 532144 PC/Printer | \$1,680 | R | | |
| 5327xx Travel | \$1,500 | R | | |
| 532811 Telephone | \$1,500 | R | | |
| 532815 Email & Calendaring | \$156 | R | | |
| 5329xx Registration & Ed Expenses | \$300 | R | | |
| 533xxx Supplies | \$2,000 | R | | |
| 532535 Lease Server Equip | \$13,817 | R | | |
| 532542 Lease Software | \$3,691 | R | | |
| 535830 Subscriptions | \$6,000 | R | | |
| 532140 Other ITS | \$10,000 | R | \$100,000 | NR |
| 532140 Other ITS | \$5,400 | R | \$600 | NR |
| 532140 Other ITS | \$5,000 | R | \$15,000 | NR |
| 534511 Office Furniture | | | \$2,000 | NR |
| 534521 Office Equipment | | | \$2,000 | NR |
| 534713 PC Software | | | \$500 | NR |
| 532199 Contractual Legal Services | | | \$100,000 | NR |

30 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

31 Reduce Rent

(\$29,985) R

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

532512 Rent (\$29,985)

Department-Wide

32 Eliminate 8.0 Vacant Positions (\$356,715) R

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

-8.00

- 60013887: State Purchase Administrator
- 60013965: Summer Intern
- 60014664: Administrative Assistant III
- 60013878: Processing Assistant V
- 60014215: Accounting Technician
- 65009979: Accountant
- 60014716: Building & Environmental Technician
- 60014836: Building & Environmental Technician

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

33 Reduce Travel Expenditures (\$15,000) R

Reduces travel expenditures across the agency.

5327xx (\$15,000)

34 Adjust ITS Rate (\$3,172) R

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

532140 (\$3,172)

| | | |
|-------------------------------|---------------------|-----------|
| Budget Changes | (\$566,492) | R |
| | (\$178,634) | NR |
| Total Position Changes | -9.35 | |
| Revised Total Budget | \$66,701,758 | |

Total Budget Approved 2009 Session

\$13,255,123

Budget Changes

1120

35 Reduce Various Operating Accounts (\$80,000) R

Reduces various operating accounts:

- 532942 Other Employee Educational Expense (\$12,000)
- 533110 General Office Supplies (\$10,000)
- 532430 Maint Agreement - Equipment (\$6,000)
- 532441 Maint Agreement - Other Software (\$24,000)
- 532332 Repairs - Other Computer Equip (\$8,000)
- 532811 Telephone Service (\$20,000)

1210 Field Audit

36 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)

37 Reduce Various Operating Accounts (\$197,000) 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 (\$149,550)

| | | |
|-------------------------------|---------------------|----------|
| Budget Changes | (\$337,033) | R |
| Total Position Changes | -1.00 | |
| Revised Total Budget | \$12,918,090 | |

Cultural Resources

| |
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| GENERAL FUND |
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| FY 10-11 |
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Total Budget Approved 2009 Session

\$73,249,990

Budget Changes

1110 Office of the Secretary

38 Operating Budget Adjustment (\$169,749) R

Reduces funding for Misc Contractual Services.

532199 Misc Contractual Services (\$169,749)

39 Expand Heritage Tourism \$300,593 R

Restores funding for seven Heritage Tourism positions to help rural communities enhance tourism economy, and funds positions effective September 1, 2010. 7.00

1120 Administrative Services

40 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 & History - Admin

41 Eliminate Personnel Costs and Adjust Expenditure Accounts (\$82,262) R

Eliminates salary and benefits, but not FTE, for Administrative Officer position (#60083312), and reduces 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)

42 Freedom Monument Project, Inc. Funding

Restores funding for the Freedom Monument Project, Inc. \$100,000 NR

43 African American Heritage Commission

Appropriates non-recurring funding for the Commission in FY 2010-11. \$100,000 NR

1220 Historical Publications

44 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 Longevity 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

45 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

46 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

47 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)

48 State Capitol Foundation Funding

Appropriates non-recurring funding in FY 2010-11 for the Capitol Foundation (\$100,000), and to support the three monuments in Capitol Square (\$75,000).

\$175,000 NR

1250 Historic Preservation

49 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

50 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

51 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

52 Eliminate Personnel Expense and Adjust Operating Budget (\$257,007) R

Eliminates salaries and benefits of three new positions: Admin Officer III
 (#65010906) at \$41,173; Art Handler (#65010907) at \$25,705; and Processing
 Asst III at \$24,092. Also reduces various expenditure accounts. -3.00

| | |
|----------------------------------|------------|
| 531211 Salaries | (\$90,970) |
| 531511 Social Security | (\$6,959) |
| 531521 Retirement | (\$9,561) |
| 531561 Medical Insurance | (\$14,787) |
| 532199 Misc Contractual Services | (\$50,000) |
| 532390 Repairs | (\$75,000) |
| 534610 Art & Artifacts | (\$9,730) |

