

**CORRECTED VERSION**

**(August 31, 2012)**

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

**(Revised Pursuant to S.L. 2012-142, Section 27.3)**

**S. L. 2012-142 (House Bill 950)**

**North Carolina General Assembly  
2012 Session**

**July 24, 2012**

**As amended by S.L. 2012-145 (Senate Bill 187); S. L. 2012-74 (House Bill 1015);  
S.L. 2012-36 (House Bill 1025); and S.L. 2012-194 (Senate Bill 847).**

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**CORRECTED VERSION**  
**(August 31, 2012)**

**[The report issued on July 24, 2012, pursuant to S.L. 2012-142, Section 27.3, is revised to correct a technical discrepancy between S.L. 2012-145, Modifications/2012 Appropriations Act, and the Conference Committee Report dated July 24, 2012 and posted to the General Assembly's website.]**

**For additional information, contact the General Assembly's Fiscal Research Division.**

**Pursuant to S.L. 2012-142, Section 27.3, this revision to the Joint Conference Committee Report adopted for House Bill 950 as presented, includes all modifications made to the 2012-2013 budget prior to sine die adjournment of the 2011 Regular Session.**

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**General Fund Availability<sup>1</sup>****FY 2012-13**

1	Unappropriated Balance Remaining	41,232,325
2	Anticipated Overcollections from FY 2011-12	232,500,000
3	Anticipated Reversions for FY 2011-12	206,873,330
4	Net Supplemental Medicaid Approp (S.L. 2012-2)	(154,000,000)
5	Less Earmarkings of Year End Fund Balance	
6	Savings Reserve Account	(123,170,924)
7	Repairs and Renovations Reserve Account	(23,170,924)
8	<b>Beginning Unreserved Fund Balance</b>	<b>180,263,807</b>
9		
10	<b>Revenue Based on Existing Tax Structure</b>	<b>18,931,200,000</b>
11		
12	<b>Non-Tax Revenue</b>	
13	Investment Income	21,600,000
14	Judicial Fees	258,700,000
15	Disproportionate Share	115,000,000
16	Insurance	73,700,000
17	Other Non-tax Revenues	304,400,000
18	Highway Trust Fund Transfer	27,600,000
19	Highway Fund Transfer	212,280,000
20	<b>Total Non-Tax Revenue</b>	<b>1,013,280,000</b>
21		
22	<b>Subtotal General Fund Availability</b>	<b>20,124,743,807</b>
23		
24	<b>Adjustments to Availability: 2012 Session</b>	
25	E-Commerce Reserve Cash Balance	2,470,642
26	Charitable Licensing Receipts	979,752
27	One NC Fund Cash Balance	45,000,000
28	Insurance Regulatory Fund	166,613
29	Work Opportunity Tax Credit Extension (S.L. 2012-36)	(800,000)
30	Sales Tax Refund Application Extension for Passenger Air Carriers (S.L. 2012-74)	(3,150,000)
31	Sale of State Assets Receipts	(25,000,000)
32	Highway Fund Transfer	8,000,000
33	Teaching Fellows Trust Fund Cash Balance	3,265,000
34	Information Technology Internal Service Fund Cash Balance	14,000,000
35	Tax Deduction for Education Supplies (S.L. 2012-74)	(1,800,000)
36	Diversion of Golden LEAF Funds	6,750,000
37	National Mortgage Settlement	9,610,000
38		
39	<b>Subtotal Adjustments to Availability:</b>	<b>59,492,007</b>
40		
41	<b>Revised Total General Fund Availability</b>	<b>20,184,235,814</b>
42	<b>Less General Fund Appropriations</b>	<b>20,184,235,814</b>
43		
44	<b>Balance Remaining</b>	<b>0</b>

<sup>1</sup> General Fund Availability and Appropriations as revised by S.L. 2012-145 "Modifications/2012 Appropriations Act".

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**SUMMARY:**

**GENERAL FUND  
APPROPRIATIONS**

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**SUMMARY OF GENERAL FUND APPROPRIATIONS**

**Fiscal Year 2012-13**

		<b>Legislative Adjustments</b>				<b>Revised</b>
	<b>2011 Approved Budget</b>	<b>Recurring Adjustments</b>	<b>Nonrecurring Adjustments</b>	<b>Net Changes</b>	<b>FTE Changes</b>	<b>Appropriation 2012-13</b>
<b><u>Education</u></b>						
Community Colleges	985,000,000	165,000	5,000,000	5,165,000	0.00	990,165,000
Public Education	7,444,122,100	62,430,967	0	62,430,967	11.00	7,506,553,067
University System	2,551,672,698	24,569,254	(460,783)	24,108,471	231.40	2,575,781,169
<b>Total Education</b>	<b>10,980,794,798</b>	<b>87,165,221</b>	<b>4,539,217</b>	<b>91,704,438</b>	<b>242.40</b>	<b>11,072,499,236</b>
<b><u>Health and Human Services</u></b>						
Central Management and Support	44,577,987	(7,852,058)	9,159,699	1,307,641	0.00	45,885,628
Aging and Adult Services	37,019,667	10,300,000	39,700,000	50,000,000	0.00	87,019,667
Blind and Deaf / Hard of Hearing Services	8,372,886	(168,336)	0	(168,336)	0.00	8,204,550
Child Development	266,102,933	0	(3,500,000)	(3,500,000)	0.00	262,602,933
Health Service Regulation	16,133,031	0	1,792,559	1,792,559	0.00	17,925,590
Medical Assistance	2,907,276,302	150,565,342	43,606,924	194,172,266	0.00	3,101,448,568
Mental Health, Dev. Disabilities and Sub. Abuse	710,712,232	5,030,019	(20,227,000)	(15,196,981)	431.10	695,515,251
NC Health Choice	83,717,865	(2,007,430)	0	(2,007,430)	0.00	81,710,435
Public Health	157,538,834	1,843,527	9,541,251	11,384,778	50.05	168,923,612
Social Services	186,183,068	(9,079,116)	0	(9,079,116)	0.00	177,103,952
Vocational Rehabilitation	37,528,128	0	0	0	0.00	37,528,128
<b>Total Health and Human Services</b>	<b>4,455,162,933</b>	<b>148,631,948</b>	<b>80,073,433</b>	<b>228,705,381</b>	<b>481.15</b>	<b>4,683,868,314</b>
<b><u>Justice and Public Safety</u></b>						
Public Safety	1,694,715,876	(27,231,135)	(5,000,000)	(32,231,135)	(48.08)	1,662,484,741
Judicial Department	435,141,107	(2,334,307)	0	(2,334,307)	44.00	432,806,800
Judicial - Indigent Defense	112,748,733	0	0	0	0.00	112,748,733
Justice	80,864,138	(3,667,504)	(3,000,000)	(6,667,504)	(21.00)	74,196,634
<b>Total Justice and Public Safety</b>	<b>2,323,469,854</b>	<b>(33,232,946)</b>	<b>(8,000,000)</b>	<b>(41,232,946)</b>	<b>(25.08)</b>	<b>2,282,236,908</b>

<b>SUMMARY OF GENERAL FUND APPROPRIATIONS</b>						
<b>Fiscal Year 2012-13</b>						
		<b>Legislative Adjustments</b>				<b>Revised</b>
	<b>2011 Approved</b>	<b>Recurring</b>	<b>Nonrecurring</b>	<b>Net</b>	<b>FTE</b>	<b>Appropriation</b>
	<b>Budget</b>	<b>Adjustments</b>	<b>Adjustments</b>	<b>Changes</b>	<b>Changes</b>	<b>2012-13</b>
<b><u>Natural and Economic Resources</u></b>						
Agriculture and Consumer Services	62,198,634	45,750,602	1,612,230	47,362,832	511.91	109,561,466
Commerce	33,250,463	(778,638)	8,250,000	7,471,362	1.00	40,721,825
Commerce - State Aid	30,151,984	(1,289,040)	1,071,500	(217,540)	0.00	29,934,444
Environment and Natural Resources	148,148,105	(44,373,084)	5,033,796	(39,339,288)	(416.92)	108,808,817
Clean Water Mgmt. Trust Fund	11,250,000	(11,250,000)	10,750,000	(500,000)	0.00	10,750,000
Labor	15,836,887	(316,738)	0	(316,738)	0.00	15,520,149
NC Biotechnology Center	17,551,710	(351,034)	0	(351,034)	0.00	17,200,676
Rural Economic Development Center	25,376,729	(3,757,535)	2,000,000	(1,757,535)	0.00	23,619,194
Wildlife Resources Commission	17,221,179	434,397	0	434,397	0.00	17,655,576
<b>Total Natural and Economic Resources</b>	<b>360,985,691</b>	<b>(15,931,070)</b>	<b>28,717,526</b>	<b>12,786,456</b>	<b>95.99</b>	<b>373,772,147</b>
<b><u>General Government</u></b>						
Administration	66,353,073	(444,861)	420,000	(24,861)	0.00	66,328,212
Auditor	10,676,035	(213,521)	0	(213,521)	0.00	10,462,514
Cultural Resources	61,697,001	(798,866)	500,000	(298,866)	(1.00)	61,398,135
Cultural Resources - Roanoke Island Comm.	1,203,491	(300,000)	0	(300,000)	0.00	903,491
General Assembly	50,104,208	3,889,367	(2,318,945)	1,570,422	31.60	51,674,630
Governor	4,741,157	(94,823)	0	(94,823)	0.00	4,646,334
Housing Finance Agency	9,673,051	(187,879)	(7,876,755)	(8,064,634)	0.00	1,608,417
Insurance	36,393,921	459,055	0	459,055	3.00	36,852,976
Insurance - Worker's Compensation Fund	2,623,654	0	0	0	0.00	2,623,654
Lieutenant Governor	695,324	(144,150)	0	(144,150)	0.00	551,174
Office of Administrative Hearings	4,142,258	0	0	0	0.00	4,142,258
Revenue	78,199,538	(1,563,991)	0	(1,563,991)	0.00	76,635,547
Secretary of State	10,654,563	766,661	0	766,661	9.43	11,421,224
State Board of Elections	5,126,603	(102,532)	0	(102,532)	0.00	5,024,071
State Budget and Management (OSBM)	5,848,663	(116,973)	0	(116,973)	0.00	5,731,690
OSBM - Special Appropriations	440,612	(391,612)	1,830,000	1,438,388	0.00	1,879,000
State Controller	28,368,957	233,015	1,347,397	1,580,412	(1.00)	29,949,369
Treasurer - Operations	6,621,750	0	0	0	0.00	6,621,750
Treasurer - Fire/Rescue Retirement	17,812,114	0	0	0	0.00	17,812,114
<b>Total General Government</b>	<b>401,375,973</b>	<b>988,890</b>	<b>(6,098,303)</b>	<b>(5,109,413)</b>	<b>42.03</b>	<b>396,266,560</b>

<b>SUMMARY OF GENERAL FUND APPROPRIATIONS</b>						
<b>Fiscal Year 2012-13</b>						
		<b>Legislative Adjustments</b>				<b>Revised</b>
	<b>2011 Approved Budget</b>	<b>Recurring Adjustments</b>	<b>Nonrecurring Adjustments</b>	<b>Net Changes</b>	<b>FTE Changes</b>	<b>Appropriation 2012-13</b>
<b>Debt Service and Statewide Reserves</b>						
<b>Debt Service:</b>						
Interest / Redemption	759,984,974	(52,904,635)	0	(52,904,635)	0.00	707,080,339
Federal Reimbursement	1,616,380		0	0	0.00	1,616,380
<b>Subtotal Debt Service</b>	<b>761,601,354</b>	<b>(52,904,635)</b>	<b>0</b>	<b>(52,904,635)</b>		<b>708,696,719</b>
<b>Statewide Reserves:</b>						
Contingency and Emergency Fund	5,000,000			0	0.00	5,000,000
Information Technology Fund	6,158,142	0	(750,000)	(750,000)	2.00	5,408,142
Job Development Investment Grants (JDIG)	27,400,000	0	(6,500,000)	(6,500,000)	0.00	20,900,000
State Retirement System Contributions	336,000,000	0	0	0	0.00	336,000,000
Judicial Retirement System Contribution	7,800,000	100,000	0	100,000	0.00	7,900,000
Firemen & Rescue Squad Workers Pension Fund	5,366,928	0	0	0	0.00	5,366,928
State Health Plan	102,151,104	0	0	0	0.00	102,151,104
Continuation/Justification Review Reserve	35,576,758	0	(35,576,758)	(35,576,758)	0.00	0
Compensation and Performance Pay Reserve	121,105,840	(121,105,840)		(121,105,840)	0.00	0
Reserve for Compensation Increases and Personnel Flexibility	0	159,984,426	0	159,984,426	0.00	159,984,426
Disability Income Plan of North Carolina	0	(8,688,000)	0	(8,688,000)	0.00	(8,688,000)
Automated Fraud Detection Development	7,000,000	0	0	0	0.00	7,000,000
Controller - Fraud Detection Development	500,000	0	0	0	0.00	500,000
One North Carolina Fund	0	9,000,000	0	9,000,000	0.00	9,000,000
VIPER Reserve	0	0	10,000,000	10,000,000	0.00	10,000,000
<b>Subtotal Statewide Reserves</b>	<b>654,058,772</b>	<b>39,290,586</b>	<b>(32,826,758)</b>	<b>6,463,828</b>		<b>660,522,600</b>
<b>Total Reserves and Debt Service</b>	<b>1,415,660,126</b>	<b>(13,614,049)</b>	<b>(32,826,758)</b>	<b>(46,440,807)</b>		<b>1,369,219,319</b>
<b>Total General Fund for Operations</b>	<b>19,937,449,375</b>	<b>174,007,994</b>	<b>66,405,115</b>	<b>240,413,109</b>	<b>836.49</b>	<b>20,177,862,484</b>

**SUMMARY OF GENERAL FUND APPROPRIATIONS**

**Fiscal Year 2012-13**

		<b>Legislative Adjustments</b>				<b>Revised</b>
	<b>2011 Approved</b>	<b>Recurring</b>	<b>Nonrecurring</b>	<b>Net</b>	<b>FTE</b>	<b>Appropriation</b>
	<b>Budget</b>	<b>Adjustments</b>	<b>Adjustments</b>	<b>Changes</b>	<b>Changes</b>	<b>2012-13</b>
<b><u>Capital Improvements</u></b>						
Water Resources Development Projects	0	0	5,000,000	5,000,000	0.00	5,000,000
Greensboro Readiness Center Renovation and Expansion	0	0	1,373,330	1,373,330	0.00	1,373,330
<b>Total Capital Improvements</b>	<b>0</b>	<b>0</b>	<b>6,373,330</b>	<b>6,373,330</b>	<b>0</b>	<b>6,373,330</b>
<b>Total General Fund Budget</b>	<b>19,937,449,375</b>	<b>174,007,994</b>	<b>72,778,445</b>	<b>246,786,439</b>	<b>836.49</b>	<b>20,184,235,814</b>

**EDUCATION**  
**Section F**

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# Public Education

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$7,444,122,100

## Budget Changes

### A. Technical Adjustments

**1 Average Daily Membership (ADM)** (\$6,423,088) R

Revises projected ADM for FY 2012-13 to reflect 2,084 fewer students than originally projected. The adjustment includes revisions to all position, dollar, and categorical allotments.

Total allotted ADM for FY 2012-13 is 1,492,793, an increase of 11,802 students over FY 2011-12.

**2 Average Teacher Salary** (\$85,670,329) R

Revises budgeted funding for certified personnel salaries based on actual salary data from December 2011. The adjustment does not reduce any salary paid to certified personnel, nor does it reduce the number of guaranteed State-funded teachers, administrators, or instructional support personnel.

