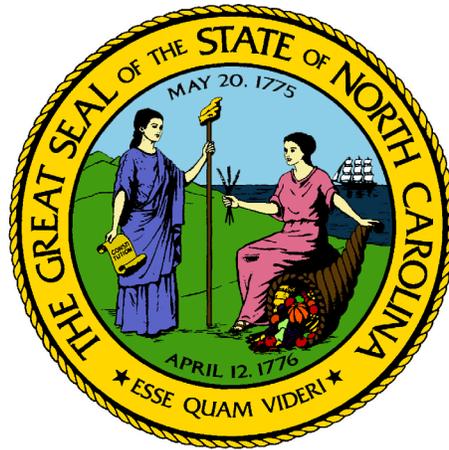


GOVERNOR COOPER'S
RECOMMENDED BUDGET
2023-25

NORTH CAROLINA
First in Opportunity



Governor Roy Cooper's Recommended Budget 2023-25



Office of State Budget and Management
Office of the Governor
Raleigh, North Carolina

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March 2023



Questions about Governor Cooper's Recommended Budget 2023-25 or requests for further information may be directed to the Office of State Budget and Management, 20320 Mail Service Center, Raleigh, NC 27699-0320, or telephone (984) 236-0600. The document may also be downloaded from the Office of State Budget and Management's website at osbm.nc.gov.

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STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR

ROY COOPER
GOVERNOR

March 15, 2023

The North Carolina Senate
The Honorable Phil Berger, President Pro Tempore

The Honorable Dan Blue, Democratic Leader

The North Carolina House of Representatives
The Honorable Tim Moore, Speaker

The Honorable Robert Reives, Democratic Leader

The People of North Carolina

Dear Mr. President, Mr. Speaker, Leaders, Members of the North Carolina General Assembly, and Fellow North Carolinians:

Our cooperative efforts have yielded some extraordinary results. We are the number one state in the U.S. to do business. We are the third-fastest growing state in the nation. We attract the most innovative and dynamic companies in the world to become North Carolinians too. With growth comes growing pains, and there remain too many families in North Carolina who are not sharing in our successes. To continue to be a place where people want to be, we must invest in our future – in our infrastructure, education system, healthcare, and most importantly, in our people.

Progress means investing in preparing our workforce, and ensuring healthy, livable communities with clean water, clean air, and great jobs. We start with access to affordable childcare so parents can pursue new careers, start new businesses, and grow their families. This budget recommends a historic investment in childcare to foster more affordable access for parents and to help young children learn the foundations of reading and math.

Our growing state must invest in K-12 teachers and school personnel, especially in the communities that need them most. This budget recommends an average 18% raise to attract and retain K-12 teachers and principals, which would bring our average teacher pay up to first in the Southeast.

This budget anticipates Medicaid expansion is effective June 1, 2023 to ensure we draw down the maximum amount of federal funds for the state and for our hospitals. This budget recommends using expansion proceeds to invest \$1 billion to address our mental health crisis. This investment will support our communities, our law enforcement, and our families.

Thank you for your hard work and dedication to North Carolina. Let's continue to cooperate on our shared goals so the doors of opportunity are wide open, bursting with possibility for all North Carolinians.

Sincerely,

A handwritten signature in black ink that reads "Roy Cooper".

Roy Cooper

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Governor Cooper's budget invests more than \$67 billion over the biennium while maintaining nearly \$7 billion in reserves and keeping taxes at record low rates. The budget focuses on priority areas of education, economic development and workforce, physical and behavioral health, and a government equipped to meet the needs of our growing state.

Creating More Opportunities for North Carolinians

Invests substantially in our children's future with a \$4.5 billion investment to ensure sound basic education. Includes funding for public schools, which will help hire more educators, nurses, counselors, social workers, school psychologists, and turnaround coaches. Invests in early education, including increases to Pre-K slots and reimbursement rates and expansion of Smart Start. Funds training, new teacher support, and loans for Teaching and Principal Fellows. Devotes \$408.7 million of the substantial investment to support students with disabilities and invests \$103.6 million to establish a pilot grant program for high poverty schools addressing out-of-school learning barriers.

Helps recruit and retain teachers with a \$1.8 billion investment, increasing teacher and school administrator salaries by 10% and 6% respectively in each year of the biennium and setting starting salaries to at least \$46,000. Ensures North Carolina's educators are no longer among lowest paid in the nation by providing an average pay increase of 18% to existing teachers during the biennium. Propels North Carolina to rank first among southeastern states on average teacher salary and second on starting teacher salary. Restores master's degree pay for teachers and social workers.

Provides \$500 million over the biennium for critical child care stabilization grants to help children grow and parents work. Invests \$200 million over the biennium as part of sound basic education in child care subsidy programs for child care centers and family child care homes in lower wealth counties.

Creates a Strategic WorkForce Investment Trust Fund (SWFT) to enhance labor supply and connect employers and employees. SWFT will support retraining and credentialing programs focused on high-need workforce areas investing \$121 million. Commits an additional \$145.9 million to programs at public and private institutions of higher learning to bolster high-need workforce programs. Invests an additional \$4.3 million dedicated to credentialing, internships, and pre-apprenticeships to strengthen the state's workforce. Funds \$160.8 million in increased rates for personal care services and skilled nursing facilities to attract more workers.

Supports proven economic development investments with \$100 million for megasite development. Provides an additional \$70 million in Sports and Entertainment Fund grants to local governments to upgrade venues and boost local economies by attracting more sports and entertainment events. Adds \$25 million each year of the biennium for downtown revitalization grants. Bolsters innovation in the state with a \$75.4 million invest over the biennium to expand One NC Small Business program and fund NCInnovation and the NC Defense Innovation Network.

Ensures North Carolina can access unprecedented federal funding opportunities with a \$225 million Federal Match Reserve investment, giving state agencies the ability to meet federal matching requirements in the multitude of programs from recent legislation, such as the Bipartisan Infrastructure Law, the CHIPS and Science Act, and the Inflation Reduction Act. Allows the state to participate in the paradigm shift created by these catalyzing federal bills and access an extraordinary amount of federal funds for infrastructure, research, climate initiatives, manufacturing, and STEM education. Positions our state to compete for hundreds of billions of dollars, bringing our share of taxpayer funds back to North Carolina.

Reduces unemployment insurance taxes on North Carolina employers by an estimated \$135 million in tax year 2024 and enhances unemployment insurance benefits duration and amount, while still ensuring that the North Carolina Unemployment Insurance Trust Fund continues to grow.

Building Healthy, Resilient Communities

Addresses mental health needs in our state with \$1.4 billion investment, including \$1 billion from the newly created Improving Health Outcomes for People Everywhere Fund (IHOPE). Utilizes IHOPE funds to improve access to services, including \$225 million to cover costs of inpatient and community behavioral health services, \$200 million to respond to behavioral health emergencies, \$175 million to integrate mental health in primary care practices and schools statewide, and \$150 million to behavioral health care within the justice system. Provides \$100 million to support children and their families in finding behavioral health assessment, treatment, and placement options. Funds \$5 million in operational support for mental health initiatives at our state's public higher education institutions.

Bolsters public safety and prevents violent crime with a total \$104.2 million investment over the biennium. Includes \$50 million for school safety grants and funding for North Carolina Emergency Management's School Safety Program. Provides \$10 million in grants to local law enforcement in Tier 1 and Tier 2 counties for body cameras and \$5 million for grants for community-based violence prevention programs. Commits \$13.2 million over the biennium to expand successful re-entry and community supervision. Adds \$7.6 million each year of the biennium to support violence and gang prevention strategies.

Devotes \$100 million to stabilize operations at threatened rural hospitals and introduce innovative technology to improve health outcomes for adults and children in rural areas.

Helps older North Carolinians in rural areas remain in their homes with \$34.8 million toward home improvements for aging in place. Provides additional \$25 million to create and preserve affordable housing for seniors.

Combats workforce housing challenges and tackles housing barriers for families, veterans, and people with disabilities by investing \$100 million in creating new and preserving existing affordable housing.

Supports preservation of natural areas and farmlands, adding \$20 million to the Agricultural Development and Farmland Preservation Trust Fund, \$30 million each to the Parks and Recreation Trust Fund and Land and Water Fund, \$25 million for the Great Trails program, and \$5 million for restoring peatland and pocosins ecosystems. Assists landowners with water quality, and agricultural, and forestry best practices through state cost share programs.

Invests nearly \$103 million across the biennium in resilience programs, including funds for controlled burns, dam overtopping studies, floodplain buyouts, and planning and flood risk reduction programs. Helps reduce flood risk, investing \$20 million for streamflow rehabilitation, \$43.5 million for state and local mitigation projects, \$5 million for flood risk reduction acquisition projects in the Land and Water Fund, and over \$2 million for the flood resiliency blueprint program.

Provides \$5.1 million to draw down federal funds for grid hardening and to study ways to improve substations resiliency.

Ensuring Excellent Services for North Carolinians

Provides a comprehensive compensation package to stem the loss of public service talent and ensure state agencies can compete for talent. Implements a 5% across the board cost-of-living increase for state employees, including receipt-supported state employees, in the first year of the biennium and another 3% increase in the second year. Ensures compensation fairness by providing agencies with the means to increase salary for receipt-supported General Fund positions similarly to their fellow state employees. Recommends an additional 1.5% increase for most employees in step plans. Provides \$250.9 million (3% of General Fund receipt and net-appropriation payroll) for Enhanced Labor Market Adjustment Reserve, giving agencies funds to increase salaries where needed most. Provides a one-time \$1,500 bonus to state employees earning less than \$75,000 and \$1,000 to those earning \$75,000 and above. Enhances state employee benefits by increasing the amount of vacation days for those with less than 20 years of service and turning longevity pay into retention pay with salary increases starting at two years of service.

Supports evidence-based policies with \$5 million across the biennium for evaluation and research grants for state agencies. Establishes 36 new Internal Auditor positions at state agencies. Also creates two roles to improve capacity to evaluate policies and programs and ensure taxpayer dollars are invested in programs that work.

Invests nearly \$100 million over the biennium in cyber and privacy security to safeguard the state's information technology systems. Ensures each agency has a Chief Information Security Officer and the tools to promote a safe operations environment enterprise wide by investing in network, data mapping, and identity security solutions. Reserves an additional \$180 million for critical replacement IT projects - chiefly ERP 2.0 composed of human capital management, budget, and grants systems, as well as a timely replacement of the state's tax administration system.

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Securing the State’s Human Capital

Recommendation

Addresses the major issues facing the state workforce: employee recruitment and retention, a competitive marketplace for labor, and loss in purchasing power. All state employees and state-funded local employees are provided with annual increases in each year of the biennium as well as a one-time bonus payment. Retirees are provided with both a recurring and a nonrecurring cost-of-living adjustment. In addition, employees are provided additional annual leave days earlier in their career and longevity pay is transitioned to retention pay to incentivize employees earlier in their careers to stay in state government public service.

Table 1: Allocation of Funds to Secure Our State’s Human Capital

	FY 2023-24	FY 2024-25
Employee Salary Increases	\$1,231,835,000 R	\$2,038,552,000 R
Most State-supported Employees (5% or 6.5% / 3%)	\$536,445,000 R	\$849,649,000 R
Receipt-supported Employees (5% / 3%)	\$36,557,000 R	\$59,584,000 R
Educators and School-based Administrators (10% / 6%) ¹	\$648,833,000 R	\$1,119,319,000 R
Master’s Pay for Educators	\$10,000,000 R	\$10,000,000 R
Competitive Marketplace for Labor	\$250,903,000 R	\$250,903,000 R
Enhanced Labor Market Adjustment Fund (3%)	\$250,903,000 R	\$250,903,000 R
Employee Retention	\$463,511,000 NR	
Retention Bonus (\$1,500 / \$1,000)	\$463,511,000 NR	
Retiree Cost of Living Adjustment	\$200,772,000	\$147,306,000
Recurring Increase (2%)	\$93,840,000 R	\$93,840,000 R
One-time Supplement (2% / 1%)	\$106,932,000 NR	\$53,466,000 NR
Sub Total	R \$1,576,578,000	\$2,383,295,000
	NR \$570,443,000	\$53,466,000
Grand Total	\$2,147,021,000	\$2,436,761,000

Statement of Need

While much has returned to normal following the COVID-19 pandemic, private and public sector employers continue to face worker shortages. North Carolina state government faces a competitive job market, leading to high turnover and difficulty finding qualified candidates. Though inflation has moderated, the state’s workforce continues to struggle with decreased purchasing power.

- In 2022, the turnover rate for state agencies was 16.8%.² Turnover for first year state employees exceeded 36%. The average vacancy rate at state agencies in December 2022 was 23.4%. In 2019, before the pandemic, turnover was 12.3% and the December vacancy rate was 12.5%. The vacancy rate for teachers at the start of the 2022-2023 school year was 5.89%.
- State employee salaries have not been keeping up with inflation since the end of the Great Recession in 2010. The average salary of most state employees has risen 20% since 2010, while

¹ Educators includes Teachers and Instructional Support Personnel

² Turnover defined as separating from a state agency for any reason, including retirement. Transfers between state agencies do not count toward turnover.

price levels measured by the Consumer Price Index (CPI) rose 38.3% during that time, noticeably eroding state employees' purchasing power.^{3,4}

- The Consumer Price Index for the southern region of the US is up 6.9% over the past year.⁵
- The hiring rate, which describes the number of monthly hires as a percent of total employment, for state and local government was 1.9% in December 2022; the private sector rate was 4.4%.⁶
- A national survey released January 27, 2022, found that 52% of state and local workers were considering changing jobs, retiring, or leaving the workforce.⁷

Recommendation Detail

Employee Purchasing Power

- **Compensation Increase for Most State-supported Employees:** Funds a 5% across-the-board salary increase in FY 2023-24 and an additional 3% increase in FY 2024-25 for net appropriation-supported state employees and state-funded local employees. This includes employees of state agencies, the University of North Carolina (UNC) system, state-funded local community college employees, and state-funded non-certified and central office personnel within public schools (teachers and principals increases are described below). In most cases, if employees' salaries are set in law, they are on a step plan, or are otherwise ineligible for Enhanced Labor Market Adjustment Reserve (ELMAR) funds, they will receive an additional 1.5% increase in FY 2023-24. This includes correctional officers, law enforcement officers, and public school central office and non-certified personnel.
- **Receipt-Supported Cost-of-Living Adjustment Reserve:** Provides 5% of receipt-supported General Fund salaries in FY 2023-24 and an additional 3% in FY 2024-25 to support increases for receipt-supported state employees, including employees of state agencies and the University of North Carolina (UNC) system. When compensation increases are authorized for net appropriation-supported employees, agencies must use receipts to give equivalent raises for receipt-supported employees, which is often burdensome to operations. These funds may be used to fundshift positions to net appropriation, freeing up receipts and allowing agencies to use those funds for increases to receipt-supported positions.
- **Educator and School-Based Administrator Compensation Increase:** Adjusts the teacher salary schedule to ensure all educators receive at least a 10% increase in the first year of the biennium and an additional 6% in the second year. Increases include state agency teachers who are paid in accordance with the teacher salary schedule. The proposed teacher salary schedule minimizes plateaus for veteran teachers and increases starting pay to \$46,000. Assistant principal compensation is tied to the teacher salary schedule: their salaries increase accordingly. Principals will receive a 10% increase in FY 2023-24 and 6% in FY 2024-25. The recommended FY 2023-25 teacher salary schedule is provided in Appendix 1 at the end of this summary.
- **Educator Master's Pay:** Provides \$10 million to reinstate master's pay for educators who have or obtain a relevant master's degree.

³ [Bureau of Labor Statistics](#)

⁴ Percentage pay for state employees in years with flat-rate bonuses derived by dividing by the average state employee salary in that year.

⁵ [Bureau of Labor Statistics](#)

⁶ [Bureau of Labor Statistics](#)

⁷ [Mission Square Research Institute](#)

Competitive Marketplace for Labor

- **Enhanced Labor Market Adjustment Reserve:** Provides 3% of both net-appropriation and receipt supported payroll for positions in the General Fund to allow agencies, including state agencies, the UNC system, and community colleges, to address specific labor market concerns unique to their staffing needs. Agencies can use these funds to address turnover, equity, and compression, and to adjust salaries to better compete for and retain talent.

Employee Retention

- **Retention Bonuses:** Provides bonuses in FY 2023-24 to all state employees and state-funded local employees regardless of funding source. These funds will be used to provide a \$1,500 bonus to employees making less than \$75,000 per year and a \$1,000 bonus to all state employees making more than \$75,000 per year. The bonus will be paid in two equal installments, the first in October 2023 to employees continuously employed since July 1, 2023, and the second in April 2024 to employees continuously employed since October 1, 2023.
- **Annual Leave:** Increases annual leave days for employees earlier in their career.

Table 2: Proposed Changes to Annual Leave

Years of Total State Service	Current Days / Year	Proposed Days / Year
Less than 1 year	14	15
1 but less than 5 years	14	17
5 but less than 10 years	17	20
10 but less than 15 years	20	22
15 but less than 20 years	23	24
20 but less than 25 years	26	26

- **Retention Pay:** Transitions longevity pay to retention pay and begins payments at two years of service instead of the current 10 years of service in recognition of high turnover rates in the first few years of service.

Table 3: Retention Pay Proposal

Years of Total State Service	Current Longevity Pay	Proposed Retention Pay
2 but less than 5 years	0%	1%
5 but less than 10 years	0%	1.5%
10 but less than 15 years	1.5%	2.0%
15 but less than 20 years	2.25%	2.5%
20 but less than 25 years	3.25%	3.5%
25 or more years	4.5%	4.5%

Expected Impact

These proposals address the multifaceted problem of personnel recruitment and retention in state government, helping deliver safe, effective, and efficient programs and services to North Carolinians. The proposed changes will support the state's workforce by offering targeted increases in compensation and benefits. Expected impacts include:

- Provide over 320,000 employees with a minimum of an 8% total compensation increase over the biennium, helping keep talent, recruit new applicants, and address declining purchasing power.

- Give agencies flexible ELMAR funds to target compensation increases where they are most needed. Agencies will be able to raise the wages of experienced staff to prevent the loss of valuable experience. They will also be able to raise the salary offerings of open positions to attract talent. As of October 30, 2022, 7,319 employees across 371 different job classifications received a salary increase from ELMAR funds granted in SL 2022-74.⁸ More time is needed to accumulate enough data to monitor changes in hiring and retention trends due to ELMAR; based on available evidence from the wider research literature,⁹ it is still expected that ELMAR adjustments will meaningfully increase hiring and retention.
- Increase retention by rewarding employees who remain with their current employer.
- Increase recruitment through higher starting salaries and retention of experienced educators by investing in veteran educator salaries and removing plateaus in the educator salary schedule.
- Improve ability to manage receipt-supported operations.

⁸ NC OSHR (Oct 28, 2022), "Labor Market Adjustment Reserve" (report to the Fiscal Research Division).

⁹ See e.g. Lakhani, Hyder (1988), "The Effect of Pay and Retention Bonuses on Quit Rates in the U.S. Army." *ILR Review* 41 (3): 430–38 (finding salary increases and bonuses decreased quit rates of both combat and noncombat soldiers); Wilson et al. (2010), "Police recruitment and retention for the new millennium." U.S. Department of Justice, Office of Community Oriented Policing Services; Glazerman et al. (2013), "Transfer incentives for high-performing teachers: Final results from a multisite experiment (NCEE 2014-4003)." National Center for Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education, Washington, D.C (2013); Stolte & Myers (1995), "Reflections on recruitment and retention and the unit level." *Health Care Supervisor*, 13(3): 36-44.

Appendix 1: Annual Statewide Teacher Salary Schedule Comparison

Years of Exp.	Current FY 2022-23	Recommended FY2023-24	Recommended FY2024-25
0	37,000	41,000	46,000
1	38,000	42,000	46,850
2	39,000	43,000	47,700
3	40,000	44,000	48,550
4	41,000	45,000	49,400
5	42,000	46,000	50,250
6	43,000	47,000	51,100
7	44,000	48,000	51,950
8	45,000	49,000	52,800
9	46,000	50,000	53,650
10	47,000	51,000	54,500
11	48,000	52,000	55,350
12	49,000	53,000	56,200
13	50,000	54,000	57,050
14	51,000	55,000	57,900
15	52,000	56,100	58,750
16	52,000	57,200	59,500
17	52,000	57,200	60,700
18	52,000	57,200	60,700
19	52,000	57,900	60,700
20	52,000	57,900	61,350
21	52,000	57,900	61,350
22	52,000	58,500	61,350
23	52,000	58,500	62,000
24	52,000	58,500	62,000
25	54,000	59,400	62,000
26	54,000	59,400	62,950
27	54,000	59,400	62,950
28	54,000	60,000	62,950
29	54,000	60,000	63,700
30+	54,000	60,000	63,700

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Ensuring a Sound Basic Education

The North Carolina Supreme Court, in its landmark *Leandro v. State of North Carolina* decision, affirmed the fundamental right of every child to access a sound basic education. The Courts also ruled that North Carolina was not meeting this constitutional requirement.

The Governor is committed to pursuing the policy and programmatic changes outlined in the Comprehensive Remedial Plan (CRP) and to providing the resources necessary to achieve the Plan's actions over the next biennium and in future fiscal years.

Recommendation

Provides \$4.5 billion to ensure all of North Carolina's children have access to a sound basic education by setting aside \$677.8 million to meet the court order to implement the actions in Year Two and Year Three, setting Year Three of the CRP as the budget baseline, and then fully funding Years Four and Five. Of these funds, \$2.5 billion provides fair and equitable distribution of financial resources; \$943.5 million expands access to high-quality early childhood education for children from birth to age five; \$170.5 million develops a skilled educator pipeline and builds educator and principal capacity; \$141.4 million supports low-performing schools and districts; and \$102.0 million creates a guided pathway from high school to postsecondary education and career opportunities.

The Governor's Recommended Budget includes an additional \$1.8 billion to help recruit and retain high-quality teachers and administrators. The budget sets starting teacher salaries to at least \$46,000 and increases teacher and school-based administrator salaries by 10% in FY 2023-24 and an additional 6% in FY 2024-25.

Table 1: Allocation of Funds to Support Sound Basic Education¹

	FY2023-24	FY2024-25
High Quality Teachers		
Teacher Compensation Program Consultant	\$200,000	\$200,000
Student Recruitment Programs	\$300,000	\$300,000
Teacher Residencies for High-Need Districts	\$10,000,000	\$15,000,000
Office of Equity Affairs	\$ 400,000	\$400,000
Advanced Teaching Roles Program	\$5,760,000	\$7,260,000
National Board Certification	\$1,900,000	\$1,900,000
Recruitment Bonuses for Low Wealth and High Needs Schools	\$4,700,000	\$7,700,000
Teaching Fellows Program	\$11,300,000	\$19,900,000
Grow Your Own Teacher Recruitment Programs	\$3,000,000	\$4,500,000
NC New Teacher Support Program	\$16,100,000	\$27,200,000
NC Principal Fellows	\$13,200,000	\$13,200,000
College Advising Corps	\$3,000,000	\$3,000,000
Sub Total R	\$69,860,000	\$100,560,000

¹ Does not include the \$677.8 million set aside to meet the court order for CRP Years Two and Three.

Finance System

Children with Disabilities Funding Cap and Funding	\$155,224,273	\$253,524,273
Disadvantaged Student Supplemental Funding	\$288,600,000	\$507,200,000
Low-Wealth Schools Funding	\$68,500,000	\$97,100,000
Limited English Proficiency Funding Cap and Funding	\$60,200,000	\$100,500,000
Professional Development	\$47,200,000	\$74,400,000
Teaching Assistant Formula and Funding	\$67,500,000	\$105,100,000
Classroom Supplies and Textbooks	\$22,900,000	\$47,900,000
Assistant Principal Allotment	\$6,200,000	\$12,400,000
Central Office Staff Allotment	\$3,722,002	\$15,522,002
Specialized Instructional Support Personnel	\$190,548,449	\$323,248,449
Principal and Assistant Principal Pay	\$4,964,055	\$4,964,055
Sub Total R	\$915,558,779	\$1,541,858,779

Assistance and Turnaround

District and Regional Support Model	\$11,000,000	\$19,000,000
Community Schools	\$44,866,904	\$58,763,733
Reduced-Price Lunch Co-Pays	\$3,900,000	\$3,900,000
Sub Total R	\$59,766,904	\$81,663,733

Early Childhood Learning Opportunities

NC Pre-K	\$108,300,000	\$199,500,000
Early Intervention	\$15,250,000	\$74,500,000
Birth – Age 3 Early Learning Pilot and Evaluation	\$24,300,000	\$20,000,000
	\$250,00 NR	\$250,000 NR
Smart Start and Child Care Subsidy Rate Floor	\$122,400,000	\$224,800,000
Family Connects Expansion	\$26,200,000	\$52,400,000
Child Care WAGES	\$27,500,000	\$29,000,000
Child Care Workforce Recruitment	\$2,800,000	\$4,300,000
Pre-K to K Transitions	\$5,000,000	\$5,000,000
Collaborative Family Engagement Plans	\$320,000	\$320,000
Early Childhood Data Systems and Technical Assistance	\$1,150,000	\$1,400,000
	\$500,000 NR	
Sub Total R	\$333,220,000	\$611,220,000
NR	\$750,000	\$250,000

Postsecondary and Career Alignment

Revise Funding Approach for NC Virtual Public School	\$6,700,000	\$10,000,000
Career and Technical Education Credentials	\$2,500,000	\$4,800,000
Career Development Coordinators in Grades 6-12	\$29,300,000	\$48,700,000
Sub Total R	\$38,500,000	\$63,500,000

Total R	\$1,416,905,683	\$2,398,802,512
Total NR	\$750,000	\$250,000
Grant Total	\$1,417,655,683	\$2,399,052,512

Statement of Need

- The constitutional mandate to provide a sound basic education requires stable, recurring state funding. The Governor’s FY 2023-25 Recommended Budget uses General Fund, Lottery receipts, and Medicaid Expansion Bonus funds to fully fund Years Four and Five of the CRP.
- The CRP outlines the actions the state must take to meet its constitutional obligation of ensuring every student has access to a sound basic education. The plan outlines the minimum requirements to meet this obligation over eight years and is informed by extensive research by the Governor’s Commission on Access to Sound Basic Education and the Court’s independent consultant, WestEd. The plan is the most deliberate, research-based proposal ever put forth to satisfy North Carolina’s constitutional and moral obligation to its children.
- The number of teachers employed in North Carolina declined by 5% from 2009 to 2018, even as student enrollment increased. The number of teacher credentials issued between 2011 and 2016 declined by 30%, and annual teacher attrition is higher in North Carolina than the national average. North Carolina competes with both other states and private industry for the teacher workforce. As the educator workforce shrinks, teacher shortages are widespread, especially for teachers of exceptional children, elementary school students, math, and Career and Technical Education.²
- Insufficient reimbursement rates, rising startup and operating costs, and recruitment and retention of qualified teachers are key obstacles to NC Pre-K expansion, which served only 52% of eligible children in 2018.³
- High-quality, affordable child care helps children learn and grow and allows parents to work, but the state’s early childhood systems only have capacity to serve 27% of North Carolina’s children with working parents.⁴

Recommendation Detail

- Fully funds all years of the CRP through Year Five.
- Removes funding caps and increases funding by \$1.53 billion for the Children with Disabilities, Disadvantaged Student Supplemental Fund, and Limited English Proficiency allotments to ensure adequate supplemental funding to school districts to address the needs of at-risk students receiving supplementary funding and the higher costs of serving specific populations.
- Invests \$943.5 million in early childhood education, including support to strengthen the pipeline of early childhood educators.
- Invests \$513.8 million so that schools can hire nurses, counselors, social workers, and school psychologists to meet the physical and mental health needs of their students.
- Provides for additional teacher assistants in K-3 classrooms by increasing the allotment to school districts by \$172.6 million.
- Expands learning opportunities for teachers and school administrators by investing \$121.6 million in professional development.
- Invests \$103.6 million for schools to adopt a Community Schools model to address out-of-school barriers to learning.

² WestEd. “[Sound Basic Education for All: An Action Plan for North Carolina.](#)”

³ National Institute for Early Education Research. “[Barriers to Expansion of NC Pre-K: Problems and Potential Solutions.](#)”

⁴ Child Care Services Association “[2021-2022 North Carolina Infant-Toddler Child Care Landscape Study.](#)”

- Increases the pipeline of diverse, well-prepared teachers by investing \$31.2 million to expand Teaching Fellows eligibility to include any State Board of Education-approved educator preparation program, broaden eligible certification areas, extend the reduced payback period to Fellows who teach in high-poverty schools, improve opportunities for talented minority candidates, and expand program support and enhancement.
- Expands support for low-performing schools by investing \$30.0 million in the District and Regional Support structure.
- Invests \$3.9 million in each year of the biennium to offset the co-pays for students eligible for reduced-price lunches in schools participating in National School Lunch Program and launches a pilot program to expand access to no-cost school meals for more students.

Expected Impact

Investments in these priorities are expected to have the following impacts:

- Meet the constitutional mandate to provide all children with access to a sound basic education.
- Recruit and retain qualified teachers by providing at least a 16.6% teacher pay raise over the biennium and increasing the starting salary to \$46,000.
- Attract more people to the teaching profession by supporting up to 2,380 additional Teaching Fellows with forgivable loans.
- Support K-3 students by reducing the ratio of teacher assistants to students to 1:31 in FY 2023-24 and 1:29 in FY 2024-25.
- Support teachers of color and rural teachers seeking National Board certification through a training cohort and pay certification costs for up to 1,000 teachers annually.
- Provide up to 97,500 students with no-cost school meals.
- Support mental health by building a pipeline of 115 school psychologist interns, hiring 1,000 new nurses and social workers, and attracting and retaining social workers who can provide higher level services by providing master's degree pay.
- Enable the Department of Public Instruction to better support low-performing schools by immediately hiring 17 principal turnaround coaches and significantly expanding the District and Regional Support structure over the biennium.
- Support NC Pre-K providers in every county by increasing NC Pre-K reimbursement rates by as much as 50% and administrative reimbursement rates from 6% to 10% to allow providers to add 5,000 or more new slots.
- Allow Smart Start to expand evidence-based services in communities statewide and improve pay for early childhood educators by expanding the Child Care WAGES program statewide.
- Strengthen the Early Intervention program with increased staffing and professional development and expand eligibility to serve an additional 10,000 children per year. NC Early Intervention Infant-Toddler Program serves more than 18,000 North Carolina infants and toddlers with developmental delays and other medical needs that may impede their education, which helps prevent more severe delays and more costly interventions later in school.

Prioritizing North Carolinians’ Mental Health

Recommendation

Invests \$1.4 billion to provide critical mental health services across the state. Investments will support the expansion of evidence-based behavioral health programs statewide, address the behavioral health workforce shortage, and ensure that youth and adults can access the care they need to thrive. Funds will also support community-based services and mental health initiatives for K-12 and higher education students.

Table 1: Allocation of Funds for Prioritizing Mental Health

	Agency	FY 2023-24	FY 2024-25
IHOPE Fund	HHS	\$1,000,000,000 NR	
988 Suicide & Crisis Lifeline	HHS	\$325,000 R	\$1,300,000 R
Crisis Stabilization Facility	HHS	\$1,694,596 R	\$3,936,499 R
NC Psychiatric Access Line	HHS	\$1,850,000 R	\$1,950,000 R
School Behavioral Health	HHS	\$3,100,000 R	\$2,800,000 R
Local Mental Health Support for First Responders	DPS	\$694,200 R	\$694,200 R
Juvenile Justice Residential Crisis Unit	DPS	\$4,004,124 R	\$4,004,124 R
		\$1,000,000 NR	
Instructional Support Personnel ¹	DPI	\$134,300,00 R	\$267,000,000 R
Mental Health Support Hotline	UNC		\$296,000 R
Operational Support for Mental Health Initiatives	UNC/ NCCCS /NCICU	\$5,000,000 NR	
UNCSA Mental and Physical Health Support	UNC	\$750,000 R	\$750,000 R
	Sub Total	R \$146,717,920	\$ 282,730,823
		NR \$5,100,000	\$0
	Grand Total	\$ 1,151,817,920	\$ 282,730,823

Statement of Need

Invests funds to strengthen support for mental health professionals across the state and expand treatment to ensure that all North Carolinians, including higher-need populations such as young adults, justice-involved individuals, and individuals with mental illness, can access the supports they need.

- In 2022, nearly one in five adults in North Carolina lived with a mental illness. Of those with a mental illness, 51% were untreated and 26% reported that their mental health needs were unmet. Meanwhile, only 61% of North Carolina youth with major depressive disorder received treatment.²

¹ Funding for Instructional Support Personnel will support school nurse and social worker positions in high-need schools, an internship program for school psychologists, master’s pay for social workers, and increases in the allotment to school districts for school counselors, nurses, social workers, and psychologists.

² Mental Health America, [2023 Rankings](#)

- All justice-involved youth assigned to Youth Development Centers carried at least one mental health diagnosis in 2021. Eighty percent of youth had more than one diagnosis, while 51% had at least one substance use diagnosis.³
- Data from the most recent Youth Risk Behavior Survey shows that a growing proportion of North Carolina’s students experienced mental health challenges in 2021. Forty-nine percent of high school students felt good about themselves, down from 68% in 2017. Thirty-five percent of middle school students felt sad or hopeless, up from 25% in 2017. Twenty-two percent of high school students seriously considered attempting suicide, up from 16% in 2017. Twenty-four percent of high school students did not eat breakfast, up from 14% in 2017.⁴
- A 2021 UNC-Chapel Hill study found that the number of first-year students reporting moderate to severe anxiety rose 40% during the pandemic, while reports of moderate to severe depression rose 48%.⁵

Recommendation Detail

Department of Health and Human Services

IHOPE (Improving Health Outcomes for People Everywhere) Fund

Leverages \$1 billion of the state’s American Rescue Plan Medicaid Expansion bonus dollars to improve behavioral health and draw down federal receipts where possible. Funds will be used to expand access to care, increase the number of providers, and improve critical infrastructure.

Behavioral Health Rates – Invests \$75 million per year over the next three years in state funding, \$225 million total, to increase rates for inpatient and community behavioral health services. Funding will be used to draw down federal match and ensure that Medicaid reimbursement rates reflect the actual cost of providing care.

Behavioral Health Crisis System – Provides \$200 million to expand access to critical supports including mobile crisis and non-emergency department crisis treatment, as well as community-based supportive housing. Funds will also support a statewide involuntary commitment transportation program.

Community and School-Based Behavioral Health Investments – Invests \$175 million for startup costs for primary care practices to adopt the evidence-based Collaborative Care model and support the expansion of Certified Community Behavioral Health Clinics. Funding will also expand youth behavioral health supports in schools and extend mental health education to the public. Funds will also support a targeted clinical loan forgiveness program, and specialty treatment training for behavioral health providers.

Psychiatric Facility Capacity Improvement – Invests \$100 million to increase step-down funding and placements for state psychiatric hospital patients. Funds will also be used to raise salaries and offer loan forgiveness to the state facility workforce, as well as invest in critical infrastructure.

³ [NCDPS Department of Juvenile Justice and Delinquency Prevention Annual Report](#)

⁴ [December 2022 Youth Risk Behavior Survey presentation to Child Fatality Task Force](#)

⁵ [Pandemic Worsens Depression, Anxiety Among First-Year College Students - UNC Research](#)

Behavioral Health and Justice Systems Integration – Provides \$150 million to cover start-up costs for county-based pre-arrest diversion and re-entry programs and expands non-hospital capacity restoration programs. These programs provide supports and access to care for criminal defendants who are deemed Incapable of trial so that they can more quickly get through the court system. Funds will also support statewide judicial diversion and mental health treatment education and training.

Data and Technology for Health Outcomes Provides \$50 million for provider start-up costs to launch telehealth programs, expanding access to behavioral health treatment in underserved area in the state. Funds will also allow under-resourced providers to transition to electronic health records and be used to streamline the department’s online centralized behavioral health bed registry.

Child Welfare and Family Well-Being Transformation – Invests \$100 million to expand behavioral health assessment and treatment services including new specialty treatment programs and support for families in recovery to keep children at home. This funding also creates respite services and safer placement options for children with complex needs.

988 Suicide & Crisis Lifeline – Invests \$325,000 in FY 2023-24 and \$1.3 million in FY 2024-25 to support 988 Crisis Helpline Call Center staff currently funded by a Substance Abuse and Mental Health Services Administration (SAMHSA) grant that will end April 2024. The staff are required to meet the increased call volume following the implementation of the helpline.

Crisis Stabilization Facility – Invests \$1.6 million in FY 2023-24 and \$3.9 million in FY 2024-25 to address the needs of children who are currently boarded in emergency departments by investing funds to increase the number of crisis stabilization beds at facilities statewide.

NC Psychiatric Access Line – Provides \$1.8 million in FY 2023-24 and \$1.9 million in FY 2024-25 to increase capacity for the NC Psychiatric Access Line (NC PAL) through an existing contract with Duke University. NC PAL offers consultation and education on the diagnosis, management, and appropriate treatment of patients with behavioral health concerns to providers in all 100 counties.

School Behavioral Health Package - Invests over \$3.1 million to expand evidence-based behavioral health supports and services for children in schools, including telehealth resources and sustaining Project AWARE/ACTIVATE. Funds will be used to pilot telehealth technology in schools across the state, and sustain NC Project AWARE/ACTIVATE, increasing access to mental health care services and ensuring that high-risk youth receive the care they need.

Department of Public Safety

Local Mental Health Support for First Responders - Includes \$700,000 to expand the Responder Assistance Initiative (RAI) to local first responders. RAI will provide a common entry point to connect first responders with peer support, consultation, and comprehensive behavioral health resources.

Juvenile Justice Residential Crisis Unit - Provides \$4 million recurring and \$100,000 nonrecurring for operating and start-up costs for a crisis unit serving juvenile justice youth with mental and physical health concerns at the C.A. Dillon Detention Center. This unit addresses an increase in behavioral and physical health concerns since the implementation of Raise the Age.

Department of Public Instruction

Instructional Support Personnel – Provides \$134.3 million in FY 2023-24 and \$267 million in FY 2024-25 for Specialized Instructional Support Personnel (SISP), including school counselors, nurses, social workers, and psychologists, to support student mental and physical health. Funds provided for SISP will support the programs described below, as well as increases in the SISP position allotment that allows school districts to flexibly hire SISP staff to best meet student needs.

School Nurse and Social Worker Positions - Provides \$108 million in FY 2023-24 and \$116.6 million in FY 2024-25 to hire a school nurse or social worker in every Tier 1 and Tier 2 county school that does not currently employ one. The program will ensure that every school building has a nurse or social worker onsite to meet students' mental and physical health needs.

School Psychologist Internship Program - Invests \$5.4 million in FY 2023-24 and \$5.8 million in FY 2024-25 to fund 115 year-long school psychologist internship positions at a starting teacher salary. The program will provide stipends for students in school psychology preparation programs to conduct their required third-year internships in public schools, growing a pipeline of qualified school psychologists in currently underserved school districts.

Social Worker Pay Increases - Provides \$7.5 million each year for school districts to pay social workers on the master's degree salary schedule. Competitive salaries for school social workers will help districts recruit and retain qualified candidates to fill critical vacancies.

UNC/Community Colleges

Mental Health Hotline – Invests \$296,000 to continue the contract with the UNC System's 24/7 telephonic mental health support hotline available across all UNC System institutions.

Operational Support for Mental Health Initiatives – Invests \$5 million to support staff and ongoing Mental Health First Aid, suicide prevention, resilience training, and other efforts across the UNC System, North Carolina Community College System, and member institutions of the North Carolina Independent Colleges and Universities.

UNC School of the Arts Mental and Physical Health Support – Invests \$1.5 million for the UNC School of the Arts to bolster its student mental and physical health care support staff and services.

Expected Impact

- Ensure the 300 beds in state run inpatient psychiatric facilities that are currently unused due to staffing shortages become operable.
- Increase the number of mobile crisis teams to ensure immediate on-site support to individuals experiencing a behavioral health crisis in all 100 counties.
- Expand access to approximately 10,000 students in districts without school-based behavioral health programs by funding telehealth pilots and technical assistance.
- Provide emergency, short-term shelter and therapeutic services, including rapid assessments, for up to 600 youth per year.
- Expand the availability of mental health support to local first responders.