1340 NC Symphony

53 Grant for NC Symphony

Appropriates non-recurring funding as grant to the Symphony. \$500,000 NR

1410 State Library Services

54 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 Library & Lrning Res Coll | (\$15,000) |

1500 Museum of History

55 Operating Budget Adjustments

(\$72,928) R

Reduces division expenditure accounts. (\$25,000) NR

| | |
|----------------------------------|------------|
| 532199 Misc Contractual Services | (\$25,000) |
| 532512 Rent/Lease - Bldgs/Office | (\$24,978) |
| 534549 Oth Motorized Vehicles | (\$47,950) |

| | | |
|-------------------------------|----------------------|-----------|
| Budget Changes | (\$2,103,146) | R |
| | \$850,000 | NR |
| Total Position Changes | -15.19 | |
| Revised Total Budget | \$71,996,844 | |

Cultural Resources - Roanoke Island Commission

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session **\$1,990,632**

Budget Changes

1584 Roanoke Island Commission

56 Operating Budget Reduction (\$115,926) R
Reduces funds transferred to support the Roanoke Island Commission's operating budget.

Budget Changes (\$115,926) R

Total Position Changes

Revised Total Budget **\$1,874,706**

General Assembly

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$56,584,484

Budget Changes

1110 Senate

57 Operating Budget Adjustments

(\$609,201) R

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

| | |
|---------------------------------|-------------|
| 531311 REG(NS) Temp Wages | (\$375,644) |
| 531461 EPA& SPA-Longevity Pay | (\$15,062) |
| 531511 Social Sec Contrib | (\$29,891) |
| 531521 Retirement | (\$38,698) |
| 532714 Travel/Other Employee | (\$33,002) |
| 532727002 Travel/Other Employee | (\$115,492) |
| 533110 Office Supplies | (\$1,412) |

1120 House

58 Reductions to Operating Budget

(\$1,590,353) R

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

| | |
|---------------------------------|---------------|
| 531311 REG(NS) Temp Wages | (\$1,020,501) |
| 531461 EPA& SPA-Longevity Pay | (\$29,567) |
| 531511 Social Sec Contrib | (\$80,330) |
| 531521 Retirement | (\$107,998) |
| 532714 Travel/Other Employee | (\$79,945) |
| 532727002 Travel/Other Employee | (\$272,012) |

1211 Administration

59 Adjust Expenditure Accounts

(\$56,992) R

Reduces budgeted days during the interim and budgeted weeks of session in Administration - Financial Services.

| | |
|-------------------------------|------------|
| 531311 REG(NS) Temp Wages | (\$46,977) |
| 531461 EPA& SPA-Longevity Pay | (\$1,045) |
| 531511 Social Sec Contrib | (\$3,673) |
| 531521 Retirement | (\$5,297) |

1212 Bill Drafting

60 Operating Budget Adjustments (\$61,018) R

Reduces budgeted weeks of session for Bill Drafting.

| | |
|-------------------------------|------------|
| 531311 REG(NS) Temp Wages | (\$51,032) |
| 531461 EPA& SPA-Longevity Pay | (\$609) |
| 531511 Social Sec Contrib | (\$3,950) |
| 531521 Retirement | (\$5,427) |

1213 General Research

61 Adjust Operating Budget (\$10,779) R

Reduces budgeted weeks of session for General Research.

| | |
|---------------------------|-----------|
| 531311 REG(NS) Temp Wages | (\$9,122) |
| 531511 Social Sec Contrib | (\$698) |
| 531521 Retirement | (\$959) |

1214 Fiscal Research

62 Reduce Expenditure Accounts (\$9,388) R

Reduces budgeted weeks of session for Fiscal Research.

| | |
|---------------------------|-----------|
| 531311 REG(NS) Temp Wages | (\$7,945) |
| 531511 Social Sec Contrib | (\$608) |
| 531521 Retirement | (\$835) |

1215 Building Maintenance

63 Operating Budget Reductions (\$38,441) R

Reduces budgeted days during the interim and budgeted weeks of session in Building Maintenance.

| | |
|---------------------------|------------|
| 531311 REG(NS) Temp Wages | (\$32,533) |
| 531511 Social Sec Contrib | (\$2,489) |
| 531521 Retirement | (\$3,419) |

1216 Food Service

64 Reductions to Operating Budget (\$18,594) R

Reduces budgeted weeks of session for Food Service.

| | |
|---------------------------|------------|
| 531311 REG(NS) Temp Wages | (\$15,737) |
| 531511 Social Sec Contrib | (\$1,203) |
| 531521 Retirement | (\$1,654) |

1217 Information System

65 Operating Budget Adjustments (\$101,802) R

Reduces various expenditure accounts.

532140 Misc Contractual Services (\$86,614)
 532448 Maintenance Agreement (\$1,637)
 532449 Maintenance Agreement (\$13,551)

1219 Program Evaluation

66 Reduce Expenditure Accounts (\$139,417) R

Reduces budgeted weeks of session for Program Evaluation and funding for contractual services.