### B. Other Public School Funding Adjustments

**3 LEA Adjustment Reduction** \$126,943,661 R

Provides \$143.3 million to reduce the LEA Adjustment in FY 2012-13 by appropriating \$126.9 million and allocating an additional \$16.4 million from FY 2012-13 North Carolina Education Lottery net revenues.

The State Board of Education shall distribute the remainder of the LEA Adjustment to all LEAs and charter schools on the basis of ADM. LEAs and charter schools will then be responsible for identifying budget reductions in order to meet their share of the Adjustment.

**4 Textbooks** (\$4,364,277) R

Reduces funding for textbooks. \$22.8 million will remain in this allotment in FY 2012-13, \$615,188 below the 2011-12 budgeted amount.

**D. Department of Public Instruction**

<b>5 Residential Schools</b>	\$4,700,000	R
Restores funds to operate all three Residential Schools. None of the Residential Schools shall be closed. The Department of Public Instruction is strongly encouraged to maximize the use of all three facilities to generate receipts to further defray General Fund reductions to program operations.		
<b>6 Governor's Schools</b>	\$800,000	R
Provides funding for this program that supports summer enrichment activities for talented high school students.		
<b>7 Liability Insurance for Public School Personnel</b>	(\$555,000)	R
The actual cost of securing the statewide liability insurance policy in school year 2011-12 was less than the appropriation. This reduction better aligns the appropriation with projected costs.		

**E. Excellent Public Schools Act**

<b>8 Excellent Public Schools Act</b>	\$27,000,000	R
Provides funds to the Department of Public Instruction to carry out the elements of the Excellent Public Schools Act contained in Sections 7A.1 and 7A.6. S.L. 2012-145, Modifications/2012 Appropriations Act, authorizes the Department of Public Instruction to establish up to 11 positions for program implementation.		
	11.00	

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<b>Budget Changes</b>	<b>\$62,430,967</b>	<b>R</b>
<b>Total Position Changes</b>	11.00	
<b>Revised Total Budget</b>	<b>\$7,506,553,067</b>	

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# Community Colleges

GENERAL FUND

FY 12-13

**Total Budget Approved 2011 Session**

**\$985,000,000**

## Budget Changes

### A. Technical Adjustments

#### 9 Enrollment Growth Adjustments

(\$12,108,704) R

Adjusts funds for FY 2012-13 based on the estimated decline in community college enrollment.

According to the FY 2011-12 spring enrollment census, enrollment has declined by 1.1% (2,663 full-time-equivalent students or FTE) from the FY 2011-12 budgeted enrollment of 251,017 and by 2.5% (6,335 FTE) from the current budgeted enrollment for FY 2012-13.

Total requirements will be reduced by \$31,705,796. Of this reduction, \$19,597,092 is due to revised tuition and fee revenue estimates based on the new enrollment estimates.

#### 10 NC Community College Grant Program Adjustment

\$165,000 R

Makes a technical adjustment to the General Fund funding for the NC Community College Grant, a need-based scholarship program for community college students. This will be offset by an equal reduction in funding from the Escheat Fund.

### B. Other Community College Funding Adjustments

#### 11 Management Flexibility Reduction

\$4,310,863 R

Provides funding to restore 5% of the management flexibility reduction. The remaining amount in FY 2012-13 will be \$83,233,302. The State Board of Community Colleges shall distribute the remaining reduction accounting for the unique needs of each college.

#### 12 Enhance Math Instruction

\$4,210,790 R

Funds college-level mathematics courses at the same level as science, engineering, and technology, providing colleges funding to enhance math instruction.

#### 13 Eliminate Fee Increase

\$664,509 R

Eliminates the \$5 fee increase per continuing education course that was scheduled to take effect in FY 2012-13.

<p><b>14 Multi-campus College Funding</b>                  Provides additional funds for multi-campus colleges (MCCs). Additionally, the State Board of Community Colleges shall eliminate the categorical allotment for MCCs and instead provide an additional base allotment through the Institutional and Academic Support formula to colleges with approved MCCs. The allotment shall be based on the number of FTE served at each campus.</p>	<p>\$2,922,542</p>	<p>R</p>
<p><b>15 Textile Technology Center</b>                  Reduces the categorical allotment to the Textile Technology Center at Gaston College. These funds will instead be appropriated under the MCC funding formula. Total funding remaining for the Textile Technology Center will be \$353,952.</p>	<p>(\$487,436)</p>	<p>R</p>
<p><b>16 Additional Multi-campus College</b>                  Provides funds for the addition of the Kimbrell Campus at Gaston College to the MCC funding formula.</p>	<p>\$487,436</p>	<p>R</p>
<p><b>17 NC Back-to-Work: Investing in Our Workforce</b>                  Provides funding for a retraining program to prepare North Carolinians facing long-term unemployment for new careers, described further in Section 8.10A. This program will provide students with job training, employability skills, and industry-recognized, third-party credentials. Participating colleges will be jointly recommended by the Department of Commerce and the Community Colleges System Office.</p>	<p>\$5,000,000</p>	<p>NR</p>
<hr/>		
<p><b>Budget Changes</b></p>	<p><b>\$165,000</b></p>	<p>R</p>
	<p><b>\$5,000,000</b></p>	<p>NR</p>
<p><b>Total Position Changes</b></p>		
<p><b>Revised Total Budget</b></p>	<p><b>\$990,165,000</b></p>	
<hr/>		

**Total Budget Approved 2011 Session**

**\$2,551,672,698**

**Budget Changes**

**A. Technical Adjustments**

**18 Enrollment Adjustments** \$1,376,061 R

Funds projected enrollment growth for FY 2012-13 at the University of North Carolina. This \$1.4 million net increase consists of projected enrollment increases of \$17,434,805 and a reduction of \$16,058,744 to adjust for campuses whose enrollment is projected to be less than what is currently budgeted. The Board of Governors shall determine the allocations by campus.

**B. Reserves for New and Renovated Facilities**

**19 Building Reserves** \$7,115,285 R

Provides funds to operate new or renovated UNC buildings that will be completed in FY 2012-13. Specifically, funds are for the housekeeping, maintenance, and security requirements for the added building square footage.

\$2,263,358 NR  
101.90

Also provides \$313,000 to Appalachian State University to fund lease payments for space for the Human Performance Lab at the North Carolina Research Campus (Kannapolis).

**20 NCSU Centennial Campus Library** \$1,000,000 R

Provides operating and program funds for a new library that will open in FY 2012-13 on NCSU's Centennial Campus. The library will serve as a second "main library" for NCSU to help ease overcrowding in the D.H. Hill Library on the school's North Campus. The appropriation includes funds for 13.5 additional FTE.

13.50

**21 Joint School of Nanoscience & Nanoengineering Operational and Program Funds** \$2,000,000 R

Funds the NC A&T/UNC-G Joint School of Nanoscience and Nanoengineering located in the Gateway University Research Park in Greensboro. The program is designed to conduct research in areas such as drug design and delivery, nanobioengineering, and genetic screening.

(\$1,000,000) NR

Specifically, the budget provides an additional \$1 million in recurring funding and converts an existing \$1 million nonrecurring appropriation to recurring.

**C. Other UNC Funding Adjustments**

**22 Faculty Recruiting and Retention Fund** \$3,000,000 R  
 Provides funding for the Faculty Recruiting and Retention Fund, which the General Assembly created in S.L. 2006-66, Sec. 22.12A, to offer salary increases to recruit and retain faculty members. This appropriation increases the Fund's total recurring budget to \$13 million.

**23 UNC School of Medicine for Medical Education** (\$3,000,000) R  
 Reduces the State appropriation to the UNC School of Medicine for Medical Education by \$3 million. After this reduction, \$15 million will remain in the FY 2012-13 budget.

**24 Management Flexibility Reduction** \$9,184,767 R  
 Eliminates the budgeted increase to the management flexibility reduction for FY 2012-13. The University of North Carolina Board of Governors shall allocate this reduction according the terms of S.L. 2011-145, Sec. 9.6.

**25 Center for Public Television** \$9,058,141 R  
 Restores partial funding for the Center for Public Television, which was subject to Continuation Review (CR) in FY 2011-12. Of the \$10.6 million cut due to the CR, a total of \$9.8 million is restored for FY 2012-13 (\$9.1 million recurring and \$750,000 nonrecurring). \$750,000 NR  
116.00

**D. Need-based Student Financial Aid**

**26 UNC Need-based Financial Aid Program** (\$5,165,000) R  
 Adjusts the General Fund appropriation for the UNC Need-based Financial Aid program to account for corresponding increases in funding from the Escheat Fund and the Lottery Fund. (\$6,974,141) NR

In addition to the increases described above, an additional \$25.6 million is appropriated for this program from the Lottery Fund in Section 5.3. S.L. 2012-145, Modifications/2012 Appropriations Act amends Sec. 5.3 to appropriate an additional \$6.5 million, for a revised total of \$32.1 million. Total funding for the UNC Need-based Financial Aid program from all sources will be \$147,635,342, which is \$25.2 million more than originally budgeted.

**27 NC Need-Based Scholarship** \$4,500,000 NR  
 Increases funding for the NC Need-Based Scholarship for students attending private institutions of higher education by \$4.5 million in FY 2012-13. Total funding for the program in FY 2012-13 will be \$86,351,588.

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<b>Budget Changes</b>	<b>\$24,569,254</b>	<b>R</b>
	<b>(\$460,783)</b>	<b>NR</b>
<b>Total Position Changes</b>	<b>231.40</b>	
<b>Revised Total Budget</b>	<b>\$2,575,781,169</b>	

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**DPI - Trust Special**

Budget Code: 63501

	FY 2012-13
<b>Beginning Unreserved Fund Balance</b>	<b>\$4,286,450</b>
<b>Total Budget Approved 2011 Session</b>	
Requirements	<b>\$10,461,782</b>
Receipts	<b>\$10,461,782</b>
Positions	<b>0.00</b>

**Legislative Changes**

**Requirements:**

<b>Teaching Fellows Trust Fund</b>	\$0	R
Transfers \$3,265,000 from the cash balance of the Teaching Fellows Trust Fund to the General Fund for general availability.	\$3,265,000	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$3,265,000</b>	<b>NR</b>
	0.00	

**Receipts:**

<b>Teaching Fellows Trust Fund</b>	\$0	R
	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$0</b>	<b>NR</b>



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<b>Revised Total Requirements</b>	<b>\$13,726,782</b>
<b>Revised Total Receipts</b>	<b>\$10,461,782</b>
<b>Change in Fund Balance</b>	<b>(\$3,265,000)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$1,021,450</b>
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**HEALTH  
&  
HUMAN SERVICES  
Section G**

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# Health and Human Services

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$4,455,162,933

## Budget Changes

### ( 1.0) Division of Medical Assistance

<b>1 Medicaid Rebase</b>	\$212,476,461	R
Provides additional funds for the Medicaid program based upon projected growth in number of people eligible for Medicaid and growth in consumption.		
<b>2 Federal Repayment of 2009 Federal Overdraw of Funds</b>	\$31,300,776	NR
Provides funding to repay the federal government due to an erroneous federal draw down for the Medicaid program. FY 2012-13 will be the final year in which quarterly payments are due and satisfies this obligation to the federal government.		
<b>3 Federal Drug Rebate Payment</b>	\$24,606,148	NR
Provides funding to pay the amount owed to the federal government as a result of a 2010 federal policy change related to drug rebates.		
<b>4 DHHS Savings Through CCNC</b>	(\$59,000,000)	R
Reduces funds based upon projected savings to be achieved by Community Care North Carolina (CCNC) and its networks in the management of health care for Medicaid recipients.		
<b>5 Managed Care Organizations Schedule Delays</b>	\$1,700,000	NR
Provides necessary funds due to the delayed state-wide expansion of the Medicaid behavioral health 1915 b/c waiver sites (S.L. 2011-264). The loss is based upon changes to the implementation schedule as reported by the Division of Medical Assistance. In FY12-13, Local Management Entities (LMEs) will convert to Managed Care Organizations (MCOs) and will receive capitated Medicaid funding to purchase mental health, developmental disabilities, and substance abuse services for eligible persons living within the LME coverage areas.		

<p><b>6 Fraud, Waste, and Abuse Detection and Prevention</b>                  Reduces funding available in the Medicaid program in anticipation of savings through the efforts of detecting fraud and waste among Medicaid providers and recipients. There are two information technology efforts underway to combat fraud, waste, and abuse through the Division's Fraud and Abuse Management System.</p>	<p>(\$3,807,519) R</p>
<p><b>7 Restructure Fee for Service Payments</b>                  Revises payment structures for various services provided within the Medicaid program. These changes will result in bundling of payments for services based upon a period of time or a diagnosis instead of fee-for-service.</p>	<p>(\$1,976,636) R</p>
<p><b>8 Pharmacy Improvements</b>                  Creates savings through increased usage by facilities who utilize the 340B pricing program for the purchase of hemophilia drugs. In addition, the Department shall increase the use of prior authorization and lower dispensing fees to achieve savings within the Medicaid program.</p>	<p>(\$6,671,507) R</p>
<p><b>9 CHIPRA Bonus</b>                  Reduces Medicaid funds in anticipation of receiving the FY 2012-13 federal Children's Health Insurance Program Reauthorization Act (CHIPRA) bonus for Health Choice enrollment growth.</p>	<p>(\$14,000,000) NR</p>
<p><b>10 CCNC Home Health Initiatives</b>                  Budgets savings anticipated from the implementation of a CCNC initiative that will manage home health care to ensure the provision of medically appropriate services.</p>	<p>(\$4,455,457) R</p>
<p><b>11 Medicaid Contracts</b>                  Provides funding for Medicaid contracts, including claims processing, prior authorization, and various studies.</p>	<p>\$5,000,000 R</p>
<p><b>12 Medicaid Settlements</b>                  Provides funding for Medicaid cost settlements with various providers and fraud, waste, and abuse prevention initiatives.</p>	<p>\$15,000,000 R</p>

**13 Personal Care Services (PCS)** (\$6,000,000) R

Budgets reduced Medicaid cost as a result of changing the eligibility criteria for personal care services (PCS) to needing assistance with two or more activities of daily living (ADL).

**( 2.0) Division of Child Development and Early Education**

**14 Block Grant Funding** (\$7,000,000) NR

Provides federal block grant funds for the Smart Start Program. This continues similar actions taken by the Office of State Budget and Management during FY 2011-12 in which \$4 million of Smart Start funds were replaced by \$4 million of Block Grant funds.

**15 Literacy Pilot, Development Consultants, and Rural Partnership Assistance** \$3,500,000 NR

Provides funding for early literacy initiatives to be administered by North Carolina Partnership for Children. These initiatives include: the Reach Out and Read program, Raising a Reader, parenting programs and lending libraries. Funds shall be used to enhance technical assistance to local partnerships in the areas of grant writing and fund-raising activities. Funding shall also be used to enhance local rural partnerships' funds. These funds shall not be expended prior to January 1, 2013 and only after OSBM certification that the funding is not needed for the Medicaid Program.

**( 3.0) NC Health Choice**

**16 Health Choice Costs** (\$1,919,704) R

Adjusts Health Choice budget to expected expenditure level for FY 2012-13. This adjustment is based upon the projected rate of consumption and mix of services. This adjustment should not impact the open-enrollment policy for the program. There are approximately 148,000 children enrolled in Health Choice and the forecast projects 153,000 for FY 2012-13.

**17 Fee for Service Payments** (\$21,959) R

Reduces Health Choice budget to reflect expected savings that will result from fee for service payments which will be converted to all-inclusive or fixed rates for selected services.