- Increase the availability and accessibility of services the Division of Juvenile Justice provides to justice-involved youth experiencing a mental health crisis.
- Fund up to 1,000 new nurse and social worker positions plus 115 school psychologist interns for K-12 schools.
- Extend the After Hours Telephonic Behavioral Health Service, a hotline that fields over 250 calls a month from students across the UNC System.
- Extend the behavioral resilience training program at UNC, with the goal of producing an estimated 72 instructors who will deliver the training to students across the UNC system.
- Extend the suicide prevention initiative for 3,500 UNC, NCCCS, and independent college and university faculty, staff, and students to complete the training program.

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Meeting North Carolina’s Workforce Needs

Recommendation

Provides \$554.3 million in FY 2023-24 and \$645.3 million FY 2024-25 to address North Carolina’s workforce needs, with an emphasis on investing in successful workforce development programs and pilots, expanding high-need workforce training programs, retaining community college faculty to provide workforce training, and permanently increasing direct care workforce wages. These investments are funded through a combination of General Fund net appropriation, the new Strategic Workforce Investment Trust Fund (SWFT) within the Department of Commerce Division of Employment Security (DES), and transfers from the Savings Reserve.

Table 1: Allocation of Funds for Workforce Needs

	FY 2023-24	FY 2024-25
On-the-Job Training and Credentialling	\$160,000 R	\$25,160,000 R
	\$13,100,000 NR	\$0 NR
Child Care Access and Affordability for Working Parents	\$100,000,000 R	\$100,000,000 R
	\$211,000,000 NR	\$300,000,000 NR
Hard to Staff Industry Supports	\$107,900,000 R	\$109,400,000 R
High-Demand Workforce Supports	\$77,100,000 R	\$106,000,000 R
	\$45,000,000 NR	\$4,700,000 NR
Sub Total	R \$285,160,000	\$340,560,000
	NR \$269,100,000	\$304,700,000
Grand Total	\$ 554,260,000	\$ 645,260,000

Statement of Need

Over the coming decades, North Carolina must navigate both shifting demographics and evolving business needs that will impact the state’s workforce. Impacts of some of these changes, such as an increasing number of retirees and fewer working-age adults, are already being felt. The most immediate issues include:

- Growth in computer and math, healthcare support, and personal care support occupations are projected to grow at 1.4%, 1.4%, and 1.3% respectively between 2018 and 2028, more than double the statewide growth 0.6% across all occupations.¹
- Over half of the respondents to the February 2023 NC Business Pulse Survey had concerns about adequate staffing levels, and 25% believe their ability to find qualified workers will be harder six months from now. Most – 66% – believe their ability to find qualified workers in six months will not improve.²
- North Carolina’s 2021 women’s labor force participation rate remains 1.9% below its pre-pandemic high in 2019, and child care issues were cited by almost half of workers with children younger than 18 as a reason for leaving a job, according to a 2021 Pew survey.^{3,4}

¹ NC Department of Commerce, Employment Projections.

https://tools.nccareers.org/employmentprojections/occupation_employment_projections.html

² NC Department of Commerce, Labor & Economic Analysis Division. North Carolina Business Pulse Survey, February 2023.

<https://analytics.nccommerce.com/pulse-survey/>

³ U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, 2021 and 2019 annual averages

⁴ <https://www.pewresearch.org/fact-tank/2022/03/09/majority-of-workers-who-quit-a-job-in-2021-cite-low-pay-no-opportunities-for-advancement-feeling-disrespected/>

- Due to systemic discrimination, marginalized populations face a much higher unemployment rate than average and thus need greater support. For example, in January 2023, the national unemployment rate was 3.4% while the African American unemployment rate was 5.6%, the Hispanic or Latino rate was 5.5%, and the rate for individuals with a disability was 7.1%.⁵
- In North Carolina, and nationwide, there are longstanding concerns about the shortage of healthcare professionals, especially in nursing. North Carolina is projected to face a shortage of 12,500 Registered Nurses and over 5,000 Licensed Practical Nurses by 2033.⁶ Burnout from the pandemic, an aging workforce, and challenging working environments exacerbate the shortage of bedside nurses.⁷
- North Carolina needs two million adults ages 25-44 with a degree or industry credential to meet employer demand. “As of 2022, the state has an estimated 1,555,543 adults (ages 25-44) with a degree or industry-valued credential...31,000 short of where the state needs to be, at this time” to meet its goal.⁸

Tackling these issues will help North Carolinians return to work, secure well-paying jobs, and ensure employers can find the skilled workers they need to succeed.

Recommendation Detail

Addresses critical workforce development and stabilization needs across the state by funding new and existing programs at state agencies and nonprofit entities, including the Department of Commerce, Department of Health and Human Services (HHS), North Carolina Community College System (NCCCS), the University of North Carolina (UNC), North Carolina Business Committee for Education, and North Carolina Independent Colleges and Universities. These investments bolster job training, better target priority populations, and support hard-to-staff industries.

On the Job Training and Credentialing

Workforce Development and On-the-Job Training: Provides \$15 million in recurring funding from SWFT to fund competitive grants to workforce development boards to support employers hiring, training, and retaining employees. Funding will be used to support outreach, work-based learning, on-the job training, or employer engagement activities. To receive these funds, workforce development boards must address how they plan to target outreach to priority populations, including: jobseekers in rural and underserved communities, military veterans and spouses, seasoned workers, reentry and justice-involved individuals, people of color, recipients of public assistance, limited English proficiency jobseekers, and individuals with disabilities. In addition, this investment provides \$4 million to the North Carolina Business Committee on Education for a three-year Rural Works pilot. This program will expand on the successful Surry-Yadkin Works program, providing work-based learning opportunities like internships and pre-apprenticeships from middle school through high schools, in five pilot counties.

Short-Term Workforce Credentials and Credentialing support: Provides \$9.1 million one-time funding in FY 2023-24 and \$10 million recurring from SWFT in FY 2024-25 for assistance grants for Short-Term Workforce Credentials at community colleges. This supports the unemployed individuals and those looking to re-train to earn new, high-quality credentials quickly and enter the workforce more rapidly. This program is currently funded by federal funds, which end in September 2023. To ensure credentials

⁵ U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/categories/32447>, March 7, 2023.

⁶ NC Nursecast – North Carolina Nursing Supply & Demand Model. <https://ncnursecast.unc.edu/key-findings/>.

⁷ <https://www.northcarolinahealthnews.org/2022/03/02/within-a-decade-nc-could-see-nursing-shortage-of-more-than-21000/>.

⁸ My Future NC. Press Release. <https://www.myfuturenc.org/news/myfuturenc-releases-2022-county-attainment-profiles/>

are high-quality and add value to recipients, this investment includes a position within the Division of Workforce Solutions at the Department of Commerce to support the North Carolina Workforce Credentials Advisory Council, which will manage the process needed to approve industry recognized credentials and certifications.

Child Care Access and Affordability for Working Parents

Child Care Stabilization Grants, Child Care Subsidy Rates, and Increased Supply of Child Care for Working Parents:

Utilizes a portion of the overfunded Savings Reserve to invest \$500 million over the biennium to stabilize and sustain the North Carolina child care industry through compensation and fixed cost grants that are necessary as critical one-time federal funding for stabilization grants will expire this year. Includes \$100 million recurring to provide a statewide rate floor in the child care subsidy program for child care centers and family child care homes in lower wealth counties. Lastly, invests \$11 million to assist community college campuses put in place or expand child care services. This will increase professional development opportunities for the child care workforce while providing additional child care options to support students completing their degrees.⁹

Hard-to-Staff Industry Supports

Direct Care Workforce Wage Increases, Child Care WAGE\$ Program Expansion: Invests \$80.4 million recurring to increase direct care workforce wages above pre-COVID levels. This investment makes permanent 50% of the COVID-19 rate increases for Personal Care Services (PCS) and Skilled Nursing Facility (SNF), ensuring qualifying individuals can continue receiving community-based personal care and increasing staffing of direct support professionals in SNFs, addressing the state's direct care workforce shortage. In addition, this investment provides \$27.5 million in FY 2023-24 and \$29 million in FY 2024-25 and thereafter for the NC Child Care WAGE\$ program to expand the program statewide in order to attract early childhood educators, minimize turnover, and increase continuity of care and learning in the classroom by increasing pay.

High-Need Workforce Training Program

Community College Faculty and Nurse Preceptors: Provides \$33.3 million in the first year of the biennium and \$48 million in the second year for community college faculty bonuses in high-need workforce areas (funding provided through the SWFT fund) and nurse preceptors to address shortage of mentors for newly-qualified nurses (funded provided from net appropriation). Recruiting and retaining community college faculty and mentors is a key component of creating a highly-skilled state workforce prepared to meet employers' needs.

High-Need and High-Demand Workforce Programs: Invests nearly \$151.5 million over the biennium for high-need workforce programs and specific high-demand programs at UNC constituent institutions, providing start-up and expansion funding for critical programs such as nursing and healthcare, engineering, computer science, data science, and electric vehicles.

Of these funds, over \$95 million is provided over the biennium for institutions of higher education to allocate to programs that address these high-needs areas:

- Community Colleges: \$25 million nonrecurring in net General Fund appropriation in 2023-24 and \$10 million recurring from SWFT in FY 2024-25 to be allocated across the system based on needs.

⁹ The Hope Center, #RealCollege 2021: Basic Needs Insecurity during the ongoing pandemic, March 2021. <https://hope4college.com/wp-content/uploads/2021/03/RCReport2021.pdf>

- UNC System: \$20 million recurring in net General Fund appropriation starting in FY 2023-24 and \$10 million recurring from SWFT starting in FY 2024-25 to be allocated across high-need workforce programs at constituent institutions.
- North Carolina Independent Colleges and Universities: \$10 million from net appropriation in FY 2023-24 specifically to help grow the health care workforce in programs at the state's independent colleges and universities.

In addition, UNC is provided \$58.1 million recurring and \$8.4 million nonrecurring for ECU Growing the Primary Care Workforce, NC A&T Agriculture Research and Extension Match and NC A&T Premier Research Institution Funding, and for UNC Pembroke Health Sciences Program Expansion.

Expected Impact

These proposals aid the state's new and existing businesses by equipping North Carolinians for high-quality, well-paid jobs, and provide the support needed for parents and seasoned workers to remain in the workforce. Expected impacts include:

- Enhance services to an additional 10,800 jobseekers each year through expansion of workforce development board services for priority populations.
- Decrease turnover of the child care workforce by up to 7%. The statewide early childhood education turnover was 21% in 2019 compared to 14% for WAGE\$ participants in FY 2021-22.
- Expand of the successful Surry-Yadkin Works program to five counties with the potential to impact over 250 students per year through work-based learning opportunities benefiting both employers and students.
- Improve access to high-quality, value-add credentialing aligned with industry needs.
- Increase opportunity for North Carolinians to gain skills at UNC institutions and community colleges to take advantage of the well-paying job opportunities arising from major investments in the state, boosting economic opportunities for all.
- Mitigate healthcare workforce shortage through increased capacity for training healthcare professionals across North Carolina's higher education institutions.

Enhancing Public Safety and Preventing Violent Crime

Recommendation

Provides \$104.2 million to enhance public safety and prevent gun violence statewide. Funds will support programming and interventions to stop violent crime, expand re-entry services, and fund additional school safety measures.

Table 1: Allocation of Funds for Enhancing Public Safety and Preventing Violent Crime

	Agency	FY 2023-24	FY 2024-25
Public Safety			
Safety Grants	DPS	\$15,000,000 NR	
Re-entry Programming	DAC	\$4,725,000 R	\$8,475,000 R
Juvenile Crime Prevention	DPS	\$7,598,899 R	\$7,598,899R
Office of Violence Prevention	DPS	\$1,638,640 R	\$1,638,640 R
Court Reminder System	AOC	\$25,000 NR	
School Safety			
School Safety Grants	DPI	\$50,000,000 NR	
Anonymous Tip Line	DPI	\$850,000 R	\$850,000 R
School Safety Sustainment	DPS	\$2,877,951 R	\$2,877,951 R
	Sub Total	R \$17,690,490	\$21,441,490
		NR \$65,025,000	\$0
	Grand Total	\$82,715,490	\$21,441,490

Statement of Need

North Carolina needs to secure schools, successfully incorporate formerly incarcerated people into society, and reduce firearm misuse to prevent violence and make communities safer.

- During the 2021-22 school year, North Carolina’s Say Something Anonymous Reporting System received 431 anonymous tips for possible planned school attacks. Of those tips, 254 qualified as “Life Safety Tips,” indicating that they could confirm the person’s ability to carry out the threat.
- The North Carolina State Board of Education and Department of Public Instruction (DPI) reported that the number of students in possession of a firearm or powerful explosive increased 26% from the 2017-18 to 2021-22 school years.¹
- Firearm offenses made up 13% of juvenile offenses in 2021,² continuing an upward trend of offenses involving firearms. In 2020, firearm theft charges involving juveniles increased 200%.³
- In 2021, deaths involving firearms surpassed casualties from motor vehicle accidents for children.⁴
- The two-year recidivism rate in NC was 41% in FY 2018-19, meaning that almost half of people released from prison or entering probation during that year experienced a rearrest.⁵

¹ [Consolidated Data Report, 2021-2022](#), North Carolina State Board of Education and Department of Public Instruction.

² [2021 Annual Report](#), North Carolina Department of Public Safety Division of Juvenile Justice and Delinquency Prevention.

³ [2020 Annual Report](#), North Carolina Department of Public Safety Division of Adult Correction and Juvenile Justice.

⁴ [Annual Report to the Governor and General Assembly](#), North Carolina Child Fatality Task Force.

⁵ [Correctional Program Evaluation: Offenders Placed on Probation or Released from Prison in Fiscal Year 2019](#), North Carolina Sentencing and Policy Advisory Commission.

- One in six North Carolina criminal court cases has a missed court appearance. These missed appearances strain the court system and lead to challenges for all involved parties.⁶

Recommendation Detail

Public Safety

- Invests \$15 million nonrecurring for grant programs through the Governor’s Crime Commission (GCC) within the Department of Public Safety (DPS). The GCC will distribute \$5 million to expand the use of evidence-based programming statewide for violence intervention and prevention, and \$10 million to establish a grant program to support the acquisition of body-worn cameras for law enforcement agencies in Tier 1 and Tier 2 counties.
- Provides \$13.2 million to the Department of Adult Correction (DAC) over the biennium to expand re-entry programming and Treatment for Effective Community Supervision services.
- Invests \$7.6 million recurring in juvenile crime prevention through the Division of Juvenile Justice and Delinquency Prevention (DJJDP) within DPS. This funding includes \$5M for local Juvenile Crime Prevention Councils (JCPCs) to implement evidence-based violence and gang prevention and firearm safety programming for at-risk and justice-involved youth in local communities and \$2.5 million for program evaluations and community needs assessments.
- Provides \$1.6 million recurring to the new Office of Violence Prevention within DPS to distribute firearm locking mechanisms and develop a statewide firearm safety awareness campaign. This funding also increases capacity for additional violence prevention programming.
- Provides \$25,000 to the Administrative Office of the Courts (AOC) to study and engage stakeholders to enhance AOC’s Automated Court Event Notification capabilities and reduce failure to appear rates.

Safer Schools

- Provides \$50 million in FY 2023-24 for school safety grants. Local education agencies (LEAs) may use the grants to support students in crisis, provide school safety training, or develop and implement school safety plans.
- Invests \$850,000 in the NC Say Something Anonymous Reporting System through DPI. This initiative, developed with Sandy Hook Promise, will ensure consistency in tip reporting among public school units.
- Provides \$2.9 million to North Carolina Emergency Management to implement the School Safety Program, including the Panic Alarm Program, which brings mobile panic alarm capability to all public K-12 and charter schools. With these funds, the School Risk Management Plan tool will continue to facilitate the creation of individual school plans, and the State Emergency Response Program will connect that data to law enforcement officers and other first responders to inform response to hazards and threats at schools.

⁶ [North Carolina Court Appearance Project](#), UNC School of Government.

Expected Impact

This proposal will improve public safety and prevent gun violence. Expected impacts include:

- Provide at least 50 grants to community and healthcare organizations to implement evidence-based violence intervention programming.
- Acquire up to 20,000 body cameras for law enforcement in Tier 1 and Tier 2 counties.
- Expand re-entry programming to all areas of the state to reduce recidivism.
- Increase the number of guns safely stored, reducing the rate of unintentional gun-related accidents and deaths.
- Provide grants to all 100 JCPCs to assist in juvenile gun safety programming in all counties to reduce youth gun violence and enhance firearm safety.
- Distribute school safety grants to all 115 North Carolina LEAs to provide resources for necessary school safety initiatives.

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Table 1
Governor's Budget Recommendations for FY 2023-25

	FY 2023-24	FY 2024-25
Composition of Budget Availability		
Unappropriated Balance from Prior Fiscal Year	666,806,816	1,015,671,341
Overcollections FY 2022-23	3,250,300,000	
Public Instruction Reversion FY 2021-22 Funds	151,524,307	
Reversions FY 2022-23	425,000,000	
Medicaid Expansion Bonus - assumes June 1 enrollment date	194,100,000	
Comprehensive Remedial Plan Court Order for Years 2 and 3	(677,801,707)	
Subtotal Estimated Current Beginning Unreserved Balance	4,009,929,416	1,015,671,341
Statutorily Required Reservations of Revenue		
State Capital and Infrastructure Fund	(1,412,592,500)	(1,461,333,238)
Unfunded Liability Solvency Reserve	(29,280,000)	(87,795,000)
Subtotal	(1,441,872,500)	(1,549,128,238)
Investments to Reserves		
\$1.25 Billion IHOPE Fund (Medicaid Expansion Bonus)	(1,055,000,000)	(195,000,000)
Capital Improvements (New projects; \$1.1B K-12 schools)	(1,415,000,000)	(405,000,000)
Medicaid Contingency Reserve	(391,217,272)	
Federal Match Reserve	(225,000,000)	
Economic Development Reserve	(325,000,000)	
Information Technology Project Reserve	(180,000,000)	
Housing Reserve	(160,000,000)	
Transportation Reserve (S-Line Match)	(78,000,000)	(78,000,000)
Contingency and Emergency Fund	(5,000,000)	(5,000,000)
Child Care Stabilization Grants (from Overfunded Savings Reserve)	200,000,000	300,000,000
Subtotal	(3,634,217,272)	(383,000,000)
Revenue Forecast		
Tax Revenue	31,946,900,000	32,172,800,000
Non-Tax Revenue	1,759,500,000	1,475,500,000
Subtotal	33,706,400,000	33,648,300,000
Adjustments to Revenue		
Individual Income Tax Fairness, rate remains at 4.75% for income >\$200K/100K (MFJ/single)	69,000,000	222,000,000
Maintain Lowest Corporate Tax Rate at 2.5%		65,000,000
Maintain General Fund Sales Tax Transfer to DOT at 2%	210,000,000	429,000,000
PHP New Revenue from HASP	162,400,000	84,800,000
Medicaid Expansion Bonus - assumes June 1 enrollment date	860,900,000	686,400,000
Subtotal	1,302,300,000	1,487,200,000
Adjustments to Availability		
Golden LEAF - increase recurring transfer to \$20M	(2,500,000)	(2,500,000)
Insurance and Treasurer Non-Tax Transfers	25,667,904	28,154,187
Revised General Fund Availability	33,965,707,548	34,244,697,290

	FY 2023-24	FY 2024-25
Base Budget	27,532,739,359	27,549,282,413
Comprehensive Remedial Plan Years 2 and 3 Baseline	459,196,777	459,196,777
Total Recommended Starting Budget	27,991,936,136	28,008,479,190
Compensation		
State Health Plan Premiums - 5% Trend	120,580,000	279,290,000
Retirement System Contributions	41,400,000	81,400,000
Teacher Compensation - 10% year 1; 6% year 2; \$46k starting salary year 2	605,106,000	1,047,605,000
State Agency Teachers - 10% year 1; 6% year 2; \$46k starting salary year 2	2,565,000	4,117,000
Teacher Compensation - Masters Pay	10,000,000	10,000,000
School-based Administrator Pay - 10% year 1; 6% year 2	43,727,000	71,714,000
Other School Personnel - 6.5% year 1; 3% year 2	99,002,000	147,666,000
State-Funded Employees COLA - 5% year 1; 3% year 2	416,451,000	679,439,000
Receipt-Supported COLA Reserve - 5% year 1; 3% year 2	36,557,000	59,584,000
All General Fund Employees - 3% LMAR - year 1	250,903,000	250,903,000
Additional Increase for Step Plan Employees - 1.5% additional COLA - year 1	18,427,000	18,427,000
Bonus Reserve - \$1,500/employee <\$75K; \$1k /employee >\$75k	463,511,000	0
Retiree COLA - 2% R, 2% NR year 1, 1% NR year 2	200,772,000	147,306,000
Total Compensation	2,309,001,000	2,797,451,000
Investments		
K-12 Enrollment	30,100,000	60,200,000
Higher Education Enrollment	(912,711)	20,801,267
Comprehensive Remedial Plan Years 4 and 5	958,458,906	1,939,855,735
Receipts to Support Comprehensive Remedial Plan	(152,000,000)	(510,200,000)
Additional Support for K-12 Education	69,087,053	46,484,263
Higher Education	182,218,967	100,053,727
Medicaid Rebase	737,084,139	913,574,696
Disability - Community Based Services	32,205,000	100,410,000
Child Care Stabilization Grants	200,000,000	300,000,000
All other HHS Investments	187,027,622	279,111,625
Cybersecurity Needs	68,978,258	30,117,758
Conservation Investments	114,599,586	14,099,586
All Other Investments	222,252,251	133,317,718
Total Programmatic Investments	2,649,099,071	3,427,826,375
Total Recommended Adjustments	4,958,100,071	6,225,277,375
Total Recommended Appropriations	32,950,036,207	34,233,756,565
Balance	1,015,671,341	10,940,725

Table 2
Recommended General Fund Budget by Function
2023-24

	2023-24 Recommended	% of GF Budget
Education	\$ 19,350,313,543	58.73%
General Government	\$ 746,399,261	2.27%
Health and Human Services	\$ 7,988,087,221	24.24%
Justice and Public Safety	\$ 3,832,922,263	11.63%
Natural and Economic Resources	\$ 978,031,919	2.97%
Reserves and Other Adjustments	\$ 54,282,000	0.16%
Total General Fund Budget	\$ 32,950,036,207	100.00%

Figure 1
General Fund Recommended Budget by Function
FY 2023-24

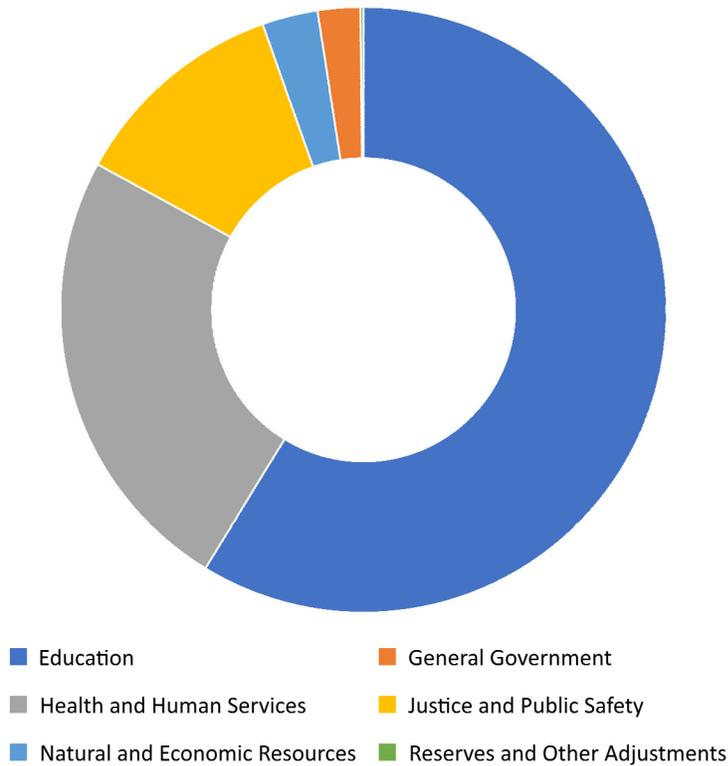


Table 3: Governor's Recommended General Fund Budget 2023-24 Adjustments

Budget Code	Function	2023-24 Base Budget	Decrease			Increase			Net Change	Recommended Net Appropriation	Net Position Change
			Recurring	Nonrecurring	Positions	Recurring	Nonrecurring	Positions			
13510	Department of Public Instruction	11,153,715,156	-	-	-	1,976,762,932	282,892,000	50.00	2,259,654,932	13,413,370,088	50.00
16800	Community Colleges	1,342,691,304	-	-	-	185,344,898	65,831,000	2.00	251,175,898	1,593,867,202	2.00
160XX	University System	3,805,718,591	-	-	-	432,185,662	105,172,000	7.00	537,357,662	4,343,076,253	7.00
	Total Education	16,302,125,051	-	-	-	2,594,293,492	453,895,000	59.00	3,048,188,492	19,350,313,543	59.00
	General Government										
11000	General Assembly	85,589,229	-	-	-	8,502,883	1,096,000	-	9,598,883	95,188,112	-
13000	Office of the Governor	5,924,640	-	-	-	534,961	94,000	-	628,961	6,553,601	-
13005	Office of State Budget and Management	10,622,270	-	-	-	2,077,154	246,750	4.00	2,323,904	12,946,174	4.00
13085	OSBM-Special Projects	10,000,000	-	-	-	2,000,000	1,000,000	-	3,000,000	13,000,000	-
13010	NC Housing Finance Agency	40,660,000	-	-	-	-	-	-	-	40,660,000	-
13050	Department of Military and Veterans Affairs	10,859,229	-	-	-	3,921,595	185,000	31.00	4,106,595	14,965,824	31.00
13100	Office of the Lieutenant Governor	1,222,759	-	-	-	99,975	26,000	-	125,975	1,348,734	-
13200	Department of Secretary of State	17,217,900	-	-	-	3,213,693	643,000	12.60	3,856,693	21,074,593	12.60
13300	Office of the State Auditor	17,632,950	-	-	-	2,034,299	198,000	1.00	2,232,299	19,865,249	1.00
13410	Department of State Treasurer	5,265,792	-	-	-	1,616,346	656,000	8.00	2,272,346	7,538,138	8.00
13412	State Treasurer - Retirement System	33,255,423	-	-	-	-	-	-	-	33,255,423	-
13900	Department of Insurance	48,919,240	-	-	-	21,770,558	1,625,000	15.00	23,395,558	72,314,798	15.00
13902	Industrial Commission	11,713,276	-	-	-	1,912,476	199,000	1.00	1,912,476	13,033,752	1.00
14100	Department of Administration	60,973,574	-	-	-	6,756,452	792,000	14.00	7,548,452	68,522,026	14.00
14111	Office of State Human Resources - General	10,034,678	-	-	-	1,612,341	2,306,500	3.00	3,918,841	13,953,519	3.00
14160	Office of the State Controller	32,556,135	-	-	-	2,935,546	248,000	1.00	3,183,546	35,739,681	1.00
14660	Department of Information Technology	72,497,440	-	-	-	14,186,563	38,643,500	20.00	52,830,063	125,327,503	20.00
14700	Department of Revenue	115,174,371	-	-	-	11,198,348	5,196,920	16.00	16,395,268	131,569,639	16.00
18025	State Board of Elections	8,208,162	-	-	-	2,281,185	834,763	5.00	3,115,948	11,324,110	5.00
18210	Office of Administrative Hearings	7,443,718	-	-	-	688,167	86,500	1.00	774,667	8,218,385	1.00
	Total General Government	605,178,786	-	-	-	87,143,542	54,076,933	132.60	141,220,475	746,399,261	132.60
	Health and Human Services										
14410	Division of Central Management and Support	195,394,045	-	-	-	70,736,612	31,501,463	11.00	102,238,075	297,632,120	11.00
14411	Division of Aging and Adult Services	52,432,344	-	-	-	1,558,448	-	-	1,558,448	53,990,792	-
14420	Division of Child Development and Early	251,279,045	-	-	-	209,794,508	200,750,000	-	410,544,508	661,823,553	-
14430	Division of Public Health	113,498,433	-	-	-	2,530,942	7,351,879	-	9,882,821	123,381,254	-
14435	Division of Child and Family Well Being	57,959,754	-	-	-	16,611,187	3,100,000	-	19,711,187	77,670,941	-
14440	Division of Social Services	211,373,371	-	-	-	14,132,074	-	8.00	14,132,074	225,505,445	8.00
14445	Division of Health Benefits	4,738,956,306	-	-	-	790,788,587	107,363,358	20.00	898,151,945	5,637,108,251	20.00
14450	Division of Services for the Blind, Deaf and	9,095,757	-	-	-	283,861	-	-	283,861	9,379,618	-
14460	Division of Mental Health/Developmental	801,833,838	-	-	-	28,863,191	334,000	10.00	29,197,191	831,031,029	10.00
14470	Division of Health Services Regulation	22,820,650	-	-	-	4,284,127	234,000	36.00	4,518,127	27,338,777	36.00
14480	Division of Vocational Rehabilitation	42,077,450	-	-	-	1,147,991	-	-	1,147,991	43,225,441	-
	Total Health and Human Services	6,496,720,993	-	-	-	1,140,731,528	350,634,700	85.00	1,491,366,228	7,988,087,221	85.00
	Judicial and Public Safety										
12000	Judicial Branch	697,364,682	-	-	-	55,784,631	11,355,701	49.75	67,140,332	764,505,014	49.75
12001	Judicial Branch - Indigent Defense	139,851,194	-	-	-	18,583,756	1,154,564	141.00	19,738,320	159,589,514	141.00
13600	Department of Justice	59,606,725	-	-	-	10,364,478	1,658,000	31.00	12,022,478	71,629,203	31.00
14550	Department of Public Safety	613,934,202	-	-	-	78,527,171	33,974,750	190.00	112,501,921	726,436,123	190.00
15010	Adult Correction - General Fund	1,908,481,614	-	-	-	139,045,795	63,235,000	-	202,280,795	2,110,762,409	-
	Total Justice and Public Safety	3,419,238,417	-	-	-	302,305,831	111,378,015	411.75	413,683,846	3,832,922,263	411.75

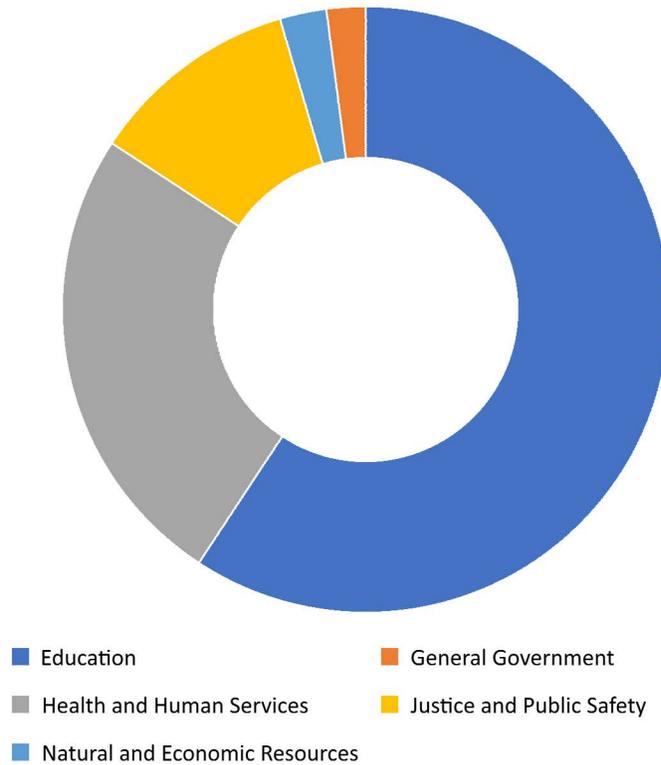
Budget Code	Function	2023-24				Increase				Decrease				Net	
		Base Budget	Recurring	Nonrecurring	Positions	Recurring	Nonrecurring	Positions	Net Change	Recommended	Net Appropriation	Change	Position		
Natural and Economic Resources															
13700	Department of Agriculture and Consumer	154,557,579	-	20,765,384	33,669,000	4.00	54,434,384	208,991,963	4.00						
13800	Department of Labor	23,006,652	-	3,736,175	546,000	1.00	4,282,175	27,288,827	1.00						
14300	Department of Environmental Quality	97,243,460	-	19,235,728	8,246,543	72.00	27,482,271	124,725,731	72.00						
14350	Wildlife Resources Commission	13,773,311	-	5,420,225	1,041,000	7.00	6,461,225	20,234,536	7.00						
14600	Department of Commerce	13,727,393	-	3,062,334	3,221,000	10.00	6,283,334	20,010,727	10.00						
14601	Commerce - General State Aid	18,155,810	-	2,500,000	6,000,000	-	8,500,000	26,655,810	-						
14602	Commerce - Economic Development	158,550,660	-	14,950,000	13,500,000	-	28,450,000	187,000,660	-						
14800	Natural and Cultural Resources	230,461,247	-	37,302,918	95,359,500	114.00	132,662,418	363,123,665	114.00						
14802	Natural and Cultural Resources - Roanoke	-	-	-	-	-	-	-	-						
	Total Natural and Economic Resources	709,476,112	-	106,972,764	161,583,043	208.00	268,555,807	978,031,919	208.00						
Reserves and Other Adjustments															
19xxx	Reserves and Other Adjustments	-	(56,400,000)	-	110,682,000	-	54,282,000	54,282,000	-						
	Total Reserves, Debt Service, and Other	-	(56,400,000)	-	110,682,000	-	54,282,000	54,282,000	-						
	Total	27,532,739,359	(56,400,000)	4,231,447,157	1,242,249,691	896.35	5,417,296,848	32,950,036,207	896.35						

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Table 4
Recommended General Fund Budget by Function
FY 2024-25

	FY 2024-25 Recommended	% of GF Budget
Education	\$ 20,285,909,980	59.26%
General Government	\$ 710,584,235	2.08%
Health and Human Services	\$ 8,556,295,812	24.99%
Justice and Public Safety	\$ 3,832,783,430	11.20%
Natural and Economic Resources	\$ 851,117,108	2.49%
Reserves and Other Adjustments	\$ (2,934,000)	-0.01%
Total General Fund Budget	\$ 34,233,756,565	100.00%

Figure 2
General Fund Recommended Budget by Function
FY 2024-25



**Table 5: Governor's Recommended General Fund Budget
2024-25 Adjustments**

Budget Code	Function	2024-25 Base Budget	Decrease			Increase			Net Change	Recommended Net Appropriation	Net Position Change
			Recurring	Nonrecurring	Positions	Recurring	Nonrecurring	Positions			
13510	Department of Public Instruction	11,153,715,156	-	-	-	3,122,979,884	8,000,000	58.00	3,130,979,884	14,284,695,040	58.00
16800	Community Colleges	1,342,691,304	-	-	-	250,591,749	3,000,000	2.00	253,591,749	1,596,283,053	2.00
160XX	University System	3,821,695,870	-	-	-	581,543,017	1,693,000	7.00	583,236,017	4,404,931,887	7.00
	Total Education	16,318,102,330	-	-	-	3,955,114,650	12,693,000	67.00	3,967,807,650	20,285,909,980	67.00
	General Government										
11000	General Assembly	85,589,229	-	-	-	11,043,910	-	-	11,043,910	96,633,139	-
13000	Office of the Governor	5,924,640	-	-	-	760,376	-	-	760,376	6,685,016	-
13005	Office of State Budget and Management	10,622,270	-	-	-	2,432,220	-	4.00	2,432,220	13,054,490	4.00
13085	OSBM-Special Projects	10,000,000	-	-	-	2,000,000	-	-	2,000,000	12,000,000	-
13010	NC Housing Finance Agency	40,660,000	-	-	-	-	-	-	-	40,660,000	-
13050	Department of Military and Veterans Affairs	10,859,229	-	-	-	4,179,740	-	31.00	4,179,740	15,038,969	31.00
13100	Office of the Lieutenant Governor	1,222,759	-	-	-	142,214	-	-	142,214	1,364,973	-
13200	Department of Secretary of State	17,264,651	-	-	-	3,809,584	-	12.60	3,809,584	21,074,235	12.60
13300	Office of the State Auditor	17,632,950	-	-	-	2,767,949	-	1.00	2,767,949	20,400,899	1.00
13410	Department of State Treasurer	5,265,792	-	-	-	1,667,368	-	8.00	1,667,368	6,933,160	8.00
13412	State Treasurer - Retirement System	33,255,423	-	-	-	-	-	-	-	33,255,423	-
13900	Department of Insurance	48,919,240	-	-	-	26,486,819	-	15.00	26,486,819	75,406,059	15.00
13902	Industrial Commission	11,121,276	-	-	-	2,177,089	-	1.00	2,177,089	13,298,365	1.00
14100	Department of Administration	60,973,574	-	-	-	8,061,381	-	14.00	8,061,381	69,034,955	14.00
14111	Office of State Human Resources - General	10,034,678	-	-	-	1,903,276	-	3.00	1,903,276	11,937,954	3.00
14160	Office of the State Controller	32,556,135	-	-	-	3,798,193	-	1.00	3,798,193	36,354,328	1.00
14660	Department of Information Technology	72,497,440	-	-	-	14,935,565	-	20.00	14,935,565	87,433,005	20.00
14700	Department of Revenue	115,174,371	-	-	-	15,699,309	-	16.00	15,699,309	130,873,680	16.00
18025	State Board of Elections	8,208,162	-	-	-	2,551,128	-	5.00	2,551,128	10,759,290	5.00
18210	Office of Administrative Hearings	7,457,176	-	-	-	929,119	-	1.00	929,119	8,386,295	1.00
	Total General Government	605,238,995	-	-	-	105,345,240	-	132.60	105,345,240	710,584,235	132.60
	Health and Human Services										
14410	Division of Central Management and Support	195,394,363	-	-	-	79,131,390	-	11.00	79,131,390	274,525,753	11.00
14411	Division of Aging and Adult Services	52,432,344	-	-	-	1,685,428	-	-	1,685,428	54,117,772	-
14420	Division of Child Development and Early	251,279,045	-	-	-	337,424,916	300,250,000	-	637,674,916	888,953,961	-
14430	Division of Public Health	113,534,670	-	-	-	11,269,874	-	-	11,269,874	124,804,544	-
14435	Division of Child and Family Well Being	57,986,873	-	-	-	12,485,154	12,850,000	-	25,335,154	83,322,027	-
14440	Division of Social Services	211,373,961	-	-	-	16,263,029	-	8.00	16,263,029	227,636,990	8.00
14445	Division of Health Benefits	4,738,961,396	-	-	-	1,144,127,930	90,898,546	20.00	1,235,026,476	5,973,987,872	20.00
14450	Division of Services for the Blind, Deaf and	9,096,418	-	-	-	464,402	-	-	464,402	9,560,820	-
14460	Division of Mental Health/Developmental	801,833,838	-	-	-	45,533,212	-	10.00	45,533,212	847,367,050	10.00
14470	Division of Health Services Regulation	22,820,650	-	-	-	5,237,826	-	36.00	5,237,826	28,058,476	36.00
14480	Division of Vocational Rehabilitation	42,081,330	-	-	-	1,879,217	-	-	1,879,217	43,960,547	-
	Total Health and Human Services	6,496,794,888	-	-	-	1,655,502,378	403,998,546	85.00	2,059,500,924	8,556,295,812	85.00
	Justice and Public Safety										
12000	Judicial Branch	697,373,524	-	-	-	79,664,252	-	49.75	79,664,252	777,037,776	49.75
12001	Judicial Branch - Indigent Defense	139,852,334	-	-	-	24,296,519	-	141.00	24,296,519	164,148,853	141.00
13600	Department of Justice	59,618,384	-	-	-	13,481,591	-	31.00	13,481,591	73,099,975	31.00
14550	Department of Public Safety	614,233,284	-	-	-	97,254,229	-	190.00	97,254,229	711,487,513	190.00
15010	Adult Correction - General Fund	1,908,596,865	-	-	-	198,412,448	-	-	198,412,448	2,107,009,313	-
	Total Justice and Public Safety	3,419,674,991	-	-	-	413,109,039	-	411.75	413,109,039	3,832,783,430	411.75

