



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



Employment First State for Individuals with Disabilities

JOSH STEIN
GOVERNOR

KRISTIN WALKER
STATE BUDGET DIRECTOR

September 24, 2026

TO: Joint Legislative Commission on Governmental Operations

FROM: Kristin Walker *Kristin Walker*
State Budget Director

SUBJECT: Deviation Requests from the NC Department of Administration

Pursuant to G.S. 143C-6-4 (b1) prior consultation with the Joint Legislative Commission on Governmental Operations is required when an over-expenditure would cause a department's total requirements for a budget code to exceed the department's certified budget for a fiscal year for that budget code by more than three percent (3%) prior to authorizing the over-expenditure.

The Department of Administration (DOA) is requesting to deviate in its Special Revenue budget code 24102, Cooperative Rebate budget fund 204573, to support eight new receipt-supported positions within the Division of Purchase & Contracts (P&C). Under SL 2026-41, DOA is required to eliminate \$1,807,787 in appropriated positions. This request would transition P&C's funding structure by establishing receipt-supported positions to replace the eliminated appropriated positions, enabling the division to continue carrying out its existing mission and duties.

Please see the attached Deviation Exception Request Form for more details.

If you have questions or concerns, please contact DOA Budget Manager, Susan Bunn, at Susan.Bunn@doa.nc.gov or OSBM budget analyst, Alice Saunders, at Alice.Saunders@osbm.nc.gov.

CC: Jennifer Neisner, OSBM
Alice Saunders, OSBM
Prentice Hunt, DOA
Susan Bunn, DOA

REQUEST TO DEVIATE UNDER G.S. 143C-6-4(b)(3)(b1):

(b1) Consistent with G.S. 120-76.1(a)(1), if the overexpenditure would cause a department's total requirements for a budget code to exceed the department's certified budget for a fiscal year for that budget code by more than three percent (3%), the Director shall consult with the Joint Legislative Commission on Governmental Operations prior to authorizing the overexpenditure.

DEPARTMENT:	Department of Administration
FISCAL YEAR:	2026-2027
DATE:	22-Sep-26
BUDGET REVISION #:	12-0028

Budget Code	Certified Requirements	3% Deviation Threshold	Amount of the Overexpenditure Request	Amount the Request Exceeds the Deviation Threshold
24102	\$ 891,285.00	\$ 26,738.55	\$ 894,520.00	\$ 867,781.45
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -

JUSTIFICATION FOR REQUEST:

The Department of Administration (DOA) requests an \$894,520 increase to the Cooperative Rebate Fund budget to support new receipt-supported positions within the Division of Purchase & Contracts (P&C). This request would transition P&C's funding structure by establishing receipt-supported positions, enabling the division to continue carrying out its existing mission and duties.

Instructions: REQUEST TO DEVIATE UNDER G.S. 143C-6-4(b1)

1. Department

Enter the department/agency name.

2. Fiscal Year

Enter the current fiscal year.

3. Date

Enter the current date.

4. Budget Revision #

Enter the budget revision number for the overexpenditure request from the IBIS system.

5. Budget Code

Enter all agency budget codes for which the department/agency requests a deviation for overexpenditure.

6. Certified Requirements

Enter the current certified requirements for the budget code as reflected on the RK325 report.

7. 3% Deviation Threshold

This is calculated as 3% of the Certified Requirements. These figures will be calculated automatically for each budget code.

8. Amount of the Overexpenditure Request

Enter the amount of the overexpenditure request. This figure should represent the amount requested on the budget revision.

9. Amount Over Deviation Threshold

This is the total amount of the current request over the 3% threshold. This figure will be calculated automatically. If the figure is not greater than zero, no consultation is required.

10. Submit the completed form to your Budget Execution Analyst in the Office of State Budget and Management for consultation with the Joint Legislative Commission on Governmental Operations.