531311 REG(NS) Temp Wages (\$12,498)
 531511 Social Sec Contrib (\$956)
 531521 Retirement (\$1,314)
 532199 Misc Contractual Services (\$124,649)

1230 Institute of Government

67 Operating Budget Adjustments (\$11,053) R

Reduces budgeted weeks of session for the Institute of Government.

531311 REG(NS) Temp Wages (\$9,354)
 531511 Social Sec Contribution (\$716)
 531521 Retirement (\$983)

1900 Contingency Reserves

68 Reduce Contingency Reserves (\$267,888) R

Reduces funding for the Legislative Study Commission.

537195 Contingency Reserves (\$267,888)

Budget Changes (\$2,914,926) R

Total Position Changes

Revised Total Budget \$53,669,558

| |
|----------|
| FY 10-11 |
|----------|

| | |
|-------------------------------------------|--------------------|
| Total Budget Approved 2009 Session | \$6,067,739 |
|-------------------------------------------|--------------------|

Budget Changes

1100 Administration

| | | |
|-----------------------------------------------------------------|--------------------|----------|
| 69 Eliminate Personnel Costs and Reduce Operating Budget | (\$353,359) | R |
|-----------------------------------------------------------------|--------------------|----------|

Eliminates salaries and benefits of three vacant positions: Administrative Asst (#60008533) - \$28,400; Asst Press Secretary (#60008523) - \$50,732; and Communications Technology Specialist (#60008481) - \$30,000. Also reduces expenditure accounts. -3.00

- 531211 Salaries (\$109,132)
- 531511 Social Security (\$8,349)
- 531521 Retirement (\$11,470)
- 535461 Med Insurance (\$14,787)
- 532145 Server Support Svcs (\$17,200)
- 532199 Misc Contractual Services (\$27,163)
- 532140 Oth Information Tech (\$5,258)
- 535830 Membership Dues and Subscriptions (\$160,000)

| | | |
|-----------------------|--------------------|----------|
| Budget Changes | (\$353,359) | R |
|-----------------------|--------------------|----------|

| | |
|-------------------------------|--------------|
| Total Position Changes | -3.00 |
|-------------------------------|--------------|

| | |
|-----------------------------|--------------------|
| Revised Total Budget | \$5,714,380 |
|-----------------------------|--------------------|

Housing Finance Agency

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$14,608,417

Budget Changes

1100 HFA - Appropriation

70 Home Protection Program Reduction

(\$730,421) 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 includes recurring and non-recurring adjustments.

(\$1,769,579) NR

538104 Home Protection Program (\$2,500,000)

Budget Changes

(\$730,421) R

(\$1,769,579) NR

Total Position Changes

Revised Total Budget

\$12,108,417

Insurance

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$32,242,706

Budget Changes

1100 Administration

71 Reduce Misc. Operating Accounts

(\$35,515) R

Reduce 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

72 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) |

73 Provide Funding for CCRC Oversight Staffing

\$107,823 R
 \$3,800 NR
 1.00

Assuming the adoption of Senate Bill 354 ("Continuing Care Retire. Community/Home Care"), position #60013545 within the Office of the State Fire Marshal Division (Fund 1500) is transferred to the Financial Evaluation Division as an Insurance Company Manager Position at the budgeted amount of \$111,623 (\$107,823 recurring \$3,800 non-recurring). The transferred position shall assist the Department in administering Articles 64 and 89A of Chapter 58 of the General Statutes. This position shall be supported by funds appropriated to the Department of Insurance. See Item 76.

| | |
|------------------------------------|----------|
| 531211 Salaries | \$83,500 |
| 531511 Social Security | \$6,388 |
| 531521 Retirement | \$8,776 |
| 531561 Medical Insurance | \$4,929 |
| 532512 Rent/Lease-Buildings/Office | \$1,200 |
| 532712 Transp Air-Out State, In US | \$300 |
| 532714 Transp-Grnd-In State | \$300 |
| 532715 Trans-Grnd-Out State, In US | \$50 |
| 532722 Lodging-Out State, In US | \$300 |
| 532725 Meals - Out of State, in US | \$200 |
| 532811 Telephone Service | \$400 |
| 532817 Internet Serv Prov Charge | \$480 |
| 533110 Office Supplies | \$500 |
| 533120 Data Processing Supplies | \$500 |
| 534511 Furniture-Office | \$2,400 |
| 534534 PC/Printer Equipment | \$1,400 |

1300 Technical Services

74 Reduce Misc. Operating Accounts

(\$244,550) R

Reduce misc. operating accounts:

| | |
|-----------------------------------------------|------------|
| 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

75 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 the State Fire Marshal

76 Reduce Appropriation to Offset Available Receipts from Position Transfer

(\$74,457) R

Assuming the adoption of Senate Bill 354 ("Continuing Care Retire. Community/Home Care"), reduces appropriation to offset receipts made available by transferring position #60013545 to the Financial Evaluation Division: \$74,457 (salary and benefits). The Department has the flexibility to use these receipts to fund existing continuation budget expenditures.

See item 73.