Budget Code	Function	2024-25				Increase				Net	
		Base Budget	Recurring	Nonrecurring	Positions	Recurring	Nonrecurring	Positions	Net Change	Recommended Net Appropriation	Position Change
Natural and Economic Resources											
13700	Department of Agriculture and Consumer	154,557,579	-	-	-	25,899,374	-	4.00	25,899,374	180,456,953	4.00
13800	Department of Labor	23,011,157	-	-	-	4,992,156	-	1.00	4,992,156	28,003,313	1.00
14300	Department of Environmental Quality	97,223,371	-	-	-	22,682,326	-	72.00	22,682,326	119,905,697	72.00
14350	Wildlife Resources Commission	13,784,592	-	-	-	7,257,782	-	7.00	7,257,782	21,042,374	7.00
14600	Department of Commerce	13,727,393	-	-	-	3,645,028	-	10.00	3,645,028	17,372,421	10.00
14601	Commerce - General State Aid	18,155,810	-	-	-	2,500,000	-	-	2,500,000	20,655,810	-
14602	Commerce - Economic Development	158,550,660	-	-	-	14,950,000	13,500,000	-	28,450,000	187,000,660	-
14800	Natural and Cultural Resources	230,461,247	-	-	-	44,770,133	1,448,500	133.00	46,218,633	276,679,880	133.00
14802	Natural and Cultural Resources - Roanoke	-	-	-	-	-	-	-	-	-	-
	Total Natural and Economic Resources	709,471,809	-	-	-	126,696,799	14,948,500	227.00	141,645,299	851,117,108	227.00
Reserves and Other Adjustments											
19xxx	Reserves and Other Adjustments	-	(56,400,000)	-	-	-	53,466,000	-	(2,934,000)	(2,934,000)	-
	Total Reserves and Other Adjustments	-	(56,400,000)	-	-	-	53,466,000	-	(2,934,000)	(2,934,000)	-
	Total	27,549,282,413	(56,400,000)	-	-	6,255,768,106	485,106,046	923.35	6,684,474,152	34,233,756,565	923.35

Table 6: Highway Fund and Highway Trust Fund Budget 2023-24

Function	FY 2023-24				Increases				Net			
	Base Appropriation	Net Recurring	Net Nonrecurring	Net Appropriated Supported Positions	Net Recurring	Net Nonrecurring	Net Appropriated Supported Positions	Net Change	2023-24 Recommended Net Appropriation	Net Change	Net Position Change	Net Position Change
DOT Administration	113,375,757	-	-	-	16,862,880	6,839,464	6,000	23,702,344	137,078,101	6,000	6,000	
<i>Division of Highways</i>												
Administration	40,365,753	-	-	-	-	-	3,000	-	40,365,753	-	3,000	3,000
Construction	77,543,078	-	-	-	-	-	-	-	77,543,078	-	-	-
Maintenance	1,754,374,076	(750,750)	-	-	-	-	-	15,541,108	1,769,915,184	-	-	-
Planning and Research	-	-	-	-	-	-	-	-	-	-	-	-
OSHA Program	358,030	-	-	-	-	-	-	-	358,030	-	-	-
State Aid to Municipalities	154,875,000	-	-	-	-	-	-	-	154,875,000	-	-	-
<i>Multi-Modal</i>												
Airports	181,478,146	-	-	-	4,498,877	-	9,000	4,498,877	185,977,023	-	9,000	9,000
Bicycle	-	-	-	-	-	-	-	-	-	-	-	-
Ferry	58,614,849	-	-	-	21,490,000	7,825,000	-	29,315,000	87,929,849	-	-	-
Public Transportation	69,510,286	-	-	-	3,200,000	10,000,000	-	13,200,000	82,710,286	-	-	-
Railroads	45,299,938	-	-	-	-	-	-	-	45,299,938	-	-	-
Governor's Highway Safety Program	-	-	-	-	-	-	-	-	-	-	-	-
Division of Motor Vehicles	165,600,202	-	-	-	7,981,872	3,124,577	10,000	11,106,449	176,706,651	-	10,000	10,000
Other State Agencies	16,951,217	-	-	-	803,571	-	-	803,571	17,754,788	-	-	-
Transfer to General Fund	-	-	-	-	-	-	-	-	-	-	-	-
Other Reserves	3,477,089	-	-	-	56,784,000	17,117,000	-	73,901,000	77,378,089	-	-	-
Capital Improvements	-	-	-	-	-	55,984,119	-	55,984,119	55,984,119	-	-	-
Total Highway Fund	2,681,823,421	(750,750)	-	-	111,621,200	117,182,018	28,000	228,052,468	2,909,875,889	28,000	28,000	28,000
Administration	42,012,293	-	-	-	352,393	237,712	-	590,105	42,602,398	-	-	-
Construction	\$1,576,907,882	-	-	-	196,609,895	7,500,000	-	204,109,895	1,781,017,777	-	-	-
Bonds												
Bond Redemption	\$69,600,000	-	-	-	-	-	-	-	69,600,000	-	-	-
Bond Interest	\$51,839,825	-	-	-	-	-	-	-	51,839,825	-	-	-
NC Turnpike Authority	49,000,000	-	-	-	-	-	-	-	49,000,000	-	-	-
Transfer to Ports	640,000	-	-	-	-	-	-	45,000,000	45,000,000	-	-	-
Reserve for Visitor's Centers	-	-	-	-	-	-	-	-	640,000	-	-	-
Uncommitted Trust Fund Admin	-	-	-	-	-	-	-	-	-	-	-	-
Total Highway Trust Fund	1,790,000,000	-	-	-	196,962,288	52,737,712	-	249,700,000	2,039,700,000	-	-	-

Table 7: Highway Fund and Highway Trust Fund Budget 2024-25

Function	FY 2024-25 Base Appropriation	Decreases				Increases				Net Appropriated Supported Positions	Net Change	2024-25 Recommended Net Appropriation	Net Position Change
		Net Recurring	Net Nonrecurring	Net Appropriated Supported Positions	Net Recurring	Net Nonrecurring	Net Appropriated Supported Positions	Net Change					
DOT Administration	113,375,757	-	-	-	16,862,880	6,189,464	-	6,000	23,052,344	130,238,637	6,000		
Division of Highways Administration	40,365,753	-	-	-	-	-	3,000	-	-	40,365,753	3,000		
Construction	77,543,078	-	-	-	-	-	-	-	-	77,543,078	-		
Maintenance Planning and Research	\$1,760,656,877	(650,750)	-	-	175,776,854	-	-	-	175,126,104	1,935,782,981	-		
OSHA Program	358,030	-	-	-	-	-	-	-	-	358,030	-		
State Aid to Municipalities	154,875,000	-	-	-	-	-	-	-	-	154,875,000	-		
Multi-Modal Airports	181,478,146	-	-	-	16,198,877	-	9,000	-	16,198,877	197,677,023	9,000		
Bicycle	-	-	-	-	-	-	-	-	-	-	-		
Ferry	58,614,849	-	-	-	21,490,000	-	-	-	21,490,000	80,104,849	-		
Public Transportation	69,510,286	-	-	-	13,200,000	-	-	-	13,200,000	82,710,286	-		
Railroads	45,299,938	-	-	-	-	-	-	-	-	45,299,938	-		
Governor's Highway Safety Program	-	-	-	-	-	-	-	-	-	-	-		
Division of Motor Vehicles	165,601,202	-	-	-	7,981,872	-	10,000	-	7,981,872	173,583,074	10,000		
Other State Agencies	16,951,217	-	-	-	803,571	-	-	-	803,571	17,754,788	-		
Transfer to General Fund	-	-	-	-	-	-	-	-	-	-	-		
Other Reserves	3,477,089	-	-	-	76,221,000	-	-	-	76,221,000	79,698,089	-		
Capital Improvements	-	-	-	-	-	75,484,363	-	-	75,484,363	75,484,363	-		
Total Highway Fund	2,688,107,222	(650,750)	-	-	328,535,054	81,673,827	28,000	-	409,558,131	3,091,475,889	28,000		
Administration	42,016,600	-	-	-	352,293	247,712	-	-	600,005	42,616,605	-		
Construction Strategic Prioritization Program	1,577,405,864	-	-	-	286,199,895	-	-	-	286,199,895	1,863,605,759	-		
Bonds Bond Redemption	52,290,000	-	-	-	-	-	-	-	-	52,290,000	-		
Bond Interest	40,757,650	-	-	-	-	-	-	-	-	40,757,650	-		
NC Turnpike Authority Transfer to Ports	49,000,000	-	-	-	-	-	-	-	-	49,000,000	-		
Transfer to Visitor's Centers Uncommitted Trust Fund Admin	640,000 26,489,986	-	-	-	-	45,000,000	-	-	45,000,000	45,000,000	-		
Total Highway Trust Fund	1,788,600,100	-	-	-	286,552,188	45,247,712	-	-	331,799,900	2,120,400,000	-		

Table 8: Summary of General Fund Base Budget Adjustments, 2023-24

Budget Code	Function	2021-22		2022-23		Base Budget		Base Budget		Base Budget		Base Budget	
		Actual	Authorized	Requirements	Receipts	Base Budget	Change from 2022-23 Auth	Base Budget	Change from 2022-23 Auth	Base Budget	Change from 2022-23 Auth	Base Budget	Positions
Education													
13510	Public Education	\$ 10,587,742,324	\$ 11,277,833,406	\$ 12,862,113,777	\$ 1,708,398,621	\$ 11,153,715,156	\$ (124,118,250)	\$ 11,153,715,156	\$ (124,118,250)	\$ 11,153,715,156	\$ (124,118,250)	(1.10%)	1,201,977
16800	Community Colleges	\$ 1,307,874,612	\$ 1,358,003,063	\$ 1,689,563,818	\$ 346,872,514	\$ 1,342,691,304	\$ (45,311,759)	\$ 1,342,691,304	\$ (45,311,759)	\$ 1,342,691,304	\$ (45,311,759)	(1.13%)	214,010
160XX	University System	\$ 3,491,868,171	\$ 3,813,667,966	\$ 5,858,533,326	\$ 2,052,814,735	\$ 3,805,718,591	\$ (7,949,375)	\$ 3,805,718,591	\$ (7,949,375)	\$ 3,805,718,591	\$ (7,949,375)	(0.21%)	36,187,649
	Total Education	\$ 15,387,485,107	\$ 16,449,504,435	\$ 20,410,210,921	\$ 4,108,085,870	\$ 16,302,125,051	\$ (1,47,379,384)	\$ 16,302,125,051	\$ (1,47,379,384)	\$ 16,302,125,051	\$ (1,47,379,384)	(0.90%)	37,603,636
General Government													
11000	General Assembly	\$ 79,525,351	\$ 83,599,463	\$ 86,150,229	\$ 561,000	\$ 85,589,229	\$ 1,989,766	\$ 85,589,229	\$ 1,989,766	\$ 85,589,229	\$ 1,989,766	2.38%	577,460
13000	Governor's Office	\$ 5,624,456	\$ 5,956,504	\$ 6,925,370	\$ 1,000,730	\$ 5,924,640	\$ (31,864)	\$ 5,924,640	\$ (31,864)	\$ 5,924,640	\$ (31,864)	(0.53%)	50,000
13005	State Budget and Management	\$ 14,659,608	\$ 11,162,629	\$ 11,658,787	\$ 1,036,517	\$ 10,622,270	\$ (540,359)	\$ 10,622,270	\$ (540,359)	\$ 10,622,270	\$ (540,359)	(4.84%)	73,000
13010	NC Housing Finance Agency	\$ 10,660,000	\$ 40,660,000	\$ 210,660,000	\$ 170,000,000	\$ 40,660,000	\$ -	\$ 40,660,000	\$ -	\$ 40,660,000	\$ -	0.00%	0,000
13050	Military and Veterans Affairs	\$ 11,481,568	\$ 12,446,066	\$ 10,859,229	\$ -	\$ 10,859,229	\$ (1,586,837)	\$ 10,859,229	\$ (1,586,837)	\$ 10,859,229	\$ (1,586,837)	(12.75%)	86,650
13085	OSBM-Special Projects	\$ 30,164,587	\$ 15,517,000	\$ 10,000,000	\$ -	\$ 10,000,000	\$ (5,517,000)	\$ 10,000,000	\$ (5,517,000)	\$ 10,000,000	\$ (5,517,000)	(35.55%)	0,000
13100	Lieutenant Governor	\$ 1,026,085	\$ 1,228,538	\$ 1,222,759	\$ -	\$ 1,222,759	\$ (5,779)	\$ 1,222,759	\$ (5,779)	\$ 1,222,759	\$ (5,779)	(0.47%)	9,000
13200	Secretary of State	\$ 16,675,125	\$ 17,791,626	\$ 17,596,061	\$ 378,161	\$ 17,217,900	\$ (573,726)	\$ 17,217,900	\$ (573,726)	\$ 17,217,900	\$ (573,726)	(3.22%)	178,553
13300	State Auditor	\$ 15,986,959	\$ 17,728,074	\$ 24,532,113	\$ 6,899,163	\$ 17,632,950	\$ (95,124)	\$ 17,632,950	\$ (95,124)	\$ 17,632,950	\$ (95,124)	(0.54%)	160,000
13410	State Treasurer	\$ 4,078,270	\$ 5,275,657	\$ 73,467,788	\$ 68,201,996	\$ 5,265,792	\$ (9,865)	\$ 5,265,792	\$ (9,865)	\$ 5,265,792	\$ (9,865)	(0.19%)	409,200
13412	State Treasurer - Retirement/Benefits	\$ 32,905,423	\$ 33,255,423	\$ 33,255,423	\$ -	\$ 33,255,423	\$ -	\$ 33,255,423	\$ -	\$ 33,255,423	\$ -	0.00%	0,000
13900	Insurance	\$ 50,633,184	\$ 66,932,596	\$ 54,059,587	\$ 5,140,347	\$ 48,919,240	\$ (18,013,356)	\$ 48,919,240	\$ (18,013,356)	\$ 48,919,240	\$ (18,013,356)	(26.91%)	434,748
13902	Industrial Commission	\$ 8,776,799	\$ 11,155,217	\$ 23,283,671	\$ 12,162,395	\$ 11,121,276	\$ (33,941)	\$ 11,121,276	\$ (33,941)	\$ 11,121,276	\$ (33,941)	(0.30%)	142,250
14100	Administration	\$ 60,320,269	\$ 62,123,449	\$ 72,609,629	\$ 11,636,055	\$ 60,973,574	\$ (1,149,875)	\$ 60,973,574	\$ (1,149,875)	\$ 60,973,574	\$ (1,149,875)	(1.85%)	372,023
14111	Office of State Human Resources - General Fund	\$ 9,384,157	\$ 10,081,406	\$ 10,135,566	\$ 100,888	\$ 10,034,678	\$ (46,728)	\$ 10,034,678	\$ (46,728)	\$ 10,034,678	\$ (46,728)	(0.46%)	61,100
14660	Information Technology	\$ 89,168,887	\$ 74,597,261	\$ 72,920,020	\$ 422,580	\$ 72,497,440	\$ (2,099,821)	\$ 72,497,440	\$ (2,099,821)	\$ 72,497,440	\$ (2,099,821)	(2.81%)	127,750
14160	State Controller	\$ 26,588,500	\$ 32,662,846	\$ 33,432,092	\$ 875,957	\$ 32,556,135	\$ (106,711)	\$ 32,556,135	\$ (106,711)	\$ 32,556,135	\$ (106,711)	(0.33%)	191,545
14700	Revenue	\$ 109,930,590	\$ 115,666,477	\$ 182,147,968	\$ 66,973,597	\$ 115,174,371	\$ (492,106)	\$ 115,174,371	\$ (492,106)	\$ 115,174,371	\$ (492,106)	(0.43%)	1,455,386
18025	State Board of Elections	\$ 12,861,380	\$ 8,249,204	\$ 8,310,162	\$ 102,000	\$ 8,208,162	\$ (41,042)	\$ 8,208,162	\$ (41,042)	\$ 8,208,162	\$ (41,042)	(0.50%)	54,100
18210	Office of Administrative Hearings	\$ 6,233,926	\$ 7,466,795	\$ 8,660,343	\$ 1,216,625	\$ 7,443,718	\$ (23,077)	\$ 7,443,718	\$ (23,077)	\$ 7,443,718	\$ (23,077)	(0.31%)	57,290
	Total General Government	\$ 596,685,124	\$ 633,556,231	\$ 951,886,797	\$ 346,708,011	\$ 605,178,786	\$ (28,377,445)	\$ 605,178,786	\$ (28,377,445)	\$ 605,178,786	\$ (28,377,445)	(4.48%)	4,440,055
Health and Human Services													
14410	Central Administration	\$ 191,865,088	\$ 197,613,142	\$ 369,173,742	\$ 173,779,697	\$ 195,394,045	\$ (2,219,097)	\$ 195,394,045	\$ (2,219,097)	\$ 195,394,045	\$ (2,219,097)	(1.12%)	1,052,500
14411	Aging and Adult Services	\$ 47,290,204	\$ 52,590,333	\$ 162,811,870	\$ 110,379,526	\$ 52,432,344	\$ (157,989)	\$ 52,432,344	\$ (157,989)	\$ 52,432,344	\$ (157,989)	(0.30%)	79,000
14420	Child Development and Early Education	\$ 229,746,393	\$ 251,936,332	\$ 829,893,524	\$ 578,614,479	\$ 251,279,045	\$ (657,287)	\$ 251,279,045	\$ (657,287)	\$ 251,279,045	\$ (657,287)	(0.26%)	331,000
14430	Public Health	\$ 171,067,246	\$ 173,832,187	\$ 476,682,236	\$ 363,183,803	\$ 113,498,433	\$ (60,333,754)	\$ 113,498,433	\$ (60,333,754)	\$ 113,498,433	\$ (60,333,754)	(34.71%)	1,195,285
14435	Division of Child and Family Well Being	\$ -	\$ -	\$ 572,936,467	\$ 514,976,713	\$ 57,959,754	\$ 57,959,754	\$ 57,959,754	\$ 57,959,754	\$ 57,959,754	\$ 57,959,754	0.00%	868,725
14440	Social Services	\$ 203,834,260	\$ 227,516,706	\$ 2,110,968,620	\$ 1,899,595,249	\$ 211,373,371	\$ (16,143,335)	\$ 211,373,371	\$ (16,143,335)	\$ 211,373,371	\$ (16,143,335)	(7.10%)	367,000
14445	Medical Assistance	\$ 3,989,163,824	\$ 4,724,614,516	\$ 18,703,196,456	\$ 13,964,240,150	\$ 4,738,956,306	\$ 14,341,790	\$ 4,738,956,306	\$ 14,341,790	\$ 4,738,956,306	\$ 14,341,790	0.30%	460,000
14450	Services for the Blind, Deaf, and Hard of Hearing	\$ 7,676,105	\$ 9,106,133	\$ 45,204,538	\$ 36,108,781	\$ 9,095,757	\$ (10,376)	\$ 9,095,757	\$ (10,376)	\$ 9,095,757	\$ (10,376)	(0.11%)	336,500
14460	Mental Health/Disabilities/Substance Abuse	\$ 809,706,193	\$ 844,897,485	\$ 1,754,310,803	\$ 952,476,965	\$ 801,833,838	\$ (43,063,647)	\$ 801,833,838	\$ (43,063,647)	\$ 801,833,838	\$ (43,063,647)	(5.10%)	11,270,300
14470	Health Services Regulation	\$ 24,653,954	\$ 23,177,203	\$ 79,220,241	\$ 56,399,591	\$ 22,820,650	\$ (306,553)	\$ 22,820,650	\$ (306,553)	\$ 22,820,650	\$ (306,553)	(1.54%)	579,500
14480	Vocational Rehabilitation	\$ 34,728,813	\$ 42,578,097	\$ 186,310,635	\$ 144,233,185	\$ 42,077,450	\$ (500,647)	\$ 42,077,450	\$ (500,647)	\$ 42,077,450	\$ (500,647)	(1.18%)	1,001,750
	Total Health and Human Services	\$ 5,709,732,081	\$ 6,547,862,134	\$ 25,290,709,132	\$ 18,793,988,139	\$ 6,496,720,993	\$ (51,141,141)	\$ 6,496,720,993	\$ (51,141,141)	\$ 6,496,720,993	\$ (51,141,141)	(0.78%)	17,941,560
Justice and Public Safety													
12000	Judicial	\$ 673,637,589	\$ 716,889,846	\$ 698,574,848	\$ 1,210,166	\$ 697,364,682	\$ (19,525,164)	\$ 697,364,682	\$ (19,525,164)	\$ 697,364,682	\$ (19,525,164)	(2.72%)	6,424,625
12001	Judicial - Indigent Defense	\$ 133,929,817	\$ 140,257,234	\$ 153,813,873	\$ 13,962,679	\$ 139,851,194	\$ (406,040)	\$ 139,851,194	\$ (406,040)	\$ 139,851,194	\$ (406,040)	(0.29%)	593,000
13600	Justice	\$ 64,973,628	\$ 63,535,419	\$ 103,179,287	\$ 237,764,523	\$ 59,606,725	\$ (3,928,694)	\$ 59,606,725	\$ (3,928,694)	\$ 59,606,725	\$ (3,928,694)	(6.18%)	822,385
14550	Public Safety	\$ 2,389,660,154	\$ 633,101,721	\$ 851,698,725	\$ 437,764,523	\$ 613,934,202	\$ (19,167,519)	\$ 613,934,202	\$ (19,167,519)	\$ 613,934,202	\$ (19,167,519)	(3.03%)	5,484,051
15010	Adult Correction - General Fund	\$ -	\$ 1,915,121,970	\$ 1,933,093,844	\$ 24,612,230	\$ 1,908,481,614	\$ (6,640,356)	\$ 1,908,481,614	\$ (6,640,356)	\$ 1,908,481,614	\$ (6,640,356)	(0.35%)	19,518,225
	Total Justice and Public Safety	\$ 3,262,201,188	\$ 3,468,906,190	\$ 3,740,360,577	\$ 321,122,160	\$ 3,419,238,417	\$ (49,667,773)	\$ 3,419,238,417	\$ (49,667,773)	\$ 3,419,238,417	\$ (49,667,773)	(1.43%)	32,842,286

Budget Code	Function	2021-22		2022-23		Base Budget		Base Budget		Base Budget		Base Budget		Base Budget		
		Actual	Authorized	Requirements	Receipts	Requirements	Receipts	Requirements	Receipts	Requirements	Receipts	Requirements	Receipts	Change from 2022-23 Auth	% Change from 2022-23 Auth	Positions
Natural and Economic Resources																
13700	Agriculture and Consumer Services	\$ 160,279,794	\$ 176,587,461	\$ 230,607,635	\$ 76,050,056	\$ 154,557,579	\$ (22,029,882)	(12.48%)	1,816,521							
13800	Labor	\$ 20,598,034	\$ 24,625,621	\$ 41,612,064	\$ 18,605,412	\$ 23,006,652	\$ (1,618,969)	(6.57%)	370,670							
14300	Environmental Quality	\$ 104,653,363	\$ 106,097,399	\$ 289,041,532	\$ 191,798,072	\$ 97,243,460	\$ (8,853,939)	(8.35%)	1,143,946							
14350	Wildlife Resources Commission	\$ 12,870,855	\$ 23,826,213	\$ 104,365,794	\$ 90,592,483	\$ 13,773,311	\$ (10,052,902)	(42.19%)	678,000							
14600	Commerce	\$ 12,253,955	\$ 13,792,800	\$ 77,250,848	\$ 63,523,455	\$ 13,727,393	\$ (65,407)	(0.47%)	176,357							
14601	Commerce - State Aid	\$ 34,287,810	\$ 21,705,810	\$ 18,155,810	\$ -	\$ 18,155,810	\$ (3,550,000)	(16.36%)	0.000							
14602	Commerce - Economic Development	\$ 276,820,380	\$ 164,148,236	\$ 158,670,660	\$ 120,000	\$ 158,550,660	\$ (5,597,576)	(3.41%)	0.000							
14800	Natural and Cultural Resources	\$ 226,777,181	\$ 238,764,761	\$ 285,304,197	\$ 54,842,950	\$ 230,461,247	\$ (8,303,514)	(3.48%)	1,944,822							
14802	Natural and Cultural Resources - Roanoke Island	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.000							
	Total Natural and Economic Resources	\$ 848,541,371	\$ 769,548,301	\$ 1,205,005,540	\$ 495,532,428	\$ 709,476,112	\$ (60,072,189)	(7.81%)	6,130,316							
Debt Service																
19420	General Debt Service	\$ -	\$ -	\$ 649,265,711	\$ 649,265,711	\$ -	\$ -	0.00%	0.000							
	Total Debt Service	\$ -	\$ -	\$ 649,265,711	\$ 649,265,711	\$ -	\$ -	0.00%	0.000							
	Total General Fund Operating Budget	\$ 25,804,644,872	\$ 27,869,377,291	\$ 52,247,441,678	\$ 24,714,702,319	\$ 27,532,759,359	\$ (336,637,932)	(1.21%)	98,557,852							

Table 9: Summary of General Fund Base Budget Adjustments, 2024-25

Budget Code	Function	2021-22		2022-23		Base Budget Requirements	Base Budget Receipts	Base Budget	\$ Change from		Base Budget Positions	
		Actual	Authorized	2022-23 Auth	2022-23 Auth							
Education												
13510	Public Education	\$ 10,587,742,324	\$ 11,277,833,406	\$ 12,862,113,777	\$ 1,708,398,621	\$ 11,153,715,156	\$ (124,118,250)	(1.10%)	1,201,977			
16800	Community Colleges	\$ 1,307,874,612	\$ 1,358,003,063	\$ 1,689,563,818	\$ 346,872,514	\$ 1,342,691,304	\$ (15,311,759)	(1.13%)	214,010			
160XX	University System	\$ 3,491,868,171	\$ 3,813,667,966	\$ 5,874,510,605	\$ 2,052,814,735	\$ 3,821,695,870	\$ 8,027,904	0.21%	36,187,649			
	Total Education	\$ 15,387,485,107	\$ 16,449,504,435	\$ 20,426,188,200	\$ 4,108,085,870	\$ 16,318,102,330	\$ (131,402,105)	(0.80%)	37,603,636			
General Government												
11000	General Assembly	\$ 79,525,351	\$ 83,599,463	\$ 86,150,229	\$ 561,000	\$ 85,589,229	\$ 1,989,766	2.38%	577,460			
13000	Governor's Office	\$ 5,624,456	\$ 5,956,504	\$ 6,925,370	\$ 1,000,730	\$ 5,924,640	\$ (31,864)	(0.53%)	50,000			
13005	State Budget and Management	\$ 14,659,608	\$ 11,162,629	\$ 11,658,787	\$ 1,036,517	\$ 10,622,270	\$ (540,359)	(4.84%)	73,000			
13010	NC Housing Finance Agency	\$ 10,660,000	\$ 40,660,000	\$ 210,660,000	\$ 170,000,000	\$ 40,660,000	\$ -	0.00%	0,000			
13050	Military and Veterans Affairs	\$ 11,481,568	\$ 12,446,066	\$ 10,859,229	\$ -	\$ 10,859,229	\$ (1,586,837)	(12.75%)	86,650			
13085	OSBM-Special Projects	\$ 30,164,587	\$ 15,517,000	\$ 10,000,000	\$ -	\$ 10,000,000	\$ (5,517,000)	(35.55%)	0,000			
13100	Lieutenant Governor	\$ 1,026,085	\$ 1,228,538	\$ 1,222,759	\$ -	\$ 1,222,759	\$ (5,779)	(0.47%)	9,000			
13200	Secretary of State	\$ 16,675,125	\$ 17,791,626	\$ 17,642,812	\$ 378,161	\$ 17,264,651	\$ (526,975)	(2.96%)	178,553			
13300	State Auditor	\$ 15,986,959	\$ 17,728,074	\$ 24,532,113	\$ 6,899,163	\$ 17,632,950	\$ (95,124)	(0.54%)	160,000			
13410	State Treasurer	\$ 4,078,270	\$ 5,275,657	\$ 73,485,130	\$ 68,219,338	\$ 5,265,792	\$ (9,865)	(0.19%)	409,200			
13412	State Treasurer - Retirement/Benefits	\$ 32,905,423	\$ 33,255,423	\$ 33,255,423	\$ -	\$ 33,255,423	\$ -	0.00%	0,000			
13900	Insurance	\$ 50,633,184	\$ 66,932,596	\$ 54,059,587	\$ 5,140,347	\$ 48,919,240	\$ (18,013,356)	(26.91%)	434,748			
13902	Industrial Commission	\$ 8,776,799	\$ 11,155,217	\$ 23,283,671	\$ 12,162,395	\$ 11,121,276	\$ (33,941)	(0.30%)	142,250			
14100	Administration	\$ 60,320,269	\$ 62,123,449	\$ 72,609,629	\$ 11,636,055	\$ 60,973,574	\$ (1,149,875)	(1.85%)	372,023			
14111	Office of State Human Resources - General Fund	\$ 9,384,157	\$ 10,081,406	\$ 10,135,566	\$ 100,888	\$ 10,034,678	\$ (46,728)	(0.46%)	61,100			
14660	Information Technology	\$ 89,168,887	\$ 74,597,261	\$ 72,920,020	\$ 422,580	\$ 72,497,440	\$ (2,099,821)	(2.81%)	127,750			
14160	State Controller	\$ 26,588,500	\$ 32,662,846	\$ 33,432,092	\$ 875,957	\$ 32,556,135	\$ (106,711)	(0.33%)	191,545			
14700	Revenue	\$ 109,930,590	\$ 115,666,477	\$ 182,147,968	\$ 66,973,597	\$ 115,174,371	\$ (492,106)	(0.43%)	1,455,386			
18025	State Board of Elections	\$ 12,861,380	\$ 8,249,204	\$ 8,310,162	\$ 102,000	\$ 8,208,162	\$ (41,042)	(0.50%)	54,100			
18210	Office of Administrative Hearings	\$ 6,233,926	\$ 7,466,795	\$ 8,673,801	\$ 1,216,625	\$ 7,457,176	\$ (9,619)	(0.13%)	57,290			
	Total General Government	\$ 596,685,124	\$ 633,556,231	\$ 951,964,348	\$ 346,725,953	\$ 605,238,995	\$ (28,317,236)	(4.47%)	4,440,055			
Health and Human Services												
14410	Central Administration	\$ 191,865,088	\$ 197,613,142	\$ 369,176,929	\$ 173,782,566	\$ 195,394,363	\$ (2,218,779)	(1.12%)	1,052,500			
14411	Aging and Adult Services	\$ 47,290,204	\$ 52,590,333	\$ 162,811,870	\$ 110,379,526	\$ 52,432,344	\$ (157,989)	(0.30%)	79,000			
14420	Child Development and Early Education	\$ 229,746,393	\$ 251,936,332	\$ 829,893,524	\$ 578,614,479	\$ 251,279,045	\$ (657,287)	(0.26%)	331,000			
14430	Public Health	\$ 171,067,246	\$ 173,832,187	\$ 476,743,480	\$ 363,208,810	\$ 113,534,670	\$ (60,297,517)	(34.69%)	1,195,285			
14435	Division of Child and Family Well Being	\$ -	\$ -	\$ 572,963,586	\$ 514,976,713	\$ 57,986,873	\$ 57,986,873	0.00%	868,725			
14440	Social Services	\$ 203,834,260	\$ 227,516,706	\$ 2,110,971,533	\$ 1,899,597,572	\$ 211,373,961	\$ (16,142,745)	(7.10%)	367,000			
14450	Services for the Blind, Deaf, and Hard of Hearing	\$ 7,676,105	\$ 9,106,133	\$ 45,208,625	\$ 36,112,207	\$ 9,096,418	\$ (9,715)	(0.11%)	336,500			
14445	Medical Assistance	\$ 3,989,163,824	\$ 4,724,614,516	\$ 18,703,201,546	\$ 13,964,240,150	\$ 4,738,961,396	\$ 14,346,880	0.30%	460,000			
14460	Mental Health/Disabilities/Substance Abuse	\$ 809,706,193	\$ 844,897,485	\$ 1,730,280,599	\$ 928,446,761	\$ 801,833,838	\$ (43,063,647)	(5.10%)	11,270,300			
14470	Health Services Regulation	\$ 24,653,954	\$ 23,177,203	\$ 79,220,241	\$ 56,399,591	\$ 22,820,650	\$ (356,553)	(1.54%)	579,500			
14480	Vocational Rehabilitation	\$ 34,728,813	\$ 42,578,097	\$ 186,357,702	\$ 144,276,372	\$ 42,081,330	\$ (496,767)	(1.17%)	1,001,750			
	Total Health and Human Services	\$ 5,709,732,081	\$ 6,547,862,134	\$ 25,266,829,635	\$ 18,770,034,747	\$ 6,496,794,888	\$ (5,107,246)	(0.78%)	17,941,560			
Justice and Public Safety												
12000	Judicial	\$ 673,637,589	\$ 716,889,846	\$ 698,583,690	\$ 1,210,166	\$ 697,373,524	\$ (19,516,322)	(2.72%)	6,424,625			
12001	Judicial - Indigent Defense	\$ 133,929,817	\$ 140,257,234	\$ 153,815,013	\$ 13,962,679	\$ 139,852,334	\$ (404,900)	(0.29%)	593,000			
13600	Justice	\$ 64,973,628	\$ 63,535,419	\$ 103,190,946	\$ 43,572,562	\$ 59,618,384	\$ (3,917,035)	(6.17%)	822,385			
14550	Public Safety	\$ 2,389,660,154	\$ 633,101,721	\$ 851,997,807	\$ 237,764,523	\$ 614,233,284	\$ (18,868,437)	(2.98%)	5,484,051			
15010	Adult Correction - General Fund	\$ -	\$ 1,915,121,970	\$ 1,933,209,095	\$ 24,612,230	\$ 1,908,596,865	\$ (6,525,105)	(0.34%)	19,518,225			
	Total Justice and Public Safety	\$ 3,262,201,188	\$ 3,468,906,190	\$ 3,740,796,551	\$ 321,122,160	\$ 3,419,674,391	\$ (49,231,799)	(1.42%)	32,842,286			

Budget Code	Function	2021-22		2022-23		Base Budget Requirements	Base Budget Receipts	Base Budget	\$ Change from		% Change from		Base Budget Positions
		Actual	Authorized	Authorized	Requirements				2022-23 Auth	2022-23 Auth	2022-23 Auth	2022-23 Auth	
Natural and Economic Resources													
13700	Agriculture and Consumer Services	\$ 160,279,794	\$ 176,587,461	\$ 230,607,635	\$ 76,050,056	\$ 154,557,579	\$ (22,029,882)	(12.48%)	1,816,521				
13800	Labor	\$ 20,598,034	\$ 24,625,621	\$ 41,616,569	\$ 18,605,412	\$ 23,011,157	\$ (1,614,464)	(6.56%)	370,670				
14300	Environmental Quality	\$ 104,653,363	\$ 106,097,399	\$ 289,031,740	\$ 191,808,369	\$ 97,223,371	\$ (8,874,028)	(8.36%)	1,143,946				
14350	Wildlife Resources Commission	\$ 12,870,855	\$ 23,826,213	\$ 104,415,878	\$ 90,631,286	\$ 13,784,592	\$ (10,041,621)	(42.15%)	678,000				
14600	Commerce	\$ 12,253,955	\$ 13,792,800	\$ 77,250,848	\$ 63,523,455	\$ 13,727,393	\$ (65,407)	(0.47%)	176,357				
14601	Commerce - State Aid	\$ 34,287,810	\$ 21,705,810	\$ 18,155,810	\$ -	\$ 18,155,810	\$ (3,550,000)	(16.36%)	0.000				
14602	Commerce - Economic Development	\$ 276,820,380	\$ 164,148,236	\$ 158,670,660	\$ 120,000	\$ 158,550,660	\$ (5,597,576)	(3.41%)	0.000				
14800	Natural and Cultural Resources	\$ 226,777,181	\$ 238,764,761	\$ 285,304,197	\$ 54,842,950	\$ 230,461,247	\$ (8,303,514)	(3.48%)	1,944,822				
14802	Natural and Cultural Resources - Roanoke Island	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.000				
Total Natural and Economic Resources		\$ 848,541,371	\$ 769,548,301	\$ 1,205,053,337	\$ 495,581,528	\$ 709,471,809	\$ (60,076,492)	(7.81%)	6,130,316				
Debt Service													
19420	General Debt Service	\$ -	\$ -	\$ 649,265,711	\$ 649,265,711	\$ -	\$ -	0.00%	0.000				
Total Debt Service		\$ -	\$ -	\$ 649,265,711	\$ 649,265,711	\$ -	\$ -	0.00%	0.000				
Total General Fund Operating Budget		\$ 25,804,644,872	\$ 27,869,377,291	\$ 52,240,097,782	\$ 24,690,815,369	\$ 27,549,282,413	\$ (320,094,878)	(1.15%)	98,557,853				

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Economic Outlook

A Slowcession Likely Headed Our Way

Over 80% of American adults rate economic conditions as fair or poor, according to a Gallup Survey in January 2023, and many economists expect that the US economy will experience a “slowcession” in 2023, defined as “growth that comes to a near standstill but that never slips into reverse.”ⁱ Inflation remains a top concern for the Federal Reserve and rising prices for goods and services have particularly squeezed lower-income households.

Despite negative perceptions of the economy and recent headlines of technology-sector layoffs, job growth remains solid. Consumer spending rebounded sharply in January to average 2022 levels, after declining in November and December. The combination of recent robust economic growth, slowing-but-still-elevated inflation, and a Federal Reserve determined to slow inflation led the Consensus Revenue Forecasting group to adopt a slowcession scenario as the most likely economic path in the coming years.

Food, Housing, and Energy Continue to Drive Price Increases

Inflation has eased in recent months due primarily to falling energy prices and improving supply chains but remains elevated. The consumer price index (CPI) is down from last summer’s four-decade high of 8.9% year-over-year growth but remained high at 6.4% in January. The largest contributors to the overall level of inflation are increases in food, shelter, and energy prices.ⁱⁱ Food price inflation has decelerated from August’s year-over-year peak of 11.3% but remained above 10% in January. Energy prices are also 8.7% above their level a year ago.ⁱⁱⁱ Shelter inflation continues to increase. The CPI measure of housing inflation for homeowners increased 7.8% from January 2022 to January 2023, and the equivalent measure for renters increased 8.6% in the same time period.^{iv} While these measures have not yet shown a deceleration, rent measures are lagged in the CPI data and are expected to decrease in the coming months. Inflation is expected to decrease in the coming months as supply chain issues continue to ease, commodity price shocks fade, home prices and rents moderate, and labor market conditions cool.

Labor Market Pressures Continue to Drive Up Wages

Average hourly earnings of North Carolina workers have risen by more than 17% since the start of pandemic. The wages of North Carolinians have outpaced inflation due to a continued tight labor market.

The state’s unemployment rate in December was 3.9%, which is up from 3.4% in spring of 2022, but still at historically low levels.^{iv} North Carolina’s labor force grew by over 130,000 workers in 2022, and labor force participation has gradually increased from the pandemic low, but it is still below 2019 levels.^{iv} In the NC Department of Commerce’s January Business Pulse Survey, 56% of business owners had concerns about adequate staffing levels and 31%

believed it would become harder to find qualified workers six months from now.^v In December, there were

Wage Growth in North Carolina Has Outpaced Inflation

Average Hourly Earnings for Private-Sector Workers; Consumer Price Index; Indexed to 100 in Jan. 2020



Source: US Department of Commerce, Bureau of Labor Statistics; Shaded area indicates recession

two job openings for every unemployed person in North Carolina.^{iv} Economists at the Federal Reserve have shown that a large share of the decrease in the job market is attributable to retirements among those who may have retired earlier than planned due to impacts of the pandemic.^{vi}

North Carolina workers' earnings have been growing faster than the average U.S. worker since the beginning of the pandemic.^{vii} While national real average hourly earnings are roughly unchanged compared to the months before the pandemic, average hourly earnings for private sector workers in North Carolina have outpaced inflation since the pandemic began. In addition, North Carolina per capita income rose to 87.6% of the national average in 2021, up from 86.4% in 2015.