**18 Pharmacy Improvements** (\$17,936) R

Reduces the Health Choice budget to reflect savings that will be achieved through the implementation of a specialty pharmacy for hemophilia drugs.

<p><b>19 CCNC Home Health Services Initiative</b>                  Budgets savings anticipated from the implementation of a CCNC initiative that will manage home health care to ensure the provision of medically appropriate services.</p>	<p>(\$47,831)</p>	<p>R</p>
<p><b>( 4.0) Division of Health Service Regulation</b></p>		
<p><b>20 Nursing Home Licensure and Certification</b>                  Provides funds to replace lost receipts from civil fines and penalties assessed against nursing homes. Funds will be used for DHSR Nursing Home licensure staff positions.</p>	<p>\$1,792,559</p>	<p>NR</p>
<p><b>( 5.0) Division of Central Management and Support</b></p>		
<p><b>21 Administrative Efficiencies</b>                  Reduces DHHS budget due to elimination of seat management funds, the elimination of positions vacant two years or more, reorganizations, and expired contracts.</p>	<p>(\$2,700,000)</p>	<p>R</p>
<p><b>22 Budget DOA Cost Allocation Receipts</b>                  Replaces state funds due to the implication of a cost allocation plan for the Office of Property Construction and the Office of Public Affairs.</p>	<p>(\$544,000)</p>	<p>R</p>
<p><b>23 DIRM Contracts</b>                  Restores recurring State General Fund Appropriations for the Division of Information Resources Management (DIRM) for various contracts for Department-wide IT services. S.L. 2011-145 eliminated the recurring funds for this purpose pending the findings and recommendations from a continuation review.</p>	<p>\$5,599,390</p>	<p>R</p>
<p><b>24 ITS Refunds</b>                  Reduces State General Fund Appropriation in anticipation of a reduction in costs for Information Technology Services (ITS). This reduction is based upon current year's charges to DHHS by ITS.</p>	<p>(\$1,047,749)</p>	<p>R</p>



**25 Non-State Entity Pass-Through Funds**

(\$9,159,699) R  
 \$9,159,699 NR

Replaces \$9,159,699 in recurring special appropriation (pass-through) funds for the following non-state entities with non-recurring funds:

- North Carolina Senior Games, Inc. - \$121,481
- ARC of North Carolina - \$305,598
- ARC of North Carolina – Wilmington - \$51,048
- Autism Society of North Carolina - \$2,941,818
- The Mariposa School for Children with Autism - \$339,879
- Easter Seals UCP of North Carolina - \$76,792
- Easter Seals UCP of North Carolina and Virginia - \$1,542,647
- ABC of North Carolina Child Development Center - \$366,703
- Residential Services, Inc. - \$ 246,424
- Oxford House, Inc. - \$200,000
- Brain Injury Association of North Carolina - \$225,223
- Food Bank of Central and Eastern North Carolina, Inc. - \$333,334
- Food Bank of the Albemarle - \$333,334
- Manna Food Bank - \$333,334
- Second Harvest Food Bank of Metrolina, Inc - \$333,334
- Second Harvest Food Bank of Northwest North Carolina, Inc. - \$333,332
- Prevent Blindness NC - \$308,163
- Second Harvest Food Bank of Southeast NC \$333,332

**( 6.0) Division of Social Services**

**26 Adoption Vendor Payments**

(\$2,025,649) R

Reduces funds for adoption vendor services through efficiencies gained by better program oversight by the Division of Social Services.

**27 FMAP IV-E Child Welfare Services**

(\$379,116) R

Increases State General Funds due to changes in the Federal Medical Assistance Percentage (FMAP). The change from 65.28% to 65.51% goes into effect in October of 2012.

**28 Foster Care Efficiencies**

(\$6,674,351) R

Reduces funds for the Foster Care Program due to a change in the case mix of foster care children in the care of the Division of Social Services.

**( 7.0) Division of Aging and Adult Services**

**29 Transition to Community Living** \$10,300,000 R  
 Establishes a fund, Transitions to Community Living Fund, to facilitate implementation of the plan to transition individuals with severe mental illness to community living arrangements, including establishing a rental assistance program.

**30 Temporary Short-term Assistance** \$39,700,000 NR  
 Establishes a fund for the implementation of the State's plan to provide temporary, short-term assistance to adult care and group homes as they transition to the State's Transitions to Community Living Plan. These funds will be used to pay monthly stipends to adult care and group homes for residents who are no longer eligible to receive Medicaid-reimbursable personal care services but for whom a community placement has not yet been arranged.

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

**31 Budget Increased Telecommunications Receipts** (\$168,336) R  
 Replaces state funds for the administration of the Division of Services for the Deaf and Hard of Hearing with receipts from the Telecommunications Relay Fund.

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

**32 Community Services Funding** (\$20,000,000) NR  
 Continues non-recurring reduction to local management entities' (LME) community services funding for FY 2012-13. Approximately \$345 million in State general funds remain in the budget for LMEs to purchase community-based services.

**33 Federal Block Grant Funding** (\$227,000) NR  
 Provides federal Substance Abuse Prevention and Treatment Block Grant funds for Division of Mental Health's administrative costs.

**34 Three-way Contracts** \$9,000,000 R  
 Provides funding to increase the number of community hospital beds available to LMEs under the State-administered three-way contract from 141 to 186. Funds may not be expended prior to January 1, 2013 and only after OSBM certification that the funding is not needed for the Medicaid Program.

<p><b>35 Local Management Entities (LME)</b>                  Reduces the administrative budget for LMEs in anticipation of the savings to be achieved from the transition to managed care organizations (MCO). LME administrative funds will be provided as part of the capitation contract rather than on a per capita basis.</p>	<p>(\$8,497,935)</p>	<p>R</p>
<p><b>36 Cherry Hospital</b>                  Provides funding to support the expanded bed capacity at the new Cherry Hospital, which is scheduled to begin operating in April 2013. The new hospital will have 314 beds, an increase of 124 beds.</p>	<p>\$3,472,954 373.10</p>	<p>R</p>
<p><b>37 Broughton Hospital</b>                  Provides funding for 19 additional psychiatric care beds at Broughton Hospital. Funds may not be expended prior to January 1, 2013 and only after OSBM certification that the funding is not needed for the Medicaid Program.</p>	<p>\$3,513,000 58.00</p>	<p>R</p>
<p><b>38 Drug Treatment Courts</b>                  Eliminates pass-through funding provided for drug treatment court services. S.L. 2011-145 eliminated funds budgeted to the Judicial Department for these courts.</p>	<p>(\$2,258,000)</p>	<p>R</p>
<p><b>39 Mental Health Association, Inc.</b>                  Eliminates pass-through funding provided in 2008 for the Mental Health Association, Inc. This organization lost its accreditation in 2010 and no longer operates.</p>	<p>(\$200,000)</p>	<p>R</p>
<p><b>(11.0) Division of Public Health</b></p>		
<p><b>40 CheckMeds</b>                  Provides funds to continue support for the CheckMeds Program which provides counseling on the correct use of prescription drugs.</p>	<p>\$1,695,379</p>	<p>NR</p>
<p><b>41 Medication Assistance Program</b>                  Provides funds to continue support of the Medication Assistance Program which provides free prescription drugs to low-income, uninsured persons.</p>	<p>\$1,704,033</p>	<p>NR</p>

<p><b>42 Roanoke-Chowan Telehealth Network</b>                  Provides funds to continue support for the Roanoke Chowan Telehealth Network. The Network delivers remote monitoring and chronic disease care management services to persons living in a medically underserved region of the State.</p>	<p>\$300,000</p>	<p>NR</p>
<p><b>43 County Health Departments</b>                  Provides funding to county health departments to start or continue community health and wellness initiatives that promote healthy behaviors, e.g. smoking cessation, nutrition, physical activities, disease prevention, school nurse positions, etc. This funding cannot be used to supplant existing funds being used for this purpose. Funds shall not be expended prior to January 1, 2013 and only after OSBM certification that the funding is not needed for the Medicaid Program.</p>	<p>\$4,894,727</p>	<p>NR</p>
<p><b>44 Environmental Health Section</b>                  Provides for a technical correction reflecting the Type I transfer of the Division of Environmental Health from the Department of Natural and Economic Resources to the Department of Health and Human Services, Division of Public Health. This transfer was enacted during the 2011 Legislative Session via SL 2011-145.                   S.L. 2011-145, Sec. 13.3</p>	<p>\$3,700,675</p> <p>35.05</p>	<p>R</p>
<p><b>45 Maternity Homes</b>                  Increases State General Fund Appropriations to replace the loss of federal funds formerly provided for maternity homes.</p>	<p>\$375,000</p>	<p>NR</p>
<p><b>46 Early Intervention</b>                  Adjusts the budget for early intervention services based upon actual expenditures.</p>	<p>(\$2,500,000)</p>	<p>R</p>
<p><b>47 Services for Rape Victims</b>                  Replaces lost federal block grant funding with State General Fund Appropriations for services to rape victims.</p>	<p>\$197,112</p>	<p>NR</p>
<p><b>48 High Risk Maternity Clinic</b>                  Provides funds for the East Carolina University High Risk Maternity Clinic.</p>	<p>\$375,000</p>	<p>NR</p>

**49 Health Department Accreditation** (\$300,000) R

Eliminates funding for the UNC Institute for Public Health contract to provide state-based accreditation. This contract duplicates a national program available to county health departments for this purpose.

**50 State Public Health Lab and Office of Chief Medical Examiner** \$1,155,666 R

Provides funds for new positions and operating costs for the new State Public Health Laboratory and the Chief Medical Examiner's Office which will begin operating in FY 2012-13. 12.00

**51 Environmental Health Regional Office Positions** \$2GF,FEJ R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfer of the Division of Environmental Health to the Division of Public Health in the Department of Health & Human Services (DHHS), the restored salaries and benefits of positions formerly located in DENR regional offices are transferred from DENR to DHHS as follows: 3.00

60034273	Env Health Reg Spec	\$69,922
60034303	Env Health Reg Spec	\$67,812
60034278	Soil Scientist	\$83,375

Á

**52 Healthy Start Foundation** (\$433,923) R

Eliminates pass-through funding provided to the Healthy Start Foundation. These funds are not used to provide direct services.

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<b>Budget Changes</b>	<b>\$148,631,948</b>	<b>R</b>
	<b>\$80,073,433</b>	<b>NR</b>
<b>Total Position Changes</b>	481.15	
<b>Revised Total Budget</b>	<b>\$4,683,868,314</b>	

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**NATURAL  
&  
ECONOMIC  
RESOURCES  
Section H**

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# Agriculture and Consumer Services

GENERAL FUND
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FY 12-13
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Total Budget Approved 2011 Session

\$62,198,634

## Budget Changes

### (1.0) Technical Correction

- |   |              |   |
|---|--------------|---|
| <b>1 NC Forest Service</b>  | \$36,462,776 | R |
| <p>Provides for a technical correction showing the transfer of the NC Forest Service from the Department of Environment &amp; Natural Resources to the Department of Agriculture &amp; Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.</p>                         |              |   |
|   | 452.16       |   |
| <br>  |              |   |
| <b>2 Division of Soil &amp; Water Conservation</b>  | \$10,323,455 | R |
| <p>Provides for a technical correction showing the transfer of the Division of Soil &amp; Water Conservation from the Department of Environment &amp; Natural Resources to the Department of Agriculture &amp; Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.</p> |              |   |
|   | 33.00        |   |
| <br>  |              |   |
| <b>3 Four Central Office Positions</b>  | \$178,410    | R |
| <p>Provides for a technical correction showing the transfer of 4.0 central office positions from the Department of Environment &amp; Natural Resources to the Department of Agriculture &amp; Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.</p>                  |              |   |
|   | 4.00         |   |

### (2.0) Reserves & Transfers

- |  |           |    |
|--|-----------|----|
| <b>4 Ag. Water Resources Assistance Program</b>                                | \$500,000 | NR |
| <p>Provides funds for the Agricultural Water Resources Assistance program.</p> |           |    |

### Department-wide

- |   |               |   |
|---|---------------|---|
| <b>5 Management Flexibility Reduction</b>   | (\$2,183,266) | R |
| <p>Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.</p> |               |   |

**Markets**

**6 Grape Growers Council**

Transfers the Grape Growers Council from the Department of Commerce to the Department of Agriculture & Consumer Services and provides nonrecurring funding to support the program.

\$500,000 NR  
1.00

This item was amended by S.L. 2012-145, Modifications/2012 Appropriations Act, to transfer position #60080945 from the Department of Commerce to the Department of Agriculture & Consumer Services (DACS). This position is to be supported by the nonrecurring funds appropriated to the Department for the Grape Growers Council.

**7 Southeastern NC Agricultural Center and Farmers Market**

Restores funding for the Southeastern NC Agricultural Center and Farmers Market for one year. This program was subject to Justification Review in FY 2011-12. A corresponding special provision directs the Department to conduct a study evaluating alternative operating models for the facility, including permanent closure, contracting out the facility, or leasing or donating the facility. This report is to be completed by the Department and submitted to the General Assembly by February 1, 2013.

\$362,230 NR  
6.00

**8 Ag Marketing Funds**

Provides funding for Got to Be NC and International Marketing. The funds are to be divided equally between these two programs.

\$250,000 NR

**NC Forest Service**

**9 Young Offenders BRIDGE Program**

Transfers the portion of the Young Offenders Forest Conservation Program (aka BRIDGE) that is currently funded by the Department of Public Safety to the Department of Agriculture and Consumer Services. BRIDGE program participants are all young offenders from the Western Youth Institute and assist the NC Forest Service with firefighting and other forest management efforts.

\$318,208 R  
7.00

**Soil & Water Conservation**

**10 Restore Regional Office Positions - DACS**

\$651,019 R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfers of the Division of Soil & Water Conservation to the Department of Agriculture & Consumer Services (DACS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to DACS as follows:

8.75

60032345	Engineer	\$74,775	1.00 FTE
60032360	Engineer	\$64,270	1.00 FTE
60032328	Env Prog Super III	\$79,165	1.00 FTE
60032369	Env Specialist	\$55,581	1.00 FTE
60090071	Paralegal II	\$47,567	0.75 FTE
60032346	Engineer	\$69,056	1.00 FTE
60032323	Soil Scientist	\$79,106	1.00 FTE
60032372	Env Specialist	\$53,060	1.00 FTE
60032348	Engineer	\$66,059	1.00 FTE

This item was amended by S.L. 2012-145, Modifications/2012 Appropriations Act, to reduce the number of FTE transferred from DENR to DACS from 9.75 to 8.75. Position #60032341 was eliminated in FY 2011-12 and thus cannot be transferred.

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<b>Budget Changes</b>	<b>\$45,750,602</b>	<b>R</b>
	<b>\$1,612,230</b>	<b>NR</b>
<b>Total Position Changes</b>	511.91	
<b>Revised Total Budget</b>	<b>\$109,561,466</b>	

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Labor

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session \$15,836,887

Budget Changes

Department-wide

11 Management Flexibility Reduction (\$316,738) R  
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

Budget Changes (\$316,738) R

Total Position Changes

Revised Total Budget \$15,520,149

# Environment & Natural Resources

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$148,148,105

## Budget Changes

### (1.0) Technical Correction

<b>12 NC Forest Service</b>	(\$36,462,776)	R
Provides for a technical correction showing the transfer of the NC Forest Service from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.	-452.16	
<b>13 Division of Soil &amp; Water Conservation</b>	(\$10,323,455)	R
Provides for a technical correction showing the transfer of the Division of Soil & Water Conservation from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.	-33.00	
<b>14 Four Central Office Positions</b>	(\$178,410)	R
Provides for a technical correction showing the transfer of 4.0 central office positions from the Department of Environment & Natural Resources to the Department of Agriculture & Consumer Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.	-4.00	
<b>15 Division of Environmental Health</b>	(\$3,700,675)	R
Provides for a technical correction showing the transfer of the Division of Environmental Health from the Department of Environment & Natural Resources to the Department of Health & Human Services. The Division was transferred in FY 2011-12 after certification of the budget. This item should not be certified in the FY 2012-13 budget as it will be certified through a budget revision.	-35.05	
<b>(1.0) Department-wide</b>		
<b>16 Management Flexibility Reduction</b>	(\$2,216,074)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		

**(1.0) Reserves & Transfers**

**17 Clean Water State Revolving Fund**

Directs the Department to use \$5,101,400 of its loan origination fee fund to provide the 20% State match needed to draw down \$25,507,000, the maximum available federal funds for the Clean Water State Revolving Fund for FY 2012-13. The Department needs permission from the US EPA to use these funds for FY 2012-13 only.