77 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

78 Reduce NC Auto Retrospective Insurance Fund

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

(\$1,000,000) NR

Budget Changes

(\$1,180,254) R

(\$996,200) NR

Total Position Changes

1.00

Revised Total Budget

\$30,066,252

Insurance - Volunteer Safety Workers' Compensat

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$1,561,846

Budget Changes

79 NO LEGISLATIVE ACTION REPORTED

Budget Changes

Total Position Changes

Revised Total Budget

\$1,561,846

Lieutenant Governor

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session **\$931,703**

Budget Changes

80 Eliminate 0.5 Vacant Positions (\$33,539) R
Eliminates salaries and benefits for 0.5 vacant positions:
60008618: Information & Comm. Spec. II (0.5 FTE) -0.50

Budget Changes (\$33,539) R

Total Position Changes -0.50

Revised Total Budget **\$898,164**

Office of Administrative Hearings

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$4,111,476

Budget Changes

81 Reduce Operating Expenses

(\$30,000) R

Reduces various operating expenses across the department:

534700 Intangible Assets (\$10,000)

5324xx Software Maintenance (\$20,000)

Budget Changes

(\$30,000) R

Total Position Changes

Revised Total Budget

\$4,081,476

Revenue

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$87,790,970

Budget Changes

1605 Information Technology

82 Provide Funding for Imaging System Licenses \$613,440 R
Provides funding for additional licenses for the Department's imaging system in order to view taxpayer returns.

1629 Property Tax Division

83 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

24708 Revenue IT Projects

84 Provide Funding for IRS-Mandated Modernization of 1040 e-File Platform \$47,600 R
Provides funding for the IRS-mandated modernization of the e-File platform. \$1,457,118 NR

2479 Revenue IT Projects

85 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

86 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.

| | | |
|-----------------------------------------------------------------|-------------|-------|
| 87 Reduce Travel Reimbursement | (\$39,000) | R |
| Reduces budgeted travel reimbursement: | | |
| 5327xx Travel (\$39,000) | | |
| | | |
| 88 Reduce ITS Rate | (\$158,647) | R |
| Reduces budgeted ITS costs due to reduction in ITS rate: | | |
| 532140 Information Technology Services (\$158,647) | | |
| | | |
| 89 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) | | |
| | | |
| 90 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 | (\$958,301) | R |
| | \$757,118 | NR |
| Total Position Changes | -34.00 | |
| Revised Total Budget | \$87,589,787 | |

Total Budget Approved 2009 Session

\$11,451,488

Budget Changes

1110 General Administration

91 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)

92 Operating Budget Adjustment (\$100,000) R

Budgets over-realized receipts from Business License Fees in the amount of \$100,000. The fees are from the Solicitation of Contributions Fund and are to be used in the General Administration Fund to cover administrative costs related to administering and enforcing Chapter 131F of the General Statutes.

- 435100 Business License Fees \$100,000

1120 Publications

93 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

| | | | |
|----------------------------------------------------------------------------------------------------------------------------|------------|------------|---|
| 94 Eliminate Vacant Position | | (\$35,302) | R |
| Eliminates filled Processing Assistant IV position (#60008683). This position is temporarily filled through June 30, 2010. | | | |
| | | -1.00 | |
| 531211 Salaries | (\$25,705) | | |
| 531511 Social Security | (\$1,966) | | |
| 531521 Retirement | (\$2,702) | | |
| 531561 Med Insurance | (\$4,929) | | |

1220 Certification & Filing

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|---|
| 95 Adjustments to Personnel and Operating Budget | | (\$236,916) | R |
| Eliminates vacant Processing Assistant IV (#60094577) and Notary Investigator (#60008748); reduces expenditure accounts, including rent that is transferred to the Auction Rate Securities Time Limited receipts. | | | |
| | | -2.00 | |
| 531211 Salaries | (\$60,917) | | |
| 531511 Social Security | (\$4,660) | | |
| 531521 Retirement | (\$6,402) | | |
| 531561 Med Insurance | (\$9,858) | | |
| 532199 Misc Contractual Svs | (\$50,303) | | |
| 532512 Office Rent | (\$104,776) | | |

1230 Securities

| | | | |
|--------------------------------------------------------------------------------------------------------|------------|------------|---|
| 96 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 | | (\$666,886) | R |
| Total Position Changes | | -8.00 | |
| Revised Total Budget | | \$10,784,602 | |

State Board of Elections

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 10-11 |
|----------|

Total Budget Approved 2009 Session

\$6,221,208

Budget Changes

97 Provide Funding for HB 961 (Government Ethics and Campaign Reform Act)

\$413,338 R

Assuming the adoption of HB 961, the "Government Ethics and Campaign Reform Act," provides funding for 1.0 FTE and operating costs. HB 961 makes various changes to public records laws, ethics laws, and lobbying laws. In order to perform the work required by HB 961, the State Board of Elections requires an additional Governmental Accounts Auditor position in FY 2010-11 and software development costs. Salaries and benefits are budgeted for 10 months for FY 2010-11 with a start date of September 1, 2010:

\$7,680 NR
1.00

| | | | | | |
|--------|----------------------------|----------|---|-----------|----|
| 531211 | Salary | \$45,000 | R | | |
| 531511 | Social Security | \$3,443 | R | | |
| 531521 | Retirement | \$4,730 | R | | |
| 531561 | Medical Insurance | \$4,108 | R | | |
| 5327xx | Travel | \$1,500 | R | | |
| 532815 | Email & Calendaring | \$156 | R | | |
| 5329xx | Registration & Ed Expenses | \$300 | R | | |
| 533xxx | Supplies | \$2,000 | R | | |
| 532811 | Telephone | | | \$1,500 | NR |
| 532144 | PC/Printer | | | \$1,680 | NR |
| 534511 | Office Furniture | | | \$2,000 | NR |
| 534521 | Office Equipment | | | \$2,000 | NR |
| 534713 | PC Software | | | \$500 | NR |
| | Software Development | | | \$350,000 | NR |
| | Meeting Costs | \$2,102 | R | | |

98 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

1100 Administrative Division

99 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)
- 532181 Workshop/Conf Food Exp (\$30,000)

1200 Campaign Finance Division

100 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)

101 Eliminate 2.0 Filled Positions (\$166,708) R

Eliminates salaries and benefits for 2.0 filled positions:

-2.00

- 60088208: Special Projects Coordinator
- 60088198: General Counsel

- 531211 (\$132,744)
- 531511 (\$10,155)
- 531521 (\$13,951)
- 531561 (\$9,858)

Department-Wide

102 Reduce ITS Rate (\$29) R

Reduces budgeted ITS costs due to reduction in ITS rate:

- 532140: (\$29)

Budget Changes **\$70,060** R

\$114,809 NR

Total Position Changes -1.00

Revised Total Budget **\$6,406,077**

State Budget & Management

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 10-11 |
|----------|

| | |
|-------------------------------------------|--------------------|
| Total Budget Approved 2009 Session | \$6,407,809 |
|-------------------------------------------|--------------------|

Budget Changes

1310 State Budget, Management

| | | |
|--------------------------------------------------------------------|--------------------|----------|
| 103 Eliminate Personnel Expense and reduce Operating Budget | (\$373,164) | R |
|--------------------------------------------------------------------|--------------------|----------|

Eliminates salaries and benefits of three vacant positions: Deputy State Budget Officer (#60008561) - \$123,095; Auditor (#60008882) - \$73,885; and Asst St Budget Officer/Gov Evaluation & Review (#60008591) - \$50,000. Also reduces expenditure accounts.

- 531211 Salaries (\$246,980)
- 531514 Social Security (\$18,894)
- 531516 Retirement (\$25,958)
- 535417 Med Insurance (\$14,787)
- 532145 Server Support Svs (\$15,000)
- 532199 Misc Contract Services (\$46,545)
- 532448 Maint Agreement Personal Computer (\$5,000)

| | | |
|-----------------------|--------------------|----------|
| Budget Changes | (\$373,164) | R |
|-----------------------|--------------------|----------|

| | |
|-------------------------------|--------------|
| Total Position Changes | -3.00 |
|-------------------------------|--------------|

| | |
|-----------------------------|--------------------|
| Revised Total Budget | \$6,034,645 |
|-----------------------------|--------------------|

State Budget and Management - Special

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 10-11 |
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Total Budget Approved 2009 Session

\$4,161,125

Budget Changes

1900 Reserves and Transfers

104 Department of Insurance Health Care Reform Funds

\$1,101,293 R

Appropriates funds to be placed in reserve at the Office of State Budget and Management – Special Appropriations. If the Department is unsuccessful in obtaining federal funds and after prior consultation with the Joint Legislative Commission on Governmental Operations, funds are to be allocated from State Budget & Management to the Department to initiate support of 13 positions to implement section 24.2.(a) of Senate Bill 897. Funds shall revert if the Department is successful in its efforts to obtain federal funds.

\$49,400 NR
13.00

- (1) Attorney III.
- (2) Health Actuary.
- (3) Examiner III.
- (4) Insurance Regulatory Analysts I, II (two positions), and III.
- (5) Office Assistant, and Program Assistant.
- (6) Insurance Investigator.
- (7) Insurance Complaint Analyst (two positions).
- (8) Complaint Analyst Supervisor.

| | |
|---------------------------------------|-----------|
| 531211 Salaries | \$791,133 |
| 531511 Social Security | \$60,522 |
| 531521 Retirement | \$64,398 |
| 531561 Medical Insurance | \$64,077 |
| 532512 Rent | \$23,400 |
| 532712 Transp-Air-Out of State, in US | \$2,400 |
| 532714 Transp-Grd-In State | \$18,900 |
| 532715 Transp-Grd-Out of State, in US | \$500 |
| 532721 Lodging-In State | \$24,000 |
| 532722 Lodging-Out of State, in US | \$13,498 |
| 532724 Meals In-State | \$12,000 |
| 532725 Meals Out of State, in US | \$2,025 |
| 532811 Telephone Svc | \$5,200 |
| 532817 Internet Svc Prov Charge | \$6,240 |
| 533110 Office Supplies | \$6,500 |
| 533120 Data Processing Supplies | \$6,500 |
| 534511 Furniture | \$31,200 |
| 534534 PC/Printer Equipment | \$18,200 |

Reserves & Transfers

105 Military Morale and Welfare Fund

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.