Consumer Spending May Be Slowing in the Face of Inflation and Rising Interest Rates

Due to lower household spending and federal pandemic aid during 2020 and 2021, households built up approximately \$2.4 trillion in excess savings.^{viii} While households have spent down approximately half of their excess savings, substantial savings remain to prop up consumer spending. Spending has remained resilient in the face of elevated inflation and has been an important factor in sustaining economic growth despite Federal Reserve interest rate hikes, energy price spikes, and a housing market recession. However, signs of weakness may be showing as inflation persists and consumer sentiment remains low. After growing at an annual pace of over 2% in the middle of 2022, real consumer spending growth slowed to 1.4% in the fourth quarter.^{ix} Spending on goods (as measured by real personal consumption expenditures on goods) peaked in March of 2021 and has since declined by 4.0%, whereas spending on services has risen 9.0% over the same period, pointing towards a post-pandemic rebalancing of spending.

Risks to the Economic Forecast

High inflation remains a primary risk to the economy today. The persistence of elevated inflation, despite recent deceleration, and a tight job market will likely lead the Federal Reserve to continue raising interest rates to slow inflation toward its 2% target. If the labor market remains overheated or inflation remains elevated, the odds shift from a near-term slowcession or mild recession toward a later, deeper recession.

The economic fallout from geopolitical conflict also has the potential to cause or exacerbate a recession. As the war in Ukraine grinds on, further escalation or an expansion of the conflict beyond the borders of Ukraine could lead to further supply chain disruptions and increases in fuel and gas prices. Such an outcome presents a significant risk to the economic outlook for the U.S. and North Carolina.

International politics are not the only political risk to the economy – domestic political disagreements over the debt ceiling and government spending within Congress also could derail the “soft landing” the Federal Reserve desires. The federal government defaulting on its debt, particularly if longer than a few days, could trigger a severe recession with significant long-term consequences.^x

ⁱ Mark Zandi. “Slowcession.” <https://www.moodysanalytics.com/-/media/article/2022/slowcession.pdf>

ⁱⁱ S&P Global, Economic Watch - Market Watch Compilation, February 21, 2023.

ⁱⁱⁱ U.S. Bureau of Labor Statistics data retrieved from BLS.gov

^{iv} U.S. BLS, Labor Force Participation Rate for North Carolina, retrieved from FRED, Federal Reserve Bank of St. Louis, February 22, 2023.

^v North Carolina Department of Commerce. Pulse Survey, December 2022. <https://analytics.nccommerce.com/pulse-survey/>

^{vi} Montes, Joshua, Christopher Smith, and Juliana Dajon (2022). “The Great Retirement Boom”: The Pandemic-Era Surge in Retirements and Implications for Future Labor Force Participation,” <https://doi.org/10.17016/FEDS.2022.081>.

^{vii} U.S. BLS, Average Hourly Earnings of All Employees, Total Private, retrieved 2/27/23 from FRED; <https://fred.stlouisfed.org/series/CES0500000003>.

^{viii} S&P Global, Economic Watch - Market Watch Compilation, February 21, 2023.

^{ix} U.S. Bureau of Economic Analysis. Accessed March 1, 2023. <https://www.bea.gov/news/2023/personal-income-and-outlays-january-2023>

^x Zandi, Mark. “Debt Limit Brinkmanship (Again).” <https://www.moodysanalytics.com/-/media/article/2023/debt-limit-brinkmanship.pdf>

General Fund Revenue Forecast

More than 80% of General Fund revenues are derived from the individual income tax and the sales and use tax. Other important sources of revenue include corporate income and franchise taxes, taxes on insurance premiums, excise taxes on alcohol and tobacco products, and revenue from nontax sources, such as judicial fees and earnings from investing state funds.

Consensus Revenue Forecast

OSBM and the General Assembly's Fiscal Research Division issued a revised consensus revenue forecast for FY 2022-23 and an initial consensus forecast for the 2023-2025 biennium on February 15, 2023. The revised forecast includes a substantial upward revision to collections in the current fiscal year. This is consistent with experience in most other states, which have also seen higher-than-expected revenue collections. The median growth rate for total tax revenues across all states for 2022 was 11.6%.

Current Year Revenue

The revised forecast projects net General Fund revenue of \$33.76 billion in FY 2022-23, an upward revision of \$3.25 billion (10.7%) from certified revenues and a 1.7% increase over FY 2021-22 revenues.

Larger-than-expected tax payments from pass-through businesses that elected to be taxed at the entity level and smaller-than-expected declines in individual income tax collections are contributing to personal income tax overcollections. Persistently high corporate profits, particularly among large multi-national corporations which were successful at passing on inflationary increases to their customers, and resilient consumer spending are also ensuring overcollections in corporate income tax revenue and sales tax revenue. Finally, the historically high \$17 billion of General Fund balances and reserves, combined with rising interest rates, are resulting in increased investment returns that contribute to the overcollections expected in the current fiscal year.

All major revenue sources—and some minor sources—have contributed to projected overcollections. Collections from individual income taxes (+\$1.28 billion), corporate income taxes (+\$537 million), and sales and use tax (+\$604 million) will all be substantially higher than certified revenues.

Outlook for the Next Biennium (FY 2023-2025)

For FY 2023-25, the consensus forecast anticipates net General Fund revenue of \$33.71 billion in FY 2023-24 and \$33.65 billion in FY 2024-25. A 0.2% decrease in total General Fund revenues is expected in each year of the biennium, due to slowing growth in economic activity and significant tax cuts that are scheduled to occur in the next two years.

Major tax cuts and revenue transfers that are scheduled to occur in this biennium's forecast include:

- Reducing the individual income tax rate to 4.75% in 2023, 4.6% in 2024, and 4.5% in 2025;
- Dropping the corporate income tax rate to 2.25% in 2025;
- Eliminating the two property bases from the franchise tax base in 2023, keeping only the net worth base; and
- Increasing the sales tax transfer to the Highway Fund and Highway Trust Fund from 2% in FY 2022-23 to 4% in FY 2023-24 and 6% in FY 2024-25.

The forecast anticipates a "slowcession" characterized by stagnant real growth in the economy during 2023 as the Federal Reserve raises interest rates to slow inflation, followed by a period of modest growth over the rest of the biennium. Inflation is expected to slow from recent peaks towards the Federal Reserve's 2% target but remain above that target well into 2024.

Recommended Revenue Changes

Individual Income Tax Reduction Fairness with Rate for Higher Incomes Remaining at 4.75%

The Governor recommends implementing a two-tiered bracket at the \$200,000 threshold for married couples filing jointly (and 50% and 75% of this level for single filers and head of household filers, respectively). Income below these levels would benefit from tax rate decreases to 4.6% in 2024 and 4.5% in 2025, while the recently reduced tax rate of 4.75% would continue to apply to income above the thresholds. This change would raise \$69 million in FY 2023-24 and \$222 million in FY 2024-25. North Carolina's income tax rates would remain among the lowest in the Southeast among those states that have an income tax.

Maintain the Corporate Tax Rate

The Governor also recommends maintaining the corporate income tax rate at 2.5% on a permanent basis. This would raise \$65 million in FY 2024-25 and support growth in General Fund revenues in the years beyond the biennium. Decreasing the corporate income tax rate mostly reduces the tax liability of large, out-of-state, multi-national corporations.

Maintain the Sales Tax Transfer to the Highway Fund at 2%

The Governor recommends maintaining the sales tax transfer from the General Fund to the Highway Fund and Highway Trust Fund at 2% of revenues. This change increases General Fund revenues by \$210M in the first year of the biennium and \$429M in the second year of the biennium.

General Fund Revenue by Fiscal Year: Recent History and Forecast With Governor's Recommended Changes
(In Millions)

	2019-20	2020-21	2021-22	2022-23		2023-24	%	2024-25	%
	Actual	Actual	Actual	Budget	Revised	Budget	Change	Budget	Change
Tax Revenue									
Individual Income	12,414.7	15,822.6	17,567.6	15,470.9	16,747.9	16,679.1	-0.4%	17,040.0	2.2%
Sales and Use	7,820.6	9,023.6	10,200.7	10,183.4	10,787.3	10,874.6	0.8%	11,119.7	2.3%
Corporate Income	657.8	1,511.5	1,625.8	1,155.5	1,692.9	1,680.7	-0.7%	1,698.5	1.1%
Franchise	646.0	869.8	888.3	690.9	841.8	726.5	-13.7%	738.6	1.7%
Insurance Premium	656.2	692.6	972.3	1,033.5	1,143.4	1,432.4	25.3%	1,356.5	-5.3%
Alcoholic Beverage	410.6	492.6	521.2	552.5	541.5	556.0	2.7%	578.5	4.0%
Inheritance	1.2	0.0	0.2	0.0	0.0	0.0	n.a.	0.0	n.a.
Privilege License	35.1	41.2	38.4	39.6	37.0	37.2	0.5%	37.4	0.5%
Tobacco Products	251.9	265.2	251.6	270.2	267.5	280.9	5.0%	276.6	-1.5%
Real Estate Conveyance	87.9	113.6	152.8	149.6	119.1	105.9	-11.1%	112.7	6.4%
White Goods Disposal	3.3	3.6	3.9	3.6	4.0	4.1	2.5%	4.2	2.4%
Scrap Tire Disposal	6.1	6.5	7.5	6.5	7.5	7.5	0.0%	7.5	0.0%
Mill Machinery	1.1	1.1	1.3	0.2	-0.3	0.0	-100.0%	0.0	n.a.
Solid Waste Disposal	2.9	2.9	3.0	3.1	3.2	3.2	0.0%	3.2	0.0%
Other Tax	0.5	0.3	0.5	0.3	0.3	0.2	-33.3%	0.2	0.0%
Total Tax Revenue	22,995.7	28,847.1	32,235.0	29,559.8	32,193.1	32,388.3	0.6%	32,973.6	1.8%
Nontax Revenue									
Investment Income	135.5	23.3	59.9	60.9	668.1	856.3	28.2%	645.1	-24.7%
Judicial Fees	203.3	178.6	207.6	222.8	221.9	220.8	-0.5%	219.8	-0.5%
Insurance	92.4	100.0	110.8	116.1	112.2	114.9	2.4%	117.8	2.5%
Disproportionate Share	165.3	177.6	167.4	161.5	161.5	164.5	1.9%	88.4	-46.3%
Master Settlement Agreement	131.7	149.7	176.9	144.6	149.5	150.2	0.5%	149.1	-0.7%
Other Nontax	215.3	222.5	251.1	244.2	253.9	252.8	-0.4%	255.3	1.0%
Total Nontax Revenue	943.6	851.8	973.7	950.1	1,567.1	1,759.5	12.3%	1,475.5	-16.1%
Total General Fund Revenue	23,939.3	29,698.9	33,208.7	30,509.9	33,760.2	34,147.8	1.1%	34,449.1	0.9%

Totals may differ from the sum of their parts due to rounding.

Highway Fund and Highway Trust Fund Revenue Forecast

The largest overall revenue source is the state excise tax on motor fuels, comprising approximately half of the total revenue for the Highway Fund and Highway Trust Fund. Both Funds also receive revenue from Division of Motor Vehicle (DMV) licenses and fees, as well as interest earned on investments of the Funds' cash balances. Additionally, the Highway Trust Fund receives all the revenue from the highway use tax.

Current Year Revenue

The revised consensus forecast for FY 2022-23 anticipates total Highway Fund and Highway Trust Fund revenue at \$4.8 billion (10.7% above FY 2021-22). The consensus has Highway Fund revenues finishing the year at \$3 billion, or 9.9% above FY 2021-22 and \$35 million (+1.2%) above budget. Highway Trust Fund revenues are expected to total \$1.8 billion in the current year, an increase of 12.2% over last year, but \$17 million (1.0%) lower than budgeted revenues due mostly to softer DMV fee collections.

SL 2022-74 transferred 2% of General Fund sales tax revenues to the Highway Fund. The new consensus forecast estimates this transfer to be \$207 million in FY 2022-23. Per the session law, the transfer increases to 4% in FY 2023-24 (split 1% and 3% between the Highway Fund and Highway Trust Fund, respectively) and then to 6% in FY 2024-25 (split 1.5% and 4.5% respectively).

Revenue Outlook for the 2023-2025 Biennium

Total Highway Fund revenue is expected to stay relatively flat in the first year of the next biennium. This is due primarily to moderately higher gasoline and diesel prices through the rest of 2023, which will dampen consumption growth. In the second year, total Highway Fund revenue is expected to increase by 6.2%, largely driven by higher DMV revenue due to the quadrennial DMV fee inflation adjustment required by GS 20-4.02 (fees are forecast to increase in July 2024 by 19.1%).

Total Highway Trust Fund revenue increases by 12.2% in the first year of the biennium and increases again by 4.0% in FY 2024-25. This increase is due primarily to continued growth in Highway Use Tax collections (i.e., sales tax on new and used vehicles sold or transferred) as consumers continue to take advantage of tax credits from federal incentives by purchasing newer electric vehicles. The quadrennial inflation adjustment discussed above is also driving up Highway Trust Fund revenues.

Recommended Revenue Changes

The Governor recommends maintaining the sales tax transfer from the General Fund to the Highway Fund at 2% for the biennium. For the Highway Trust Fund, the proposed change represents \$157.3 million lower Highway Trust Fund availability in FY 2023-24 and \$321.7 million in FY 2024-25. For the Highway Fund, the proposed change reduces availability by \$52.4 million and \$107.3 million in FY 2023-24 and 2024-25, respectively.

Highway Fund and Highway Trust Fund Revenue by Fiscal Year: Recent History and Forecast*
(In Millions)

Source	2021-22 Actual	2022-23 Budget**	2022-23 Revised	2023-24 Forecast	Year-over-year Change	2024-25 Forecast	Year-over-year Change
Highway Fund							
Motor Fuels Taxes	1,744.1	1,766.1	1,731.4	1,791.9	3.5%	1,802.7	0.6%
Highway Short Term Lease	98.4	95.3	109.7	116.7	6.4%	121.5	4.1%
Licenses and Fees	854.2	872.2	882.8	895.1	1.4%	1,053.3	17.7%
Investment Income	2.6	1.5	30.4	40.7	33.9%	35.7	-12.3%
Aviation Fuel Tax	6.3	10.0	11.3	13.3	17.7%	25.0	88.0%
Transfers from General Fund***	-	193.1	207.6	52.5	-74.7%	53.6	2.3%
Total Highway Fund Availability	2,705.6	2,938.2	2,973.2	2,910.2	-2.1%	3,091.8	6.2%
Highway Trust Fund							
Highway Use Tax	1,028.5	1,086.0	1,090.8	1,112.4	2.0%	1,160.8	4.4%
Motor Fuels Tax	437.0	590.1	569.3	598.9	5.2%	602.5	0.6%
Title Fees & Lien	152.3	158.0	136.2	142.1	4.3%	170.9	20.3%
Transfers from General Fund***	-	-	-	157.4	-	160.9	2.2%
Investment Income	2.0	1.4	21.8	28.9		25.3	-12.5%
Total Trust Fund Availability	1,619.8	1,835.5	1,818.1	2,039.7	12.2%	2,120.4	4.0%
Total HF & HTF Availability	4,325.4	4,773.7	4,791.3	4,949.8	3.3%	5,212.2	5.3%

*Totals may differ from the sum of their parts due to rounding.

**May 2022 cars ens us revenue forecast with sales tax transfer estimates included per S.L. 2022-74.

***Estimated transfer based on Governor's proposal

Population Dynamics

North Carolina's Population Growth Accelerates

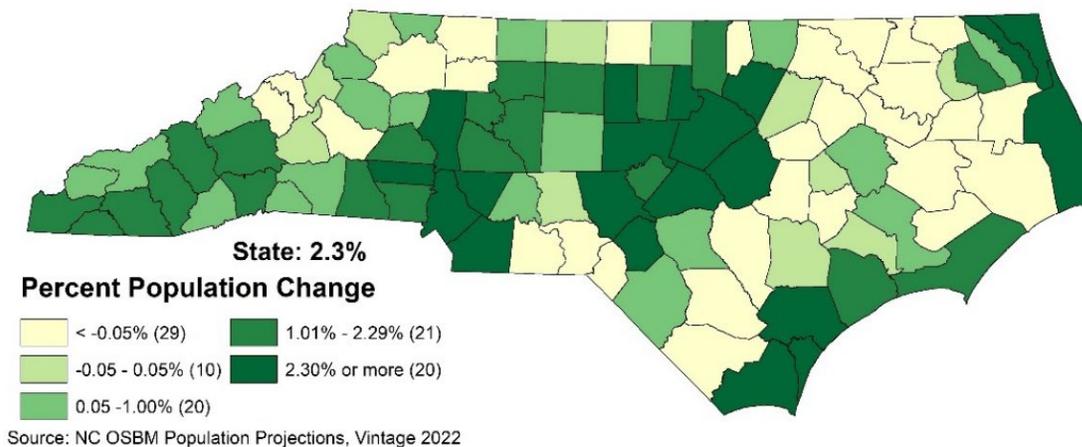
North Carolina experienced significant gains in [population](#) over the previous year – adding 133,000 people (1.3%) – **the third largest population gain** in the nation. International migration returned to pre-pandemic levels (a net gain of 26,000 people) and an estimated 100,000 more people moved to North Carolina from other states than those who moved away. Once again, North Carolina ranked 3rd in state-to-state movers – behind only Florida and Texas.

The State Demographer's latest [projections](#) predict an increase of 244,000 people over the biennium – an equivalent of adding the population of Winston-Salem. By July 1, 2025, an estimated **11 million people** will be living in North Carolina.¹

Some Rural Counties Recover While Urban Areas Continue to Grow

According to the State Demographer's latest [population projections](#), 61 counties are expected to grow by at least 0.05% over the biennium. Growth will occur in all regions of the state with almost 20% of this growth occurring in 78 rural counties (compared to less than 10% during the previous decade).² Whereas Wake and Mecklenburg Counties accounted for almost half of all growth in North Carolina between 2010-20, these same counties will account for less than 40% of the state's growth over the biennium. Between July 1, 2023 and July 1, 2025, the fastest growing counties will be outlying counties of metropolitan areas – the four fastest being Currituck (8.1%), Brunswick (7.1%), Franklin (6.1%), and Johnston (5.6%) counties.

Projected County Population Change, 2023-2025



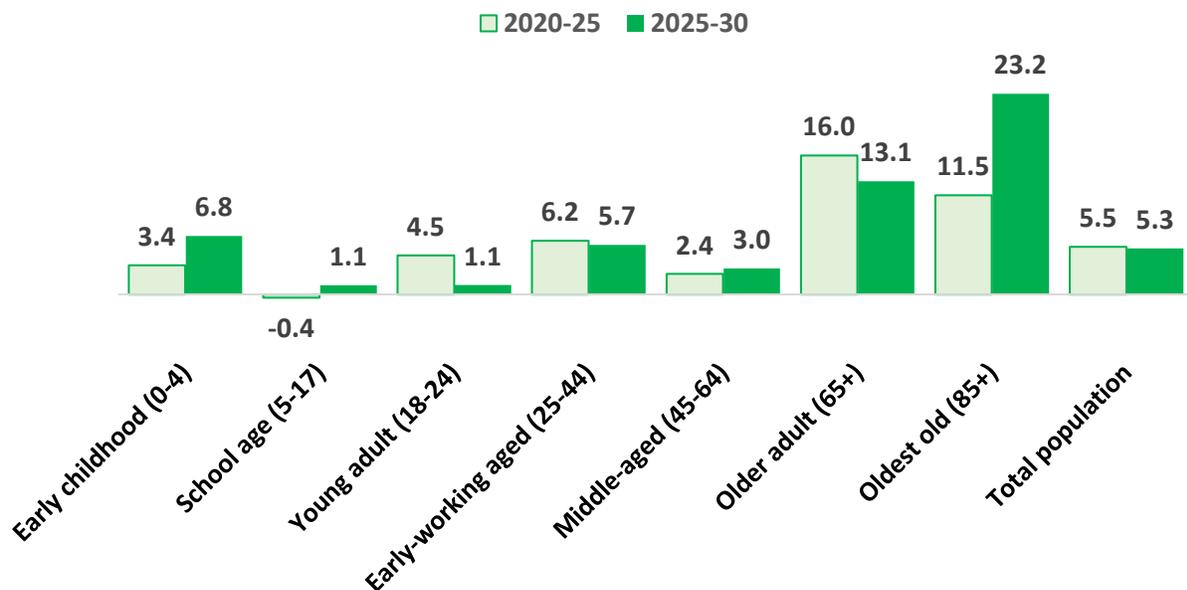
¹ North Carolina Office of State Budget & Management Population Projections, Vintage 2022

² Rural counties as defined by the [North Carolina Rural Center](#) for the 2020 Census. Urban/Suburban/Regional Center counties had population densities of 250 people per square mile or more in 2020. These counties include Alamance, Buncombe, Cabarrus, Catawba, Cabarrus, Cumberland, Davidson, Durham, Forsyth, Gaston, Guilford, Henderson, Iredell, Johnston, Lincoln, Mecklenburg, New Hanover, Onslow, Orange, Pitt, Rowan, Union, and Wake. All other counties are considered rural.

Faster Growth Among Early-Working Age Adults and Young Children

The early-working aged adult population (ages 25 to 44) will grow more rapidly than the state’s population now through 2030. At the same time, the Baby Boom generation will continue to retire – taking with them institutional knowledge and skills acquired over a lifetime. In 2023, for every person approaching retirement ages (ages 60 to 64), there are 1.1 people entering into the primary working ages (ages 20 to 24). This is far less than past ratios of 1.8 in 2000 and 2.3 in 1970. Different rates of growth for other age groups will impact demand for state services in other ways as well. The early childhood population (ages 0 to 4) has begun to grow again and will grow at a faster rate than the total population during the latter part of this decade. In 2020, the school-age population (ages 5 to 17) was only slightly larger than the same population in 2010 (at 1.6 million in 2020). This population will begin to grow again, although at a slower rate than the total population to 1.7 million by 2030.

Percent growth for age groups, 2020-25 and 2025-30



Population Aging Continues

The first wave of the Baby Boom generation turned 65 in 2011. Since that time, the 65 and older population has increased in size by over 50,000 people per year. That pace of change will continue into the 2030s. By the end of this decade, [1 in 5 North Carolinians](#) will be at least 65 years old, and by 2031 there will be more older adults than children. At the end of the 2023-25 biennium, an expected 2 million older adults will be living in North Carolina, an increase of 283,000 people (16%) since 2020. Of these, 216,000 will be 85 years of age or older (a 12% increase since 2020). This aging population brings with it different demands for healthcare, social services, transportation, and other programs. In addition, because of slower growth in other age cohorts and low fertility rates, future population growth will become even more dependent upon migration. In fact, since 2020, migration accounted for almost all of North Carolina’s [population growth](#).

Mission

To use the North Carolina State Board of Education’s constitutional authority to guard and maintain the right of a sound, basic education for every child in North Carolina Public Schools.

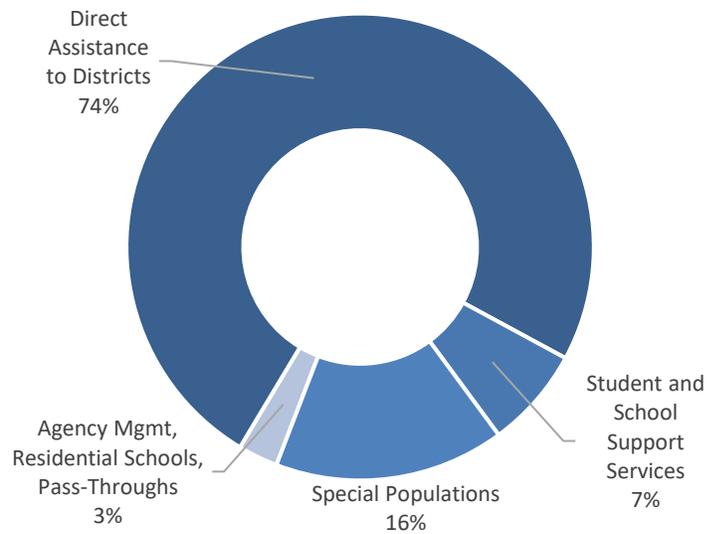
Goals

1. Eliminate opportunity gaps by 2027.
2. Improve school and district performance by 2027.
3. Increase educator preparedness to meet the needs of every student by 2027.

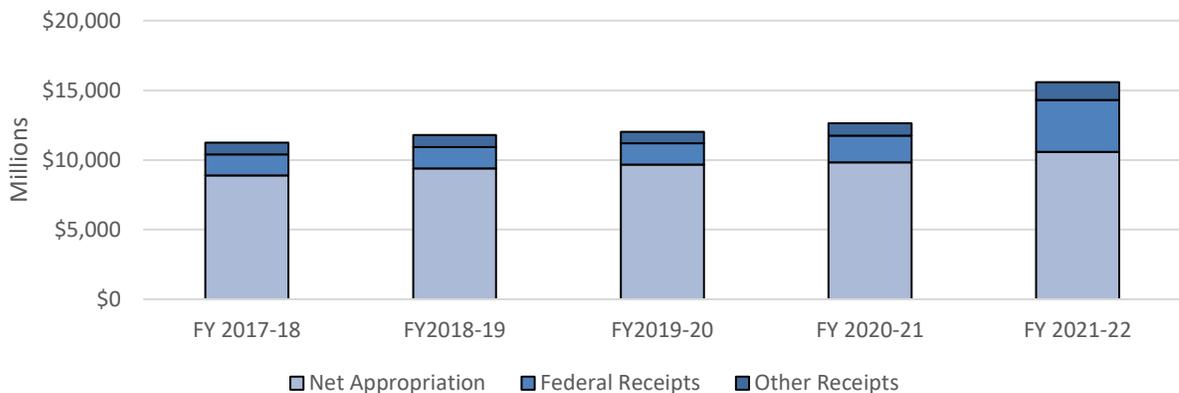
Agency Profile

- Implement the state’s public school laws, policies, and procedures governing public education for Pre-K through 12th grade at the direction of the State Board of Education and Superintendent of Public Instruction.
- Provide leadership and service to 115 local public-school districts and 2,600+ traditional public schools, 200+ charters schools, lab and regional schools, the North Carolina Virtual Public School, the North Carolina Governor’s School, and three residential schools for students with hearing and visual impairments, serving about 1.5 million Pre- K-12 students across the state.
- Administer state and federal funds totaling \$15.6 billion, and license and support the development of the 117,000 teachers and administrators that serve public schools.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Charts include General Fund budget code only.

Department of Public Instruction (13510)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 12,862,113,777	\$ 2,020,462,932	\$ 322,892,000	\$ 2,343,354,932	\$15,205,468,709	18.2%
Receipts	\$ 1,708,398,621	\$ 43,700,000	\$ 40,000,000	\$ 83,700,000	\$ 1,792,098,621	4.9%
Net Appropriation	\$ 11,153,715,156	\$ 1,976,762,932	\$ 282,892,000	\$ 2,259,654,932	\$13,413,370,088	20.3%
Positions (FTE)	1201.977	50.000	0.000	50.000	1251.977	4.2%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 12,862,113,777	\$ 3,379,479,884	\$ 8,000,000	\$ 3,387,479,884	\$16,249,593,661	26.3%
Receipts	\$ 1,708,398,621	\$ 256,500,000	\$ -	\$ 256,500,000	\$ 1,964,898,621	15.0%
Net Appropriation	\$ 11,153,715,156	\$ 3,122,979,884	\$ 8,000,000	\$ 3,130,979,884	\$14,284,695,040	28.1%
Positions (FTE)	1201.977	58.000	0.000	58.000	1259.977	4.8%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Constitutional Mandate				
1 Baseline Education Investments				
Provides all North Carolina children with greater access to a sound basic education by fully funding year 3 actions of the Comprehensive Remedial Plan as ordered by the North Carolina Supreme Court. These investments are funded in part through NC Education Lottery receipts.	Req \$ 345,196,777	\$ -	\$ 345,196,777	\$ -
	Rec \$ 30,000,000	\$ -	\$ 30,000,000	\$ -
	App \$ 315,196,777	\$ -	\$ 315,196,777	\$ -
	FTE 0.000	0.000	0.000	0.000
Reserve for Salaries and Benefits				
2 Compensation Increase - Teachers and Instructional Support				
Updates the teacher salary schedule to provide teachers with an increase of at least 10% in the first year of the biennium and another 6% in the second year, and raises the minimum teacher salary to \$46,000/year, plus any local supplement. This schedule reduces salary plateaus for experienced Teachers, Instructional Support personnel, School Psychologists, Speech Pathologists, and Audiologists. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$ 605,106,000	\$ -	\$ 1,047,605,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 605,106,000	\$ -	\$ 1,047,605,000	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Master's Pay				
Restores Master's Pay for classroom teachers whose advanced degrees are in the subjects they teach.	Req \$ 10,000,000	\$ -	\$ 10,000,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 10,000,000	\$ -	\$ 10,000,000	\$ -
	FTE 0.000	0.000	0.000	0.000
4 Compensation Increase - School-based Administrators				
Provides funds for school-based administrator salary increases. Assistant Principal salaries are tied to the teacher salary schedule. Funding supports a 10% increase in the first year of the biennium and another 6% in the second year over the FY 2022-23 Principal salary schedule. Corresponding special provisions provide additional details on these compensation adjustments.	Req \$ 43,727,000	\$ -	\$ 71,714,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 43,727,000	\$ -	\$ 71,714,000	\$ -
	FTE 0.000	0.000	0.000	0.000
5 Comp. Increase Reserve - Central Office and Noncertified Employees				
Provides funds for an across-the-board salary increase of 6.5% in FY 2023-24 and an additional 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$ 99,002,000	\$ -	\$ 147,666,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 99,002,000	\$ -	\$ 147,666,000	\$ -
	FTE 0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 Compensation Increase Reserve - DPI					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req	\$ 3,924,000	\$ -	\$ 6,387,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 3,924,000	\$ -	\$ 6,387,000	\$ -
	FTE	0.000	0.000	0.000	0.000
7 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req	\$ 2,893,000	\$ -	\$ 2,893,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 2,893,000	\$ -	\$ 2,893,000	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Receipt-Supported Cost-of-Living Adjustment Reserve - DPI					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req	\$ 1,730,000	\$ -	\$ 2,820,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,730,000	\$ -	\$ 2,820,000	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Retention Bonus - Public School Personnel					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req	\$ -	\$ 247,675,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 247,675,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Retention Bonus - DPI					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req	\$ -	\$ 1,591,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 1,591,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
11 State Retirement Contributions - Public School Personnel					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req	\$ 115,830,298	\$ -	\$ 152,523,256	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 115,830,298	\$ -	\$ 152,523,256	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
12 State Retirement Contributions - DPI					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	819,082	\$ -	\$ 1,078,552	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	819,082	\$ -	\$ 1,078,552	\$ -
	FTE	0.000		0.000	0.000
13 State Health Plan - Public School Personnel					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	34,624,691	\$ -	\$ 117,781,611	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	34,624,691	\$ -	\$ 117,781,611	\$ -
	FTE	0.000		0.000	0.000
14 State Health Plan - DPI					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	160,125	\$ -	\$ 544,690	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	160,125	\$ -	\$ 544,690	\$ -
	FTE	0.000		0.000	0.000
Technical and Salary Adjustments					
15 Technical Adjustments for ADM and Average Teacher Salary					
Adjusts funding for multiple public school allotments based on average daily membership (ADM) to reflect changes in student population. This item also adjusts budgeted average salaries using school year 2022-23 actual sixth pay period data as the revised projection base.	Req \$	30,100,000	\$ -	\$ 60,200,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	30,100,000	\$ -	\$ 60,200,000	\$ -
	FTE	0.000		0.000	0.000
Sound Basic Education Investments					
16 Teacher Compensation Program Consultant					
Provides funding to support one full-time equivalent position for the Professional Educator Preparation and Standards Commission (\$200K funded in the Baseline Education Investments item).	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	1.000		0.000	1.000
17 Student Recruitment Programs					
Provides funds to expand student recruitment programs (\$300K funded in the Baseline Education Investments item).	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000		0.000	0.000
18 Teacher Residencies for High-Need Districts					
Establishes a matching grant program providing support for high-quality teacher preparation residency programs in high-need rural and urban districts. The program establishes research-based parameters, evaluation requirements, and reporting requirements for studying program effectiveness (FY 2023-25 amounts are in addition to \$5.0M funded in the Baseline Education Investments item).	Req \$	5,000,000	\$ -	\$ 10,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	5,000,000	\$ -	\$ 10,000,000	\$ -
	FTE	0.000		0.000	0.000
19 Office of Equity Affairs					
Establishes the Office of Equity Affairs at the NC Department of Public Instruction (DPI) to direct the recruitment and retention of a diverse educator workforce (\$400K funded in the Baseline Education Investments item).	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000		0.000	0.000
20 Advanced Teaching Roles Program					
Provides funding for the Advanced Teaching Roles program established in GS 115C-311 to allow additional school districts to apply for onetime start-up funds. School districts may also use funds to study the effectiveness of salary supplements and other aligned compensation models that support the implementation of advanced teaching roles (FY 2023-25 amounts are in addition to \$3.8M funded in the Baseline Education Investments item).	Req \$	2,000,000	\$ -	\$ 3,500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	2,000,000	\$ -	\$ 3,500,000	\$ -
	FTE	0.000		0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
21 National Board Certification					
Funds the cost of National Board certification for up to 1,000 teachers annually with priority to educators in high-need and low-performing schools (\$1.9M funded in the Baseline Education Investments item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
22 Recruitment Bonuses for High-Need and Low-Wealth Counties					
Increases funding for district-level recruitment bonuses for certified teachers who commit to teach in high-need and low-wealth counties (FY 2023-25 amounts are in addition to \$1.7M funded in the Baseline Education Investments item).	Req \$	3,000,000 \$	- \$	6,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	3,000,000 \$	- \$	6,000,000 \$	-
	FTE	0.000	0.000	0.000	0.000
23 Children With Disabilities Allotment					
Removes the funding cap and increases funding for the Children With Disabilities allotment (FY 2023-25 amounts are in addition to \$56.8M funded in the Baseline Education Investments item).	Req \$	98,400,000 \$	- \$	196,700,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	98,400,000 \$	- \$	196,700,000 \$	-
	FTE	0.000	0.000	0.000	0.000
24 Disadvantaged Student Supplemental Fund					
Combines and increases funding for the At-Risk and Disadvantaged Student Supplemental Fund allotments (FY 2023-25 amounts are in addition to \$70.0M funded in the Baseline Education Investments item).	Req \$	218,600,000 \$	- \$	437,200,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	218,600,000 \$	- \$	437,200,000 \$	-
	FTE	0.000	0.000	0.000	0.000
25 Supplemental Funding for Low-Wealth Counties					
Increases funding for low-wealth counties (FY 2023-25 amounts are in addition to \$40.0M funded in the Baseline Education Investments item).	Req \$	28,500,000 \$	- \$	57,100,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	28,500,000 \$	- \$	57,100,000 \$	-
	FTE	0.000	0.000	0.000	0.000
26 Limited English Proficiency Allotment					
Removes funding cap and increases funding for the Limited English Proficiency allotment (FY 2023-25 amounts are in addition to \$20.0M funded in the Baseline Education Investments item).	Req \$	40,200,000 \$	- \$	80,500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	40,200,000 \$	- \$	80,500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
27 Professional Development					
Increases support for professional development to provide districts with adequate funding for professional development, training, and mentoring (FY 2023-25 amounts are in addition to \$20.0M funded in the Baseline Education Investments item).	Req \$	27,200,000 \$	- \$	54,400,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	27,200,000 \$	- \$	54,400,000 \$	-
	FTE	0.000	0.000	0.000	0.000
28 Supports for Teachers of Color and Rural Teachers					
Provides funds to develop and implement a program to increase the percentage of teachers of color and rural teachers who are National Board Certified (\$2.1M/\$2.1M funded in the Professional Development item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
29 NC Center for the Advancement of Teaching					
Provides funds for the NC Center for the Advancement of Teaching to support the continued professional development of teachers across the state. These funds support eight programming positions and five administrative support positions (\$1.6M/\$1.6M funded in the Professional Development item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	13.000	0.000	13.000	0.000
30 Computer Science Initiative Professional Development					
Ensures that every school has a qualified computer science instructor on-site by providing funds for computer science professional development and teacher stipends for middle and high school teachers across the state (\$1.25M funded each year of the biennium in the Professional Development item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
31 Economics and Personal Finance Professional Development					
Provides funds for Economics and Personal Finance (EPF) professional development and teacher stipends in support of the EPF high school course required by SL 2019-82 (\$250K/\$250K funded in the Professional Development item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
32 Teacher Assistants					
Provides NC Education Lottery receipts to fund additional teacher assistants to more effectively support K-3 students by moving toward nationally recommended student-to-staff ratios (FY 2023-25 amounts are in addition to \$30.0M funded in the Baseline Education Investments item).	Req \$	37,500,000 \$	- \$	75,100,000 \$	-
	Rec \$	13,700,000 \$	- \$	75,100,000 \$	-
	App \$	23,800,000 \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
33 Classroom Supplies and Textbooks					
Increases funds for classroom supplies and textbooks so that combined funding for these items equals \$150 per student.	Req \$	22,900,000 \$	- \$	47,900,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	22,900,000 \$	- \$	47,900,000 \$	-
	FTE	0.000	0.000	0.000	0.000
34 Assistant Principal Allotment					
Increases allotted assistant principal months of employment to provide one month of employment for every 80 students.	Req \$	6,200,000 \$	- \$	12,400,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	6,200,000 \$	- \$	12,400,000 \$	-
	FTE	0.000	0.000	0.000	0.000
35 Central Office Staff Allotment					
Increases funding for central office staff to ensure sufficient funding to implement the reforms necessary to provide all students with a sound basic education.	Req \$	3,722,002 \$	- \$	15,522,002 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	3,722,002 \$	- \$	15,522,002 \$	-
	FTE	0.000	0.000	0.000	0.000
36 Instructional Support Personnel					
Provides additional funding for Specialized Instructional Support Personnel (SISP), including school counselors, nurses, social workers, and psychologists, to support student mental and physical health. The SISP position allotment provides school districts flexibility to strategically hire SISP staff to best meet student needs. This item is funded in part through NC Education Lottery receipts (FY 2023-25 amounts are in addition to \$56.2M funded in the Baseline Education Investments item).	Req \$	134,300,000 \$	- \$	267,000,000 \$	-
	Rec \$	- \$	- \$	151,400,000 \$	-
	App \$	134,300,000 \$	- \$	115,600,000 \$	-
	FTE	0.000	0.000	0.000	0.000
37 School Nurse and Social Worker Positions					
Supports students' mental and physical health needs by funding one school nurse or social worker position at every school in a Tier 1 or Tier 2 county that did not employ one during the 2022-23 school year (\$108M/\$116.6M funded in the Instructional Support Personnel item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
38 Master's Degree Pay for Social Workers					
Provides funds to school districts to pay social workers on the master's degree salary schedule. Competitive salaries for school social workers will help districts recruit and retain qualified candidates to fill critical vacancies (\$7.5M/\$7.5M funded in the Instructional Support Personnel item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
39 School Psychologist Internship Program					
Funds 115 year-long school psychologist internship positions at the equivalent of a starting teacher salary. The program will provide stipends for students in school psychology preparation programs to conduct their required third-year internships in public schools. This will create a pipeline of qualified school psychologists with experience in currently underserved school districts (\$5.4M/\$5.8M funded in the Instructional Support Personnel item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
40 Principal and Assistant Principal Pay					
Increases principal and assistant principal pay consistent with teacher salary increases (\$5.0M funded in the Baseline Education Investments item).	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
41 District and Regional Support					
Expands funding for the State Board of Education's district and regional support model to provide targeted and comprehensive assistance to low-performing and high-poverty schools and districts. This funding continues these essential investments by using net appropriations to replace nonrecurring federal funds which expire in FY 2024-25 (FY 2023-25 amounts are in addition to \$11.0M funded in the Baseline Education Investments item, which includes 17 additional principal coaches).	Req \$	- \$	- \$	8,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	8,000,000 \$	-
	FTE	17.000	0.000	17.000	0.000
42 Community Schools					
Establishes a pilot grant program providing funding to high-poverty schools that adopt a Community Schools or other evidence-based model to address out of school barriers to learning. Funds also support a full-time school-based coordinator to assess local needs/assets and to integrate social, academic, and health supports in coordination with school support personnel (FY 2023-25 amounts are in addition to \$6.0M funded in the Baseline Education Investments item).	Req \$	38,866,904 \$	- \$	52,763,733 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	38,866,904 \$	- \$	52,763,733 \$	-
	FTE	1.000	0.000	1.000	0.000
43 Reduced-Price Lunch Co-Pays					
Provides funds to offset the co-pays for students eligible for reduced-price lunches in schools participating in the National School Lunch Program. This will provide free meals for up to 97,500 additional students (FY 2023-25 amounts are in addition to \$3.9M funded in the Baseline Education Investments item).	Req \$	1,100,000 \$	- \$	1,100,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	1,100,000 \$	- \$	1,100,000 \$	-
	FTE	0.000	0.000	0.000	0.000
44 North Carolina Virtual Public School					
Revises the funding approach for the NC Virtual Public School to remove barriers that prevent students in low-wealth districts from participating and offset the costs for local administrative units and charter schools to participate (FY 2023-25 amounts are in addition to \$3.0M funded in the Baseline Education Investments item).	Req \$	3,700,000 \$	- \$	7,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	3,700,000 \$	- \$	7,000,000 \$	-
	FTE	0.000	0.000	0.000	0.000
45 Career and Technical Education Credentials					
Expands funds for credentials and certifications for Career and Technical Education students.	Req \$	2,500,000 \$	- \$	4,800,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	2,500,000 \$	- \$	4,800,000 \$	-
	FTE	0.000	0.000	0.000	0.000
46 Career Development Coordinators					
Provides funds for a Career and Postsecondary Planning Director in DPI's Career and Technical Education Division to focus on career planning in grades 5-12 and phases in funding to increase the number of school-based Career Development Coordinators for grades 6-8 and grades 9-12 (FY 2023-25 amounts are in addition to \$10.0M funded in the Baseline Education Investments item).	Req \$	19,300,000 \$	- \$	38,700,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	19,300,000 \$	- \$	38,700,000 \$	-
	FTE	1.000	0.000	1.000	0.000
Other Crucial Education Investments					
47 Pre-K Early Literacy Assessment					
Provides funds for public pre-K programs to administer entrance and exit assessments that measure foundational literacy skills aligned with the Science of Reading.	Req \$	969,000 \$	- \$	969,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	969,000 \$	- \$	969,000 \$	-
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
48 Literacy Intervention Plan Funding					
Increases the allotment to public school units for Science of Reading implementation, including additional instructional materials, and training for new staff.	Req \$	10,000,000	\$ -	\$ 10,250,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	10,000,000	\$ -	\$ 10,250,000	\$ -
	FTE	0.000	0.000	0.000	0.000
49 Early Literacy Specialists Salary Increases					
Increases Early Literacy Specialist salaries to make them more competitive with comparable positions.	Req \$	1,100,000	\$ -	\$ 1,100,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,100,000	\$ -	\$ 1,100,000	\$ -
	FTE	0.000	0.000	0.000	0.000
50 Academically and Intellectually Gifted Students					
Provides funding to increase the cap on formula funding for Academically or Intellectually Gifted students from 4.0% of average daily membership to 5.0% for the FY 2023-25 biennium. DPI will promote best practices and provide technical assistance to public school units for identifying and serving under-represented student subgroups.	Req \$	11,020,470	\$ -	\$ 11,020,470	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	11,020,470	\$ -	\$ 11,020,470	\$ -
	FTE	0.000	0.000	0.000	0.000
51 NC Governor's School					
Provides funds to the NC Governor's School to develop a computer science content area, expand to accommodate 60 additional students, and support operating costs.	Req \$	335,000	\$ 50,000	\$ 335,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	335,000	\$ 50,000	\$ 335,000	\$ -
	FTE	0.000	0.000	0.000	0.000
52 Promising Practices Grants					
Provides funds for the Department of Public Instruction to promote innovative practices by awarding grants to districts achieving proven or promising results with federally funded interventions.	Req \$	-	\$ 20,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 20,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
53 Office of Learning Recovery					
Establishes a permanent Office of Learning Recovery to promote evidence-based decision making in districts across the state.	Req \$	-	\$ -	\$ 1,069,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ 1,069,000	\$ -
	FTE	0.000	0.000	8.000	0.000
54 School Safety Grants					
Provides additional funding for the school safety grant program to support students in crisis, school safety training, safety equipment in schools, and other initiatives to improve school safety. This item is funded in part by receipts from the Civil Penalty and Forfeiture Fund.	Req \$	-	\$ 50,000,000	\$ -	\$ -
	Rec \$	-	\$ 40,000,000	\$ -	\$ -
	App \$	-	\$ 10,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
55 Anonymous Tip Line					
Provides funding for the NC Say Something Anonymous Reporting System which increases school safety by allowing students, staff, and families to report safety concerns.	Req \$	850,000	\$ -	\$ 850,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	850,000	\$ -	\$ 850,000	\$ -
	FTE	0.000	0.000	0.000	0.000
56 Community Eligibility Provision Pilot					
Funds a pilot program that provides free meals to students attending schools that qualify under the Community Eligibility Provision.	Req \$	-	\$ 500,000	\$ -	\$ 5,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 500,000	\$ -	\$ 5,000,000
	FTE	0.000	0.000	0.000	0.000
57 School Meal Debt					
Supports student nutrition by providing funds for the Department of Public Instruction to reduce school meal debt.	Req \$	-	\$ 3,000,000	\$ -	\$ 3,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 3,000,000	\$ -	\$ 3,000,000
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
58 Uniform Education Reporting System					
Increases funding for the Uniform Education Reporting System, which enables consistent statewide reporting on student grades, attendance, graduation rates, and other student data.	Req \$	- \$	- \$	1,677,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	1,677,000 \$	-
	FTE	0.000	0.000	0.000	0.000
59 PowerSchool Applicant Tracking					
Funds operating and maintenance costs for the PowerSchool Applicant Tracking, Onboarding, and Statewide Job Board modules. These modules offer a common employment application and applicant tracking service that will support uniform reporting on vacancies in the state's public school units.	Req \$	1,088,360 \$	- \$	1,115,570 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	1,088,360 \$	- \$	1,115,570 \$	-
	FTE	0.000	0.000	0.000	0.000
60 Career Development Plan Application					
Funds development and ongoing maintenance costs of an application to help parents and students track student progress toward post-secondary goals. The application would interface with the NC Department of Commerce's NCCareers.org website.	Req \$	300,000 \$	- \$	300,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	300,000 \$	- \$	300,000 \$	-
	FTE	0.000	0.000	0.000	0.000
61 Online Licensure System					
Uses funds from the Information Technology Project Reserve to complete the migration of the current online licensure system to a more efficient, user-friendly system.	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
62 Transportation Information Management System					
Provides additional funding for the Transportation Information Management System that coordinates school bus routing.	Req \$	50,000 \$	- \$	50,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	50,000 \$	- \$	50,000 \$	-
	FTE	0.000	0.000	0.000	0.000
63 Cybersecurity Services - Endpoint					
Promotes school cybersecurity by funding endpoint protection licenses for 200,000 K-12 business servers and staff computers.	Req \$	5,000,000 \$	- \$	5,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	5,000,000 \$	- \$	5,000,000 \$	-
	FTE	0.000	0.000	0.000	0.000
64 Cybersecurity Services - KnowBe4 Training					
Promotes school cybersecurity by funding 185,000 licenses for KnowBe4 end-user cybersecurity training, which is currently used in 94% of public school units.	Req \$	600,000 \$	- \$	600,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	600,000 \$	- \$	600,000 \$	-
	FTE	0.000	0.000	0.000	0.000
65 Cybersecurity Services - Network Asset Discovery					
Provides funds for 1.5 million network asset discovery licenses for public school units to scan internal networks and identify cybersecurity risks.	Req \$	800,000 \$	- \$	800,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	800,000 \$	- \$	800,000 \$	-
	FTE	0.000	0.000	0.000	0.000
66 Cybersecurity Support					
Funds five Information Technology Security and Compliance Specialist II positions to support DPI's cybersecurity program.	Req \$	750,000 \$	35,000 \$	750,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	750,000 \$	35,000 \$	750,000 \$	-
	FTE	5.000	0.000	5.000	0.000
67 Charter Schools Assistant Director					
Funds one full-time equivalent position to assist the Director of the Office of Charter Schools in managing charter schools in the state.	Req \$	130,382 \$	- \$	130,382 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	130,382 \$	- \$	130,382 \$	-
	FTE	1.000	0.000	1.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
68 Office of Virtual Instruction Support					
Establishes a permanent Office of Virtual Instruction Support to help districts maintain compliance of remote academies as established in GS 115C-234. These funds support one full-time equivalent position.	Req \$	184,860	\$ -	\$ 184,860	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	184,860	\$ -	\$ 184,860	\$ -
	FTE	1.000	0.000	1.000	0.000
69 Internal Auditors					
Funds internal auditors to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req \$	364,593	\$ -	\$ 364,593	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	364,593	\$ -	\$ 364,593	\$ -
	FTE	3.000	0.000	3.000	0.000
70 Agency Financial Services Staffing					
Provides funds to enhance the central financial infrastructure within the Department of Public Instruction's Agency Financial Services. Funds support three full-time equivalent positions.	Req \$	366,850	\$ 17,000	\$ 366,850	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	366,850	\$ 17,000	\$ 366,850	\$ -
	FTE	3.000	0.000	3.000	0.000
71 Data Audit Team Analyst					
Creates a data team to ensure student data accessibility, transparency, and accountability in the student information system. These funds support four full-time equivalent positions.	Req \$	451,538	\$ 24,000	\$ 451,538	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	451,538	\$ 24,000	\$ 451,538	\$ -
	FTE	4.000	0.000	4.000	0.000
Total Change to Requirements		\$ 2,020,462,932	\$ 322,892,000	\$ 3,379,479,884	\$ 8,000,000
Total Change to Receipts		\$ 43,700,000	\$ 40,000,000	\$ 256,500,000	\$ -
Total Change to Net Appropriation		\$ 1,976,762,932	\$ 282,892,000	\$ 3,122,979,884	\$ 8,000,000
Total Change to Full-Time Equivalent (FTE)		50.000	0.000	58.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	2,259,654,932	\$	3,130,979,884	\$
Recommended Total FTE Changes		50.000		58.000	0.000