**18 Drinking Water State Revolving Fund**

Directs the Department to use funds from the Drinking Water Reserve to provide the 20% State match needed to draw down the maximum available federal funds for the Drinking Water State Revolving Fund. The match amount of \$4,939,600 for Federal Fiscal Year 2011-12 will allow the State to draw down \$24,698,000 in federal funds, and the match amount of \$4,707,400 for the Federal Fiscal Year 2012-13 will allow the State to draw down \$23,537,000 in federal funds. The EPA encourages states to have their match amounts available prior to the beginning of the Federal Fiscal Year so the amount of the State grant can be encumbered in the EPA budget. The Department is currently a year in arrears obtaining these federal grants from EPA, and this will allow the Department to have its match amounts available prior to the beginning of future Federal Fiscal Years.

**19 Eliminate Operating Reserve**

Eliminates the operating reserves for the Green Square Office Building and the Nature Research Center building for FY 2012-13. These buildings' operating expenses shall be paid by the Department of Administration beginning in FY 2012-13.

(\$2,309,998) R

**20 Noncommercial Leaking Underground Storage Tank (LUST) Fund**

Provides \$4,883,796 to the Noncommercial Leaking Underground Storage Tank (LUST) Fund.

\$4,883,796 NR

**(2.0) Land Resources**

**21 State Boundary Survey Completion**

Provides nonrecurring funding to complete the state boundary survey project between North Carolina and South Carolina.

\$50,000 NR

**22 Mining and Energy Commission**

Provides \$250,000 to support the salaries and benefits of 3.0 positions to staff the Mining and Energy Commission per Senate Bill 820, should that bill become law.

\$250,000 R

3.00

**23 Erosion & Sedimentation Positions** (\$227,136) R  
 Reduces General Fund support for the salaries and benefits of 4.0 FTEs in the Land Quality Section's Erosion and Sedimentation Program. -4.00

**24 Geodetic Survey** (\$39,004) R  
 Eliminates salary and benefits of 1.0 filled position that will be eliminated as part of the transfer of the Geodetic Survey Section to the Department of Public Safety's Emergency Management Division: -1.00

60032388 Office Assistant III \$39,004

**25 Geodetic Survey Section to Emergency Management** (\$780,857) R  
 Transfers the Geodetic Survey Section from the Department of Environment and Natural Resources to the Department of Public Safety as a Type I transfer. -11.92  
 Geodetic Survey will be housed in the Division of Law Enforcement, Emergency Management Section. The transfer includes the following positions:

General Fund Supported Positions (11.92 FTE):

60032386	Engineering/Architectural Supervisor	\$104,835	1.00 FTE
60032387	Office Assistant IV	\$43,691	1.00 FTE
60032389	Engineering/Architectural Technician	\$62,320	1.00 FTE
60032390	Engineering/Architectural Supervisor	\$78,995	1.00 FTE
60032393	Technology Support Analyst	\$60,575	1.00 FTE
60032395	Engineering/Architectural Technician	\$66,407	1.00 FTE
60032396	Engineering/Architectural Technician	\$52,381	1.00 FTE
60032399	Business And Technology Applic Tech	\$72,037	1.00 FTE
60032400	Information & Communication Specialist	\$58,698	1.00 FTE
60032402	Engineering/Architectural Technician	\$38,901	0.92 FTE
60032403	Engineering/Architectural Technician	\$46,161	1.00 FTE
60032405	Engineering/Architectural Technician	\$59,173	1.00 FTE
	Operating Costs	\$36,683	

Receipt Supported Positions (5.08 FTE):

60032392	Engineer	\$67,539	1.00 FTE
60032398	Engineering/Architectural Technician	\$63,939	1.00 FTE
60032401	Engineering/Architectural Technician	\$42,436	1.00 FTE
60032402	Engineering/Architectural Technician	\$3,535	0.08 FTE
60032404	Engineering/Architectural Technician	\$45,139	1.00 FTE
60032406	Engineering/Architectural Technician	\$42,436	1.00 FTE

**(2.0) Regional Offices**

**26 Restore Regional Offices**

\$12,624,378 R

Restores funding for the regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfers of the Division of Soil & Water Conservation to the Department of Agriculture & Consumer Services (DACS) and the Division of Environmental Health to the Division of Public Health in the Department of Health & Human Services (DHHS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to those Departments as follows:

134.96

Division of Public Health (DHHS)	\$282,412	3.00 FTE
Division of Soil & Water Conservation (DACS)	\$651,019	8.75 FTE

This item was amended by S.L. 2012-145, Modifications/2012 Appropriations Act, to correct the transfer amount for DHHS from \$221,109 to \$282,412 and to reduce the number of FTE transferred from DENR to DACS from 9.75 to 8.75. Position #60032341 was eliminated in FY 2011-12 and thus cannot be transferred.

**27 Restore Regional Office Positions - DHHS**

(\$GGF, F€J) R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfer of the Division of Environmental Health to the Division of Public Health in the Department of Health & Human Services (DHHS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to DHHS as follows:

-3.00

60034273	Env Health Reg Spec	\$69,922	1.00 FTE
60034303	Env Health Reg Spec	\$67,812	1.00 FTE
60034278	Soil Scientist	\$83,375	1.00 FTE



**28 Restore Regional Office Positions - DACS**

(\$651,019) R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2011-12 transfers of the Division of Soil & Water Conservation to the Department of Agriculture & Consumer Services (DACs), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to DACs as follows:

-8.75

60032345	Engineer	\$74,775	1.00 FTE
60032360	Engineer	\$64,270	1.00 FTE
60032328	Env Prog Super III	\$79,165	1.00 FTE
60032369	Env Specialist	\$55,581	1.00 FTE
60090071	Paralegal II	\$47,567	0.75 FTE
60032346	Engineer	\$69,056	1.00 FTE
60032323	Soil Scientist	\$79,106	1.00 FTE
60032372	Env Specialist	\$53,060	1.00 FTE
60032348	Engineer	\$66,059	1.00 FTE

This item was amended by S.L. 2012-145, Modifications/2012 Appropriations Act, to reduce the number of FTE transferred from DENR to DACs from 9.75 to 8.75. Position #60032341 was eliminated in FY 2011-12 and thus cannot be transferred.

**29 Restore Regional Office Positions - DPS**

(\$136,949) R

Restores funding for transferred positions formerly located in DENR regional offices. This funding was made non-recurring in FY 2011-12 pending a Justification Review. Due to the FY 2012-13 transfer of the Division of Land Resources' Geodetic Survey Section to the Emergency Management Section of the Division of Law Enforcement in the Department of Public Safety (DPS), the restored salaries and benefits of positions formerly located in DENR regional offices will need to be transferred from DENR to DPS as follows:

-2.00

60032391	Engineering/Architectural Supervisor	\$77,859	1.00 FTE
60032397	Engineering/Architectural Technician	\$59,090	1.00 FTE

**(3.0) Marine Fisheries**

**30 Oyster Sanctuary Funds**

Provides nonrecurring funding for the Oyster Sanctuary Program.

\$100,000 NR

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**Budget Changes**

(\$44,373,084) R

\$5,033,796 NR

**Total Position Changes**

-416.92

**Revised Total Budget**

**\$108,808,817**

---

# DENR-Clean Water Management Trust Fund

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$11,250,000

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## Budget Changes

### Department-wide

#### 31 Operating Funds

Eliminates recurring funding for the Clean Water Management Trust Fund and replaces it with nonrecurring funding for FY 2012-13.

(\$11,250,000) R

\$10,750,000 NR

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### Budget Changes

(\$11,250,000) R

\$10,750,000 NR

### Total Position Changes

### Revised Total Budget

\$10,750,000

---

# Wildlife Resources Commission

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$17,221,179

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## Budget Changes

### Commission-wide

#### 32 Management Flexibility Reduction

(\$344,424) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

### Conservation Education

#### 33 Continuation Review

\$778,821 R

Restores the \$778,821 appropriation for the Conservation Education program, the full amount of General Fund support for the program.

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## Budget Changes

\$434,397 R

### Total Position Changes

### Revised Total Budget

\$17,655,576

---

# Commerce

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$33,250,463

## Budget Changes

### Department-wide

**34 Management Flexibility Reduction** (\$665,009) R  
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

### Administration

**35 Military Support Funds** \$500,000 NR  
Provides funds to ensure military base continuity in North Carolina.

### Commerce Finance Center

**36 Job Maintenance and Capital Development Fund (JMAC)** \$7,500,000 NR  
Provides \$7.5M nonrecurring for JMAC. \$6 million shall be allocated to fulfill existing agreements with Bridgestone/Firestone and Goodyear. \$1.5 million shall be allocated to fulfill year 2 of a pending agreement with Domtar.

**37 NC Broadband Rigor in Mapping (BRIM) Project** (\$200,000) R  
Replaces \$200,000 in General Fund appropriation with funds from a cash balance that existed when the e-NC Authority was abolished. \$175,730 will remain in General Fund appropriations for this purpose. The NC BRIM project is expected to be completed in October 2014.

### Community Assistance

**38 Assistant Secretary Position** (\$129,228) R  
Eliminates the Assistant Secretary Position (60077156) and associated salary and benefits. Employees in this division will now report to the Assistant Secretary for Energy, which will be retitled to be the Assistant Secretary for Energy and Community Assistance. -1.00

**Energy Office**

**39 Tennessee Valley Authority (TVA) Settlement Funds**

Directs the Energy Office to apply for funding from the TVA Settlement Agreement in compliance with the requirements of paragraphs 122 through 128 of the Consent Decree. The requested funding will be for biofuels projects in alignment with work done by the Biofuels Center. Once funds are received, Commerce is to disburse them to the Biofuels Center. The settlement agreement provides \$11.2 million to North Carolina and funds can be drawn down in equal installments over five years; the State was authorized to begin collecting funds in 2011.

**Office of Science and Technology**

**40 Continuation Review**

Restores funding eliminated due to the Continuation Review of this program in FY 2011-12.

\$215,599 R  
2.00

**Tourism, Film, and Sports Development**

**41 Marketing**

Provides additional one-time funds to market the State as a tourist destination.

\$250,000 NR

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**Budget Changes**

(\$778,638) R  
\$8,250,000 NR

**Total Position Changes**

1.00

**Revised Total Budget**

**\$40,721,825**

---

# Commerce - State Aid

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$30,151,984

## Budget Changes

- 42 Management Flexibility Reduction to all Commerce State-Aid Nonprofits** (\$1,289,040) R  
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program. The Department is to allocate this cut out on a pro-rata basis to all non-profits funded through Commerce State-Aid. (\$28,000) NR
- 43 Biofuels Center of NC - TVA Settlement Agreement Funds** (\$2,240,000) NR  
Provides \$2.24 million in the Biofuels Center budget with receipts from the TVA Settlement Agreement. A corresponding item within the Commerce section of the budget directs Commerce to apply for funds from the TVA Settlement Agreement which will then be allocated to the Biofuels Center. The Biofuels Center is required to expend these funds on projects described in and in compliance with the requirements of paragraphs 122 through 128 in the Consent Decree. The Center is encouraged to award these funds to projects and programs in Western North Carolina. The settlement agreement provides \$11.2 million to North Carolina and can be draw down in equal installments over five years; the State was authorized to begin collecting funds in 2011.
- 44 Johnson & Wales** \$500,000 NR  
Appropriates \$500,000 to Johnson & Wales University.
- 45 RTI International** \$500,000 NR  
Provides \$500,000 NR to RTI to match US Department of Energy grant funds.

**46 Regional Economic Development Commissions**

Provides additional funding to the Regional Economic Development Commissions, in addition to the \$2.25 million recurring already appropriated. Of the funds appropriated in this act to the Piedmont Triad Partnership for the 2012-13 fiscal year, the sum of \$56,000 nonrecurring shall instead be appropriated to the Montgomery County Economic Development Commission for the 2012-13 fiscal year.

\$2,339,500 NR

This item was amended by S.L. 2012-145, Modifications/2012 Appropriations Act, to provide an additional \$1 million nonrecurring to the Regional Economic Development Commissions.

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<b>Budget Changes</b>	<b>(\$1,289,040)</b>	<b>R</b>
	<b>\$1,071,500</b>	<b>NR</b>
<b>Total Position Changes</b>		
<b>Revised Total Budget</b>	<b>\$29,934,444</b>	

---

N.C. Biotechnology Center

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$17,551,710

**Budget Changes**

**47 Management Flexibility Reduction**

(\$351,034) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**Budget Changes**

(\$351,034) R

**Total Position Changes**

**Revised Total Budget**

\$17,200,676



# Rural Economic Development Center

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$25,376,729

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## Budget Changes

### 48 Operating Reduction

(\$3,250,000) R

Reduces the General Fund appropriation for the Rural Economic Development Center.

\$2,000,000 NR

This item was amended by S.L. 2012-145, Modifications/2012 Appropriations Act, to provide an additional \$2 million nonrecurring to the Rural Economic Development Center.

### 49 Management Flexibility Reduction

(\$507,535) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

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## Budget Changes

(\$3,757,535) R

\$2,000,000 NR

## Total Position Changes

## Revised Total Budget

\$23,619,194

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## DACS - Livestock Acquisition

Budget Code: 23700

	FY 2012-13
<b>Beginning Unreserved Fund Balance</b>	<b>\$4,498,899</b>
<b>Total Budget Approved 2011 Session</b>	
Requirements	<b>\$1,184,615</b>
Receipts	<b>\$677,920</b>
Positions	<b>0.00</b>

### Legislative Changes

#### Requirements:

#### **Tennessee Valley Authority Settlement Funds**

\$0 R

Provides funds from the Tennessee Valley Authority settlement to be expended on projects described in subsection h of paragraph 128 and in compliance with the requirements of paragraphs 122 through 128 of the Consent Decree. Subsection h allows for funds to be used by the agricultural and forestry sectors to use and produce renewable energy and carbon sequestration. The Department is encouraged to award these funds to projects and programs in Western North Carolina. The settlement agreement provides \$11.2 million to North Carolina, which can be drawn down in equal installments over five years; the State was authorized to begin collecting funds in 2011.

\$2,240,000 NR

0.00

Use of these funds is further restricted by Section 51 of S.L. 2012-194, GSC Technical Corrections/Other Changes, which limits the use of TVA funds appropriated to the Department of Agriculture to Avery, Buncombe, Burke, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Swain, Transylvania, Watauga, and Yancey counties.