\$500,000 NR

Reserves and Transfers

106 NC Symphony

Appropriates funding for the NC Symphony to leverage match to support the operation.

\$1,500,000 NR

Budget Changes

\$1,101,293 R

\$2,049,400 NR

Total Position Changes

13.00

Revised Total Budget

\$7,311,818

Total Budget Approved 2009 Session

\$23,188,207

Budget Changes

1000 Department-Wide

107 Transfer Personnel Costs and Adjust Operating Budget (\$300,000) R

Transfers three vacant technical positions to receipt-support at a cost of \$260,000 to use as resources for implementing the Payment Card Rebate Program; and transfers \$10,000 to receipts for operating costs related to the positions. Also reduces expenditure accounts. -3.00

- 531211 Salaries (\$207,527)
- 531511 Social Security (\$15,875)
- 531521 Retirement (\$21,811)
- 531561 Medical Insurance (\$14,787)
- 532120 Financial Audit Svs (\$15,000)
- 532815 IT: E-mail and Calendaring (\$15,000)

108 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)

Conference Report on the Continuation, Capital and Expansion Budgets

FY 10-11

109 CJLEADS

\$8,360,088 R
 \$500,000 NR
 30.50

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. Ten of the 30.50 positions will begin on April 1, 2011, and 10.50 of the positions are effective September 1, 2010.

Operating

| | |
|--------------------------------------------------------------|----------------|
| 531211 Personnel Salaries | \$ 1,355,750 R |
| 531511 Social Security | \$ 102,495 R |
| 531521 Retirement | \$ 142,489 R |
| 531561 Health Insurance | \$ 100,449 R |
| 532140 Contracted Services - Hardware and Technical Support | \$ 1,938,991 R |
| 532140 Contracted Services - Application Development/Support | \$ 2,225,814 R |
| 532140 Judicial SAS Lic--paid directly to SAS | \$ 2,000,000 R |
| 532140 Contracted Personnel Resources | \$ 270,000 R |
| 534713 Software/Training Licenses/3rd Party Svcs | \$ 142,500 R |
| 532XXX-535XXX Equipment-Workstations/Phones | \$ 81,600 R |

| | |
|-------------------------------------------------------------|-----------------|
| 532140 Contracted Services - Hardware and Technical Support | \$ 500,000 NR |
| 538141 Software - Executive Branch SAS ELA | \$ 3,000,000 NR |
| Total | \$11,860,088 |

Receipts

| | |
|-----------------------------------|-----------------|
| 24160 Cash Balance | |
| Unexpended Data Integration Funds | (\$3,000,000)NR |

Appropriation

| |
|----------------|
| \$ 8,360,088 R |
| \$ 500,000 NR |

Positions

| FTE | Title | Start Date |
|-----|---------------------------------------------|------------|
| 1.0 | Operations and Systems Specialist | 4/01/2011 |
| .5 | Business & Tech Applic Spec (DBA) | 9/01/2011 |
| 1.0 | Business & Tech Applic Spec (Dev) | 9/01/2011 |
| 1.0 | Operations and Systems Specialist | 7/01/2010 |
| 1.0 | Business & Tech Applic Analyst (Testers) | 4/01/2011 |
| 1.0 | Network Analyst | 9/01/2010 |
| 4.0 | Business & Tech Appl Analyst (Agency FTE) | 9/01/2010 |
| 1.0 | Executive Director | 9/01/2010 |
| 3.0 | Technical Support Analyst (Help Desk) | 9/01/2010 |
| 3.0 | Technical Support Analyst (Help Desk) | 4/01/2011 |
| 1.0 | Technical Support Specialist (Bus Ops Lead) | 7/01/2010 |
| 3.0 | Business & Tech Appl Analyst (BA's) | 7/01/2010 |
| 2.0 | Technical Support Analysts (Trainers) | 7/01/2010 |
| 2.0 | Technical Support Analysts (Trainers) | 7/01/2010 |
| 4.0 | Operations and Systems Analyst (Sys Aud) | 4/01/2011 |
| 1.0 | Technical Support Technician (User Admin) | 7/01/2010 |
| 1.0 | Technical Support Technician (User Admin) | 4/01/2011 |

| | | |
|-------------------------------|---------------------|-----------|
| Budget Changes | \$8,060,088 | R |
| | (\$624,677) | NR |
| Total Position Changes | 27.50 | |
| Revised Total Budget | \$30,623,618 | |

Total Budget Approved 2009 Session

\$17,565,400

Budget Changes

1110 General Administration

110 Internal Auditor Positions

\$74,692 R
\$2,685 NR
3.00

Provides an appropriation of \$77,377 and receipts of \$181,930 that total \$259,307 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.