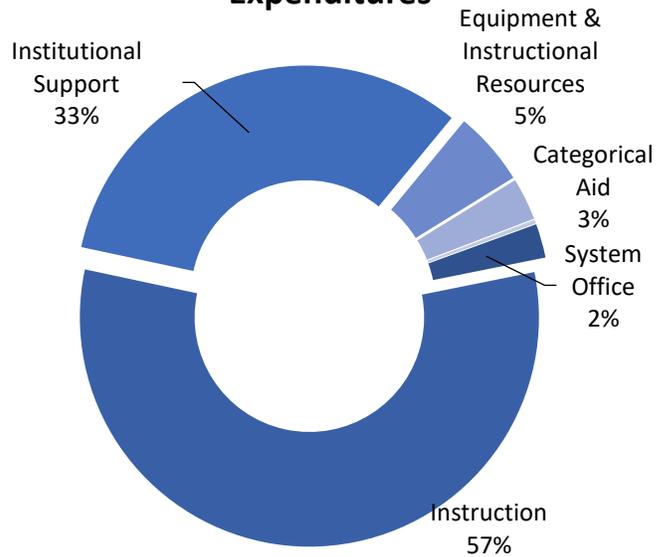
Mission

To open the door to high-quality, accessible educational opportunities that minimize barriers to post-secondary education; maximize student success; develop a globally and multi-culturally competent workforce; and improve the lives and well-being of individuals by providing education, training and retraining for the workforce, support for economic development, and services to communities and individuals.

Goals

1. Recruit and retain top talent to enable the North Carolina Community College System to educate and prepare the state’s workforce.
2. Increase access and enrollment at North Carolina community colleges to meet the state’s educational attainment goal and expand postsecondary opportunities.
3. Provide resources inside and outside the classroom for all students to successfully enroll, persist, and complete a career program of study.
4. Provide education, training, and credentials to develop the most competitive workforce in the nation.
5. Increase state funding, streamline the allocation formula, and implement practices to improve system effectiveness.

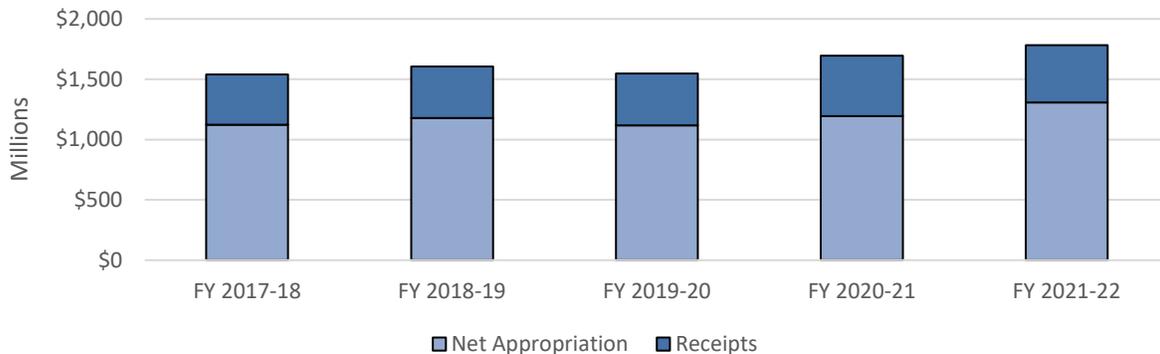
FY 2022-23 Authorized Expenditures



Agency Profile

- In 2021-22, NCCCS served almost 575,000 students, enrolled in academic, workforce continuing education, and literacy courses, at 58 colleges across the state.
- In 2021-22, more than 65,000 certificates, diplomas, and associate degrees were awarded.
- Supports economic development and job creation in every county in the state through the Customized Training Program and Small Business Center Network.

5-Year Historical Expenditures



Charts include General Fund budget code only.

NC Community Colleges System (16800)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,689,563,818	\$ 215,344,898	\$ 76,831,000	\$ 292,175,898	\$ 1,981,739,716	17.3%
Receipts	\$ 346,872,514	\$ 30,000,000	\$ 11,000,000	\$ 41,000,000	\$ 387,872,514	11.8%
Net Appropriation	\$ 1,342,691,304	\$ 185,344,898	\$ 65,831,000	\$ 251,175,898	\$ 1,593,867,202	18.7%
Positions (FTE)	214.010	2.000	0.000	2.000	216.010	0.9%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,689,563,818	\$ 315,591,749	\$ 3,000,000	\$ 318,591,749	\$ 2,008,155,567	18.9%
Receipts	\$ 346,872,514	\$ 65,000,000	\$ -	\$ 65,000,000	\$ 411,872,514	18.7%
Net Appropriation	\$ 1,342,691,304	\$ 250,591,749	\$ 3,000,000	\$ 253,591,749	\$ 1,596,283,053	18.9%
Positions (FTE)	214.010	2.000	0.000	2.000	216.010	0.9%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Compensation and Benefits Reserves				
1 Compensation Increase Reserve - System Office				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	1,059,000	\$ -	\$ 1,726,000
	Rec \$	-	\$ -	\$ -
	App \$	1,059,000	\$ -	\$ 1,726,000
	FTE	0.000	0.000	0.000
2 Compensation Increase Reserve - Community Colleges				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	64,652,000	\$ -	\$ 105,382,000
	Rec \$	-	\$ -	\$ -
	App \$	64,652,000	\$ -	\$ 105,382,000
	FTE	0.000	0.000	0.000
3 Retention Bonus - Community Colleges				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 27,085,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 27,085,000	\$ -
	FTE	0.000	0.000	0.000
4 Receipt-Supported Cost-of-Living Adjustment Reserve - System Office				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	243,000	\$ -	\$ 396,000
	Rec \$	-	\$ -	\$ -
	App \$	243,000	\$ -	\$ 396,000
	FTE	0.000	0.000	0.000
5 Retention Bonus - System Office				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 296,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 296,000	\$ -
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 Enhanced Labor Market Retention and Adj Reserve - System Office					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req	\$ 779,000	\$ -	\$ 779,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 779,000	\$ -	\$ 779,000	\$ -
	FTE	0.000	0.000	0.000	0.000
7 Enhanced Labor Market Retention and Adj Res - Community Colleges					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req	\$ 38,791,000	\$ -	\$ 38,791,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 38,791,000	\$ -	\$ 38,791,000	\$ -
	FTE	0.000	0.000	0.000	0.000
8 State Retirement Contributions - Community Colleges					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req	\$ 17,015,743	\$ -	\$ 22,406,024	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 17,015,743	\$ -	\$ 22,406,024	\$ -
	FTE	0.000	0.000	0.000	0.000
9 State Retirement Contributions - System Office					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req	\$ 278,789	\$ -	\$ 367,104	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 278,789	\$ -	\$ 367,104	\$ -
	FTE	0.000	0.000	0.000	0.000
10 State Health Plan - Community Colleges					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 3,735,694	\$ -	\$ 12,707,580	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 3,735,694	\$ -	\$ 12,707,580	\$ -
	FTE	0.000	0.000	0.000	0.000
11 State Health Plan - System Office					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 40,126	\$ -	\$ 136,495	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 40,126	\$ -	\$ 136,495	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Recruitment and Retention - Faculty Bonuses					
Budgets receipts from the Strategic Workforce Investment Trust Fund for bonus pay to help community colleges recruit and retain faculty in hard to staff and high demand subjects. Priority shall be given to faculty in high-need workforce areas or working with incarcerated individuals.	Req	\$ 30,000,000	\$ -	\$ 45,000,000	\$ -
	Rec	\$ 30,000,000	\$ -	\$ 45,000,000	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Student Investment					
13 Enrollment Growth Adjustment					
Adjusts funds for FY 2023-24 based on the change in community college enrollment. Community college system enrollment increased by 1.7%, or 3,805 full-time equivalent students, from the number currently budgeted.	Req \$	15,801,267	\$ -	\$ 15,801,267	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	15,801,267	\$ -	\$ 15,801,267	\$ -
	FTE	0.000	0.000	0.000	0.000
14 Formula Funding Increase					
Provides increased formula funding for community colleges, helping fund individual colleges' priorities. These priorities include expanding student support services, such as counselors and success coaches, upgrading technology infrastructure, and increasing the number of faculty and staff.	Req \$	37,000,000	\$ -	\$ 37,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	37,000,000	\$ -	\$ 37,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
15 Fund for High-Cost Workforce Programs					
Budgets nonrecurring funds in 2023-24 and receipts from the Strategic Workforce Investment Trust Fund in 2024-25 to assist community colleges in starting or expanding programs in high-demand career fields that require significant start-up funds. These fields include nursing and allied health professions, engineering and advanced manufacturing, construction, electric vehicles, and computing and information sciences.	Req \$	-	\$ 25,000,000	\$ 10,000,000	\$ -
	Rec \$	-	\$ -	\$ 10,000,000	\$ -
	App \$	-	\$ 25,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
16 Nursing Preceptorship Funding					
Funds a pilot program to pay preceptors who mentor newly-qualified workers, and evaluation of that program. This will address the preceptor shortage by partially compensating lost earnings for experienced nurses who take on this role, and hence bolster the pipeline of nurses in training.	Req \$	-	\$ 3,300,000	\$ -	\$ 3,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 3,300,000	\$ -	\$ 3,000,000
	FTE	0.000	0.000	0.000	0.000
17 Finish Line Grants					
Makes permanent a financial aid program for community college students to enable them to complete their studies and improve their readiness for employment. This program has been successfully piloted since July 2018 using Workforce Innovation and Opportunity Act (WIOA) funds, and has been funded on a time-limited basis from the Governor's Education Emergency Relief (GEER) program since October 2022.	Req \$	-	\$ -	\$ 3,750,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ 3,750,000	\$ -
	FTE	0.000	0.000	0.000	0.000
18 Summer Accelerator Tuition Grants					
Makes permanent a financial aid program for community college students to accelerate their learning over the summer months. This program was launched using Governor's Education Emergency Relief (GEER) funds in summer 2022; that time-limited funding runs only until summer 2024.	Req \$	-	\$ -	\$ 5,400,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ 5,400,000	\$ -
	FTE	0.000	0.000	0.000	0.000
19 Short-Term Workforce Credentials Financial Assistance					
Invests General Fund monies in 2023-24 and receipts from the Strategic Workforce Investment Trust Fund in 2024-25 to make permanent a financial aid program to provide short-term training at community colleges, helping people not currently in work to return more quickly to the labor market. This program has been successfully piloted using Governor's Education Emergency Relief (GEER) funds since 2020.	Req \$	-	\$ 9,150,000	\$ 10,000,000	\$ -
	Rec \$	-	\$ -	\$ 10,000,000	\$ -
	App \$	-	\$ 9,150,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
20 Addressing Child Care Needs Across the Community College System					
Invests in competitive grant funding for community colleges to establish, expand, or re-open child care services in response to demand from students or prospective students. These grants will be supported from the Improving Health Outcomes for People Everywhere (IHOPE) Fund.	Req \$	-	\$ 11,000,000	\$ -	\$ -
	Rec \$	-	\$ 11,000,000	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
21 Longleaf Commitment					
Makes permanent the financial aid program for community college students from lower- and middle-income households piloted using Governor's Education Emergency Relief (GEER) funds. This program was established in 2021 for the graduating high school class of 2021; students from the class of 2022 were funded using American Rescue Plan Act (ARPA) funds. The Community College System may transfer these funds to the State Education Assistance Authority (SEAA) to distribute them to students.	Req \$	6,425,000	\$ -	\$ 6,425,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	6,425,000	\$ -	\$ 6,425,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
22 Need-Based Assistance Program Technical Adjustment					
Completes the consolidation of needs-based assistance programs for University of North Carolina and North Carolina Community College System students, by reducing funding directed to the Community Colleges. A corresponding increase is required to the budget for needs-based assistance held by the State Education Assistance Authority.	Req \$	(1,237,500)	\$ -	\$ (1,237,500)	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	(1,237,500)	\$ -	\$ (1,237,500)	\$ -
	FTE	0.000	0.000	0.000	0.000
23 Enhancing System Office Capacity					
Provides flexible funds to enable the System Office to create up to four new positions where they are most needed. These additional positions will increase the office's leadership, analytical, evaluation, and administrative capacity.	Req \$	500,000	\$ -	\$ 500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	500,000	\$ -	\$ 500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
24 Internal Auditor Positions					
Funds internal auditors in the Community College System Office to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req \$	261,779	\$ -	\$ 261,779	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	261,779	\$ -	\$ 261,779	\$ -
	FTE	2.000	0.000	2.000	0.000
25 Communications / Marketing Funding					
Provides funds for communications and marketing to help community colleges attract more students, in line with Objective 2.1 in the NCCCS Strategic Plan.	Req \$	-	\$ 1,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 1,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 215,344,898	\$ 76,831,000	\$ 315,591,749	\$ 3,000,000
Total Change to Receipts		\$ 30,000,000	\$ 11,000,000	\$ 65,000,000	\$ -
Total Change to Net Appropriation		\$ 185,344,898	\$ 65,831,000	\$ 250,591,749	\$ 3,000,000
Total Change to Full-Time Equivalent (FTE)		2.000	0.000	2.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		251,175,898	\$	253,591,749
Recommended Total FTE Changes			2.000		2.000

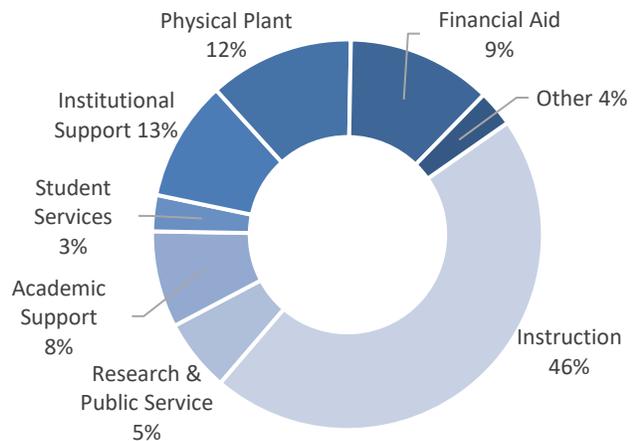
Mission

To discover, create, transmit, and apply knowledge to address the needs of individuals and society. This mission is accomplished through instruction, which communicates knowledge and values and imparts the skills necessary for individuals to lead responsible, productive, and personally satisfying lives; through research, scholarship, and creative activities, which advance knowledge and enhance the educational process; and through public service, which contributes to the solution of societal problems and enriches the quality of life in the state.

Goals

1. Increase access to higher education for underserved populations.
2. Increase undergraduate student success.
3. Make progress on equity gaps by race/ethnicity and income.
4. Increase graduate student success.
5. Improve student mental health.
6. Increase affordability.
7. Improve University productivity.
8. Increase the System’s contribution to the state’s critical workforces.
9. Increase research productivity.
10. Increase military partnerships.
11. Improve the employee experience.
12. Improve faculty and staff retention.

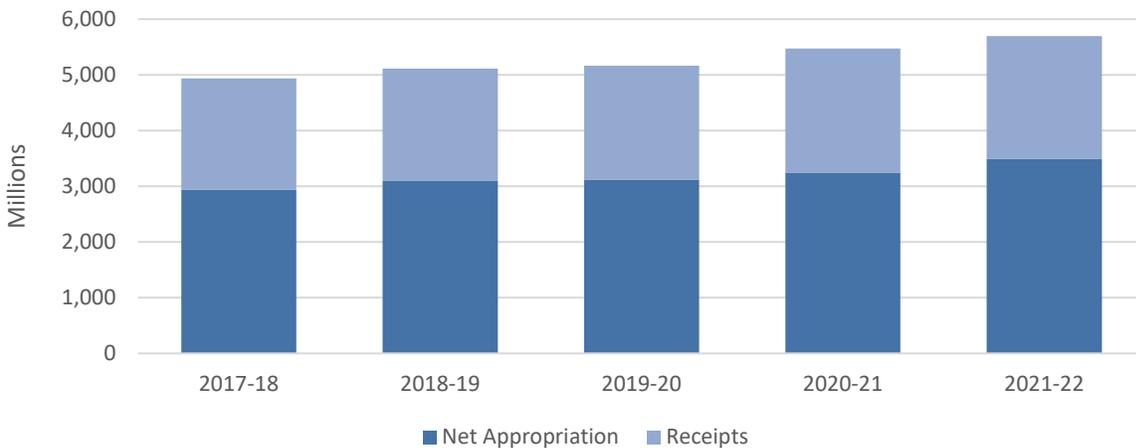
FY 2022-23 Authorized Expenditures



Agency Profile

- Served 240,000 students enrolled across the 17 System institutions across the state in 2022.
- In 2022, brought in more than \$1.8 billion in grants for innovative research and scholarship across the UNC System.

5-Year Historical Expenditures



Charts include General Fund budget codes only.

The University of North Carolina (160XX)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 5,858,533,326	\$ 432,185,662	\$ 105,172,000	\$ 537,357,662	\$ 6,395,890,988	9.2%
Receipts	\$ 2,052,814,735	\$ -	\$ -	\$ -	\$ 2,052,814,735	0.0%
Net Appropriation	\$ 3,805,718,591	\$ 432,185,662	\$ 105,172,000	\$ 537,357,662	\$ 4,343,076,253	14.1%
Positions (FTE)	36187.649	7.000	0.000	7.000	36194.649	0.0%
Year 2						
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 5,874,510,605	\$ 591,543,017	\$ 1,693,000	\$ 593,236,017	\$ 6,467,746,622	10.1%
Receipts	\$ 2,052,814,735	\$ 10,000,000	\$ -	\$ 10,000,000	\$ 2,062,814,735	0.5%
Net Appropriation	\$ 3,821,695,870	\$ 581,543,017	\$ 1,693,000	\$ 583,236,017	\$ 4,404,931,887	15.3%
Positions (FTE)	36187.649	7.000	0.000	7.000	36194.649	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

Constitutional Mandate

1 Baseline Education Investments

Provides all North Carolina children with greater access to a sound basic education by fully funding year 3 actions of the Comprehensive Remedial Plan as ordered by the North Carolina Supreme Court.

Req	\$ 23,100,000	\$ -	\$ 23,100,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 23,100,000	\$ -	\$ 23,100,000	\$ -
FTE	0.000	0.000	0.000	0.000

Reserve for Salaries and Benefits

2 Compensation Increase Reserve

Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.

Req	\$ 174,895,000	\$ -	\$ 285,112,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 174,895,000	\$ -	\$ 285,112,000	\$ -
FTE	0.000	0.000	0.000	0.000

3 Receipt-Supported Cost-of-Living Adjustment Reserve

Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.

Req	\$ 10,884,000	\$ -	\$ 17,741,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 10,884,000	\$ -	\$ 17,741,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retention Bonus - Central Office and Noncertified Employees

Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.

Req	\$ -	\$ 83,099,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 83,099,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

5 Enhanced Labor Market Retention and Adjustment Reserve

Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.

Req	\$ 109,856,000	\$ -	\$ 109,856,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 109,856,000	\$ -	\$ 109,856,000	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req	\$ 20,238,524	\$ -	\$ 26,649,724	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 20,238,524	\$ -	\$ 26,649,724	\$ -
	FTE	0.000	0.000	0.000	0.000
7 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 7,679,428	\$ -	\$ 26,122,845	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 7,679,428	\$ -	\$ 26,122,845	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
8 Performance-Weighted Enrollment Change					
Provides funds to the UNC Board of Governors for enrollment growth at constituent institutions of the University of North Carolina.	Req	\$ (16,713,978)	\$ -	\$ 5,000,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ (16,713,978)	\$ -	\$ 5,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Completion Assistance Program					
Invests in a program to increase graduation rates at Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, UNC-Asheville, UNC-Pembroke, and Winston-Salem State University. Funds would provide aid to students who are on track to graduate but are in danger of dropping out due to financial shortfalls.	Req	\$ 10,500,000	\$ -	\$ 10,500,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 10,500,000	\$ -	\$ 10,500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
10 System-wide Cybersecurity					
Invests in systemwide cybersecurity efforts, including network monitoring, endpoint detection and response, and other cybersecurity operational needs.	Req	\$ 5,350,000	\$ 3,250,000	\$ 5,350,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 5,350,000	\$ 3,250,000	\$ 5,350,000	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Opportunity Scholarship Reserve					
Decreases the Opportunity Scholarship Reserve by the amount carried forward from FY2021-22 to FY2022-23.	Req	\$ -	\$ (16,000,000)	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ (16,000,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Distinguished Professorship Matching Funds					
Provides funds to attract and retain top faculty talent and address the current backlog in endowed professorships. Funds are necessary to match private donations for endowed professorships.	Req	\$ -	\$ 10,000,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 10,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
13 Opportunity Scholarship Program					
Reduces funding to reflect a freezing of Opportunity Scholarship Program funding at the FY 2023-24 level, followed by implementing gradual statutory decreases beginning in FY2024-25. Recipients of scholarships in FY 2023-24 will remain eligible to receive continued awards.	Req	\$ -	\$ -	\$ (29,711,667)	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ -	\$ (29,711,667)	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
14 Internal Auditor Positions					
Funds internal auditors in the UNC System to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws. FSU and UNC-Asheville will receive two auditor positions, and UNC-Greensboro, WCU, and the UNC System Office will each receive one auditor position.	Req \$	815,470	\$ -	\$ 815,470	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	815,470	\$ -	\$ 815,470	\$ -
	FTE	7.000	0.000	7.000	0.000
15 NCSSM Dining, Housekeeping, and Security Services					
Provides funds to expand student support services at the North Carolina School of Science and Math. Funding will support dining, housekeeping, and security services at the institution.	Req \$	1,000,000	\$ -	\$ 1,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,000,000	\$ -	\$ 1,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
16 PBS North Carolina Systems					
Provides funds to replace aging camera and audio systems necessary for PBS NC to fulfill its core mission.	Req \$	-	\$ 3,130,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 3,130,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
17 East Carolina University Merit Scholarship Program					
Provides funds to establish the Preparing Individuals in Rural Areas for Tomorrow's Economy (PIRATE) Grant program, focused on students from eastern North Carolina. Funds will be used to provide merit scholarships to undergraduates from the region that pursue workforce critical fields including education and STEM majors.	Req \$	2,000,000	\$ -	\$ 2,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	2,000,000	\$ -	\$ 2,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
18 UNC-Greensboro Create Prosperity Scholars Program					
Invests funds to establish the Prosperity Scholars program at UNC-Greensboro, providing scholarships to academic high achievers, with a focus on lower-income students from Tier 1 and Tier 2 counties in North Carolina.	Req \$	5,000,000	\$ -	\$ 5,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	5,000,000	\$ -	\$ 5,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Sound Basic Education Investments					
19 North Carolina Teaching Fellows					
Increases funding for the NC Teaching Fellows program to expand the pipeline of well-prepared teachers committed to teaching in North Carolina. A corresponding special provision extends eligibility for the program to all institutions with an approved educator preparation program and to students preparing for any licensure area, improves opportunities for talented candidates of color, and expands program support and enhancement. Funding supports up to 750 additional Fellows in academic year 2023-24 and 1,730 in 2024-25 (FY2023-25 amounts are in addition to \$4.7M funded in the Baseline Education Investments Item).	Req \$	6,600,000	\$ -	\$ 15,200,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	6,600,000	\$ -	\$ 15,200,000	\$ -
	FTE	0.000	0.000	0.000	0.000
20 Alternative Pathways Teacher Recruitment Models					
Provides support for the expansion of student recruitment programs and research-based Grow-Your-Own and 2+2 programs in all regions of the State that encourage students to engage in the teaching profession and enable them to take college courses in education and areas relevant to their interests in education. These include high school-based career academy programs, the North Carolina Teacher Cadet Program, Partnership TEACH, and Teaching as a Profession (FY2023-25 amounts are in addition to \$2.2M funded in the Baseline Education Investments Item).	Req \$	800,000	\$ -	\$ 2,300,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	800,000	\$ -	\$ 2,300,000	\$ -
	FTE	0.000	0.000	0.000	0.000
21 New Teacher Support Program					
Expands support for the North Carolina New Teacher Support Program to mentor, increase effectiveness, enhance skills, and reduce attrition among beginning teachers at low-performing and high-poverty schools (FY2023-25 amounts are in addition to \$5.0M funded in the Baseline Education Investments Item).	Req \$	11,100,000	\$ -	\$ 22,200,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	11,100,000	\$ -	\$ 22,200,000	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
22 NC Principal Fellows Program					
Expands funding for North Carolina Principal Fellows Program to prepare up to 300 new principals annually (FY2023-25 amounts are in addition to \$8.2M funded in the Baseline Education Investments Item).	Req \$	5,000,000	\$ -	\$ 5,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	5,000,000	\$ -	\$ 5,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
23 College Advising Corps					
Provides matching funds to the College Advising Corps to expand the placement of college advisers in low wealth districts in North Carolina public schools (\$3 M recurring funded in the Baseline Education Investments item to replace nonrecurring funds with net appropriations when federal ESSER funds expire).	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
High Demand Program Investments					
24 NCA&T Premier Research Institution Funding					
Invests funds to support new faculty and professional positions for new and existing programs, like postdoctoral scholars, research staff, and professional advising staff. Funds would allow for the expansion of the diversity of NCA&T's programs, faculty, and infrastructure.	Req \$	10,000,000	\$ 5,000,000	\$ 10,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	10,000,000	\$ 5,000,000	\$ 10,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
25 NCA&T Agriculture Research and Extension Match					
Provides funds to expand NCA&T's Agricultural Research and Cooperative Extension programs that build strength in new growth areas like agricultural entrepreneurship, sustainability, and food security. This investment would increase the amount of state funds matching federal funds to a 2:1 ratio, and would be used to strategically broaden the reach and depth of the program.	Req \$	10,660,611	\$ -	\$ 10,660,611	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	10,660,611	\$ -	\$ 10,660,611	\$ -
	FTE	0.000	0.000	0.000	0.000
26 ECU Growing Primary Care Workforce					
Provides funds to increase the number of primary care healthcare providers graduating from East Carolina University. Funds will be used to expand the class size at the Brody School of Medicine, the College of Nursing, and the Physician Assistant program.	Req \$	5,433,107	\$ 693,000	\$ 9,363,534	\$ 693,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	5,433,107	\$ 693,000	\$ 9,363,534	\$ 693,000
	FTE	0.000	0.000	0.000	0.000
27 UNC-Pembroke Health Sciences Program Development					
Provides funding for start-up and initial operating costs for new healthcare programs at UNC- Pembroke. The program will help address the shortage of healthcare providers in North Carolina and in the five-county region around UNC-Pembroke.	Req \$	1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
	FTE	0.000	0.000	0.000	0.000
28 UNC High-Demand Workforce Initiatives					
Budgets receipts from the Strategic Workforce Investments Trust Fund for 2024-25 and provides funds to the UNC Board of Governors to be distributed to UNC constituent institutions in support of high-demand workforce initiatives. Funds will be utilized to support start-up costs, staffing, and infrastructure needs for programs including health care, veterinary medicine, computer science, data science, research, teaching, and engineering at NCSU, UNC-CH, UNCC, UNCW, WCU, and ASU.	Req \$	20,000,000	\$ -	\$ 20,000,000	\$ -
	Rec \$	-	\$ -	\$ 10,000,000	\$ -
	App \$	20,000,000	\$ -	\$ 10,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
29 Need-Based Assistance Program Technical Adjustment					
Completes the consolidation of needs-based assistance programs for University of North Carolina and North Carolina Community College students, by increasing funding directed to the North Carolina State Education Assistance Authority. A corresponding decrease is required to the budget for the North Carolina Community College System.	Req \$	1,237,500	\$ -	\$ 1,237,500	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,237,500	\$ -	\$ 1,237,500	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
30 UNCSA Student Mental and Physical Health Support					
Provides funds to expand the capacity of mental and physical health care services at UNC School of the Arts, and improve student health and well-being.	Req \$	750,000	\$ -	\$ 750,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	750,000	\$ -	\$ 750,000	\$ -
	FTE	0.000	0.000	0.000	0.000
31 Mental Health Support Hotline					
Provides recurring funds for the continuation of the 24-hour mental health support hotline available at institutions across the UNC System.	Req \$	-	\$ -	\$ 296,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ 296,000	\$ -
	FTE	0.000	0.000	0.000	0.000
32 Operational Support for Mental Health Initiatives					
Provides funds to support staff and ongoing Mental Health First Aid, suicide prevention, and resilience training efforts cross the UNC System, North Carolina Community College System, and member institutions of the North Carolina Independent Colleges and Universities. Funds will not revert at the end of the fiscal year.	Req \$	-	\$ 5,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 5,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
North Carolina Independent Colleges and Universities					
33 Growing the Health Care Workforce					
Provides funds to the UNC Board of Governors to make a grant to NCICU to increase the number of health care professionals trained at private colleges and universities across the state.	Req \$	-	\$ 10,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 10,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
34 NC Needs Based Scholarship for Private Colleges and Universities					
Increases scholarship funds for North Carolina residents attending North Carolina Independent Colleges and Universities member institutions.	Req \$	5,000,000	\$ -	\$ 5,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	5,000,000	\$ -	\$ 5,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	432,185,662	\$ 105,172,000	\$ 591,543,017	\$ 1,693,000
Total Change to Receipts	\$	-	\$ -	\$ 10,000,000	\$ -
Total Change to Net Appropriation	\$	432,185,662	\$ 105,172,000	\$ 581,543,017	\$ 1,693,000
Total Change to Full-Time Equivalent (FTE)		7.000	0.000	7.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		\$ 537,357,662	\$	\$ 583,236,017
Recommended Total FTE Changes			7.000		7.000

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Mission

To enact general and local laws promoting the best interest of the state and the people of North Carolina.