#### **Subtotal Legislative Changes**

**\$0 R**

**\$2,240,000 NR**

0.00

#### Receipts:

**FY 2012-13**

**Tennessee Valley Authority**

Provides funds from the Tennessee Valley Authority settlement to be expended on projects described in subsection h of paragraph 128 and in compliance with the requirements of paragraphs 122 through 128 of the Consent Decree. Subsection h allows for funds to be used by the agricultural and forestry sectors to use and produce renewable energy and carbon sequestration. The Department is encouraged to award these funds to projects and programs in Western North Carolina. The settlement agreement provides \$11.2 million to North Carolina, which can be drawn down in equal installments over five years; the State was authorized to begin collecting funds in 2011.

\$0 R  
\$2,240,000 NR

**Subtotal Legislative Changes**

\$0 R  
\$2,240,000 NR

**Revised Total Requirements**

**\$3,424,615**

**Revised Total Receipts**

**\$2,917,920**

**Change in Fund Balance**

**(\$506,695)**

**Total Positions**

**0.00**

**Unappropriated Balance Remaining**

**\$3,992,204**

# Commerce Special GF

Budget Code: 24609

	FY 2012-13
<b>Beginning Unreserved Fund Balance</b>	<b>\$77,403,582</b>
<b>Total Budget Approved 2011 Session</b>	
Requirements	<b>\$28,711,556</b>
Receipts	<b>\$28,476,737</b>
Positions	<b>0.00</b>

**Legislative Changes**

**Requirements:**

**One NC Fund - General Fund Transfer**

Transfers \$45 million to the General Fund for general availability. Fifteen million will remain in the fund: ten million will be used to fund One NC grant agreements, in addition to the nine million recurring appropriated in the Reserves section. Notwithstanding any other law to the contrary, \$5 million of the remaining funds shall be appropriated for economic development projects that shall not be subject to the terms of the One NC Fund.

	\$0	R
	\$45,000,000	NR
	0.00	

**Subtotal Legislative Changes**

	\$0	R
	<b>\$45,000,000</b>	NR
	0.00	

**Receipts:**

**One North Carolina Fund**

	\$0	R
	\$0	NR

**Subtotal Legislative Changes**

	\$0	R
	\$0	NR

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<b>Revised Total Requirements</b>	<b>\$73,711,556</b>
<b>Revised Total Receipts</b>	<b>\$28,476,737</b>
<b>Change in Fund Balance</b>	<b>(\$45,234,819)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$32,168,763</b>
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# DENR Water Pollution Revolving Loan

Budget Code: 64311

	FY 2012-13
<b>Beginning Unreserved Fund Balance</b>	<b>\$251,442,946</b>
<b>Total Budget Approved 2011 Session</b>	
Requirements	<b>\$64,304,756</b>
Receipts	<b>\$64,304,756</b>
Positions	<b>0.00</b>

**Legislative Changes**

**Requirements:**

<b>Clean Water State Revolving Fund</b>	\$0	R
Directs the Department to use \$5,101,400 of its loan origination fee fund to provide the 20% State match needed to draw down \$25,507,000, the maximum available federal funds for the Clean Water State Revolving Fund for FY 2012-13.	\$0	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$0</b>	<b>NR</b>
	0.00	

**Receipts:**

<b>Clean Water State Revolving Fund</b>	\$0	R
	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$0</b>	<b>NR</b>

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<b>Revised Total Requirements</b>	<b>\$64,304,756</b>
<b>Revised Total Receipts</b>	<b>\$64,304,756</b>
<b>Change in Fund Balance</b>	<b>\$0</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$251,442,946</b>
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# DENR Drinking Water SRF

Budget Code: 64320

	FY 2012-13
<b>Beginning Unreserved Fund Balance</b>	<b>\$66,581,987</b>
<b>Total Budget Approved 2011 Session</b>	
Requirements	<b>\$52,236,713</b>
Receipts	<b>\$51,066,125</b>
Positions	<b>0.00</b>

**Legislative Changes**

**Requirements:**

<b>Drinking Water State Revolving Fund</b>	\$0	R
Directs the Department to use funds from the Drinking Water Reserve to provide the 20% State match needed to draw down the maximum available federal funds for the Drinking Water State Revolving Fund. The match amount of \$4,939,600 for Federal Fiscal Year 2011-12 will allow the State to draw down \$24,698,000 in federal funds, and the match amount of \$4,707,400 for the Federal Fiscal Year 2012-13 will allow the State to draw down \$23,537,000 in federal funds.	\$0	NR
	0.00	

<b>Subtotal Legislative Changes</b>	<b>\$0</b>	R
	<b>\$0</b>	NR
	0.00	

**Receipts:**

<b>Drinking Water State Revolving Fund</b>	\$0	R
Directs the Department to use funds from the Drinking Water Reserve to provide the 20% State match needed to draw down the maximum available federal funds for the Drinking Water State Revolving Fund. The match amount of \$4,939,600 for Federal Fiscal Year 2011-12 will allow the State to draw down \$24,698,000 in federal funds, and the match amount of \$4,707,400 for the Federal Fiscal Year 2012-13 will allow the State to draw down \$23,537,000 in federal funds.	\$0	NR

<b>Subtotal Legislative Changes</b>	<b>\$0</b>	R
	<b>\$0</b>	NR



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<b>Revised Total Requirements</b>	<b>\$52,236,713</b>
<b>Revised Total Receipts</b>	<b>\$51,066,125</b>
<b>Change in Fund Balance</b>	<b>(\$1,170,588)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$65,411,399</b>
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**Wildlife Res. - MTR-BT-Int. Bearing**

Budget Code: 24352

	FY 2012-13
<b>Beginning Unreserved Fund Balance</b>	<b>\$992,340</b>
<b>Total Budget Approved 2011 Session</b>	
Requirements	<b>\$10,773,694</b>
Receipts	<b>\$10,773,694</b>
Positions	<b>0.00</b>

**Legislative Changes**

**Requirements:**

<b>Motor Fuels Adjustment and Cap</b>	\$0 R
	\$0 NR
	0.00
<b>Subtotal Legislative Changes</b>	<b>\$0 R</b>
	<b>\$0 NR</b>
	0.00

**Receipts:**

<b>Motor Fuels Adjustment and Cap</b>	(\$196,833) R
Reduces the amount of receipts expected to be transferred from the Department of Transportation to the Wildlife Resources Commission.	\$0 NR
<b>Subtotal Legislative Changes</b>	<b>(\$196,833) R</b>
	<b>\$0 NR</b>

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<b>Revised Total Requirements</b>	<b>\$10,773,694</b>
<b>Revised Total Receipts</b>	<b>\$10,576,861</b>
<b>Change in Fund Balance</b>	<b>(\$196,833)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$795,507</b>
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**JUSTICE**  
**&**  
**PUBLIC SAFETY**  
**Section I**

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# Public Safety

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$1,694,715,876

## Budget Changes

### A. Department-wide

- 1 Management Flexibility Reserve** (\$26,292,018) R  
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

### B. Adult Correction

- 2 Treatment for Effective Community Supervision** (\$5,000,000) NR  
Transfers \$5 million from the Statewide Misdemeanant Confinement Fund (Special Fund code 24500-2225) to the Division of Adult Correction (General Fund budget code 14500-1433) for the Treatment for Effective Community Supervision program. This program provides treatment services to probationers in the community.
- 3 BRIDGE Program** (\$318,208) R  
Transfers the portion of the Young Offenders Forest Conservation Program (BRIDGE) that is currently funded by the Department of Public Safety to the Department of Agriculture and Consumer Services. BRIDGE program participants are young offenders from the Western Youth Institute who assist the NC Forest Service with firefighting and other forest management efforts. -7.00
- 4 Parole Commission** \$169,267 R  
Expands the Parole Commission to meet the increased caseloads resulting from the Justice Reinvestment Act. The Parole Commission will be responsible for reviewing an additional 14,000 post release supervision cases annually. Effective August 1, 2012, provides funding to convert two part-time Parole Commissioners to full time. Effective February 1, 2013, provides funding to establish one additional full-time Parole Commissioner. 2.00

### C. Juvenile Justice

- 5 Edgecombe Youth Development Center** (\$1,707,982) R  
Closes Edgecombe Youth Development Center (YDC) and eliminates 57 full-time equivalent (FTE) positions, effective January 1, 2013. The Department is authorized to transfer five youth counselor associate positions to Chatham YDC and five youth counselor associate positions to Lenoir YDC to increase the operating capacities at those facilities from 28 beds each to 32 beds each. -57.00

**D. Law Enforcement**

**6 Geodetic Survey Section Transfer**

\$780,857 R

Transfers the Geodetic Survey Section from the Department of Environment and Natural Resources to the Department of Public Safety as a Type I transfer. Geodetic Survey will be housed in the Division of Law Enforcement, Emergency Management Section. The transfer includes \$36,683 in operating funds and the following positions:

11.92

General Fund Supported Positions:

Position	Title	Total Position Cost	FTE
60032386	Engineering/Architectural Supervisor	\$104,835	1.00
60032387	Office Assistant IV	\$ 43,691	1.00
60032389	Engineering/Architectural Technician	\$ 62,320	1.00
60032390	Engineering/Architectural Supervisor	\$ 78,995	1.00
60032393	Technology Support Analyst	\$ 60,575	1.00
60032395	Engineering/Architectural Technician	\$ 66,407	1.00
60032396	Engineering/Architectural Technician	\$ 52,381	1.00
60032399	Business And Technology Applic. Tech	\$ 72,037	1.00
60032400	Information & Communication Specialist	\$ 58,698	1.00
60032402	Engineering/Architectural Technician	\$ 38,901	0.92
60032403	Engineering/Architectural Technician	\$ 46,161	1.00
60032405	Engineering/Architectural Technician	\$ 59,173	1.00

Receipt Supported Positions:

60032392	Engineer	\$ 67,539	1.00
60032398	Engineering/Architectural Technician	\$ 63,939	1.00
60032401	Engineering/Architectural Technician	\$ 42,436	1.00
60032402	Engineering/Architectural Technician	\$ 3,535	0.08
60032404	Engineering/Architectural Technician	\$ 45,139	1.00
60032406	Engineering/Architectural Technician	\$ 42,436	1.00

**7 Geodetic Survey Section Transfer**

\$136,949 R

Transfers additional Geodetic Survey positions to the Emergency Management Section of the Division of Law Enforcement in the Department of Public Safety (DPS). These positions had been included in a Justification Review of DENR's Regional Offices. The following positions are transferred:

2.00

Position	Title	Total Position Cost	FTE
60032391	Engineering/Architectural Supervisor	\$77,859	1.00
60032397	Engineering/Architectural Technician	\$59,090	1.00

**Budget Changes**

**(\$27,231,135) R**

**(\$5,000,000) NR**

**Total Position Changes**

-48.08

**Revised Total Budget**

**\$1,662,484,741**



# Justice

GENERAL FUND
--------------

FY 12-13
----------

Total Budget Approved 2011 Session

\$80,864,138

**Budget Changes**

**A. Department-wide**

**8 Management Flexibility Reserve** (\$1,617,283) R  
 Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**9 Non-recurring Operating Reduction** (\$3,000,000) NR  
 Uses DOJ receipts to partially fund operations for one year.

**B. Legal Services**

**10 Consumer Protection** (\$1,757,780) R  
 Transfers the Consumer Protection Section to receipt support. Currently, half of this section is supported by receipts from settlement agreements. This reduction transfers the remaining consumer protection section to receipt support. -17.00

**11 Managed Care Section Transfer to DOI** (\$292,441) R  
 Transfers the Managed Care Unit within the Legal Services Division to the Department of Insurance (DOI), Health Insurance Ombudsman Services unit for efficiency through consolidation of duplicative functions. Appropriations for the Managed Care Unit in DOJ have been reimbursed by the Insurance Regulatory Fund, and appropriations for this function will continue to be reimbursed by the Insurance Regulatory Fund. Transferred positions include two Consumer Protection Specialists (60010426 and 60010427), an Administrative Secretary II (60010429) and a Consumer Protection Specialist funded with federal receipts (60010477). The vacant Special Deputy Attorney General position in the Unit (60010425) is eliminated. -4.00

**Budget Changes** (\$3,667,504) R

(\$3,000,000) NR

**Total Position Changes** -21.00

**Revised Total Budget** \$74,196,634

# Judicial - Indigent Defense

GENERAL FUND

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	<b>FY 12-13</b>
<b>Total Budget Approved 2011 Session</b>	<b>\$112,748,733</b>

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**Budget Changes**

12 No legislative changes.

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<b>Budget Changes</b>	
<b>Total Position Changes</b>	
<b>Revised Total Budget</b>	<b>\$112,748,733</b>

---

# Judicial

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$435,141,107

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## Budget Changes

<b>13 Management Flexibility Reserve</b>	(\$5,000,000)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		
<b>14 Family Courts</b>	\$2,865,693	R
Restores the recurring appropriation for the Family Court Program.		
	44.00	
<b>15 Administration of Mortgage Settlement Funds</b>	(\$200,000)	R
Reduces the pass-through appropriation to the Conference of District Attorneys by \$200,000. The Conference of District Attorneys has been awarded \$6.69 million in the Mortgage Settlement Agreement. These funds are to be used for grants and training for prosecutorial offices throughout the State. A portion of the funds can be used for administration at the Conference.		

---

## Budget Changes

(\$2,334,307) R

Total Position Changes

44.00

Revised Total Budget

\$432,806,800

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Correction - Special

Budget Code: 24500

**FY 2012-13**

<b>Beginning Unreserved Fund Balance</b>	<b>\$13,922,110</b>
<b>Total Budget Approved 2011 Session</b>	
Requirements	<b>\$0</b>
Receipts	<b>\$0</b>
Positions	<b>0.00</b>

**Legislative Changes**

**Requirements:**

<b>Statewide Misdemeanant Confinement Fund</b>	<b>\$0</b>	R
Transfers \$5 million nonrecurring to the Division of Adult Correction for the Treatment of Effective Community Supervision program.	\$5,000,000	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	R
	<b>\$5,000,000</b>	NR
	0.00	

**Receipts:**

<b>Statewide Misdemeanant Confinement Fund</b>	<b>\$0</b>	R
	\$0	NR
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	R
	<b>\$0</b>	NR

---

<b>Revised Total Requirements</b>	<b>\$5,000,000</b>
<b>Revised Total Receipts</b>	<b>\$0</b>
<b>Change in Fund Balance</b>	<b>(\$5,000,000)</b>
<b>Total Positions</b>	<b>0.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$8,922,110</b>
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**GENERAL  
GOVERNMENT  
Section J**

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FY 12-13

Total Budget Approved 2011 Session

\$66,353,073

**Budget Changes****1421 - Facilities Management**

- 1 Green Square and Nature Research Center Building Reserve** \$2,309,998 R  
Provides the necessary funds to operate the Nature Research Center and Green Square Office Building.
- 2 Reduce Natural Gas/Propane Appropriation** (\$1,200,000) R  
Reduces appropriation for natural gas propane to more closely reflect the five year average.

**2401 - E-Commerce Reserve**

- 3 Reduce E-Commerce Reserve to Fund Cash Management Module**  
Reduces the E-Commerce Reserve at the Department of Administration by \$2,470,642 to transfer to General Availability. Of this amount, \$1,347,397 will be utilized to fund the General Fund-supported portion of the Banking System Upgrade at the Office of the State Controller.