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

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

1210 Investment Management

111 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

112 Operating Budget Reductions

(\$61,539) R

Reduces expenditure accounts.

| | |
|--------------------------------|------------|
| 532199 Misc Contractual Svs | (\$1,451) |
| 32840 Postage | (\$53,088) |
| 533110 General Office Supplies | (\$7,000) |

1410 Retirement Operations

113 Service Credit Audit Team (SAT)

Allows department to increase receipts by \$1,192,164 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. Funding is provided by receipts in expenditure account 538320 to support the following expenses:

| | |
|---------------------------------|-------------|
| 532120 Financial Audit Svs | \$1,011,916 |
| 532140 Oth Information Tech Svs | \$ 5,833 |
| 532184 Janitorial Svs Agreement | \$ 7,583 |
| 532199 Misc Contractual Svs | \$ 5,833 |
| 532210 Enrg Ser - Electrical | \$ 16,333 |
| 532230 Enrg Ser - Water & Sewer | \$ 1,400 |
| 532513 Rent/Lease - Oth Fac | \$ 89,600 |
| 532811 Telephone Ser | \$ 49,000 |
| 533110 General Office Supplies | \$ 2,333 |
| 534511 Furn - Office | \$ 2,333 |

1510 Financial Operations - Banking

114 Operating Budget Reductions

(\$8,313) R

Reduces expenditure accounts.

| | |
|--------------------------|-----------|
| 532811 Telephone Service | (\$5,313) |
| 532840 Postage | (\$3,000) |

| | | |
|-------------------------------|---------------------|-----------|
| Budget Changes | (\$205,394) | R |
| | \$2,685 | NR |
| Total Position Changes | 3.00 | |
| Revised Total Budget | \$17,362,691 | |

Treasurer - Retirement for Fire and Rescue

GENERAL FUND

FY 10-11

Total Budget Approved 2009 Session

\$10,804,671

Budget Changes

115 NO LEGISLATIVE ACTION REPORTED

Budget Changes

Total Position Changes

Revised Total Budget

\$10,804,671

TRANSPORTATION

Section K

Highway Fund

HIGHWAY FUND

FY 10-11

Total Budget Approved 2009 Session

\$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

(\$1,902,004) R

Eliminates 30 DOT positions vacant prior to January 1, 2010 that are supported by the Highway Fund and eliminates 400 vacant DOT positions funded through projects, receipts, or through federal funds.

-30.00

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 \$1,485,106.

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 1 (\$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

(\$4,373,213) R

Decreases funds for maintenance of the State's highway infrastructure. The total budget for maintenance is \$933,872,428 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 | \$-4,373,213 | \$ 78,663,585 |

Rail Division

10 Grants to Short Line Railroads

\$2,000,000 NR

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.

11 Pembroke Northeast Bypass Connector

\$4,325,000 NR

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.

Statutory Adjustments

12 Secondary Road Improvement Program Funds

\$3,840,718 R

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.

13 Leaking Underground Storage Tank (LUST) Fund

(\$40,000) R

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.

14 Aid to Municipalities

(\$785,319) R

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

Transfers

| | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------|
| <p>15 DPI - Driver Education Program Partially restores funding to the Driver Education program. Funding was eliminated in FY2010-11 pending a Continuation Review.</p> | <p>\$32,021,964</p> | <p>R</p> |
| <p>16 CCPS - VIPER matching funds 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.</p> | <p>\$4,700,000</p> | <p>NR</p> |
| <p>17 North Carolina Global TransPark Authority Reduces the Global TransPark Budget by 25 percent to a total of \$960,000.</p> | <p>(\$320,000)</p> | <p>R</p> |
| <p>18 Reduce Transfer to General Fund - Dept of State Treasurer Reduces the transfer to the General Fund by \$500,000 to account for the transfer of the Department of Commerce Executive Aircraft Division.</p> | <p>(\$500,000)</p> | <p>R</p> |

| | | |
|-------------------------------|------------------------|-----------|
| Budget Changes | \$40,647,728 | R |
| | \$12,242,272 | NR |
| Total Position Changes | -20.00 | |
| Revised Total Budget | \$1,792,540,000 | |

Highway Trust Fund

HIGHWAY TRUST
FUND

FY 10-11

Total Budget Approved 2009 Session

\$920,990,000

Budget Changes

Highway Trust Fund

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---|
| 19 Administration | \$371,520 | R |
| Increases appropriation for administration for FY 2010-11 consistent with new revenue estimates and G.S. 136-176(b). | | |
| 20 Aid to Municipalities | \$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). | | |
| 21 Intrastate System | \$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). | | |
| 22 Secondary Road Construction | (\$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). | | |
| 23 Urban Loops | \$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

B. Other Reserves

1 Job Development Incentive Grants Reserve

Reduces the continuation budget based on projected payment schedule.

(\$6,600,000) NR

C. Debt Service

2 Increase Debt Service

Increases debt service in anticipation of an additional \$175 million issuance of COPs for Repairs and Renovations and equipment for Universities and Community Colleges.