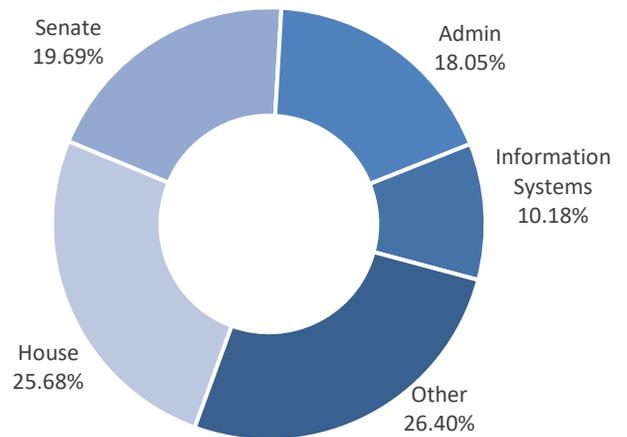
Goals

Ensure that each member of the North Carolina General Assembly has the opportunity to fulfill his/her legislative duties and responsibilities as defined by the North Carolina Constitution and General Statutes.

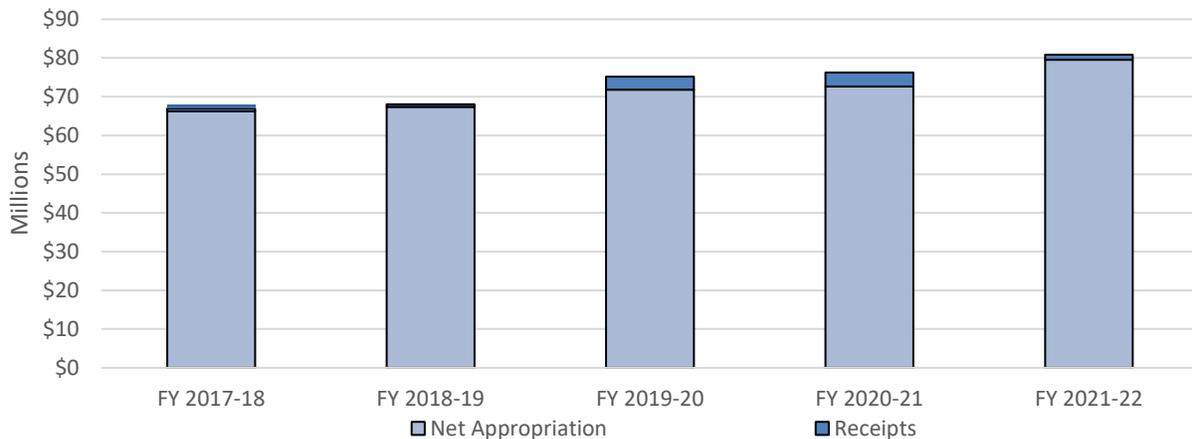
Agency Profile

- The Senate consists of 50 members who serve a term of two years.
- The House of Representatives consists of 120 members who serve a term of two years.
- The General Assembly meets in regular session beginning in January of odd-numbered years and adjourns to reconvene in May of each even-numbered year for a shorter session.
- The House of Representatives is presided over by a Speaker elected from its membership. The presiding officer of the Senate (called the President of the Senate) is the Lieutenant Governor of the State.
- At the beginning of each session, the President Pro Tempore of the Senate and the Speaker of the House of Representatives appoint members to serve on the standing committees of each body.

FY 2022-23 Authorized Expenditure



5-Year Historical Expenditures



Charts include General Fund budget code only.

General Assembly (11000)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 86,150,229	\$ 8,502,883	\$ 1,096,000	\$ 9,598,883	\$ 95,749,112	11.1%
Receipts	\$ 561,000	\$ -	\$ -	\$ -	\$ 561,000	0.0%
Net Appropriation	\$ 85,589,229	\$ 8,502,883	\$ 1,096,000	\$ 9,598,883	\$ 95,188,112	11.2%
Positions (FTE)	577.460	0.000	0.000	0.000	577.460	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 86,150,229	\$ 11,043,910	\$ -	\$ 11,043,910	\$ 97,194,139	12.8%
Receipts	\$ 561,000	\$ -	\$ -	\$ -	\$ 561,000	0.0%
Net Appropriation	\$ 85,589,229	\$ 11,043,910	\$ -	\$ 11,043,910	\$ 96,633,139	12.9%
Positions (FTE)	577.460	0.000	0.000	0.000	577.460	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.

Req	\$ 2,975,000	\$ -	\$ 4,849,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 2,975,000	\$ -	\$ 4,849,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 Retention Bonus

Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.

Req	\$ -	\$ 1,096,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 1,096,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Enhanced Labor Market Retention and Adjustment Reserve

Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.

Req	\$ 1,785,000	\$ -	\$ 1,785,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 1,785,000	\$ -	\$ 1,785,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.

Req	\$ 782,016	\$ -	\$ 1,029,745	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 782,016	\$ -	\$ 1,029,745	\$ -
FTE	0.000	0.000	0.000	0.000

5 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.

Req	\$ 163,272	\$ -	\$ 555,396	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 163,272	\$ -	\$ 555,396	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Department-wide					
6 Compensation Structural Shortfall					
Addresses a structural shortfall in salary line items resulting from increases in personnel and staff salaries.	Req \$	1,653,912	\$ -	\$ 1,653,912	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,653,912	\$ -	\$ 1,653,912	\$ -
	FTE	0.000	0.000	0.000	0.000
7 Information Technology Infrastructure					
Provides funds for information technology infrastructure upgrades such as data storage, security systems, and upgrades to computers, televisions, audio systems, and laptops.	Req \$	1,000,000	\$ -	\$ 1,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,000,000	\$ -	\$ 1,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Membership Dues and Subscriptions					
Provides funds for membership dues and subscriptions for professional associations and media subscriptions for members and staff.	Req \$	143,683	\$ -	\$ 170,857	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	143,683	\$ -	\$ 170,857	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	8,502,883	\$ 1,096,000	\$ 11,043,910	\$ -
Total Change to Receipts	\$	-	\$ -	\$ -	\$ -
Total Change to Net Appropriation	\$	8,502,883	\$ 1,096,000	\$ 11,043,910	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		9,598,883	\$	11,043,910
Recommended Total FTE Changes			0.000		0.000

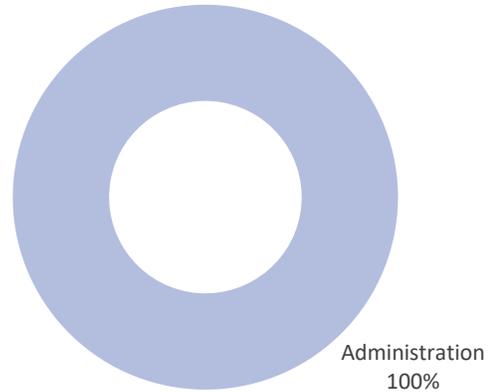
Mission

To provide a North Carolina where everyone can be better educated, healthier, and have more money in their pockets so they can live more abundant, purposeful lives.

Goals

1. Represent and advocate for the people of North Carolina.
2. Coordinate cabinet and other agencies to accomplish the governor’s goals.
3. Work collaboratively with local and federal partners for the benefit of North Carolina.
4. Provide strong economic development recruitment.
5. Appoint qualified individuals to Boards and Commissions that serve North Carolina.

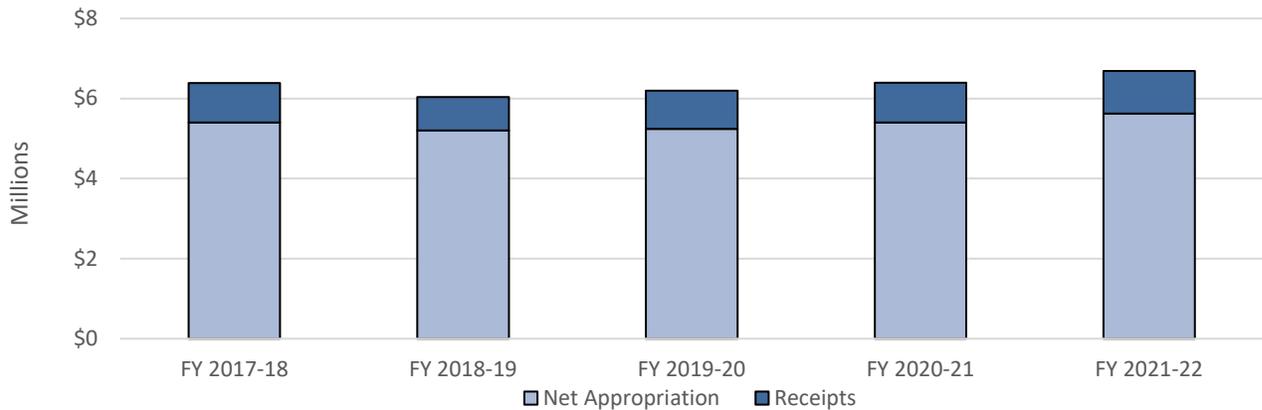
FY 2022-2023 Authorized Expenditures



Agency Profile

- The Governor directs the executive branch of the government and is the commander in chief of the military forces of the state.
- The Governor heads the North Carolina Council of State.
- The Governor prepares and recommends to the General Assembly a comprehensive budget and administers the budget enacted by the General Assembly.
- The Governor appoints cabinet secretaries who administer core state government services.
- The Governor was the last state chief executive to receive veto power. The office did not have this power until 1996.

5-Year Historical Expenditures



Charts include General Fund budget codes only.

Office of the Governor (13000)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 6,925,370	\$ 534,961	\$ 94,000	\$ 628,961	\$ 7,554,331	9.1%
Receipts	\$ 1,000,730	\$ -	\$ -	\$ -	\$ 1,000,730	0.0%
Net Appropriation	\$ 5,924,640	\$ 534,961	\$ 94,000	\$ 628,961	\$ 6,553,601	10.6%
Positions (FTE)	50.000	0.000	0.000	0.000	50.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 6,925,370	\$ 760,376	\$ -	\$ 760,376	\$ 7,685,746	11.0%
Receipts	\$ 1,000,730	\$ -	\$ -	\$ -	\$ 1,000,730	0.0%
Net Appropriation	\$ 5,924,640	\$ 760,376	\$ -	\$ 760,376	\$ 6,685,016	12.8%
Positions (FTE)	50.000	0.000	0.000	0.000	50.000	0.0%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	244,000	\$ -	\$ 398,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	244,000	\$ -	\$ 398,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	44,000	\$ -	\$ 72,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	44,000	\$ -	\$ 72,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 94,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 94,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	173,000	\$ -	\$ 173,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	173,000	\$ -	\$ 173,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	64,376	\$ -	\$ 84,769	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	64,376	\$ -	\$ 84,769	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for	Req \$	9,585	\$ -	\$ 32,607	\$ -
enrolled active employees supported by the General fund for the 2023-	Rec \$	-	\$ -	\$ -	\$ -
25 fiscal biennium.	App \$	9,585	\$ -	\$ 32,607	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	534,961	\$ 94,000	\$ 760,376	\$ -
Total Change to Receipts	\$	-	\$ -	\$ -	\$ -
Total Change to Net Appropriation	\$	534,961	\$ 94,000	\$ 760,376	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		628,961	\$	760,376
Recommended Total FTE Changes			0.000		0.000

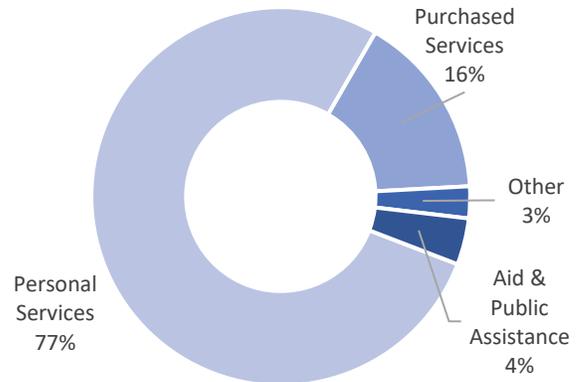
Mission

To professionally serve North Carolinians by providing objective information and analysis to ensure a balanced budget and effective stewardship of public resources.

Goals

1. Mitigate risk and enhance opportunities by proactively analyzing, developing, and implementing policies based on data and evidence.
2. Increase the diversity and cultural awareness of our team.
3. Develop a community of innovators to optimize government practices and service delivery.
4. Enhance transparency by leveraging technology, transitioning from legacy systems, and adopting innovative new practices.

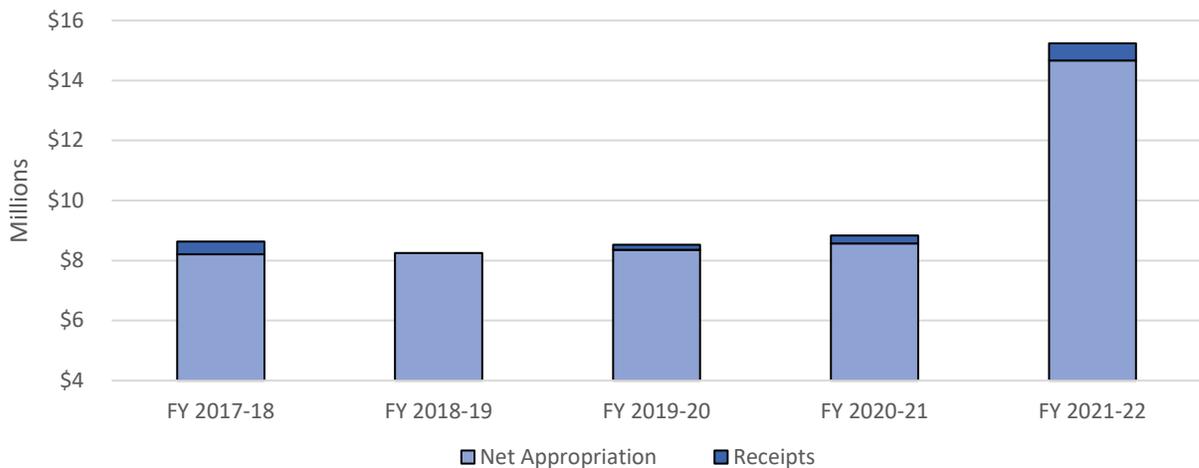
FY 2022-23 Authorized Expenditures



Agency Profile

- Delivers the highest quality statewide budgetary, management, and information services to advise the Governor, state agencies, and legislature on the most effective use of public resources.
- Offers facilitative and consultative services to agencies to support the use of evidence-based policymaking across state government.
- Continues to discover ways to better partner with state agencies and add value in the interconnected arenas of strategic planning, performance management, and budget development.

5-Year Historical Expenditures



Charts include the General Fund budget code 13005 only.

Office of State Budget and Management (13005)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 11,658,787	\$ 2,077,154	\$ 246,750	\$ 2,323,904	\$ 13,982,691	19.9%
Receipts	\$ 1,036,517	\$ -	\$ -	\$ -	\$ 1,036,517	0.0%
Net Appropriation	\$ 10,622,270	\$ 2,077,154	\$ 246,750	\$ 2,323,904	\$ 12,946,174	21.9%
Positions (FTE)	73.000	4.000	0.000	4.000	77.000	5.5%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 11,658,787	\$ 2,432,220	\$ -	\$ 2,432,220	\$ 14,091,007	20.9%
Receipts	\$ 1,036,517	\$ -	\$ -	\$ -	\$ 1,036,517	0.0%
Net Appropriation	\$ 10,622,270	\$ 2,432,220	\$ -	\$ 2,432,220	\$ 13,054,490	22.9%
Positions (FTE)	73.000	4.000	0.000	4.000	77.000	5.5%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	403,000	\$ -	\$ 657,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	403,000	\$ -	\$ 657,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	50,000	\$ -	\$ 82,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	50,000	\$ -	\$ 82,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 237,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 237,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	272,000	\$ -	\$ 272,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	272,000	\$ -	\$ 272,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	106,247	\$ -	\$ 139,904	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	106,247	\$ -	\$ 139,904	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	14,743	\$ -	\$ 50,152	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	14,743	\$ -	\$ 50,152	\$ -
	FTE	0.000	0.000	0.000	0.000
Office of State Budget and Management					
7 Grants Management Staff					
Creates positions to support grantees with reporting and compliance for over 900 directed grants appropriated in SL 2021-180 and SL 2022-74. These additional positions will allow the Office of State Budget and Management (OSBM) to provide a moderate level of grant management support for the existing portfolio of grants. Each employee would work with approximately 100 grants, or about 20 hours per year (20 minutes/week) per grant, to answer questions, conduct trainings, review reports, and provide other technical assistance.	Req \$	325,019	\$ 9,750	\$ 325,019	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	325,019	\$ 9,750	\$ 325,019	\$ -
	FTE	3.000	0.000	3.000	0.000
8 Chief Scientist					
Funds the Chief Scientist position, which promotes and enables evidence-based policymaking across state government. This position will advise leadership and support staff on assignments, such as the Performance Management Advisory Committee, the Performance Management Academy, and evidence components of budgeting and strategic planning.	Req \$	243,910	\$ -	\$ 243,910	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	243,910	\$ -	\$ 243,910	\$ -
	FTE	1.000	0.000	1.000	0.000
9 Evidence Advisor					
Fundshifts a position to provide expertise and experience in research and program evaluation for state agencies. The position will partner with other departments to identify opportunities for evaluating policy and program effectiveness, strategize to answer research questions, and apply analysis findings to maximize spending on evidence-based policies and programs. These funds will be transferred to budget code 23014.	Req \$	165,977	\$ -	\$ 165,977	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	165,977	\$ -	\$ 165,977	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Permanent Recovery Staff					
Covers personnel costs for core staff positions within the State Disaster Recovery Office. These positions work with North Carolinians affected by disasters who are receiving state assistance funds. These recurring funds will make two time-limited positions permanent. These funds will be transferred to budget code 23014.	Req \$	274,330	\$ -	\$ 274,330	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	274,330	\$ -	\$ 274,330	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	166,928	\$ -	\$ 166,928	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	166,928	\$ -	\$ 166,928	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Building Security					
Provides funding to partially support a State Capitol Police officer position for the Old Revenue Building, where OSBM will relocate in FY 2023-24. This position was previously funded through the Auditor's Office.	Req \$	55,000	\$ -	\$ 55,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	55,000	\$ -	\$ 55,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Investments from Reserves					
13 Budget System Replacement					
Fully funds the replacement of the state's budget system, the Integrated Budget Information System. Funds for this project are provided in the Information Technology Project Reserve and will be allocated to the department over the life of the project.	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
14 Grants Management System					
Fully funds the plan for a statewide grants management system. Funds	Req \$	-	-	-	-
for this project are provided in the Information Technology Project	Rec \$	-	-	-	-
Reserve and will be allocated to the department over the life of the	App \$	-	-	-	-
project.	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	2,077,154	\$ 246,750	\$ 2,432,220	\$ -
Total Change to Receipts	\$	-	\$ -	\$ -	\$ -
Total Change to Net Appropriation	\$	2,077,154	\$ 246,750	\$ 2,432,220	\$ -
Total Change to Full-Time Equivalent (FTE)		4.000	0.000	4.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		2,323,904	\$	2,432,220
Recommended Total FTE Changes			4.000		4.000

OSBM-Special Projects (13085)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 10,000,000	\$ 2,000,000	\$ 1,000,000	\$ 3,000,000	\$ 13,000,000	30.0%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 10,000,000	\$ 2,000,000	\$ 1,000,000	\$ 3,000,000	\$ 13,000,000	30.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 10,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 12,000,000	20.0%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 10,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 12,000,000	20.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25					
	R Changes	NR Changes	R Changes	NR Changes				
Office of State Budget and Management								
1 Evidence-Based Evaluation Grants								
Continues state support for the Evaluation Fund and expands the program to allow additional evaluation projects across state agencies to receive funding. These competitive grants facilitate the use of data and evidence to evaluate state program achievement. In 2021-23 biennium, the Office of State Budget and Management received 21 requests for over \$2.2 million in evaluation funds, more than double the available funding.	Req	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -			
	Rec	\$ -	\$ -	\$ -	\$ -			
	App	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -			
	FTE	0.000	0.000	0.000	0.000			
2 Research Grants								
Provides funds to support state agencies and external partners in conducting valuable research projects. This funding will allow agencies to review data and apply those lessons to their programs and policies. Agencies will be able to pursue projects such as analyzing data from failed businesses to identify potential interventions.	Req	\$ -	\$ 1,000,000	\$ -	\$ -			
	Rec	\$ -	\$ -	\$ -	\$ -			
	App	\$ -	\$ 1,000,000	\$ -	\$ -			
	FTE	0.000	0.000	0.000	0.000			
Total Change to Requirements	\$	2,000,000	\$	1,000,000	\$	2,000,000	\$	-
Total Change to Receipts	\$	-	\$	-	\$	-	\$	-
Total Change to Net Appropriation	\$	2,000,000	\$	1,000,000	\$	2,000,000	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	3,000,000	\$	2,000,000				
Recommended Total FTE Changes		0.000		0.000				0.000

State Budget and Management - General Fund - Special Revenue (23014)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 3,300,452	\$ 440,307	\$ 84,950,000	\$ 85,390,307	\$ 88,690,759	2587.2%
Receipts	\$ 2,156,654	\$ 440,307	\$ 84,950,000	\$ 85,390,307	\$ 87,546,961	3959.4%
Δ in Fund Balance	\$ (1,143,798)	\$ -	\$ -	\$ -	\$ (1,143,798)	0.0%
Positions (FTE)	33.800	0.000	0.000	0.000	33.800	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 3,300,452	\$ 440,307	\$ -	\$ 440,307	\$ 3,740,759	13.3%
Receipts	\$ 2,156,654	\$ 440,307	\$ -	\$ 440,307	\$ 2,596,961	20.4%
Δ in Fund Balance	\$ (1,143,798)	\$ -	\$ -	\$ -	\$ (1,143,798)	0.0%
Positions (FTE)	33.800	0.000	0.000	0.000	33.800	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Office of State Budget and Management				
1 Transfer - Permanent Recovery Staff				
Budgets the transfer of funds for core Disaster Recovery Office staff from budget code 13005.	Req \$ 274,330	\$ -	\$ 274,330	\$ -
	Rec \$ 274,330	\$ -	\$ 274,330	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Transfer - Evidence Advisor				
Budgets the transfer of funds for the Evidence Advisor position from budget code 13005.	Req \$ 165,977	\$ -	\$ 165,977	\$ -
	Rec \$ 165,977	\$ -	\$ 165,977	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Hurricane Matthew Recovery				
Budgets receipts from the State Emergency Response and Disaster Relief Fund (SERDRF) to assist households and communities recovering from Hurricane Matthew. This funding supports households which cannot receive federal aid but still require assistance, including to cover expenses ineligible for federal aid. These funds also provide directed grants to local organizations and units of government to complete disaster recovery projects, such as developing land outside of floodplains and repairing wastewater treatment plants. This funding includes \$3.5 million for a bridge loan to the Town of Princeville to finance recovery projects.	Req \$ -	\$ 44,950,000	\$ -	\$ -
	Rec \$ -	\$ 44,950,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
4 Hurricane Florence Recovery				
Budgets receipts from the SERDRF to assist households and communities recovering from Hurricane Florence. This funding supports households which cannot receive federal aid but still require assistance, including to cover expenses ineligible for federal aid. These funds also provide \$5 million to address the unmet recovery needs of houses of worship not eligible for federal assistance.	Req \$ -	\$ 30,000,000	\$ -	\$ -
	Rec \$ -	\$ 30,000,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
5 Individual Household Recovery				
Budgets receipts from the SERDRF to support families in addressing material losses during hurricanes and other disasters. The Disaster Recovery Office will coordinate with the NC Office of Recovery and Resiliency and the Secretary's Office at the Department of Public Safety to provide this assistance to households.	Req \$ -	\$ 10,000,000	\$ -	\$ -
	Rec \$ -	\$ 10,000,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	440,307	\$	84,950,000	\$	440,307	\$	-
Total Change to Receipts	\$	440,307	\$	84,950,000	\$	440,307	\$	-
Total Change to Fund Balance	\$	-	\$	-	\$	-	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$		\$	-	\$		\$	-
Recommended Total FTE Changes				0.000				0.000

OSBM - Earthquake Disaster Recovery (23020)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 120,332	\$ -	\$ 575,000	\$ 575,000	\$ 695,332	477.8%
Receipts	\$ 120,332	\$ -	\$ 575,000	\$ 575,000	\$ 695,332	477.8%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	1.000	0.000	0.000	0.000	1.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 120,332	\$ -	\$ -	\$ -	\$ 120,332	0.0%
Receipts	\$ 120,332	\$ -	\$ -	\$ -	\$ 120,332	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	1.000	0.000	0.000	0.000	1.000	0.0%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Office of State Budget and Management					
1 Sparta Earthquake Recovery					
Budgets receipts from the State Emergency Response and Disaster Relief Fund to complete repairs and renovations following the Sparta Earthquake. All previous recovery funds for this disaster have been expended or are encumbered. This additional funding supports the final remaining recovery projects.	Req	\$ -	\$ 575,000	\$ -	\$ -
	Rec	\$ -	\$ 575,000	\$ -	\$ -
	CFB	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 575,000	\$ -	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 575,000	\$ -	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000	0.000	0.000	0.000

OSBM - Tropical Storm Fred DR (23024)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 119,469	\$ -	\$ 12,500,000	\$ 12,500,000	\$ 12,619,469	10463.0%
Receipts	\$ -	\$ -	\$ 12,500,000	\$ 12,500,000	\$ 12,500,000	12500000.0%
Δ in Fund Balance	\$ (119,469)	\$ -	\$ -	\$ -	\$ (119,469)	0.0%
Positions (FTE)	2.000	0.000	0.000	0.000	0.000	0.0%

Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 119,469	\$ -	\$ -	\$ -	\$ 119,469	0.0%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Δ in Fund Balance	\$ (119,469)	\$ -	\$ -	\$ -	\$ (119,469)	0.0%
Positions (FTE)	2.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Office of State Budget and Management				
1 Tropical Storm Fred Recovery				
Budgets receipts from the State Emergency Response and Disaster Relief Fund to complete repairs and renovations of homes, roads, and bridges damaged during Tropical Storm Fred. This funding also supports buyout projects that relocate housing units to safer properties to prevent future damages and helps redevelop affordable housing units lost in Tropical Storm Fred.	Req \$	- \$	12,500,000 \$	- \$
	Rec \$	- \$	12,500,000 \$	- \$
	CFB \$	- \$	- \$	- \$
	FTE	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 12,500,000	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 12,500,000	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -		\$ -	
Recommended Total FTE Changes		0.000		0.000

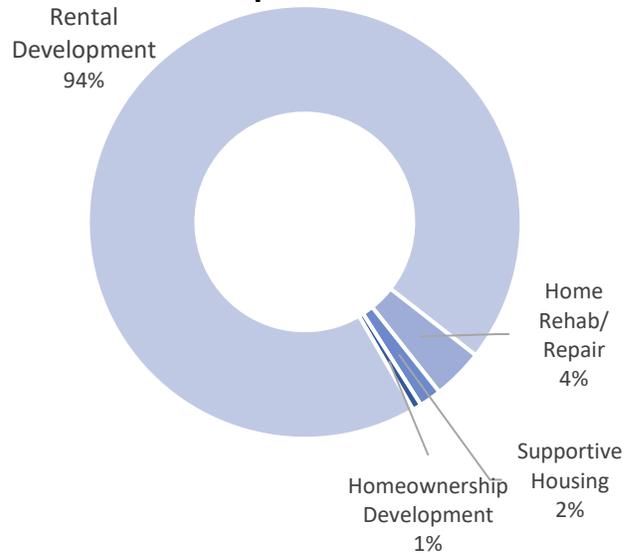
Mission

To provide safe, affordable housing opportunities to enhance the quality of life of North Carolinians.

Goals

1. Meet the housing needs of North Carolinians through a variety of housing options.
2. Partner with other organizations to accomplish a variety of housing strategies.
3. Identify and tap into new funding resources while maintaining and strengthening existing funding streams.
4. Support and encourage sustainable building practices.
5. Attract, maintain and develop diverse, talented and committed professionals.
6. Tailor communications to our many audiences, including specifics about our programs and overall benefits to North Carolinians.
7. Actively reach out to underserved groups and communities to improve access and utilization of our programs.

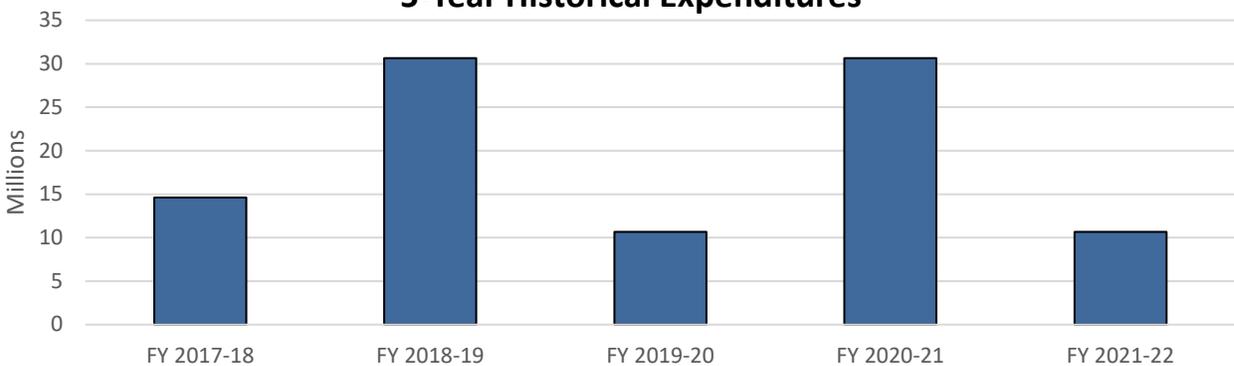
FY 2022-23 Authorized Expenditures



Agency Profile

- Creates affordable housing through rental development, supportive housing investment, home buyer lending, home ownership rehabilitation, and rental assistance, working with over 500 organizations.
- Financed 298,860 affordable homes and apartments, producing real estate valued at over \$29.16 billion since the agency’s creation in 1973.
- Finances programs by combining funds from state appropriations, federal and state grants, private investments, and its own earnings.

5-Year Historical Expenditures



Charts include General Fund budget code only; expenditures vary significantly due to changes in nonrecurring appropriations for the Workforce Housing Loan Program.

NC Housing Finance Agency (13010)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 210,660,000	\$ -	\$ 160,000,000	\$ 160,000,000	\$ 370,660,000	76.0%
Receipts	\$ 170,000,000	\$ -	\$ 160,000,000	\$ 160,000,000	\$ 330,000,000	94.1%
Net Appropriation	\$ 40,660,000	\$ -	\$ -	\$ -	\$ 40,660,000	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 210,660,000	\$ -	\$ -	\$ -	\$ 210,660,000	0.0%
Receipts	\$ 170,000,000	\$ -	\$ -	\$ -	\$ 170,000,000	0.0%
Net Appropriation	\$ 40,660,000	\$ -	\$ -	\$ -	\$ 40,660,000	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 NC Housing Trust Fund

Budgets receipts from the Housing Reserve for the NC Housing Trust Fund to expand affordable housing, address emergency home repairs, and preserve existing affordable rental housing. These activities support low-income individuals and families, including seniors, veterans, people with disabilities, and people who are currently homeless. In 2022, the agency leveraged the NC Housing Trust Fund with private sector and federal funds to finance 940 affordable housing units.

Req	\$ -	\$ 50,000,000	\$ -	\$ -
Rec	\$ -	\$ 50,000,000	\$ -	\$ -
App	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

2 Workforce Housing Support

Budgets receipts from the Housing Reserve to address housing affordability challenges for families and individuals earning between 60% and 120% of area median income, financing up to an additional 250 affordable housing units. These households do not qualify for traditional affordable housing support, and over 300,000 of them are cost-burdened, spending more than 30% of their income on housing. Eligible uses include allowing for a greater income mix in existing rental development programs and incentivizing smaller-scale development in rural communities with fewer rental options.

Req	\$ -	\$ 50,000,000	\$ -	\$ -
Rec	\$ -	\$ 50,000,000	\$ -	\$ -
App	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Workforce Housing Loan Program

Budgets receipts from the Housing Reserve for the Workforce Housing Loan Program (WHLP) to construct or substantially rehabilitate multi-family affordable housing units across the state. These funds are used in combination with federal low-income housing tax credits, the largest funding source for creating affordable housing in the United States. WHLP provides gap funding to make affordable housing development financially feasible in difficult-to-serve markets. Since WHLP's creation in 2015, the program has financed the construction and rehabilitation of 10,800 apartments in 163 projects across 57 counties.

Req	\$ -	\$ 35,000,000	\$ -	\$ -
Rec	\$ -	\$ 35,000,000	\$ -	\$ -
App	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

4 Senior Affordable Housing

Budgets receipts from the Housing Reserve to address housing affordability challenges for low-income seniors by providing funds to create new affordable rental units for seniors. Nationally, 50% of renter households with an older adult are cost-burdened, spending more than 30% of their incomes on rent. Funding may also be used for programs that help seniors to age in place, including emergency home repairs, single-family home rehabilitation, and accessibility modifications.

Req	\$ -	\$ 25,000,000	\$ -	\$ -
Rec	\$ -	\$ 25,000,000	\$ -	\$ -
App	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	-	\$	160,000,000	\$	-	\$	-
Total Change to Receipts	\$	-	\$	160,000,000	\$	-	\$	-
Total Change to Net Appropriation	\$	-	\$	-	\$	-	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			-	\$			-
Recommended Total FTE Changes				0.000				0.000

NC Housing Finance Agency - Partnership (63011)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 231,500,000	\$ -	\$ 160,000,000	\$ 160,000,000	\$ 391,500,000	69.1%
Receipts	\$ 234,642,000	\$ -	\$ 160,000,000	\$ 160,000,000	\$ 394,642,000	68.2%
Δ in Fund Balance	\$ 3,142,000	\$ -	\$ -	\$ -	\$ 3,142,000	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 231,500,000	\$ -	\$ -	\$ -	\$ 231,500,000	0.0%
Receipts	\$ 234,642,000	\$ -	\$ -	\$ -	\$ 234,642,000	0.0%
Δ in Fund Balance	\$ 3,142,000	\$ -	\$ -	\$ -	\$ 3,142,000	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Transfer - NC Housing Trust Fund				
Budgets the transfer from budget code 13010 for the NC Housing Trust Fund.	Req \$	- \$ 50,000,000	\$ -	\$ -
	Rec \$	- \$ 50,000,000	\$ -	\$ -
	CFB \$	- \$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000
2 Transfer - Workforce Housing Support				
Budgets the transfer from budget code 13010 for Workforce Housing Support.	Req \$	- \$ 50,000,000	\$ -	\$ -
	Rec \$	- \$ 50,000,000	\$ -	\$ -
	CFB \$	- \$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000
3 Transfer - Workforce Housing Loan Program				
Budgets the transfer from budget code 13010 for the Workforce Housing Loan Program.	Req \$	- \$ 35,000,000	\$ -	\$ -
	Rec \$	- \$ 35,000,000	\$ -	\$ -
	CFB \$	- \$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000
4 Transfer - Senior Affordable Housing				
Budgets the transfer from budget code 13010 for Senior Affordable Housing.	Req \$	- \$ 25,000,000	\$ -	\$ -
	Rec \$	- \$ 25,000,000	\$ -	\$ -
	CFB \$	- \$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000
Total Change to Requirements	\$	- \$ 160,000,000	\$ -	\$ -
Total Change to Receipts	\$	- \$ 160,000,000	\$ -	\$ -
Total Change to Fund Balance	\$	- \$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$	- \$	\$ -	\$ -
Recommended Total FTE Changes		0.000	0.000	0.000

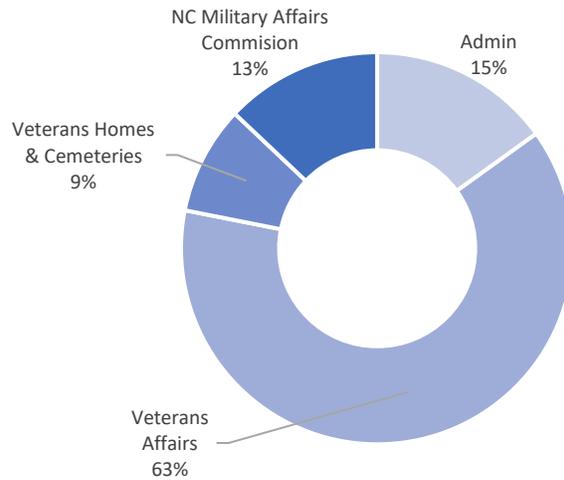
Mission

To support North Carolina’s active and reserve military and veterans, their families and communities, and their installations and services, as well as to enhance the state’s military and veteran-friendly environment by facilitating coordination between federal and state governments.

Goals

1. Ensure strong infrastructure currently and for the long term.
2. Optimize deliverables for veterans and military bases.
3. Connect veterans and their families to earned benefits, programs, and services, and maximize value of state military installations.
4. Increase the public’s knowledge of military ties to local communities and veteran issues.

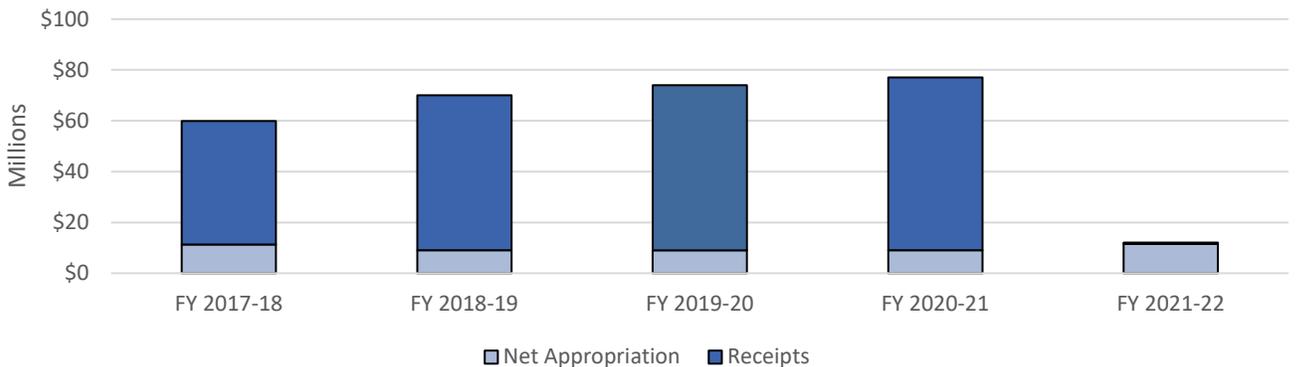
FY 2022-23 Authorized Expenditures



Agency Profile

- Provides outreach and support to veterans, their families, and active-duty personnel across the state.
- Operates 13 field offices working with veterans across the state.
- Provides skilled nursing home services at five veterans homes.
- Operates four state cemeteries for veterans across the state.
- Operates a scholarship program for children of wartime veterans.

5-Year Historical Expenditures*



Charts include General Fund budget code only.

** In FY 2021-22, the NCGA ended the transfer from the Veterans Home special fund to the General Fund.*

Department of Military and Veterans Affairs (13050)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 10,859,229	\$ 3,921,595	\$ 185,000	\$ 4,106,595	\$ 14,965,824	37.8%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 10,859,229	\$ 3,921,595	\$ 185,000	\$ 4,106,595	\$ 14,965,824	37.8%
Positions (FTE)	86.650	31.000	0.000	31.000	117.650	35.8%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 10,859,229	\$ 4,179,740	\$ -	\$ 4,179,740	\$ 15,038,969	38.5%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 10,859,229	\$ 4,179,740	\$ -	\$ 4,179,740	\$ 15,038,969	38.5%
Positions (FTE)	86.650	31.000	0.000	31.000	117.650	35.8%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.

Req	\$ 297,000	\$ -	\$ 484,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 297,000	\$ -	\$ 484,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 Retention Bonus

Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.

Req	\$ -	\$ 185,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 185,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Enhanced Labor Market Retention and Adjustment Reserve

Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.