**Department-wide**

- 4 Management Flexibility Reduction** (\$1,406,494) R  
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**Office of State Personnel**

- 5 Management Flexibility Reduction** (\$125,473) R  
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**State Ethics Commission**

- 6 Management Flexibility Reduction** (\$22,892) R  
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**Transition and Inauguration**

**7 Fund Governor's Transition and Inauguration**

Provides funding for the Transition Team and Governor's Inauguration to fund all fiscal activities related to the Governor Inauguration and Transition for the Governor and Council of State. In FY 2008-09 these items were funded, in total, at \$420,000. Funds are to be distributed as follows:

\$420,000 NR

Fund Code: 1881: \$170,000

Fund Code: 1882: \$250,000

---

**Budget Changes**

**(\$444,861) R**

**\$420,000 NR**

**Total Position Changes**

**Revised Total Budget**

**\$66,328,212**

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FY 12-13
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Total Budget Approved 2011 Session

\$10,676,035

---

**Budget Changes**

**Department-wide**

**8 Management Flexibility Reduction**

(\$213,521) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

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**Budget Changes**

(\$213,521) R

**Total Position Changes**

**Revised Total Budget**

\$10,462,514

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# Cultural Resources

GENERAL FUND
--------------

FY 12-13
----------

Total Budget Approved 2011 Session	\$61,697,001
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## Budget Changes

### Department-wide

<b>9 Management Flexibility Reduction</b>	(\$1,154,467)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		

### Museum of Art

<b>10 Restore Operating Reduction</b>	\$105,037	R
Partially restores the reduction to the Museum of Art's operating budget for FY 2012-13 directed in the 2011 Conference Report.		

### Museum of History

<b>11 Partially Restore Reduction</b>	\$105,037	R
Restores two of the four Museum of History positions eliminated in FY 2012-13 in the 2011 Conference Report. Permits the Department flexibility in identifying one of the remaining two positions to eliminate in the Museum of History. Directs the Department to continue to eliminate position #60083995, identified in the 2011 Conference Report, as it is currently vacant.		
	2.00	

### State Arts Council

<b>12 Consolidate Functions and Reorganize Staff</b>	(\$105,040)	R
Eliminates 2 vacant positions in the Arts Council, and directs the Department to reorganize the Arts Council staff to consolidate functions. The two vacant positions are #60080937 and #60083928.		
	-2.00	

<b>13 Reduce Arts Grants</b>	(\$2,640)	R
Reduces the appropriation for Basic Arts Grants, leaving \$3,289,680. Total General Fund appropriations for Basic Arts Grants and Grassroots Arts will total \$5,593,388, a reduction of 0.05%.		

**State Capitol**

**14 Consolidate Staff Functions**

Eliminates the Executive Mansion Tour Coordinator position, consolidating this function with the State Capitol Tour Coordinator position and the Interpretation & Research Specialist position.

(\$46,793) R  
-1.00

**State Historic Sites**

**15 Partially Restore Transportation Museum Appropriation**

Appropriates \$300,000 to the Transportation Museum to offset an anticipated shortage in receipts. S.L. 2011-145 directed the Transportation Museum to shift to 100% receipt-support in FY 2012-13, with a reduction in appropriations of \$1,152,515.

\$300,000 R

**Tryon Palace**

**16 Tryon Palace Operating Funds**

Partially restores the \$1.3 million reduction to Tryon Palace's budget in the 2011 Conference Report.

\$500,000 NR

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**Budget Changes**

(\$798,866) R  
\$500,000 NR

**Total Position Changes**

-1.00

**Revised Total Budget**

**\$61,398,135**

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# Cultural Resources - Roanoke Island Commission

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$1,203,491

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## Budget Changes

**17 Budget Anticipated Receipts** (\$300,000) R

Budgets receipts based on investment income earnings. Roanoke Island Commission is directed to request from the Friends of Elizabeth II, Inc. funds equivalent to 80% of the total investment income earned at the end of the calendar year on the State funds provided to the Friends in prior years and invested on behalf of the Roanoke Island Commission's mission.

## All RIC Fund Codes

**18 Technical Correction: Apply Reduction to Multiple Fund Codes** (\$1,203,491) R

Clarifies that the reduction of \$1.2 million (50%) in the 2011 Conference Report is to be achieved by reductions in Fund 1584 (RIC Operating Fund) and Fund 1586 (RIC Performing Arts Fund).

## Fund Code 1584

**19 Technical Correction: Restore Reduction to Operating Fund Code** \$1,203,491 R

Clarifies that the reduction of \$1.2 million (50%) in the 2011 Conference Report is to be achieved by reductions in Fund 1584 (RIC Operating Fund) and Fund 1586 (RIC Performing Arts Fund).

---

**Budget Changes**

(\$300,000) R

**Total Position Changes**

**Revised Total Budget**

\$903,491

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FY 12-13
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Total Budget Approved 2011 Session	<b>\$50,104,208</b>
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**Budget Changes**

**Administration**

<b>20 National Conference of State Legislatures Dues</b>		
Eliminates appropriation for NCSL dues on a one-time basis, as FY 2012-13 payment was paid in FY 2011-12.	(\$204,390)	NR

**Building & Maintenance**

<b>21 Building &amp; Maintenance Continuation Review</b>	\$2,572,506	R
Restores recurring funding for the Building & Maintenance Division, which was subject to Continuation Review for FY 2011-12.		31.60

**Department-wide**

<b>22 Management Flexibility Reduction</b>	(\$797,694)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		

**Information Systems Division**

<b>23 Clarify Funding Mechanism</b>	\$2,114,555	R
Clarifies language in Item #61 of the 2011 Conference Report. Continues the elimination of appropriations for ISD non-personnel costs for FY 2012-13 by budgeting receipts from the Carryforward Reserve on a nonrecurring basis. Restores operating account requirements and offsets those requirements with Carryforward Reserve receipts.	(\$2,114,555)	NR

<b>Budget Changes</b>	<b>\$3,889,367</b>	<b>R</b>
	<b>(\$2,318,945)</b>	<b>NR</b>
<b>Total Position Changes</b>		31.60
<b>Revised Total Budget</b>	<b>\$51,674,630</b>	

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FY 12-13
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Total Budget Approved 2011 Session	\$4,741,157
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**Budget Changes**

**Department-wide**

<b>24 Management Flexibility Reduction</b>	(\$94,823)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		

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<b>Budget Changes</b>	(\$94,823)	R
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**Total Position Changes**

<b>Revised Total Budget</b>	\$4,646,334
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# Housing Finance Agency

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$9,673,051

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## Budget Changes

### 1100 - Home Protection Pilot

#### 25 Eliminate Funding for Home Protection Pilot

(\$187,879) R

Eliminates funding for the Home Protection Pilot Program. Funding is unnecessary due to the Housing Finance Agency's participation in the Hardest Hit Program.

### 1100 - Housing Trust Fund

#### 26 Utilization of Housing Settlement Funds to Fund the Housing Trust Funds

(\$7,876,755) NR

Eliminates, on a non-recurring basis, the General Fund appropriation to the Housing Trust Fund. Funds from the Mortgage Settlement Agreement to the Housing Finance Agency may be redirected or deposited into the Housing Trust Fund to offset FY 2012-13 non-recurring reductions to the fund. Nothing in this item is intended to, or shall be construed to, conflict with the mandatory requirements of the Mortgage Settlement Agreement.

---

## Budget Changes

(\$187,879) R

(\$7,876,755) NR

## Total Position Changes

## Revised Total Budget

\$1,608,417

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Insurance

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$36,393,921

**Budget Changes**

**27 Consolidate Health Insurance Ombudsman Programs**

\$159,055 R

Transfers the Managed Care Unit within the Consumer Protection Division of the Department of Justice (DOJ) to the Department of Insurance, Health Insurance Ombudsman Services unit for efficiency through consolidation of duplicative functions. Appropriations for the Managed Care Unit in DOJ were reimbursed by the Insurance Regulatory Fund, and appropriations for this function will continue to be reimbursed by the Insurance Regulatory Fund. Transferred positions include two Consumer Protection Specialists (#60010426 & #60010427), an Administrative Secretary II (#60010429) and a Consumer Protection Specialist funded with federal receipts (#60010477). The vacant Special Deputy Attorney General position in the Unit (#60010425) is eliminated.

3.00

Net reduction in appropriations reimbursed by the Insurance Regulatory Fund: (\$133,387) Recurring

**Consumer Protection Fund**

**28 Increase Consumer Protection Fund Appropriation**

\$300,000 R

Increases the appropriation for the Consumer Protection Fund to \$628,227, based on prior year actual expenditures. Appropriations will be reimbursed by the Insurance Regulatory Fund.

**Budget Changes**

\$459,055 R

**Total Position Changes**

3.00

**Revised Total Budget**

\$36,852,976

Insurance - Volunteer Safety Workers'  
Compensation Fund

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$2,623,654

Budget Changes

29 No Changes

Budget Changes

Total Position Changes

Revised Total Budget

\$2,623,654

FY 12-13
----------

Total Budget Approved 2011 Session

\$695,324

**Budget Changes**

**Department-wide**

**30 Consolidate Functions**

(\$144,150) R

Reduces appropriations for staff salaries and related expenses, effective December 31, 2012. The Office is directed to consolidate staff functions and reduce positions to achieve savings.

**Budget Changes**

(\$144,150) R

**Total Position Changes**

**Revised Total Budget**

\$551,174

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FY 12-13
----------

Total Budget Approved 2011 Session

\$4,142,258

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**Budget Changes**

31 No Changes

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**Budget Changes**

Total Position Changes

Revised Total Budget

\$4,142,258

# Revenue

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$78,199,538

## Budget Changes

### 1629 - Local Government Division

#### 32 Combined Registration and Tax Collection System

Budgets receipts from the Combined Motor Vehicle and Registration Account to support the development and implementation costs for the Combined Motor Vehicle Registration and Property Tax System as required by S.L. 2005-294. The total costs for FY 2012-13 are \$377,797 with \$353,197 of this amount as recurring costs. Four new positions within the division are created:

Business & Technology Application Specialist  
DBE Specialist  
Property Valuation Specialist I  
Property Valuation Specialist II

### 1710 - Fuel Tax Compliance

#### 33 Eliminate Vacant Positions

Eliminates ten (10) vacant positions for a total personnel savings to the Highway Fund of \$488,366. Other costs to support these personnel, such as travel, per diem, and supplies are reduced by \$32,000.

The positions eliminated include eight (8) Motor Fuel Auditors and two (2) Law Enforcement Agents. The position numbers supported by the Highway Fund are 60083149, 60083173, 60083153, 60083182, 60083177, 60083178, 60083201, and 60083205. Two positions supported with federal funds are 65007466 and 65007490.

### Department-wide

#### 34 Management Flexibility Reduction

(\$1,563,991) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

---

## Budget Changes

(\$1,563,991) R

## Total Position Changes

## Revised Total Budget

\$76,635,547

FY 12-13
----------

Total Budget Approved 2011 Session

\$10,654,563

**Budget Changes**

**1600 - Charitable Fund Raising**

**35 Move Charitable Fund Raising to General Fund Support**

\$816,936 R

Moves the Charitable Fund Raising Division at the Secretary of State to General Fund support. Receipts that are collected by the Division and associated administration will be credited to the General Fund, which include over-realized receipts of \$162,816.

9.43

**Department-wide**

**36 Management Flexibility Reduction**

(\$50,275) R

Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

**Budget Changes**

\$766,661 R

**Total Position Changes**

9.43

**Revised Total Budget**

\$11,421,224

State Board of Elections

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session \$5,126,603

Budget Changes

Department-wide

37 Management Flexibility Reduction (\$102,532) R  
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

Budget Changes (\$102,532) R

Total Position Changes

Revised Total Budget \$5,024,071



# State Budget & Management

GENERAL FUND
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FY 12-13
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Total Budget Approved 2011 Session	\$5,848,663
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## Budget Changes

### Department-wide

<b>38 Management Flexibility Reduction</b>	(\$116,973)	R
Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.		

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<b>Budget Changes</b>	(\$116,973)	R
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Total Position Changes

<b>Revised Total Budget</b>	\$5,731,690
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# State Budget and Management - Special

GENERAL FUND
--------------

FY 12-13
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Total Budget Approved 2011 Session

\$440,612

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**Budget Changes**

**39 Align Budget With 2011 Reductions** (\$390,612) R  
 Adjusts the total transferred to the Department of Insurance for the Fire Protection Grant Fund to account for the 10% reduction directed in the 2011 Conference Report.

**40 Transition Reserve** \$330,000 NR  
 Funds a reserve for operating expenses and temporary staff for planning, reorganization, and other activities related to the transition of Executive Branch offices. Any unspent funds shall revert to the General Fund at the end of the fiscal year.

**41 NC Symphony Challenge Grant** \$1,500,000 NR  
 Provides a Challenge Grant for the North Carolina Symphony of \$1.5 million, for which the Symphony will raise \$8 million in non-State revenue.

**N.C. Humanities Council**

**42 Management Flexibility Reduction** (\$1,000) R  
 Implements a necessary management flexibility reduction to pay for unbudgeted overpayments, penalties and unachieved reductions in the Medicaid Program.

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<b>Budget Changes</b>	<b>(\$391,612)</b>	<b>R</b>
	<b>\$1,830,000</b>	<b>NR</b>
<b>Total Position Changes</b>		
<b>Revised Total Budget</b>	<b>\$1,879,000</b>	

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FY 12-13
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Total Budget Approved 2011 Session	<b>\$28,368,957</b>
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**Budget Changes**

<b>43 HR/Payroll Operational Support</b>	\$453,383	R
Funds maintenance agreements for the BEACON system.		

<b>44 Cash Management Module</b>	\$1,347,397	NR
Funds the Office of the State Controller's portion of the upgrade of the State's Cash Management System. This is a joint project between the Department of the State Treasurer and the Office of the State Controller.		

**BEACON HR Payroll**

<b>45 Eliminate Vacant Position.</b>	(\$111,365)	R
Eliminates position vacant more than 240 days: #60087179 Personnel Supervisor II.		
	-1.00	

**Department-Wide**

<b>46 Reduce Various Operating Line Items</b>	(\$109,003)	R
Reduces appropriations for the following based on actual expenditures:		
532xxx Purchased Services:	(\$107,547)	
533xxx Supplies:	(\$687)	
534xxx Property, Plant & Equipment:	(\$769)	

<b>Budget Changes</b>	<b>\$233,015</b>	<b>R</b>
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	<b>\$1,347,397</b>	<b>NR</b>
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<b>Total Position Changes</b>	-1.00
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<b>Revised Total Budget</b>	<b>\$29,949,369</b>
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FY 12-13

Total Budget Approved 2011 Session

\$6,621,750

**Budget Changes**

**1310 - Local Government Operations**

**47 Audit, Integrated Debt, And Fiscal Management System**

Funds the acquisition of an electronic audit management system and the development and implementation of a debt management system. The Department received authorization for the first phase of the project in FY 2011-12 regarding a document management system. This is the second phase of the project. Funding for the project is from fees assessed by the Department on debt issuances which were previously approved by the General Assembly. Total cost for the system in FY 2012-13 is \$1,082,219 with \$200,419 recurring and \$881,800 non-recurring.

**1510 - Financial Operations Division**

**48 Banking System Upgrade**

Funds the Department of State Treasurer's portion of the upgrade of the State's Cash Management System that is utilized by the State's Pension Fund. This is a joint project between the Department of the State Treasurer and the Office of the State Controller. The portions not related to the State's Pension Fund shall be funded by an appropriation to the Office of the State Controller. The total amount authorized to be used by the Department of the State Treasurer is \$2,052,000 in FY 2012-13.

**Budget Changes**

Total Position Changes

Revised Total Budget

\$6,621,750

Treasurer - Retirement for Fire and Rescue

GENERAL FUND

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Total Budget Approved 2011 Session	<b>FY 12-13</b> \$17,812,114
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**Budget Changes**

49 No Changes

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**Budget Changes**

Total Position Changes

Revised Total Budget \$17,812,114

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# **TRANSPORTATION**

## **Section K**

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# Highway Fund

HIGHWAY FUND

FY 12-13

Total Budget Approved 2011 Session

\$2,134,160,000

## Budget Changes

### Administration

#### 1 Information Technology

\$2,020,000 R

Appropriates additional funds to support telecommunication (\$750,000) and data processing costs (\$930,000), as well as lease requirements (\$340,000).