\$14,177,072 R

3 Adjust Debt Service Payments

Modifies budgeted debt service payments to correspond to projected payment schedules.

(\$15,845,385) R

Budget Changes

(\$1,668,313) R

(\$6,600,000) NR

Total Position Changes

Revised Total Budget

\$1,168,041,272

CAPITAL
Section M

Capital

GENERAL FUND

A. Department of Environment and Natural Resources

1 Water Resources Development Projects

Provides funds to allow the State to match \$27.3 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

B. Department of Crime Control and Public Safety

2 Phase I of State Highway Patrol Training Facility - Planning

Provides full capital planning funds for Phase I of the State Highway Patrol Training Facility in Wake County. Phase I shall include an armory, medical office, dorm facilities, and facilities for computer security purposes. The total cost of Phase I is \$25,543,000. The total square footage of the facility shall be no more than 94,800 square feet.

\$2,043,440 NR

C. State Facilities Special Indebtedness

3 Repair and Renovations Reserve

Authorizes 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 \$120,000,000.

D. Equipment Special Indebtedness

4 Education Equipment Special Indebtedness

Authorizes the issuance of certificates of participation to be allocated to the University of North Carolina System and the North Carolina Community College System for the purpose of acquiring equipment for education and research in fields related to health, science, engineering and technology programs. The total debt authorized is \$55,000,000. The North Carolina Community College System shall receive \$33,000,000 and the University of North Carolina System shall receive \$22,000,000.

Total Appropriation to Capital

\$11,173,440 NR

**INFORMATION
TECHNOLOGY
Section N**

Information Technology Fund

Budget Code: 24467

| | FY 2009-10 | | FY 2010-11 | |
|------------------------------------------|--------------------|--|--------------------|--|
| Beginning Unreserved Fund Balance | \$3,123,737 | | \$1,418,553 | |
| Recommended Budget | | | | |
| Requirements | \$14,821,416 | | \$14,821,416 | |
| Receipts | \$14,821,416 | | \$14,821,416 | |
| Positions | 0.00 | | 0.00 | |

Legislative Changes

Requirements:

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|----------------------|-----------|
| NC One Map Program | \$167,549 | | \$167,549 | |
| Transfers the Department of Environment and Natural Resources' NC One Map program to the Office of the State Chief Information Officer. | \$0 | NR | \$0 | NR |
| | 2.00 | | 2.00 | |
| Center for Geographic Information Analysis | \$0 | R | \$0 | R |
| Transfers the Center for Geographic Information Analysis, including seven (7) positions. | \$0 | NR | \$0 | NR |
| | 7.00 | | 7.00 | |
| Budget and Performance Management System | \$0 | R | \$0 | R |
| Provides \$1,021,985 for the development of a Budget and Performance Management System for the Office of State Budget and Management and provides \$500,000 for the development of a new budget/committee reporting system for the General Assembly's Fiscal Research Division. | \$1,521,985 | NR | \$0 | NR |
| | 0.00 | | 0.00 | |
| Information Technology Fund Adjustment | \$0 | R | \$0 | R |
| Reduces appropriations to reflect adjustments in General Fund receipts and the use of the Unreserved Fund Balance. | (\$5,176,232) | NR | (\$5,921,498) | NR |
| | 0.00 | | 0.00 | |
| Subtotal Legislative Changes | \$167,549 | R | \$167,549 | R |
| | (\$3,654,247) | NR | (\$5,921,498) | NR |
| | 9.00 | | 9.00 | |

Conference Report on the Continuation, Capital and Expansion Budget

FY 2009-10

FY 2010-11

Receipts:

| | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----|----------------------|----|
| Projected Interest Income | \$100,000 | R | \$100,000 | R |
| Increases receipts to reflect projected interest earned. | \$0 | NR | \$0 | NR |
| Transfer NC One Map Program | \$167,549 | R | \$167,549 | R |
| Adjusts receipts to reflect the transfer of the Department of Environment and Natural Resources' NC One Map program from the Center for Geographic Information Analysis. | \$0 | NR | \$0 | NR |
| Information Technology Fund Reduction | (\$5,459,431) | R | (\$6,981,416) | R |
| Adjusts receipts to reflect revised General Fund appropriations to the IT Fund. | \$0 | NR | \$0 | NR |
| Subtotal Legislative Changes | (\$5,191,882) | R | (\$6,713,867) | R |
| | \$0 | NR | \$0 | NR |

| | | | | |
|-----------------------------------|----------------------|--|--------------------|--|
| Revised Total Requirements | \$11,334,718 | | \$9,067,467 | |
| Revised Total Receipts | \$9,629,534 | | \$8,107,549 | |
| Change in Fund Balance | (\$1,705,184) | | (\$959,918) | |
| Total Positions | 9.00 | | 9.00 | |

| | | | | |
|---------------------------------------|--------------------|--|------------------|--|
| Ending Unreserved Fund Balance | \$1,418,553 | | \$458,635 | |
|---------------------------------------|--------------------|--|------------------|--|