Req	\$ 178,000	\$ -	\$ 178,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 178,000	\$ -	\$ 178,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.

Req	\$ 78,280	\$ -	\$ 103,078	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 78,280	\$ -	\$ 103,078	\$ -
FTE	0.000	0.000	0.000	0.000

5 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.

Req	\$ 19,298	\$ -	\$ 65,645	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 19,298	\$ -	\$ 65,645	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Transition Services					
6 Stay in NC Program					
Establishes the Transition Services Unit to assist military veterans as they adapt to civilian life and make North Carolina their permanent home. This unit will provide policy leadership on current and emerging veterans issues, including mental health, unemployment, education, and housing assistance. It will also engage in proactive outreach to military installations, provide services to members, veterans, and their families, and connect individuals with earned benefits. Funds may be used to create up to four positions to meet capacity needs.	Req	\$ 441,661	\$ -	\$ 441,661	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 441,661	\$ -	\$ 441,661	\$ -
	FTE	4.000	0.000	4.000	0.000
Veterans Affairs					
7 Veterans Services					
Invests in the state-county collaboration that connects veterans and their families to earned benefits. Funds will be used to create 14 positions at the department's 12 field offices or other veteran-oriented locations.	Req	\$ 1,100,000	\$ -	\$ 1,100,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,100,000	\$ -	\$ 1,100,000	\$ -
	FTE	14.000	0.000	14.000	0.000
8 Veterans Affairs Outreach					
Funds positions to meet needs within the Veterans Affairs Division. The Veterans Affairs Division provides services to the over 700,000 North Carolina veterans and their families by connecting them to earned benefits and programs, including those they need to transition to civilian life.	Req	\$ 450,000	\$ -	\$ 450,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 450,000	\$ -	\$ 450,000	\$ -
	FTE	4.000	0.000	4.000	0.000
Veterans Affairs-Cemeteries					
9 Upkeep and Beautificaion of Cemeteries					
Funds Maintenance Construction Technicians to maintain and beautify the state's four veterans cemeteries. These positions are needed for the division to keep pace with increased acreage and maintenance needs.	Req	\$ 225,000	\$ -	\$ 225,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 225,000	\$ -	\$ 225,000	\$ -
	FTE	4.000	0.000	4.000	0.000
Veterans Affairs-Scholarship Program					
10 Scholarships for Children of Wartime Veterans					
Supports the NC Scholarship for Children of Wartime Veterans program. The program awards scholarships to the children of veterans who are deceased, disabled, or combat POW/MIA to attend North Carolina schools. The additional funds will increase the scholarship award for children whose parents are 100% disabled as a result of their military service. These funds will be transferred to budget code 23050.	Req	\$ 500,000	\$ -	\$ 500,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 500,000	\$ -	\$ 500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Military Affairs					
11 Military Affairs Services and Outreach					
Funds positions to meet needs within the Military Affairs Division. The additional positions will enhance outreach to military installations, better serve the Military Affairs Commission, and improve services to military members and their families.	Req	\$ 450,000	\$ -	\$ 450,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 450,000	\$ -	\$ 450,000	\$ -
	FTE	4.000	0.000	4.000	0.000
Department-wide					
12 Internal Auditor					
Funds an internal auditor to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req	\$ 156,179	\$ -	\$ 156,179	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 156,179	\$ -	\$ 156,179	\$ -
	FTE	1.000	0.000	1.000	0.000
Information Technology Rates					
13 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req	\$ 26,177	\$ -	\$ 26,177	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 26,177	\$ -	\$ 26,177	\$ -
	FTE	0.000	0.000	0.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	3,921,595	\$	185,000	\$	4,179,740	\$	-
Total Change to Receipts	\$	-	\$	-	\$	-	\$	-
Total Change to Net Appropriation	\$	3,921,595	\$	185,000	\$	4,179,740	\$	-
Total Change to Full-Time Equivalent (FTE)		31.000		0.000		31.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			4,106,595	\$			4,179,740
Recommended Total FTE Changes				31.000				31.000

Military and Veterans Affairs - Special (23050)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 14,847,347	\$ 500,000	\$ -	\$ 500,000	\$ 15,347,347	3.4%
Receipts	\$ 14,838,274	\$ 500,000	\$ -	\$ 500,000	\$ 15,338,274	3.4%
Δ in Fund Balance	\$ (9,073)	\$ -	\$ -	\$ -	\$ (9,073)	0.0%
Positions (FTE)	15.250	0.000	0.000	0.000	15.250	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 14,847,347	\$ 500,000	\$ -	\$ 500,000	\$ 15,347,347	3.4%
Receipts	\$ 14,838,274	\$ 500,000	\$ -	\$ 500,000	\$ 15,338,274	3.4%
Δ in Fund Balance	\$ (9,073)	\$ -	\$ -	\$ -	\$ (9,073)	0.0%
Positions (FTE)	15.250	0.000	0.000	0.000	15.250	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Veterans Affairs-Scholarship Program				
1 Transfer-Scholarships for Children of Wartime Veterans				
Budgets the transfer from budget code 13050 for the Scholarship for Children of Wartime Veterans.	Req \$ 500,000	\$ -	\$ 500,000	\$ -
	Rec \$ 500,000	\$ -	\$ 500,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 500,000	\$ -	\$ 500,000	\$ -
Total Change to Receipts	\$ 500,000	\$ -	\$ 500,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -		\$ -	
Recommended Total FTE Changes	0.000		0.000	

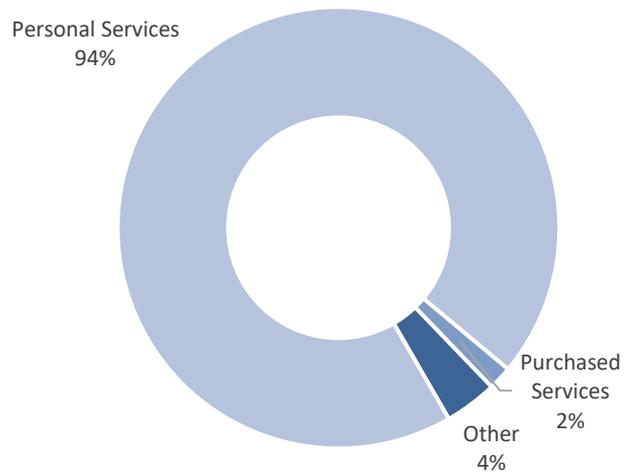
Mission

To develop a North Carolina that connects young and old, rural and urban, and the present to the future with a limited government focused on removing barriers to individual freedom, empowering citizens, educating students, and encouraging personal responsibility.

Goals

1. Continue to promote sound fiscal and tax policies for the state of North Carolina to ensure continued economic growth for all North Carolinians.
2. Work to ensure every student in North Carolina receives a high-quality education and viable options are available for every student.
3. Provide excellent customer service to the people of North Carolina.
4. Continue to work with other agencies, boards and commissions, and the General Assembly to develop and promote policies to make North Carolina a better place to live, work, and learn.

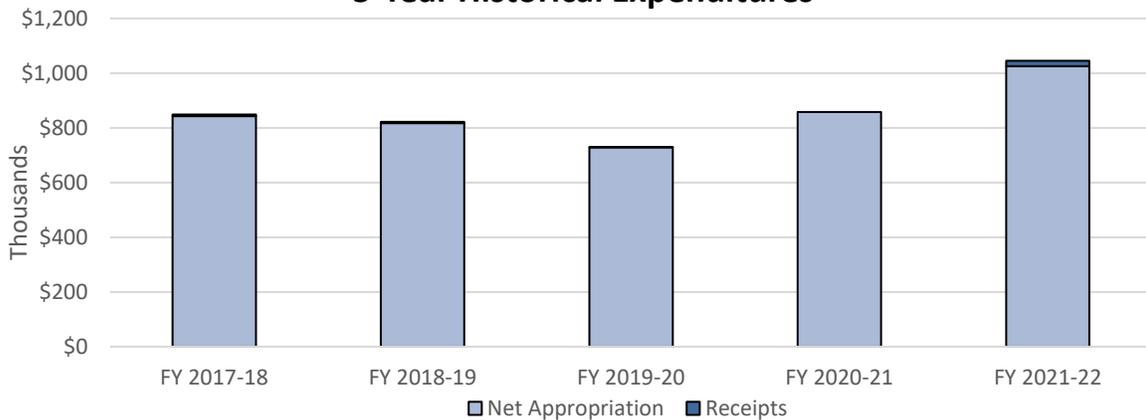
FY 2022-23 Authorized Expenditures



Agency Profile

- The Lieutenant Governor serves as the President of the North Carolina Senate, but only votes when the Senate is equally divided.
- During the absence of the Governor from the State, or during the physical or mental incapacity of the Governor, the Lieutenant Governor acts as the Governor.
- The Lieutenant Governor is a member of the Council of State, the North Carolina Board of Education, the North Carolina Capital Planning Commission, the North Carolina Board of Community Colleges, and serves as the chair of the Energy Policy Council.

5-Year Historical Expenditures



Office of the Lieutenant Governor (13100)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,222,759	\$ 99,975	\$ 26,000	\$ 125,975	\$ 1,348,734	10.3%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 1,222,759	\$ 99,975	\$ 26,000	\$ 125,975	\$ 1,348,734	10.3%
Positions (FTE)	9.000	0.000	0.000	0.000	9.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,222,759	\$ 142,214	\$ -	\$ 142,214	\$ 1,364,973	11.6%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 1,222,759	\$ 142,214	\$ -	\$ 142,214	\$ 1,364,973	11.6%
Positions (FTE)	9.000	0.000	0.000	0.000	9.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	53,000	\$ -	\$ 86,000
	Rec \$	-	\$ -	\$ -
	App \$	53,000	\$ -	\$ 86,000
	FTE	0.000	0.000	0.000
2 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 10,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 10,000	\$ -
	FTE	0.000	0.000	0.000
3 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	31,000	\$ -	\$ 31,000
	Rec \$	-	\$ -	\$ -
	App \$	31,000	\$ -	\$ 31,000
	FTE	0.000	0.000	0.000
4 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	13,971	\$ -	\$ 18,396
	Rec \$	-	\$ -	\$ -
	App \$	13,971	\$ -	\$ 18,396
	FTE	0.000	0.000	0.000
5 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	2,004	\$ -	\$ 6,818
	Rec \$	-	\$ -	\$ -
	App \$	2,004	\$ -	\$ 6,818
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Department-wide					
6 Operational Support					
Funds a permanent flagpole and interior drapery at the Hawkins-Hartness House.	Req \$	-	\$ 16,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 16,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	99,975	\$ 26,000	\$ 142,214	\$ -
Total Change to Receipts	\$	-	\$ -	\$ -	\$ -
Total Change to Net Appropriation	\$	99,975	\$ 26,000	\$ 142,214	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		\$ 125,975	\$	142,214
Recommended Total FTE Changes			0.000		0.000

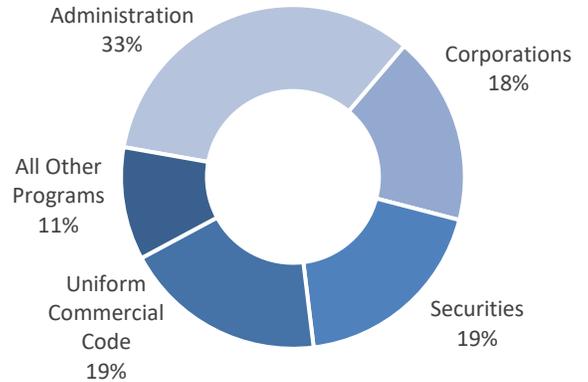
Mission

To promote economic growth and protect the public from financial harm.

Goals

1. Facilitate economic growth and investment in North Carolina by continually modernizing a state-of-the-art system of reliable business, governmental, and personal records.
2. Educate citizens, businesses, and other stakeholders about commercial and financial choices and how the Department and its data can assist in achieving economic success.
3. Safeguard citizens, businesses, and other stakeholders against fraud by ensuring the reliability of notarized signatures on legal, real estate, business, and financial documents.
4. Investigate, prosecute, and resolve complex financial crimes utilizing the Department’s law enforcement agents, professional staff, technology, and partnerships with external stakeholders.

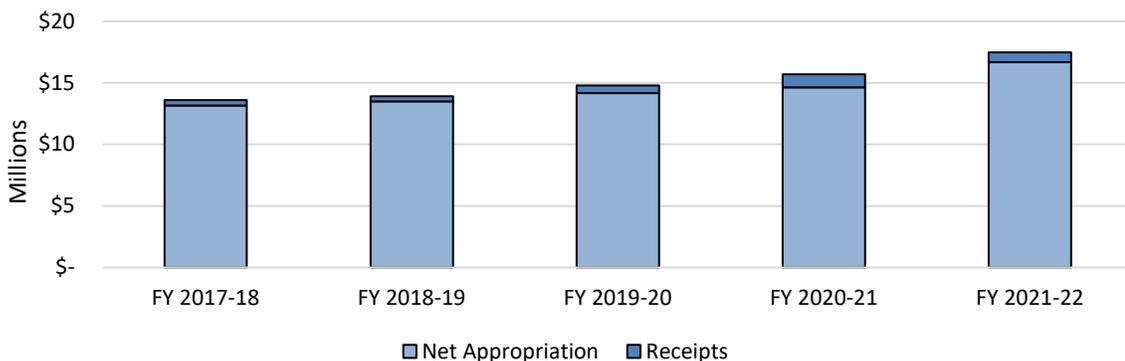
FY 2022-23 Authorized Expenditures



Agency Profile

- Facilitates economic development through business and capital formation – registering 178,300 new businesses and nonprofits last year and reviewing 554,500 annual reports.
- Provides crucial business data to the marketplace for leveraging risk and assisting millions of transactions.
- Administers the state’s Securities laws by regulating over \$200 billion in securities offerings and investigating and prosecuting white-collar crimes.
- Provides for transparent registration and enforcement of charitable solicitation laws, and registration and reporting of lobbyists and their principals.
- Coordinates Land Records Management, supporting one of the state’s largest assets valued at almost \$1 trillion, according to the NC State Property Tax Commission.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Department of Secretary of State (13200)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 17,596,061	\$ 3,213,693	\$ 643,000	\$ 3,856,693	\$ 21,452,754	21.9%
Receipts	\$ 378,161	\$ -	\$ -	\$ -	\$ 378,161	0.0%
Net Appropriation	\$ 17,217,900	\$ 3,213,693	\$ 643,000	\$ 3,856,693	\$ 21,074,593	22.4%
Positions (FTE)	178.553	12.600	0.000	12.600	191.153	7.1%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 17,642,812	\$ 3,809,584	\$ -	\$ 3,809,584	\$ 21,452,396	21.6%
Receipts	\$ 378,161	\$ -	\$ -	\$ -	\$ 378,161	0.0%
Net Appropriation	\$ 17,264,651	\$ 3,809,584	\$ -	\$ 3,809,584	\$ 21,074,235	22.1%
Positions (FTE)	178.553	12.600	0.000	12.600	191.153	7.1%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	692,000	\$ -	\$ 1,128,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	692,000	\$ -	\$ 1,128,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	12,000	\$ -	\$ 19,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	12,000	\$ -	\$ 19,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 293,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 293,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	423,000	\$ -	\$ 423,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	423,000	\$ -	\$ 423,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	181,834	\$ -	\$ 239,436	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	181,834	\$ -	\$ 239,436	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 39,676	\$ -	\$ 134,965	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 39,676	\$ -	\$ 134,965	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Additional Positions for Increased Agency Workload					
Establishes new positions to support internal data modernization initiatives, evaluate programs, and bolster information technology support. These positions will support the growing business community and improve customer service.	Req	\$ 600,000	\$ -	\$ 600,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 600,000	\$ -	\$ 600,000	\$ -
	FTE	5.600	0.000	5.600	0.000
8 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req	\$ 18,869	\$ -	\$ 18,869	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 18,869	\$ -	\$ 18,869	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Upgrades in Mail Digitalization and Software					
Provides funds for upgrades to mail digitalization equipment and software. This will support the Department's ability to protect sensitive data, better serve the business community, and conduct forensic work.	Req	\$ 250,000	\$ 100,000	\$ 250,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 250,000	\$ 100,000	\$ 250,000	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Internal Auditor					
Funds internal auditor to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req	\$ 156,179	\$ -	\$ 156,179	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 156,179	\$ -	\$ 156,179	\$ -
	FTE	1.000	0.000	1.000	0.000
11 International Affairs Director					
Creates a permanent position to manage international delegation engagements and coordinate the North Carolina-Moldova Bilateral Partnership. This Partnership facilitates cooperation between North Carolina and Moldova on civil emergency operations, market expansion, humanitarian efforts, and economic, scientific and academic exchanges.	Req	\$ 140,000	\$ -	\$ 140,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 140,000	\$ -	\$ 140,000	\$ -
	FTE	1.000	0.000	1.000	0.000
12 Remote Electronic Notarization Program					
Establishes positions to support the Remote Electronic Notarization program, established through legislative mandate in SL 2022-54. This program strengthens the security and access to public notarization.	Req	\$ 300,000	\$ -	\$ 300,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 300,000	\$ -	\$ 300,000	\$ -
	FTE	2.000	0.000	2.000	0.000
13 Document Examiner Position					
Makes an agency document examiner position permanent. This position reviews agency documents for the Secretary of State's Knowledge Base database and filing system. Increases in business registration and capital formation have resulted in more documentation for the Department to process.	Req	\$ 80,135	\$ -	\$ 80,135	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 80,135	\$ -	\$ 80,135	\$ -
	FTE	1.000	0.000	1.000	0.000
14 Operating Expenses for Rural RISE NC					
Funds positions and operating expenses to expand the Rural Resources for Investors, Start-Ups, and Entrepreneurs (RISE) NC program statewide. This program engages with new businesses to ensure they are aware of local entrepreneurial resources. The office shall use a portion of these funds to conduct an evaluation of the program.	Req	\$ 320,000	\$ 250,000	\$ 320,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 320,000	\$ 250,000	\$ 320,000	\$ -
	FTE	2.000	0.000	2.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	3,213,693	\$	643,000	\$	3,809,584	\$	-
Total Change to Receipts	\$	-	\$	-	\$	-	\$	-
Total Change to Net Appropriation	\$	3,213,693	\$	643,000	\$	3,809,584	\$	-
Total Change to Full-Time Equivalent (FTE)		12.600		0.000		12.600		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			3,856,693	\$			3,809,584
Recommended Total FTE Changes				12.600				12.600

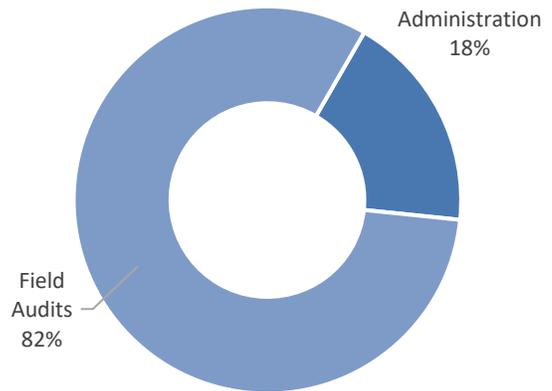
Mission

To protect the interests of taxpayers and others who provide financial resources to the state of North Carolina. We provide objective information about whether state resources are properly accounted for, reported, and managed; as well as whether publicly funded programs achieve desired results.

Goals

1. Make state government more effective, efficient, and accountable by delivering reliable, credible, actionable, and timely reports to those who can use the information to improve state government ensuring an effective, accountable, well-run state government.
2. Optimize the efficiency of our audits and investigations to minimize disruption to auditee’s regular activities and increase the opportunities for OSA to find savings across state government.

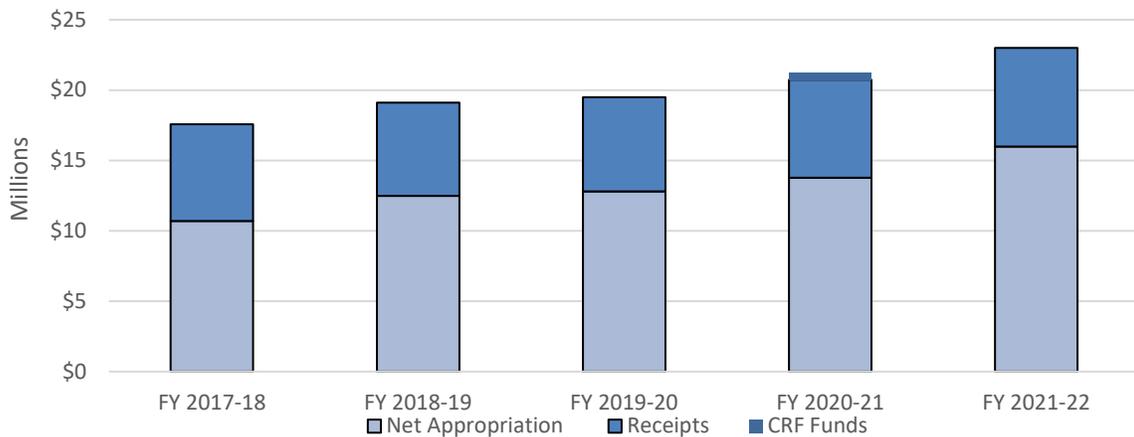
FY 2022-23 Authorized Expenditures



Agency Profile

- The State Auditor is elected and is a member of the Council of State.
- OSA’s audit responsibilities cover more than \$98.9 billion in state assets and \$27.5 billion in liabilities; \$33.5 billion in annual federal grant funding; and the finances of the state’s 17 public universities.
- OSA publishes financial statement audits, performance audits, information systems audits, and investigative reports.
- OSA will continue to expand audits focusing on pandemic relief funds, and to leverage big-data analytics to identify areas of risk to state government.
- The State Auditor has broad powers to examine all books, records, files, papers, documents, and financial data of every state agency.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Office of the State Auditor (13300)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 24,532,113	\$ 2,034,299	\$ 198,000	\$ 2,232,299	\$ 26,764,412	9.1%
Receipts	\$ 6,899,163	\$ -	\$ -	\$ -	\$ 6,899,163	0.0%
Net Appropriation	\$ 17,632,950	\$ 2,034,299	\$ 198,000	\$ 2,232,299	\$ 19,865,249	12.7%
Positions (FTE)	160.000	1.000	0.000	1.000	161.000	0.6%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 24,532,113	\$ 2,767,949	\$ -	\$ 2,767,949	\$ 27,300,062	11.3%
Receipts	\$ 6,899,163	\$ -	\$ -	\$ -	\$ 6,899,163	0.0%
Net Appropriation	\$ 17,632,950	\$ 2,767,949	\$ -	\$ 2,767,949	\$ 20,400,899	15.7%
Positions (FTE)	160.000	1.000	0.000	1.000	161.000	0.6%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	709,000	\$ -	\$ 1,155,000
	Rec \$	-	\$ -	\$ -
	App \$	709,000	\$ -	\$ 1,155,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	265,000	\$ -	\$ 432,000
	Rec \$	-	\$ -	\$ -
	App \$	265,000	\$ -	\$ 432,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 198,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 198,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	583,000	\$ -	\$ 583,000
	Rec \$	-	\$ -	\$ -
	App \$	583,000	\$ -	\$ 583,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	186,687	\$ -	\$ 245,826
	Rec \$	-	\$ -	\$ -
	App \$	186,687	\$ -	\$ 245,826
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 25,612	\$ -	\$ 87,123	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 25,612	\$ -	\$ 87,123	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Chief Information Security Officer					
Provides funding for a security officer responsible for the strategic development and implementation of the department's information technology and data risk management. This position will identify, analyze, and mitigate threats to information technology systems and networks.	Req	\$ 165,000	\$ -	\$ 165,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 165,000	\$ -	\$ 165,000	\$ -
	FTE	1.000	0.000	1.000	0.000
8 Computer Replacement Schedule					
Provides funds to support a three-year replacement cycle of the office's computer inventory to comply with industry best practices for cybersecurity during the audit process.	Req	\$ 100,000	\$ -	\$ 100,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 100,000	\$ -	\$ 100,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 2,034,299	\$ 198,000	\$ 2,767,949	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 2,034,299	\$ 198,000	\$ 2,767,949	\$ -
Total Change to Full-Time Equivalent (FTE)		1.000	0.000	1.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		2,232,299	\$	2,767,949
Recommended Total FTE Changes			1.000		1.000

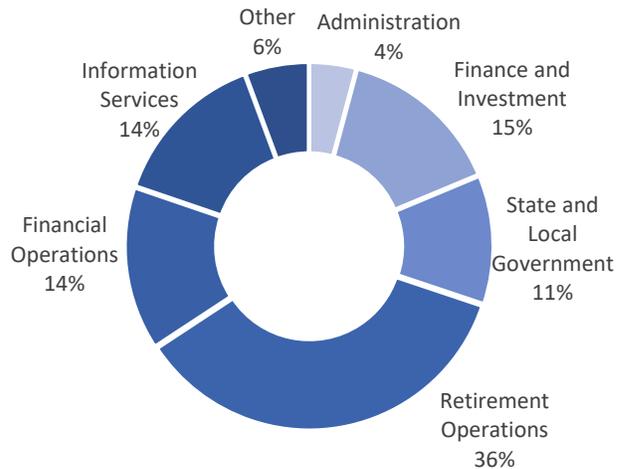
Mission

To preserve, protect, and sustain the state’s pension and healthcare plans; reduce investment fees while maximizing returns; properly account for and report on all funds that are deposited, invested, and disbursed through the department; assure financially sound issuance of debt for state and local governments; maintain the state’s “AAA” bond rating; and provide exemplary service across all divisions of the department.

Goals

1. Fiduciary Duty – focus on the taxpayers of the State of North Carolina.
2. Integrity, Ability and Passion – ensure that all North Carolina Department of State Treasurer employees are guided by these three principles as they perform their duties.
3. Make a Generational Difference – focus on the big picture.
4. Transparency – structure and conduct all aspects of our work with an open and transparent policy that promotes trust and accountability.

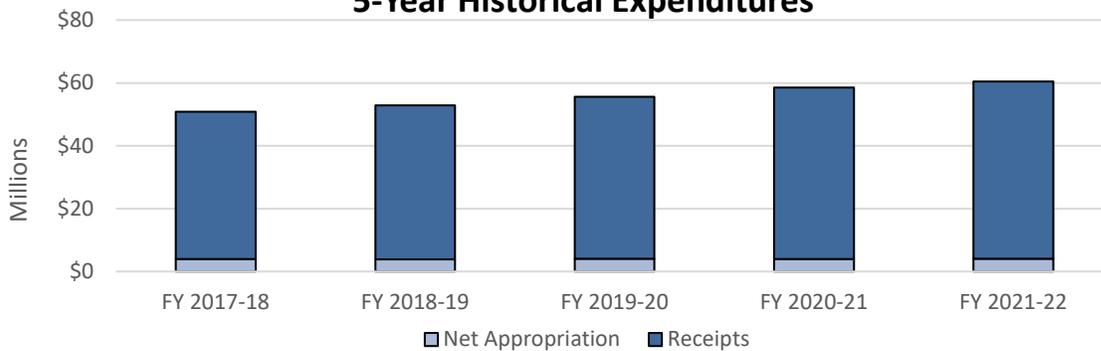
FY 2022-23 Authorized Expenditures



Agency Profile

- Administers retirement systems for more than 950,000 public service workers.
- Operates the State Health Plan, which covers more than 740,000 teachers, state employees, retirees, current and former lawmakers, university employees, community college employees, and their dependents.
- Supports local government units by aiding in the sale of local debt obligations and maintaining sound budget, accounting, and reporting procedures.
- Oversees the issuance of state debt.
- Maintains unclaimed property and the state’s core banking system.

5-Year Historical Expenditures



Charts include General Fund and Internal Service Fund budget codes. Charts do not include State Health Plan, State Retirement Plans or managed investments.

Department of State Treasurer (13410)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 73,467,788	\$ 2,855,262	\$ 656,000	\$ 3,511,262	\$ 76,979,050	4.8%
Receipts	\$ 68,201,996	\$ 1,238,916	\$ -	\$ 1,238,916	\$ 69,440,912	1.8%
Net Appropriation	\$ 5,265,792	\$ 1,616,346	\$ 656,000	\$ 2,272,346	\$ 7,538,138	43.2%
Positions (FTE)	409.200	8.000	0.000	8.000	417.200	2.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 73,485,130	\$ 2,906,284	\$ -	\$ 2,906,284	\$ 76,391,414	4.0%
Receipts	\$ 68,219,338	\$ 1,238,916	\$ -	\$ 1,238,916	\$ 69,458,254	1.8%
Net Appropriation	\$ 5,265,792	\$ 1,667,368	\$ -	\$ 1,667,368	\$ 6,933,160	31.7%
Positions (FTE)	409.200	8.000	0.000	8.000	417.200	2.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	59,000	\$ -	\$ 96,000
	Rec \$	-	\$ -	\$ -
	App \$	59,000	\$ -	\$ 96,000
	FTE	0.000	0.000	0.000
2 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 656,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 656,000	\$ -
	FTE	0.000	0.000	0.000
3 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	1,238,000	\$ -	\$ 1,238,000
	Rec \$	-	\$ -	\$ -
	App \$	1,238,000	\$ -	\$ 1,238,000
	FTE	0.000	0.000	0.000
4 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	15,560	\$ -	\$ 20,489
	Rec \$	-	\$ -	\$ -
	App \$	15,560	\$ -	\$ 20,489
	FTE	0.000	0.000	0.000
5 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	3,786	\$ -	\$ 12,879
	Rec \$	-	\$ -	\$ -
	App \$	3,786	\$ -	\$ 12,879
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
State and Local Government Finance Division					
6 Local Government Commission Support					
Increases capacity at the Local Government Commission (LGC), which provides support for financially distressed local governments. The funds allow the LGC to hire fiscal and audit services to support distressed local governments, create positions for analyzing local unit debt, and improve LGC communications with these governments and interested stakeholders.	Req	\$ 708,180	\$ -	\$ 708,180	\$ -
	Rec	\$ 708,180	\$ -	\$ 708,180	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	2.000	0.000	2.000	0.000
Retirement Systems Division					
7 Operational Improvements					
Creates positions for the division's call center to meet increased call demand from state and local retirees. The division received over 280,000 calls in 2022. In addition, these funds establish a position to improve the timeliness of the Medical Board's disability claim reviews.	Req	\$ 451,645	\$ -	\$ 451,645	\$ -
	Rec	\$ 451,645	\$ -	\$ 451,645	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	5.000	0.000	5.000	0.000
Financial Operations Division					
8 Banking System Information Technology Costs					
Funds increased information technology contract costs needed to run the state's banking system. The state's banking system manages funds for state agencies, public universities, community colleges, and school systems.	Req	\$ 300,000	\$ -	\$ 300,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 300,000	\$ -	\$ 300,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Unclaimed Property Division					
9 Unclaimed Property Investigator					
Funds a position to investigate potentially fraudulent claims and to identify individuals, estates, and businesses with unclaimed property to return it more quickly to its rightful owner. In FY 2021-22, the division paid 178,857 claims totaling more than \$105 million.	Req	\$ 79,091	\$ -	\$ 79,091	\$ -
	Rec	\$ 79,091	\$ -	\$ 79,091	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	1.000	0.000	1.000	0.000
Total Change to Requirements		\$ 2,855,262	\$ 656,000	\$ 2,906,284	\$ -
Total Change to Receipts		\$ 1,238,916	\$ -	\$ 1,238,916	\$ -
Total Change to Net Appropriation		\$ 1,616,346	\$ 656,000	\$ 1,667,368	\$ -
Total Change to Full-Time Equivalent (FTE)		8.000	0.000	8.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	2,272,346	\$	1,667,368
Recommended Total FTE Changes			8.000		8.000

Mission

To promote a stable insurance market through unbiased regulation and to protect the lives and property of every citizen in all 100 counties while fostering superior, user-friendly service, courtesy, and respect.

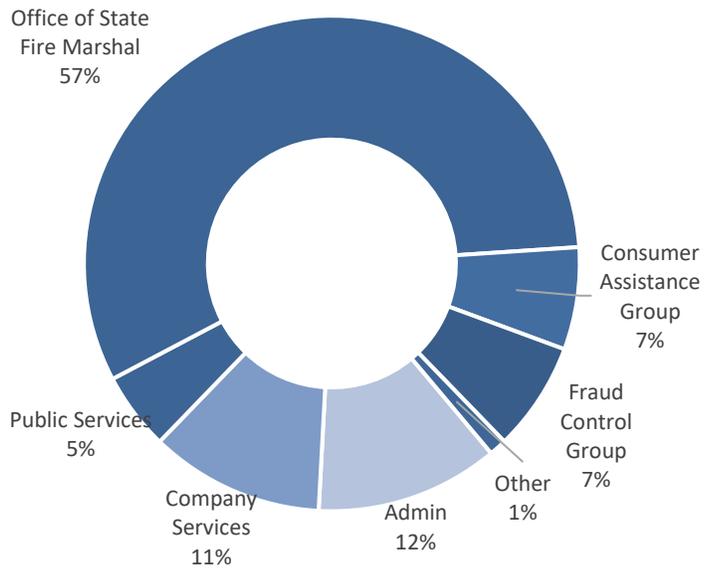
Goals

1. Consumer Protection, Education and Support.
2. Citizen Safety.

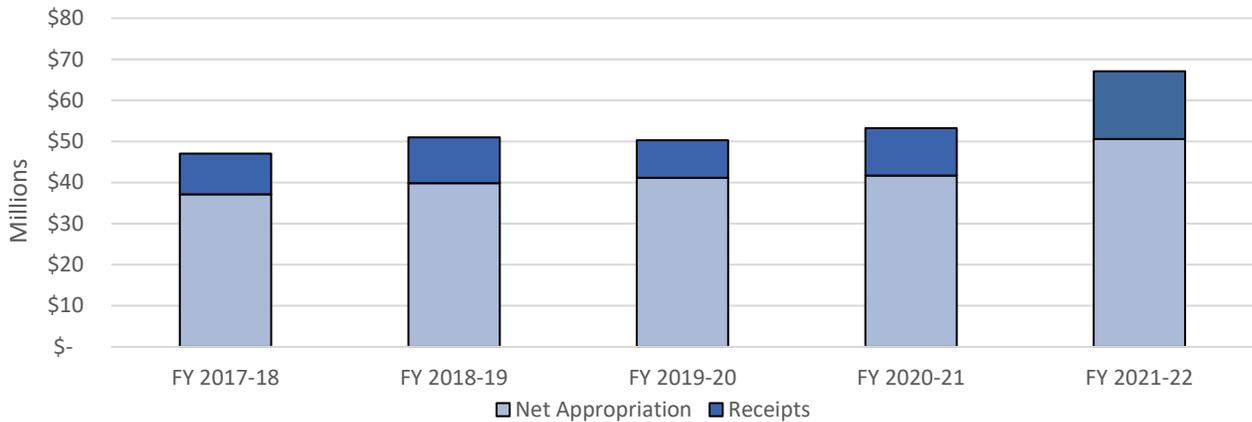
Agency Profile

- Focuses on consumers through fair ratemaking, injury prevention efforts, thorough regulation of insurance company solvency and industry practices, and protecting consumers against insurance fraud.
- Protects the lives and property of North Carolinians through education, risk management, code enforcement, and fire investigations.
- In 2022, the department had 277 arrests for insurance fraud, 180 convictions, and \$7,773,936 in restitutions and/or recoveries.
- Provides North Carolinians assistance with health insurance questions, complaints, and appeals.
- Our award winning DOI Captive Insurance Program is among the top four in the nation.
- DOI received the STAR (State Transformation in Action Recognition) Award as Best in the South from the Southern Council of State Government.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Charts include General Fund budget code only.

Department of Insurance (13900)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 54,059,587	\$ 21,770,558	\$ 1,625,000	\$ 23,395,558	\$ 77,455,145	43.3%
Receipts	\$ 5,140,347	\$ -	\$ -	\$ -	\$ 5,140,347	0.0%
Net Appropriation	\$ 48,919,240	\$ 21,770,558	\$ 1,625,000	\$ 23,395,558	\$ 72,314,798	47.8%
Positions (FTE)	434.748	15.000	0.000	15.000	449.748	3.5%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 54,059,587	\$ 26,486,819	\$ -	\$ 26,486,819	\$ 80,546,406	49.0%
Receipts	\$ 5,140,347	\$ -	\$ -	\$ -	\$ 5,140,347	0.0%
Net Appropriation	\$ 48,919,240	\$ 26,486,819	\$ -	\$ 26,486,819	\$ 75,406,059	54.1%
Positions (FTE)	434.748	15.000	0.000	15.000	449.748	3.5%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.

Req	\$ 1,928,000	\$ -	\$ 3,142,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 1,928,000	\$ -	\$ 3,142,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 Retention Bonus

Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.

Req	\$ -	\$ 725,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 725,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Enhanced Labor Market Retention and Adjustment Reserve

Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.

Req	\$ 1,283,000	\$ -	\$ 1,283,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 1,283,000	\$ -	\$ 1,283,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.

Req	\$ 505,674	\$ -	\$ 665,862	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 505,674	\$ -	\$ 665,862	\$ -
FTE	0.000	0.000	0.000	0.000

5 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.