#### 2 Information Technology - Combined Registration and Tax Collection System

Budgets receipts from the Combined Motor Vehicle and Registration Account to support development and implementation costs for the Combined Motor Vehicle Registration and Property Tax Collection System. Receipts budgeted for FY 2012-13 total \$2,267,963 recurring and \$12,290,309 non-recurring.

#### 3 Fiscal - Combined Registration and Tax Collection System

Authorizes six (6) receipt-supported positions to oversee the collection of registration fees and property taxes in advance of the July 1, 2013 implementation date for the Combined Motor Vehicle Registration and Property Tax Collection System. Pre-implementation functions include initiation of system projects and changes which affect revenue capture and reporting from the: State Registration and Titling System (STARS), Vehicle Property Tax System (VPT), State Automated Driver's License System (SADLS), Fuel Tax Compliance System (FuelTacs), SAP, the Division of Motor Vehicles (DMV) Bad Debt System, and other DMV subsystems.

Budgeted receipts for FY 2012-13 total \$370,038 recurring and \$121,806 non-recurring, per transfers from the Combined Motor Vehicle and Registration Account.

Effective dates for the authorized positions are shown below:

Grade	Position Title	Effective Date
Banded - J	Accounting Manager	07/01/2012
Banded - A	Accountant	08/01/2012
Banded - C	Accountant	09/01/2012
Banded - J	Accounting Technician	09/01/2012
Banded - C	Accountant	12/01/2012
Banded - J	Accounting Technician	12/01/2012

**Construction**

**4 Contingency Fund**

Appropriates \$22,000,000 of accumulated unencumbered fund balance from the Contingency Fund.

**5 Secondary Roads**

Reduces funding to the secondary system construction program to meet new revenue target. The total budget is \$27,186,358 in FY 2012-13.

(\$26,293,824) R

**Department-wide**

**6 Personnel Reduction**

Eliminates 70 vacant positions throughout the Department, including: nine (9) positions funded with Highway Funds; 12 receipt-supported Highway Trust Fund positions totaling \$661,669; and 49 field positions totaling \$3,439,178. The total includes salary, benefits, and an employee cost multiplier of 2.31%. DOT is directed to identify all positions for elimination.

(\$588,561) R

-9.00

**Division of Motor Vehicles**

**7 Adjust Driver License Credit/Debit Costs**

Reduces funds budgeted for credit/debit card transaction costs based on the revised implementation timeline for the Next Generation Secure Driver License System (NGSDLS) and a rate reduction for Information Technology Services (ITS) common payment services. Phased implementation of the NGSDLS is targeted for January 2013.

(\$792,641) NR

**8 Bulk Data Fee Receipts**

Adjusts net appropriations per projected FY 2012-13 bulk data fee receipts.

\$4,000,000 R

**9 Internal Consolidation**

(\$768,963) R

Consolidates the Division of Motor Vehicles (DMV) fiscal, human resources, information technology, facility management, and associated functions assigned to the "DOT PAM/PD DMV II Operations" and "DOT PAM/PD DMV II Operations Budget" organizational units among respective central administrative units of the Department of Transportation.

-13.00

The following positions are eliminated effective July 31, 2012, per this restructuring:

Position Number	Position Title
60029792	Administrative Assistant
60029795	Technology Support Analyst
60029798	Safety Officer II
60029799	Business Officer
60030094	Administrative Officer III
60029837	Departmental Purchasing Agent I
60030103	Processing Assistant IV
60030155	Processing Assistant V
60030157	Processing Assistant V
60030165	Administrative Assistant I
60030168	Departmental Purchasing Agent I
60030925	Departmental Purchasing Agent I
60088760	Accountant

Annualized savings, beginning in FY 2013-14, total \$838,868. An additional \$282,480 is appropriated, per item 27, on a non-recurring basis for estimated severance payments incurred during FY 2012-13.

**10 Driver License Program Continuation Review**

\$47,713,947 R

Restores recurring funds held in reserve for the Driver License Program per continuation review.

**11 DMV - Combined Registration and Tax System**

Authorizes 43 receipt-supported positions, of which 22 are time-limited, within the Vehicle Services Section to implement and administer the Combined Motor Vehicle Registration and Property Tax Collection System. This authorization includes: four (4) Staff Development Specialist I positions to conduct training in advance of system implementation; four (4) Administrative Assistant II positions to assist license plate agencies by recording and resolving system problems; two (2) Title Examiner Supervisor I positions to supervise call center employees; four (4) Information Processing Technicians to support transaction volumes at the Raleigh and Charlotte offices; 25 Information Processing Technicians to resolve customer service requests; and, four (4) Processing Assistant IV positions to accommodate increases in mailings and internet renewals. Time-limited positions shall terminate no later than June 30, 2014.

Budgeted receipts for FY 2012-13 total \$1,407,763 recurring and \$1,802,955 non-recurring. Non-recurring costs include equipment acquisitions to implement credit/debit payments at license plate agencies and State offices. These costs are offset by corresponding transfers from the Combined Motor Vehicle and Registration Account.

Effective dates for the authorized positions are shown below:

Grade	Position Title	Effective Date	FTE
67	Staff Development Specialist I	07/01/2012	1.00
67	Staff Development Specialist I - TL	07/01/2012	3.00
65	Administrative Assistant II	10/01/2012	2.00
65	Administrative Assistant II - TL	10/01/2012	2.00
64	Title Examiner Supervisor I	10/01/2012	2.00
63	Information Processing Technician	10/01/2012	14.00
63	Information Processing Technician - TL	10/01/2012	15.00
59	Processing Assistant IV	04/01/2013	2.00
59	Processing Assistant IV - TL	04/01/2013	2.00

**Intermodal**

**12 Public Transportation Division - New Starts**

(\$28,972,845) R

Eliminates the Regional New Start & Capital grant program within the Public Transportation Division. The remaining unexpended program balance within the Highway Fund is allocated for the LYNX Blue Line Extension project.

**13 Public Transportation Division - Grant Programs**

(\$1,935,661) R

Increases the recurring reduction across Public Transportation Division grant programs from 6% to 9%. International Trade Show Transportation grants are exempt from this reduction.

<p><b>14 Public Transportation Division - LYNX Blue Line Extension</b>                  Appropriates \$25 million recurring within the Public Transportation Division as State matching funds for the LYNX Blue Line Extension project.</p>	<p>\$25,000,000</p>	<p>R</p>
<p><b>15 Rail Division - Personnel Reduction</b>                  Eliminates one (1) vacant, receipt-supported field position (60015656 Engineering Technician) totaling \$74,900 in estimated operating savings.</p>		
<p><b>16 Rail Division - Operating Reduction</b>                  Reduces funding for the Streamline Freight Operations (\$250,000) and Rail Capital and Safety (\$250,000) subprograms.</p>	<p>(\$500,000)</p>	<p>R</p>
<p><b>17 Ferry Division - Toll Revenue</b>                  S.L. 2012-145, Sec. 6.2, Modifications/2012 Appropriations Act, establishes a one-year delay on the implementation of additional and new tolls as required by S.L. 2011-145, Sec. 31.30. Non-recurring funds, totaling \$2.5 million, are appropriated to offset budgeted toll receipts as follows:                  - \$2 million is transferred from the Highway Trust Fund and budgeted as one-time receipts; and,                  - \$500,000 is reallocated from the Reserve for General Maintenance.</p>	<p>\$500,000</p>	<p>NR</p>
<p><b>18 Ferry Division - Dredge Replacement Project</b>                  Adjusts funding for the dredge build project per the engineer's estimate of total project cost.</p>	<p>(\$3,000,000)</p>	<p>NR</p>

**19 Ferry Division - Personnel Reduction**

Eliminates nineteen (19) vacant, receipt-supported field positions totaling \$787,294 in estimated operating savings. The total includes salary, benefits, and an employee cost multiplier of 2.31%. FTE reductions are as follows:

Position Number	Position Title
60018911	Office Assistant III
60018566	Processing Assistant III
60018501	Ferry Crew Member I
60018533	Security Guard
60018538	Security Guard
60018611	Security Guard
60018617	Security Guard
65009109	Security Guard
65009108	Security Guard
60089130	Ferry Crew Member I
60018643	Security Guard
60018667	Security Guard
60018729	Security Guard
65009103	Security Guard
60018490	Dredge Deckhand
60018796	Ferry Master
60018883	Maintenance Mechanic IV
60018872	Processing Assistant IV
60018864	Processing Assistant III

**Maintenance**

**20 Primary System** (\$43,823,040) R

Reduces funding to the primary system maintenance program to meet new revenue target. The total budget is \$138,147,758 in FY 2012-13.

**21 Secondary System** (\$17,529,216) R

Reduces funding to the secondary system maintenance program to meet new revenue target. The total budget is \$246,982,608 in FY 2012-13.

**22 System Preservation** \$520,014 R

Per G.S. 119-18(b), increases system preservation by \$520,014 from cuts made to the Department of Revenue's Taxpayer Collection Division for motor fuel enforcement and auditing. The total budget is \$235,504,017 in FY 2012-13.

**23 General Maintenance Reserve**

S.L. 2012-145, Sec. 6.2, Modifications/2012 Appropriations Act, reduces funding to the General Maintenance Reserve by \$500,000 non-recurring to offset the costs associated with the one-year delay in additional and new ferry tolls. (\$500,000) NR

**Reserves**

**24 Compensation Adjustment and Performance Pay Reserve**

Eliminates the reserve in FY 2012-13. (\$4,906,715) R

**25 Highway Fund Reserve for Compensation Increases**

Provides funding to support an annual salary increase of 1.2% to permanent employees whose salaries are supported by Highway Fund appropriations. \$4,668,590 R

**26 Disability Income Plan of North Carolina**

Reduces the State's contribution to the Disability Income Plan from .52% of payroll to .44% of payroll (a .08% reduction) as a result of the December 31, 2010 actuarial valuation. (\$255,000) R

**27 Severance Expenditure Reserve**

Increases funding for severance salary continuation payments and health benefit coverage under the State Health Plan for employees reduced-in-force. \$282,480 NR

**28 State Retirement System Contributions - State Highway Patrol Transfer**

Adjusts the budgeted retirement contribution to the Teachers' and State Employees' Retirement System for 2012-13 per the transfer of the State Highway Patrol to the General Fund. (\$4,000,000) R

**29 State Health Plan - State Highway Patrol Transfer**

Adjusts funding for the State Health Plan per the transfer of the State Highway Patrol to the General Fund. (\$1,000,000) R

**30 Global TransPark**

Reduces operating assistance to the Global TransPark by \$152,000. FY 2012-13 appropriations total \$1.0 million. (\$152,000) R

**31 Reserve for Continuation Review**

(\$47,713,947) R

Eliminates the internal reserve for the Driver License Program per restoration of funding.

**Revenue Availability**

**32 Inspection Program Account Balance**

Notwithstanding G.S. 20-183.7(d) to appropriate \$5.0 million from the Inspection Program Account balance. Highway Fund availability is adjusted accordingly.

**33 Civil Penalty Collections**

Reduces estimated Highway Fund revenue by \$22.0 million to reflect a change in accounting procedure. Rather than recording civil penalty proceeds as revenue, the clear proceeds of all civil penalties, civil forfeitures, and civil fines collected by the Department of Transportation for transfer to the Civil Penalty and Forfeiture Fund shall be recorded as receipts and budgeted in a receipt-supported fund center for transfer to the Civil Penalty and Forfeiture Fund.

**Statutory Adjustments**

**34 Aid to Municipalities**

(\$912,604) R

Reduces funds for State Aid to Municipalities for FY 2012-13, consistent with new revenue estimates and G.S. 136-41.1.

**Transfers**

**35 Highway Trust Fund**

S.L. 2012-145, Sec. 6.2, Modifications/2012 Appropriations Act, transfers \$2 million nonrecurring from the Highway Trust Fund to the Highway Fund to offset the costs associated with the one-year delay in additional and new ferry tolls.

**36 State Retirement System Contributions - State Highway Patrol Transfer**

\$4,000,000 R

Adjusts the budgeted retirement contribution to the Teachers' and State Employees' Retirement System for 2011-12 and 2012-13 per the transfer of the State Highway Patrol to the General Fund.

\$3,000,000 NR

**37 State Health Plan Contribution - State Highway Patrol Transfer**

\$1,000,000 R

Adjusts the budgeted contribution for the State Health Plan in 2012-13 per the transfer of the State Highway Patrol to the General Fund.



**38 Department of Revenue - Taxpayer Collections (Motor Fuels) (\$520,014) R**

Eliminates ten (10) vacant positions for a total personnel savings of \$488,014. Other costs to support these personnel, such as travel, per diem, and supplies are reduced by \$32,000. The savings transferred to System Preservation total \$520,014.

The positions eliminated include eight (8) Motor Fuel Auditors and two (2) Law Enforcement Agents. The position numbers supported by the Highway Fund are 60083149, 60083173, 60083153, 60083182, 60083177, 60083178, 60083201, and 60083205. Two positions supported with federal funds are 65007466 and 65007490.

**39 Motor Carrier Safety Assistance Program (MCSAP) \$330,000 R**

Increases budgeted State matching funds to match \$6.0 million in anticipated federal MCSAP basic and incentive grants administered by the Department of Public Safety, State Highway Patrol. Appropriated matching and maintenance of effort funds total \$1,980,458.

**40 Civil Penalty and Forfeiture Fund (\$22,000,000) R**

Eliminates the appropriated reserve (84210-0889) historically used to budget civil penalty collections and transfer funds to the Civil Penalty and Forfeiture Fund. Civil penalties are instead budgeted as receipts to better account for the annual fluctuation in collections, and to establish consistency in statewide accounting procedures. Estimated Highway Fund revenue is reduced accordingly.

Per FY 2012-13 projections, an estimated \$29.88 million will be transferred to the Civil Penalty and Forfeiture Fund.

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<b>Budget Changes</b>	<b>(\$112,619,839)</b>	<b>R</b>
	<b>(\$510,161)</b>	<b>NR</b>
<b>Total Position Changes</b>	-22.00	
<b>Revised Total Budget</b>	<b>\$2,021,030,000</b>	

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# Highway Trust Fund

HIGHWAY TRUST  
FUND

FY 12-13

Total Budget Approved 2011 Session

\$1,086,910,000

## Budget Changes

### Administration

- 41 Statutory Adjustment to Program Administration** (\$1,516,320) R  
Decreases funds for Program Administration for FY 2012-13 consistent with new revenue estimates and G.S. 136-176(b). The total budget is \$45,590,880 in FY 2012-13.

### Aid to Municipalities

- 42 Statutory Adjustment to Aid to Municipalities Allocation** (\$979,789) R  
Decreases funds for State Aid to Municipalities for FY 2012-13, consistent with new revenue estimates and G.S. 136-176(b)(3). The total budget is \$53,063,643 in FY 2012-13.

### Construction

- 43 Secondary Roads** (\$979,789) R  
Reduces funds for Secondary Roads by 6.5% of the total amount needed to balance the Highway Trust Fund in accordance to the formula in G.S. 136-176(b)(4). The total budget is \$48,341,155 in FY 2012-13.
- 44 Intrastate System** (\$9,338,145) R  
Reduces funds for the Intrastate System by 61.95% of the total amount needed to balance the Highway Trust Fund in accordance to the formula in G.S. 136-176(b)(1). The total budget is \$478,164,889 in FY 2012-13.
- 45 Urban Loops** (\$3,775,957) R  
Reduces funds for Urban Loops by 25.05% of the total amount needed to balance the Highway Trust Fund in accordance to the formula in G.S. 136-176(b)(2). The total budget is \$209,182,029 in FY 2012-13.

### Mobility Fund

- 46 DOT Prioritization Reserve** (\$45,000,000) R  
Eliminates the DOT Prioritization Reserve.

**47 Mobility Fund**

Transfers funds in the DOT Prioritization Reserve to the Mobility Fund and transfers \$30.5 million in unneeded FY 2012-13 gap funds appropriated to the Garden Parkway and Mid-Currituck Bridge projects.

\$45,000,000 R  
\$30,500,000 NR

**Transfers**

**48 Highway Fund**

S.L. 2012-145, Sec. 6.2, Modifications/2012 Appropriations Act, transfers \$2 million nonrecurring from the Highway Trust Fund to the Highway Fund to offset the costs associated with the one-year delay in additional and new ferry tolls.

**Turnpike Authority**

**49 Gap Funds**

Eliminates the FY 2012-13 gap funding to the Garden Parkway and the Mid-Currituck Bridge projects based on a determination by DOT that these two projects will not issue debt until FY 2013-14.

(\$32,500,000) NR

**50 Mid-Currituck Bridge Project**

Reallocates \$15,000,000 of unencumbered gap funds appropriated in FY 2011-12 to the Mid-Currituck Bridge project.

**51 Mid-Currituck Bridge Funding**

Appropriates \$2 million to supplement and advance project studies related to the Mid-Currituck Bridge project to move the project forward to construction.

[S.L. 2012-145, Sec. 6.2, Modifications/2012 Appropriations Act, eliminates the funding for studies related to the Mid-Currituck Bridge project and transfers the funds to the Highway Fund to offset the costs associated with the one-year delay in additional and new ferry tolls.]

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<b>Budget Changes</b>	<b>(\$16,590,000)</b>	<b>R</b>
	<b>(\$2,000,000)</b>	<b>NR</b>
<b>Total Position Changes</b>		
<b>Revised Total Budget</b>	<b>\$1,068,320,000</b>	

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# Turnpike Authority

TURNPIKE AUTHORITY

FY 12-13

Total Budget Approved 2011 Session

\$3,642,571

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## Budget Changes

### Turnpike Authority Administration

#### 52 Reduces Operating Funds

(\$336,193) R

Eliminates three (3) vacant receipt-supported positions totaling \$336,193. The total includes salary, benefits, and an employee cost multiplier of 2.31%.

60088764 Engineering Manager

65004640 Technology Support Specialist

65007229 Business Officer

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(\$336,193) R

### Budget Changes

Total Position Changes

Revised Total Budget

\$3,306,378

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

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# Statewide Reserves

GENERAL FUND

FY 12-13

Total Budget Approved 2011 Session

\$1,415,660,126

## Budget Changes

### A. Employee Benefits

- 1 Compensation and Performance Pay Reserve** (\$121,105,840) R  
Eliminates the reserve in FY 2012-13.
  
- 2 Reserve for Compensation Increases and Personnel Flexibility** \$159,984,426 R  
Provides funds to support salary increases for employees of State agencies, departments, institutions, public schools, and university SPA employees and to support salary increases and personnel flexibility for university EPA employees and employees of community college institutions.
  
- 3 State Agency/Department Salary Increases**  
Provides up to \$30,046,765 to support an annual salary increase of 1.2% for permanent employees of State agencies and departments.
  
- 4 Public School Salary Increases**  
Provides up to \$84,964,142 to local school administrative units to support an annual salary increase of 1.2% for State-funded public school employees.
  
- 5 Community College Salary Increases/Personnel Flexibility**  
Provides up to \$14,102,935, the amount necessary to support a 1.2% annual salary increase, to State-funded community college employees. The State Board of Community Colleges may use these funds to award compensation increases to employees, including but not limited to merit increases, across-the-board increases, recruitment bonuses, retention increases, and other increases pursuant to applicable personnel policies; to offset the management flexibility reduction; and to employ personnel.
  
- 6 University Salary Increase/Personnel Flexibility**  
Provides up to \$8,649,234 for SPA employees and \$22,221,350 for EPA employees, the amount necessary to support a 1.2% annual salary increase. Permanent university SPA employees shall receive a 1.2% annual salary increase. The University Board of Governors may use funds designated for EPA faculty and EPA nonfaculty to award compensation increases to EPA employees including but not limited to merit increases, across-the-board increases, recruitment bonuses, retention increases, and other increases pursuant to applicable personnel policies; to offset the management flexibility reduction; and to employ personnel.
  
- 7 Highway Fund Reserve for Compensation Increases**  
Provides funding in the amount of \$4,668,590 recurring to support an annual salary increase of 1.2% to permanent employees whose salaries are supported by Highway Fund appropriations.

**8 Retirement Systems Cost of Living Increase**

Provides a 1.0% cost of living adjustment to retirees of the Teachers' and State Employees' Retirement System effective July 1, 2012.

Also, provides a 1.0% cost of living adjustment to retirees of the Legislative Retirement System effective July 1, 2012.

**9 Consolidated Judicial Retirement System**

\$100,000 R

Increases the State's contribution for Fiscal Year 2012-13 to provide a 1.0% cost-of-living adjustment for retirees of the Consolidated Judicial Retirement System.

**10 Disability Income Plan of North Carolina**

(\$8,688,000) R

Reduces the State's contribution to the Disability Income Plan from .52% of payroll to .44% of payroll (a .08% reduction) as a result of the December 31, 2010 actuarial valuation.

**B. Other Reserves**

**11 One North Carolina Fund**

\$9,000,000 R

Provides recurring funding for the One North Carolina Fund. A corresponding special provision changes the funding basis to cash flow. The Fund currently has a cash balance of over \$60.0 million. \$15.0 million will remain in the Fund and \$45.0 million will be transferred to the General Fund.

**12 Job Development Investment Grant Reserves**

(\$6,500,000) NR

Reduces the funding for Job Development Investment Grants to the amount needed to meet projected needs for FY 2012-13 grant payments.

**13 Information Technology Fund**

(\$750,000) NR

Continues reduction in IT consolidation funding taken by the Office of State Budget and Management in FY 2011-12.

**14 Continuation/Justification Review Reserve**

(\$35,576,758) NR

Eliminates reserve due to the distribution of funds to agencies with programs under review.

**15 VIPER Reserve**

\$10,000,000 NR

Authorizes the State Highway Patrol to use up to \$10 million in the 2011-13 fiscal biennium for the Voice Interoperability Plan for Emergency Response (VIPER) system. Funds may be used for construction of the remaining 23 towers and for migrating existing and new sites to P25 technology.

**C. Debt Service**

**16 Adjust Debt Service Payments**

(\$52,904,635) R

Adjusts debt service appropriations based on updated cash flow requirements.



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<b>Budget Changes</b>	<b>(\$13,614,049)</b>	<b>R</b>
	<b>(\$32,826,758)</b>	<b>NR</b>
<b>Total Position Changes</b>		
<b>Revised Total Budget</b>	<b>\$1,369,219,319</b>	

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## State Health Plan (Administration)

Budget Code: 28410
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	<b>FY 2012-13</b>	
<b>Beginning Unreserved Fund Balance</b>	<b>\$40,005</b>	
<b>Total Budget Approved 2011 Session</b>		
Requirements	<b>\$183,604,143</b>	
Receipts	<b>\$183,604,143</b>	
Positions	<b>42.00</b>	
<hr/>		
<b>Legislative Changes</b>		
<b>Requirements:</b>		
<b>Other Administrative Cost</b>	\$328,332	R
Creates three new staff positions to administer a Medicare Part D Employer Group Waiver Plan (EGWP) that will reduce the State Health Plan's cost of drug coverage.	\$10,200	NR
	3.00	
<b>Pharmacy Benefits Management Contract</b>	\$5,444,717	R
Increases the budgeted amount for the Pharmacy Benefit Management Contract to cover fees to administer a Medicare Part D Employer Group Waiver Plan (EGWP) that will reduce the State Health Plan's cost of drug coverage.	\$0	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$5,773,049</b>	R
	<b>\$10,200</b>	NR
	3.00	
<hr/>		
<b>Receipts:</b>		
<b>Increase Transfers from Trust Funds</b>	\$5,773,049	R
Increases the amount of transfer from the Plan's health benefit trust fund budget codes to support administrative costs related to Medicare Part D Employer Group Waiver Plan (EGWP).	\$10,200	NR
<b>Subtotal Legislative Changes</b>	<b>\$5,773,049</b>	R
	<b>\$10,200</b>	NR

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<b>Revised Total Requirements</b>	<b>\$189,387,392</b>
<b>Revised Total Receipts</b>	<b>\$189,387,392</b>
<b>Change in Fund Balance</b>	<b>\$0</b>
<b>Total Positions</b>	<b>45.00</b>

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<b>Unappropriated Balance Remaining</b>	<b>\$40,005</b>
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**CAPITAL**  
**Section M**

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# Capital

GENERAL FUND

FY 12-13

**Total Budget Approved 2011 Session**

**\$0**

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## Budget Changes

### Department of Environment and Natural Resources

#### 1 Water Resources Development Projects

Provides funds for the State's share of Water Resources Development Projects. Funds will provide a State match for \$86.39 million in federal funds. The projects are listed in a special provision.

\$5,000,000 NR

### Department of Public Safety

#### 2 Greensboro Readiness Center Renovation and Expansion

Provides funding for the renovation and expansion of the Greensboro Readiness Center, a National Guard facility, from funds available to the Department of Public Safety. The funds will match \$4,116,490 in federal funds. This project was authorized in S.L. 2012-145, Modifications/2012 Appropriations Act.

\$1,373,330 NR

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**Total Appropriation to Capital**

**\$6,373,330 NR**

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# Capital

GENERAL FUND

FY 12-13

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**Total Budget Approved 2011 Session**

\$0

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**Budget Changes**

**Department of Environment and Natural Resources**

**1 Water Resources Development Projects**

Provides funds for the State's share of Water Resources Development Projects. Funds will provide a State match for \$86.39 million in federal funds. The projects are listed in a special provision.

\$5,000,000 NR

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**Total Appropriation to Capital**

\$5,000,000 NR

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**INFORMATION  
TECHNOLOGY  
SERVICES  
Section N**

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# Information Technology Fund

Budget Code: 24667

**FY 2012-13**

<b>Beginning Unreserved Fund Balance</b>	<b>\$582,975</b>
<b>Recommended Budget</b>	
Requirements	<b>\$6,183,142</b>
Receipts	<b>\$6,158,142</b>
Positions	<b>31.00</b>

**Legislative Changes**

**Requirements:**

<b>Information Technology Consolidation Reduction</b>	\$0	R
Reduces IT Consolidation by \$312,953 and transfers that amount to the General Fund to reflect previous year OSBM reduction to the IT Fund.	(\$312,953)	NR
	0.00	
<b>Provide Architecture and Engineering Strategists</b>	\$270,000	R
Increases Architecture and Engineering funding to provide a Computer Strategist and a Network Strategist to build roadmaps and assessments to support Office of Information Technology Services systems and services deployments.	\$0	NR
	2.00	
<b>Reduction to CGIA Appropriation</b>	(\$137,476)	R
Reduces appropriation for the Center for Geographic Information and Analysis and transfers requirements to receipt support.	\$0	NR
	0.00	
<b>Reduction to Enterprise Project Management Office</b>	\$0	R
Reduces funding for Enterprise Project Management Office by \$70,000 to \$1,403,285.	(\$70,000)	NR
	0.00	
<b>Increase Appropriation to CJIN</b>	\$12,404	R
Increases appropriation to the Criminal Justice Information Network to include overhead costs.	\$0	NR
	0.00	
<b>Reduction to ESRMO</b>	\$0	R
Reduces funding to Enterprise Security Risk Management Office by \$38,000 to \$826,148.	(\$38,000)	NR
	0.00	

Conference Report on the Continuation, Capital and Expansion Budget

**FY 2012-13**

<b>Funding for State Website</b>	\$100,000	R
Provides funding to support current State website.	\$0	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$244,928</b>	R
	<b>(\$420,953)</b>	NR
	2.00	

---

**Receipts:**

<b>Information Technology Fund Interest</b>	\$16,000	R
Accounts for the interest generated by the Information Technology Fund.	\$0	NR
	\$0	R
<b>Transfer to General Fund</b>		
Transfers portion of carryforward balance to the General Fund.	(\$750,000)	NR
<b>Subtotal Legislative Changes</b>	<b>\$16,000</b>	R
	<b>(\$750,000)</b>	NR

---

Revised Total Requirements	<b>\$6,007,117</b>
Revised Total Receipts	<b>\$5,424,142</b>
<b>Change in Fund Balance</b>	<b>(\$582,975)</b>
<b>Total Positions</b>	<b>33.00</b>

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<b>Ending Unreserved Fund Balance</b>	<b>\$0</b>
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# Information Technology Internal Service Fund

Budget Code: 74660

	<b>FY 2012-13</b>
<b>Beginning Unreserved Fund Balance</b>	<b>\$34,643,121</b>
<b>Recommended Budget</b>	
Requirements	<b>\$189,626,312</b>
Receipts	<b>\$189,095,142</b>
Positions	<b>531.00</b>

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**Legislative Changes**

**Requirements:**

<b>Reduction to IT Internal Service Fund</b>	\$0	R
Requires the Office of the State Chief Information Officer and the Office of Information Technology Services to reduce requirements for the Information Technology Internal Service Fund to reflect a reduction of 24 positions (\$2,604,386), elimination of lease costs (\$491,302), hosting contract reduction (\$3,617,243), network service contract and allocation reductions (\$1,108,175), NCID cost reduction (\$703,000), allocation adjustments (\$2,238,115), and reduced purchased services costs (\$5,523,458).	(\$16,285,679)	NR
	-24.00	
Eliminated positions include: 60087660, 65010103, 60087301, 60087278, 65000716, 60087484, 60087378, 60087439, 60087526, 65000533, 60089793, 60087677, 60087592, 60087668, 65000051, 60087657, 60087672, 60087643, 60093435, 60087699, 60087637, 60087701, 60089800, 65000708.		
<b>Transfer to General Fund</b>	\$0	R
Transfers \$14 million in allowable receipts in excess of 40-day balance to the General Fund.	\$14,000,000	NR
	0.00	
<b>Transfer for Federal Refund</b>	\$0	R
Transfers federal match for General Fund transfer to appropriate agencies for return to the federal government.	\$2,800,000	NR
	0.00	
<b>Subtotal Legislative Changes</b>	<b>\$0</b>	<b>R</b>
	<b>\$514,321</b>	<b>NR</b>
	-24.00	

**Receipts:**

**Reduction to IT Internal Service Fund**

Reduces receipts for IT Internal Service Fund to reflect reduction in requirements.

\$0 R  
(\$10,866,142) NR

**Reduction for EVAAS**

Reduces payments by the Department of Public Instruction by \$850,000 and redirects the funding to the Education Value Added Assessment System.

\$0 R  
(\$850,000) NR

**Reduction for CJLEADS**

Reduces payments by the Office of the State Controller to the Information Technology Fund by \$2,379,000, and redirects the funding to the Criminal Justice Law Enforcement Automated Data Services.

\$0 R  
(\$2,379,000) NR

**Subtotal Legislative Changes**

\$0 R  
(\$14,095,142) NR

**Revised Total Requirements**

**\$190,140,633**

**Revised Total Receipts**

**\$175,000,000**

**Change in Fund Balance**

**(\$15,140,633)**

**Total Positions**

**507.00**

**Ending Unreserved Fund Balance**

**\$19,502,488**