Req	\$ 90,384	\$ -	\$ 307,457	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 90,384	\$ -	\$ 307,457	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Office of the State Fire Marshall					
6 Stanly County Emergency Training Center Operating Support					
Provides funds to cover basic operating expenses for the Office of the State Fire Marshall Training Facility in Stanly County. This facility is scheduled to open in the 2023-25 biennium. These funds will support staff and expenses including training coordinators, a maintenance technician, furniture, and security and safety supplies.	Req \$	- \$	500,000 \$	3,125,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	500,000 \$	3,125,000 \$	-
	FTE	4.000	0.000	4.000	0.000
7 Fire Department Reporting Software					
Provides funds for reporting software which collects information on fire hotspots, low smoke alarm areas, and community education needs. The office provides this information to all fire departments statewide and pays all software licensing and maintenance fees.	Req \$	500,000 \$	- \$	500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	500,000 \$	- \$	500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
Information Technology					
8 Cyber Security System Support					
Provides recurring funds to fully develop and maintain the department's cybersecurity system. These funds would cover the cost of maintaining warranties, cybersecurity hardware and software, and data sharing. The department currently has no recurring funds to support cybersecurity needs and has been relying on lapsed salary.	Req \$	3,613,500 \$	- \$	3,613,500 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	3,613,500 \$	- \$	3,613,500 \$	-
	FTE	3.000	0.000	3.000	0.000
Consumer Services					
9 Filings and Hearings Support					
Provides funds for resources needed to support the Rate Bureau, including funds to support actuarial contracts, court reporters, outside council, filing fees, and travel expenses. These funds will be transferred to budget 23900.	Req \$	250,000 \$	- \$	250,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	250,000 \$	- \$	250,000 \$	-
	FTE	0.000	0.000	0.000	0.000
Fraud Control Group					
10 Fraud Control Officers					
Funds additional Fraud Control Officers and associated operating expenses, including vehicles, training, equipment, and supplies. These officers investigate suspicious insurance activity and work for monetary restitution for victims of insurance fraud.	Req \$	1,100,000 \$	400,000 \$	1,100,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	1,100,000 \$	400,000 \$	1,100,000 \$	-
	FTE	8.000	0.000	8.000	0.000
State Property Fire Fund					
11 State Property Fire Fund					
Invests in the State Property Fire Fund to address a low fund balance and cover the annual excess premium payment. This support enables the fund to provide adequate and timely coverage to insured state entities. These funds will be transferred to budget code 69303.	Req \$	12,500,000 \$	- \$	12,500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	12,500,000 \$	- \$	12,500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 21,770,558	\$ 1,625,000	\$ 26,486,819	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 21,770,558	\$ 1,625,000	\$ 26,486,819	\$ -
Total Change to Full-Time Equivalent (FTE)		15.000	0.000	15.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$ 23,395,558	\$ -	\$ 26,486,819	\$ -
Recommended Total FTE Changes		15.000	0.000	15.000	0.000

Insurance - Special Fund - Interest Bearing (23900)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 57,182,260	\$ 250,000	\$ -	\$ 250,000	\$ 57,432,260	0.4%
Receipts	\$ 63,737,741	\$ 250,000	\$ -	\$ 250,000	\$ 63,987,741	0.4%
Δ in Fund Balance	\$ 6,555,481	\$ -	\$ -	\$ -	\$ 6,555,481	0.0%
Positions (FTE)	5.355	0.000	0.000	0.000	5.355	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 57,182,260	\$ 250,000	\$ -	\$ 250,000	\$ 57,432,260	0.4%
Receipts	\$ 63,737,741	\$ 250,000	\$ -	\$ 250,000	\$ 63,987,741	0.4%
Δ in Fund Balance	\$ 6,555,481	\$ -	\$ -	\$ -	\$ 6,555,481	0.0%
Positions (FTE)	5.355	0.000	0.000	0.000	5.355	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Consumer Protection Fund				
1 Transfer - Filings and Hearings Support				
Budgets the transfer from budget code 13900 for Filings and Hearings Support.	Req \$ 250,000	\$ -	\$ 250,000	\$ -
	Rec \$ 250,000	\$ -	\$ 250,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 250,000	\$ -	\$ 250,000	\$ -
Total Change to Receipts	\$ 250,000	\$ -	\$ 250,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Insurance - Trust - Internal Service (63903)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 25,253,734	\$ 12,500,000	\$ -	\$ 12,500,000	\$ 37,753,734	49.5%
Receipts	\$ 25,253,734	\$ 12,500,000	\$ -	\$ 12,500,000	\$ 37,753,734	49.5%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	23.100	0.000	0.000	0.000	23.100	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 25,253,734	\$ 12,500,000	\$ -	\$ 12,500,000	\$ 37,753,734	49.5%
Receipts	\$ 25,253,734	\$ 12,500,000	\$ -	\$ 12,500,000	\$ 37,753,734	49.5%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	23.100	0.000	0.000	0.000	23.100	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
State Property Fire Insurance Fund				
1 State Property Fire Fund				
Budgets the transfer from budget code 13900 for the State Property Fire Fund.	Req \$ 12,500,000	\$ -	\$ 12,500,000	\$ -
	Rec \$ 12,500,000	\$ -	\$ 12,500,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 12,500,000	\$ -	\$ 12,500,000	\$ -
Total Change to Receipts	\$ 12,500,000	\$ -	\$ 12,500,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Industrial Commission (13902)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 23,283,671	\$ 1,713,476	\$ 199,000	\$ 1,912,476	\$ 25,196,147	8.2%
Receipts	\$ 12,162,395	\$ -	\$ -	\$ -	\$ 12,162,395	0.0%
Net Appropriation	\$ 11,121,276	\$ 1,713,476	\$ 199,000	\$ 1,912,476	\$ 13,033,752	17.2%
Positions (FTE)	142.250	1.000	0.000	1.000	143.250	0.7%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 23,283,671	\$ 2,177,089	\$ -	\$ 2,177,089	\$ 25,460,760	9.4%
Receipts	\$ 12,162,395	\$ -	\$ -	\$ -	\$ 12,162,395	0.0%
Net Appropriation	\$ 11,121,276	\$ 2,177,089	\$ -	\$ 2,177,089	\$ 13,298,365	19.6%
Positions (FTE)	142.250	1.000	0.000	1.000	143.250	0.7%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	334,000	\$ -	\$ 544,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	334,000	\$ -	\$ 544,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	308,000	\$ -	\$ 502,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	308,000	\$ -	\$ 502,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 199,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 199,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	384,000	\$ -	\$ 384,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	384,000	\$ -	\$ 384,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	87,897	\$ -	\$ 115,742	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	87,897	\$ -	\$ 115,742	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 13,228	\$ -	\$ 44,996	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 13,228	\$ -	\$ 44,996	\$ -
	FTE	0.000	0.000	0.000	0.000
Industrial Commission					
7 Legal Case Management System					
Provides funding for ongoing operating and maintenance costs of the Industrial Commission's new Legal Case Management System. These funds are needed to pay for licenses, protect confidential information from cyberthreats, and provide enhancements for the Commission's stakeholders.	Req	\$ 426,351	\$ -	\$ 426,351	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 426,351	\$ -	\$ 426,351	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Applications Specialist					
Funds an Application Specialist to support programming and complete the transition to the new integrated case management system.	Req	\$ 160,000	\$ -	\$ 160,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 160,000	\$ -	\$ 160,000	\$ -
	FTE	1.000	0.000	1.000	0.000
Total Change to Requirements		\$ 1,713,476	\$ 199,000	\$ 2,177,089	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 1,713,476	\$ 199,000	\$ 2,177,089	\$ -
Total Change to Full-Time Equivalent (FTE)		1.000	0.000	1.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	1,912,476	\$	2,177,089
Recommended Total FTE Changes			1.000		1.000

Mission

To enhance the lives of North Carolinians by providing foundational support to state government through asset management, advocacy, and operations.

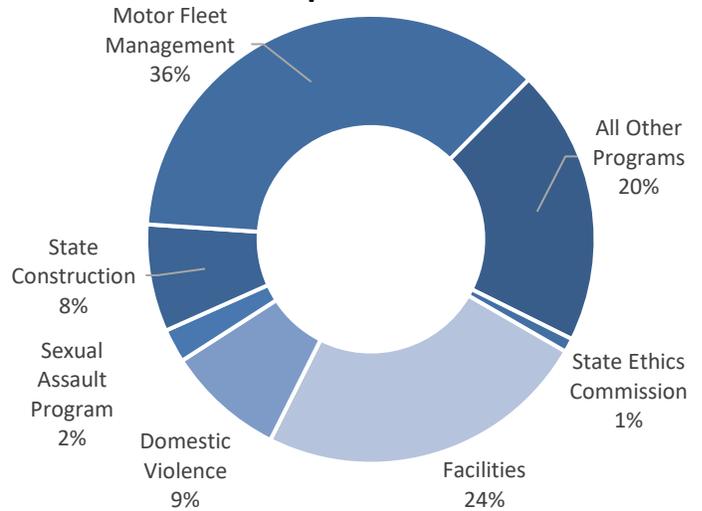
Goals

1. Explore new and improved ways to deliver effective and efficient services to create value for taxpayers.
2. Provide superior customer service.
3. Create a culture of trust through enhanced employee engagement, openness, and inclusiveness.

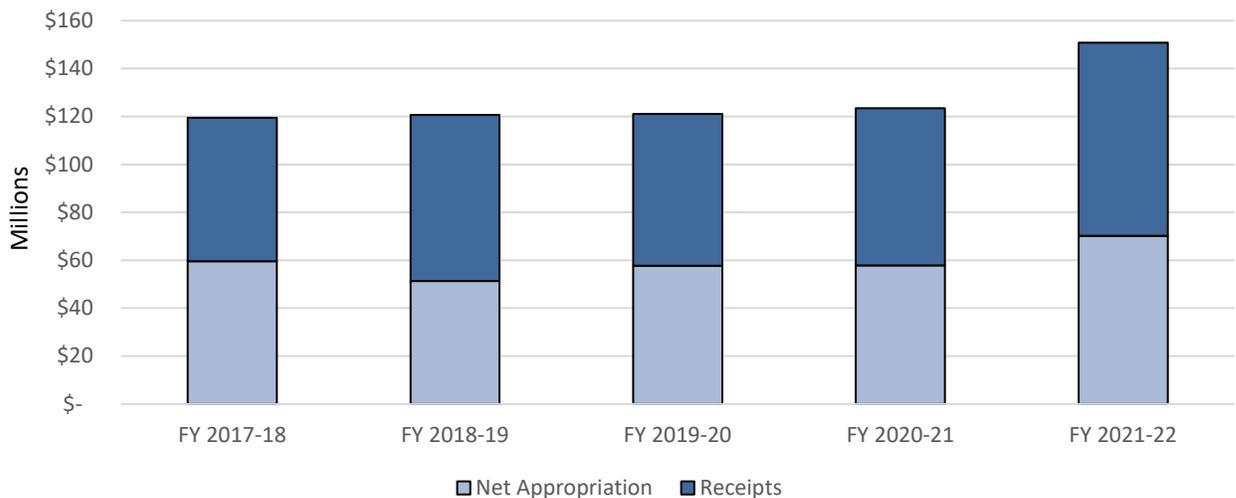
Agency Profile

- Provides services for state government by overseeing government operations in building construction, purchasing and contracting for goods and services, managing state vehicles, acquiring and disposing of real property, overseeing Raleigh state facilities, disposing of surplus real property, and operating a courier mail service.
- Provides advocacy and services to underserved populations and admin support to various boards and commissions including Indian Affairs, Historically Underutilized Businesses, Inclusion, MLK Jr., Youth Council, State Internships, Women and Domestic Violence.
- Registers and monitors all non-public schools in the state.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Charts do not include expenditures from the Office of State Human Resources in any year. Charts include General Fund and Internal Service Funds.

Department of Administration (14100)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 72,609,629	\$ 7,756,452	\$ 792,000	\$ 8,548,452	\$ 81,158,081	11.8%
Receipts	\$ 11,636,055	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 12,636,055	8.6%
Net Appropriation	\$ 60,973,574	\$ 6,756,452	\$ 792,000	\$ 7,548,452	\$ 68,522,026	12.4%
Positions (FTE)	372.023	14.000	0.000	14.000	386.023	3.8%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 72,609,629	\$ 9,061,381	\$ -	\$ 9,061,381	\$ 81,671,010	12.5%
Receipts	\$ 11,636,055	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 12,636,055	8.6%
Net Appropriation	\$ 60,973,574	\$ 8,061,381	\$ -	\$ 8,061,381	\$ 69,034,955	13.2%
Positions (FTE)	372.023	14.000	0.000	14.000	386.023	3.8%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	1,398,000	\$ -	\$ 2,279,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,398,000	\$ -	\$ 2,279,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	207,000	\$ -	\$ 337,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	207,000	\$ -	\$ 337,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 792,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 792,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	962,000	\$ -	\$ 962,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	962,000	\$ -	\$ 962,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	368,085	\$ -	\$ 484,688	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	368,085	\$ -	\$ 484,688	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 73,835	\$ -	\$ 251,161	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 73,835	\$ -	\$ 251,161	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Administrative Support Personnel					
Fundshifts 9.15 positions in the Fiscal Management, Human Resources, and Secretary's Offices to net appropriation support. This will allow the department to adequately operate programs, hire new staff, and retain existing employees supported by Internal Service Funds.	Req	\$ 992,694	\$ -	\$ 992,694	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 992,694	\$ -	\$ 992,694	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Critical Operating Support					
Provides operational support across the department, addressing needs such as American Sign Language interpreters, budget shortfalls, grant maintenance, and information system maintenance.	Req	\$ 600,000	\$ -	\$ 600,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 600,000	\$ -	\$ 600,000	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Internal Audit Team					
Funds additional internal auditors to improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency. These positions will address high-risk areas identified through the department's risk assessment.	Req	\$ 435,452	\$ -	\$ 435,452	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 435,452	\$ -	\$ 435,452	\$ -
	FTE	3.000	0.000	3.000	0.000
10 Energy Manager					
Creates an Energy Manager position to improve energy efficiency in state buildings. This will enable the department to reduce water consumption, save energy, and reduce utility costs.	Req	\$ 131,000	\$ -	\$ 131,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 131,000	\$ -	\$ 131,000	\$ -
	FTE	1.000	0.000	1.000	0.000
11 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req	\$ 85,241	\$ -	\$ 85,241	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 85,241	\$ -	\$ 85,241	\$ -
	FTE	0.000	0.000	0.000	0.000
Facility Management					
12 Facilities Engineers					
Establishes Engineer II and Grounds Supervisor II positions to maintain landscapes on state property and to implement mechanical, electrical, and plumbing improvements. These positions will more quickly address maintenance needs and reduce the state's utility costs.	Req	\$ 197,869	\$ -	\$ 197,869	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 197,869	\$ -	\$ 197,869	\$ -
	FTE	2.000	0.000	2.000	0.000
NC Commission on Indian Affairs					
13 Grant Manager					
Provides funds for a grant manager to administer, monitor, and apply for grants to continue serving the needs of North Carolina's American Indian communities. North Carolina has the eighth largest American Indian population in the nation.	Req	\$ 106,426	\$ -	\$ 106,426	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 106,426	\$ -	\$ 106,426	\$ -
	FTE	1.000	0.000	1.000	0.000
NC Council for Women and Youth Involvement					
14 Human Trafficking Program					
Provides permanent funding for the department's human trafficking program. These funds will allow the program to continue training, technical assistance, and outreach in the absence of federal funding. North Carolina has the ninth highest number of reported human trafficking cases in the nation.	Req	\$ 350,000	\$ -	\$ 350,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 350,000	\$ -	\$ 350,000	\$ -
	FTE	0.000	0.000	0.000	0.000
15 Accounting Personnel					
Creates Accounting Technician II positions to assist with grant processing and management. This support will ensure robust fiscal monitoring of the council's more than 200 grant awards.	Req	\$ 148,850	\$ -	\$ 148,850	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 148,850	\$ -	\$ 148,850	\$ -
	FTE	2.000	0.000	2.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
16 Summer Internship Program Expansion					
Expands the state summer internship program by an additional 32 participants and allows the department to increase intern pay from \$12 per hour to \$15 per hour to better attract promising talent to state government careers.	Req \$	250,000	\$ -	\$ 250,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	250,000	\$ -	\$ 250,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Office of Historically Underutilized Businesses					
17 Rural Outreach					
Provides positions and operating funds for training, technical assistance, and outreach to support the development of small and historically underutilized businesses in rural communities. This program works to increase the number of businesses that contract with the state, creating economic opportunities for business owners and reducing costs for the state.	Req \$	450,000	\$ -	\$ 450,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	450,000	\$ -	\$ 450,000	\$ -
	FTE	5.000	0.000	5.000	0.000
State Construction and State Property Offices					
18 Capital Project Management Unit					
Continues funding from the State Capital Infrastructure Fund (SCIF) for time-limited staff and operating support for the Capital Project Management Unit.	Req \$	500,000	\$ -	\$ 500,000	\$ -
	Rec \$	500,000	\$ -	\$ 500,000	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
19 Operating Support					
Continues funding from the SCIF for time-limited staff and operating support for ongoing capital improvement projects.	Req \$	500,000	\$ -	\$ 500,000	\$ -
	Rec \$	500,000	\$ -	\$ 500,000	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 7,756,452	\$ 792,000	\$ 9,061,381	\$ -
Total Change to Receipts		\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
Total Change to Net Appropriation		\$ 6,756,452	\$ 792,000	\$ 8,061,381	\$ -
Total Change to Full-Time Equivalent (FTE)		14.000	0.000	14.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		7,548,452	\$	8,061,381
Recommended Total FTE Changes			14.000		14.000

Administration - Special (24100)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 22,769,789	\$ -	\$ 300,000	\$ 300,000	\$ 23,069,789	1.3%
Receipts	\$ 22,744,551	\$ -	\$ -	\$ -	\$ 22,744,551	0.0%
Δ in Fund Balance	\$ (25,238)	\$ -	\$ (300,000)	\$ (300,000)	\$ (325,238)	1188.7%
Positions (FTE)	11.310	0.000	0.000	0.000	11.310	0.0%
Year 2						
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 22,769,789	\$ -	\$ -	\$ -	\$ 22,769,789	0.0%
Receipts	\$ 22,744,551	\$ -	\$ -	\$ -	\$ 22,744,551	0.0%
Δ in Fund Balance	\$ (25,238)	\$ -	\$ -	\$ -	\$ (25,238)	0.0%
Positions (FTE)	11.310	0.000	0.000	0.000	11.310	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 North Carolina Financial System Integration				
Funds the integration of the state's eProcurement system with the new North Carolina Financial System. Funds for this project are provided in the Information Technology Project Reserve and will be allocated to the department over the life of the project.	Req \$ -	\$ -	\$ -	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
2 eProcurement Billing Application Upgrade				
Budgets available cash balance to finish upgrading the new eProcurement billing software. This system allows the department to better manage the billing and collection of vendor fees and will improve the vendor experience with the eProcurement system.	Req \$ -	\$ 300,000	\$ -	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (300,000)	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 300,000	\$ -	\$ -
Total Change to Receipts	\$ -	\$ -	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ (300,000)	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ (300,000)	\$ -	\$ -
Recommended Total FTE Changes	0.000	0.000	0.000	0.000

Administration - Internal (74100)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 58,974,446	\$ 71,670	\$ 260,000	\$ 331,670	\$ 59,306,116	0.6%
Receipts	\$ 58,974,446	\$ 71,670	\$ -	\$ 71,670	\$ 59,046,116	0.1%
Δ in Fund Balance	\$ -	\$ -	\$ (260,000)	\$ (260,000)	\$ (260,000)	0.0%
Positions (FTE)	119.990	0.000	0.000	0.000	119.990	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 58,974,446	\$ 71,670	\$ -	\$ 71,670	\$ 59,046,116	0.1%
Receipts	\$ 58,974,446	\$ 71,670	\$ -	\$ 71,670	\$ 59,046,116	0.1%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	119.990	0.000	0.000	0.000	119.990	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
State Surplus Property				
1 Security System Improvements				
Budgets available cash balance to install security cameras and motion detectors to better protect state surplus property.	Req \$ -	\$ 140,000	\$ -	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (140,000)	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Parking Lot Paving/Resurfacing				
Budgets available cash balance to repave parking lots that serve the public and employees, improving accessibility and safety.	Req \$ -	\$ 120,000	\$ -	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (120,000)	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Inventory System Operations and Maintenance				
Budgets receipts to cover the operating and maintenance needs for the division's inventory system. This system provides accurate inventory accounting and records for the disposition of state surplus property.	Req \$ 71,670	\$ -	\$ 71,670	\$ -
	Rec \$ 71,670	\$ -	\$ 71,670	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 71,670	\$ 260,000	\$ 71,670	\$ -
Total Change to Receipts	\$ 71,670	\$ -	\$ 71,670	\$ -
Total Change to Fund Balance	\$ -	\$ (260,000)	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ (260,000)	\$ -	\$ -
Recommended Total FTE Changes	0.000	0.000	0.000	0.000

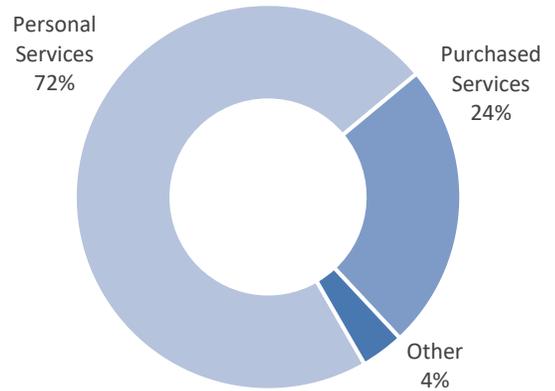
Mission

To provide a solid Human Resource Management foundation, responsible oversight, and creative solutions through a collaborative approach with agencies, universities, and local government to maximize the potential of our greatest asset – our employees.

Goals

1. Streamline and modernize business systems and operations; implement data-driven decision capability through analytics.
2. Increase employee retention and improve recruitment and training programs consistent with Governor Cooper's NC Job Ready Initiative.
3. Implement proactive measures to support a state workforce that reflects the state's diversity.
4. Continue developing and refining the state's compensation and salary administration policies, programs, and practices.
5. Implement additional improvements in Safety and Workers' Compensation.
6. Maximize enhanced benefits available to employees through NCFlex.

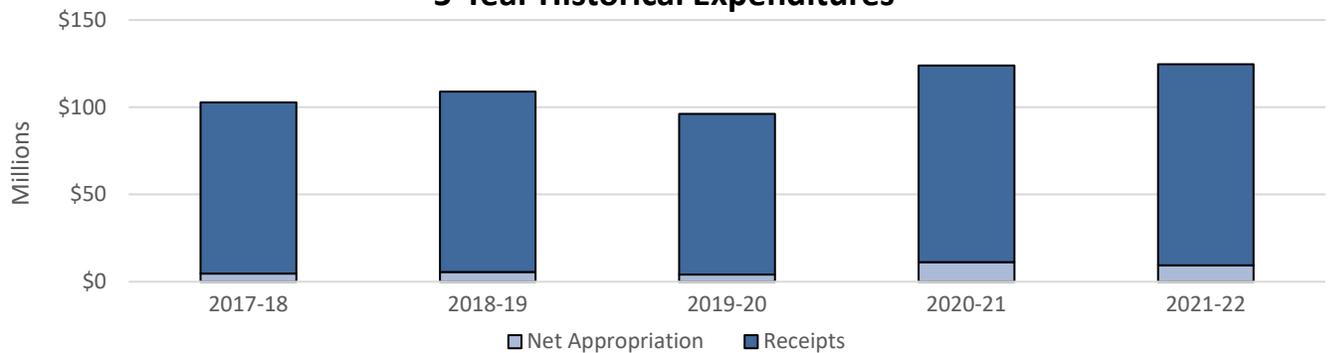
FY 2022-23 Authorized Expenditures



Agency Profile

- Serves as a collaborative, strategic, and customer focused partner, allowing state government to attract, retain, develop, and motivate a high-performing, diverse workforce.
- Supports the State Human Resources Commission.
- Operates Temporary Solutions to assist agencies in meeting changing workforce needs due to peak production, transition periods, and other instances when workloads demand more staff.
- Ensures all eligible employees who experience a work-related injury or illness receive appropriate care and benefits per the Workers' Compensation Act and state policy.

5-Year Historical Expenditures*



Charts include General Fund and Internal Service Fund budget codes.

**Starting in FY 2021-22, OSHR has its own budget code; previously, it was budgeted within the Department of Administration. Figures for FY 2021-22 do not include funds transferred from budget code 74100 to 74111.*

Office of State Human Resources - General Fund (14111)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 10,135,566	\$ 1,612,341	\$ 2,306,500	\$ 3,918,841	\$ 14,054,407	38.7%
Receipts	\$ 100,888	\$ -	\$ -	\$ -	\$ 100,888	0.0%
Net Appropriation	\$ 10,034,678	\$ 1,612,341	\$ 2,306,500	\$ 3,918,841	\$ 13,953,519	39.1%
Positions (FTE)	61.100	3.000	0.000	3.000	64.100	4.9%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 10,135,566	\$ 1,903,276	\$ -	\$ 1,903,276	\$ 12,038,842	18.8%
Receipts	\$ 100,888	\$ -	\$ -	\$ -	\$ 100,888	0.0%
Net Appropriation	\$ 10,034,678	\$ 1,903,276	\$ -	\$ 1,903,276	\$ 11,937,954	19.0%
Positions (FTE)	61.100	3.000	0.000	3.000	64.100	4.9%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	363,000	\$ -	\$ 591,000
	Rec \$	-	\$ -	\$ -
	App \$	363,000	\$ -	\$ 591,000
	FTE	0.000	0.000	0.000
2 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 144,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 144,000	\$ -
	FTE	0.000	0.000	0.000
3 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	217,000	\$ -	\$ 217,000
	Rec \$	-	\$ -	\$ -
	App \$	217,000	\$ -	\$ 217,000
	FTE	0.000	0.000	0.000
4 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	95,592	\$ -	\$ 125,873
	Rec \$	-	\$ -	\$ -
	App \$	95,592	\$ -	\$ 125,873
	FTE	0.000	0.000	0.000
5 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	13,597	\$ -	\$ 46,251
	Rec \$	-	\$ -	\$ -
	App \$	13,597	\$ -	\$ 46,251
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Department-wide					
6 Human Resources Surge Team					
Creates a Human Resources Surge Team (HRST) to support state agencies in recruiting, screening applications, expediting interviews, and hiring. Two new permanent positions would oversee the contracted HRST team and train them on state HR systems and ensure the hiring process aligns with state policies and industry best practices. The HRST will help the state address unprecedented difficulties in recruiting and retaining employees and help to reduce time to hire.	Req	\$ 225,000	\$ 1,500,000	\$ 225,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 225,000	\$ 1,500,000	\$ 225,000	\$ -
	FTE	2.000	0.000	2.000	0.000
7 Online Training Content Subscription					
Continues funding of learning content for state employees. The software provides required trainings for all state employees along with over 2,000 optional trainings.	Req	\$ -	\$ 562,500	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 562,500	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Human Resources Data Analytics Program					
Provides funds for two contractors and a position to continue developing the Human Resource (HR) Data Analytics Program. The program allows the agency to create data visualizations, generate reports, and carry out data-related projects that support HR needs statewide.	Req	\$ 353,152	\$ -	\$ 353,152	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 353,152	\$ -	\$ 353,152	\$ -
	FTE	1.000	0.000	1.000	0.000
9 Information Technology Expenses					
Provides funds for information technology expenses. Costs have significantly increased for software subscriptions that allow agency HR departments to track applicants, review employee performance, and conduct exit interviews.	Req	\$ 200,000	\$ -	\$ 200,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 200,000	\$ -	\$ 200,000	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Labor Market Data Access and Technical Assistance					
Provides funds for labor market software and to contract with external experts to refine and expand market data for the state employee compensation system. The software allows the agency to maintain the system's integrity, keep up with national trends, and be responsive to shifts in the state workforce.	Req	\$ 120,000	\$ -	\$ 120,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 120,000	\$ -	\$ 120,000	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Learning and Development Center					
Funds equipment upgrades for the Learning and Development Center. Replacing outdated teleconferencing software allows trainings to reach employees statewide and be more accessible to people with disabilities.	Req	\$ -	\$ 100,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 100,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Safety Team Travel Costs					
Support Safety Team costs incurred when traveling across the state for site visits. At each visit, the team reviews safety program documentation, assesses worksite safety needs, and conducts employee trainings.	Req	\$ 25,000	\$ -	\$ 25,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 25,000	\$ -	\$ 25,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Investments from Reserves					
13 HR Digital Transformation Project					
Fully funds the replacement of the State's Human Capital Management System. Funds for this project are provided in the Information Technology Project Reserve and will be allocated to the department over the life of the project.	Req	\$ -	\$ -	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 1,612,341	\$ 2,306,500	\$ 1,903,276	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 1,612,341	\$ 2,306,500	\$ 1,903,276	\$ -
Total Change to Full-Time Equivalent (FTE)		3.000	0.000	3.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	\$ 3,918,841	\$	\$ 1,903,276
Recommended Total FTE Changes			3.000		3.000

Mission

To protect the financial integrity of the state and promote accountability in an objective and efficient manner.

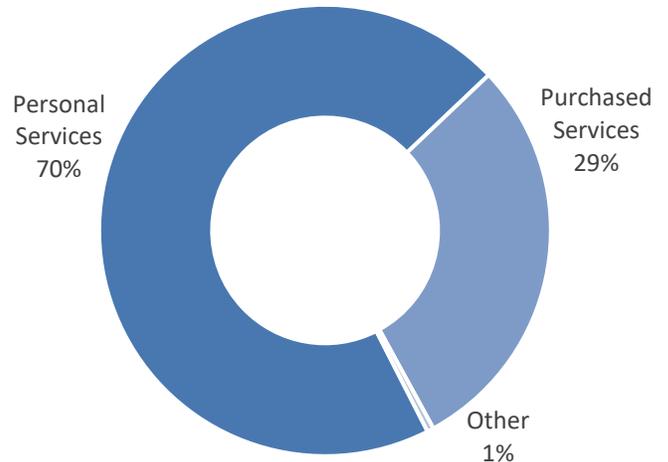
Goals

1. Implement a new enterprise financial system for state government.
2. Maintain and support the state’s triple-A bond rating.
3. Improve information technology operations.

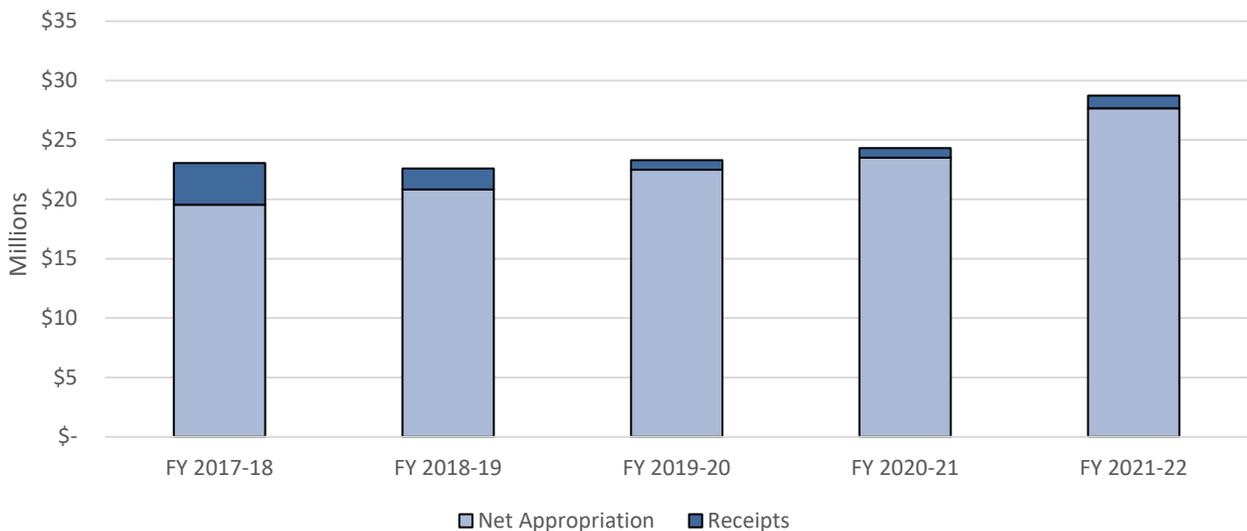
Agency Profile

- The State Controller is appointed by the Governor and confirmed by the General Assembly to a seven-year term.
- OSC manages government-wide systems for accounting, cash management, payroll, risk mitigation and internal controls, e-commerce, and financial reporting.
- OSC maintains systems, standards, and business processes to control spending.
- OSC prepares the state’s Annual Comprehensive Financial Report (ACFR), which summarizes the state’s financial performance during a fiscal year and its financial position at the end of the year.
- North Carolina’s ACFR has received an unqualified, or “clean,” audit opinion every year since 1994.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Charts include General Fund budget code only.

Office of the State Controller (14160)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 33,432,092	\$ 2,935,546	\$ 248,000	\$ 3,183,546	\$ 36,615,638	9.5%
Receipts	\$ 875,957	\$ -	\$ -	\$ -	\$ 875,957	0.0%
Net Appropriation	\$ 32,556,135	\$ 2,935,546	\$ 248,000	\$ 3,183,546	\$ 35,739,681	9.8%
Positions (FTE)	191.545	1.000	0.000	1.000	192.545	0.5%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 33,432,092	\$ 3,798,193	\$ -	\$ 3,798,193	\$ 37,230,285	11.4%
Receipts	\$ 875,957	\$ -	\$ -	\$ -	\$ 875,957	0.0%
Net Appropriation	\$ 32,556,135	\$ 3,798,193	\$ -	\$ 3,798,193	\$ 36,354,328	11.7%
Positions (FTE)	191.545	1.000	0.000	1.000	192.545	0.5%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	1,062,000	\$ -	\$ 1,731,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,062,000	\$ -	\$ 1,731,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	11,000	\$ -	\$ 17,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	11,000	\$ -	\$ 17,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 248,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 248,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provide additional details on these compensation increases.	Req \$	643,000	\$ -	\$ 643,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	643,000	\$ -	\$ 643,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	279,582	\$ -	\$ 368,148	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	279,582	\$ -	\$ 368,148	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for	Req \$	41,255	\$ -	\$ 140,336	\$ -
enrolled active employees supported by the General fund for the 2023-	Rec \$	-	\$ -	\$ -	\$ -
25 fiscal biennium.	App \$	41,255	\$ -	\$ 140,336	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Internal Auditor					
Funds an internal auditor to meet minimum recommended levels from	Req \$	120,694	\$ -	\$ 120,694	\$ -
the Council of Internal Auditing. Additional audit staff will improve	Rec \$	-	\$ -	\$ -	\$ -
efficiency, effectiveness, and compliance with state laws and internal	App \$	120,694	\$ -	\$ 120,694	\$ -
policies within the agency.	FTE	1.000	0.000	1.000	0.000
8 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of	Req \$	778,015	\$ -	\$ 778,015	\$ -
Information Technology rates. This amount reflects the net impact of	Rec \$	-	\$ -	\$ -	\$ -
the change in subscription and service delivery rates.	App \$	778,015	\$ -	\$ 778,015	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 2,935,546	\$ 248,000	\$ 3,798,193	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 2,935,546	\$ 248,000	\$ 3,798,193	\$ -
Total Change to Full-Time Equivalent (FTE)		1.000	0.000	1.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		3,183,546	\$	3,798,193
Recommended Total FTE Changes			1.000		1.000

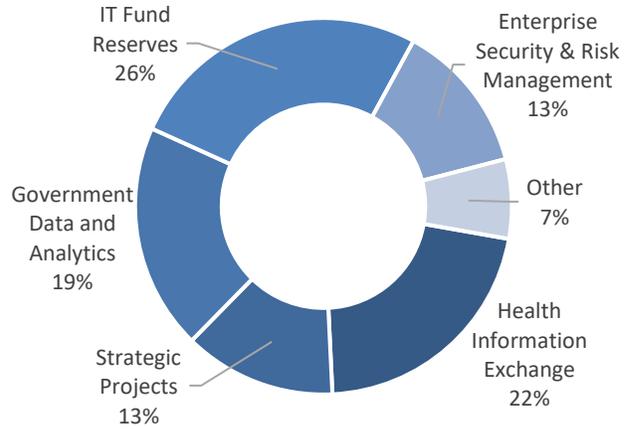
Mission

To enable trusted business-driven solutions that meet the needs of North Carolinians.

Goals

1. Foster a connected NC to improve opportunities and outcomes for all North Carolinians.
2. Transform the delivery of services.
3. Optimize and secure the state’s IT and applications portfolios.
4. Promote an inclusive and innovative workforce.
5. Leverage data assets and analytics to further advance a data-driven government.

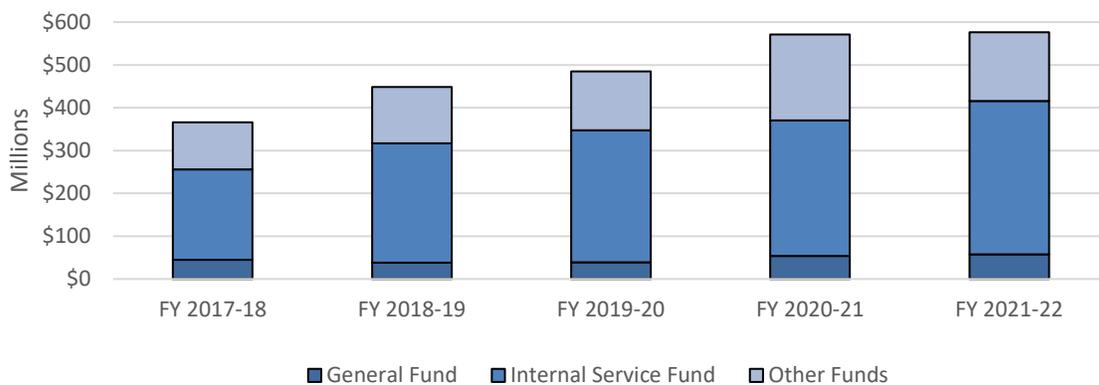
FY 2022-23 Authorized Expenditures*



Agency Profile

- Provides services to state agencies, local governments, and education institutions that include expanding broadband access in rural parts of the state, strengthening cybersecurity, procuring IT resources, and using data to improve service to residents.
- Represented on five boards and commissions, including the state’s 911 Board, the N.C. Geographic Information Coordinating Council, the IT Strategy Board, the N.C. Health Information Exchange Authority Advisory Board, and the N.C. Longitudinal Data System Governance Board.
- Optimizes state IT functions, bringing IT personnel from most executive branch agencies into one organization address the digital government needs of the state more efficiently and effectively.

5-Year Historical Expenditures**



*FY 2022-23 expenditures chart includes General Fund budget code only and excludes State Fiscal Recovery Funds.

**5-year history includes General Fund and Internal Service Fund budget codes.

Department of Information Technology (14660)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 72,920,020	\$ 14,186,563	\$ 54,893,500	\$ 69,080,063	\$ 142,000,083	94.7%
Receipts	\$ 422,580	\$ -	\$ 16,250,000	\$ 16,250,000	\$ 16,672,580	3845.4%
Net Appropriation	\$ 72,497,440	\$ 14,186,563	\$ 38,643,500	\$ 52,830,063	\$ 125,327,503	72.9%
Positions (FTE)	127.750	20.000	0.000	20.000	147.750	15.7%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 72,920,020	\$ 14,935,565	\$ 16,250,000	\$ 31,185,565	\$ 104,105,585	42.8%
Receipts	\$ 422,580	\$ -	\$ 16,250,000	\$ 16,250,000	\$ 16,672,580	3845.4%
Net Appropriation	\$ 72,497,440	\$ 14,935,565	\$ -	\$ 14,935,565	\$ 87,433,005	20.6%
Positions (FTE)	127.750	20.000	0.000	20.000	147.750	15.7%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	943,000	\$ -	\$ 1,537,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	943,000	\$ -	\$ 1,537,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	11,000	\$ -	\$ 17,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	11,000	\$ -	\$ 17,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 1,533,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 1,533,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	572,000	\$ -	\$ 572,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	572,000	\$ -	\$ 572,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	248,329	\$ -	\$ 326,995	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	248,329	\$ -	\$ 326,995	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	29,287	\$ -	\$ 99,623	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	29,287	\$ -	\$ 99,623	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Internal Auditors					
Funds internal auditors to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req \$	226,294	\$ -	\$ 226,294	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	226,294	\$ -	\$ 226,294	\$ -
	FTE	2.000	0.000	2.000	0.000
Network Security					
8 Network Security Improvements					
Funds network end-of-life hardware replacements and statewide monitoring tools to enhance security.	Req \$	-	\$ 6,200,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 6,200,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Firewall and Cyber Defense Solutions					
Funds web application firewall service and security solutions to bolster cyber defense across the state's technology infrastructure.	Req \$	-	\$ 8,250,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 8,250,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Cyber Threat Visibility					
Funds sensors needed to maintain the department's real-time cyber-attack visibility and to protect the state's technology environments.	Req \$	4,006,653	\$ 1,120,500	\$ 4,006,653	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	4,006,653	\$ 1,120,500	\$ 4,006,653	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Communication Assessment and Asset Management Improvements					
Provides funding for a local government communication assessment, the modernization of the department's service portal, and enhanced asset management capabilities.	Req \$	-	\$ 2,340,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 2,340,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Security Operations Center					
Relocates the state's Security Operations Center to a more secure location and provides funding for cybersecurity and risk management personnel.	Req \$	2,000,000	\$ -	\$ 2,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	2,000,000	\$ -	\$ 2,000,000	\$ -
	FTE	12.000	0.000	12.000	0.000
13 Security Information Platform Migration and Expansion					
Funds cloud migration and expansion of the Security Information and Event Management Platform. This platform compiles information about cyber threats and alerts other security tools in the case of a potential event.	Req \$	1,500,000	\$ 1,000,000	\$ 1,500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,500,000	\$ 1,000,000	\$ 1,500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
14 Cyber Threat Platform Licenses					
Funds intelligence tools for the Security Operations Center. The tools aid in identifying threats and provide the public with the option to sign-up for security alerts.	Req \$	100,000	\$ -	\$ 100,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	100,000	\$ -	\$ 100,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Mapping and Securing Software					
15 Mapping and Security Software and Applications					
Funds the installation of critical technology security infrastructure for enterprise-wide business capability mapping and portfolio management. The application will enable consistent cybersecurity practices.	Req \$	300,000	\$ 4,950,000	\$ 300,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	300,000	\$ 4,950,000	\$ 300,000	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
16 Data Inventory Classification and Mapping					
Provides the Office of Privacy and Data Protection funding for tools that identify, classify, map, and track sensitive data. This supports how the state manages its data to more quickly identify threats.	Req \$	800,000	\$ 3,000,000	\$ 800,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	800,000	\$ 3,000,000	\$ 800,000	\$ -
	FTE	0.000	0.000	0.000	0.000
17 Attack Path Analysis Tools					
Funds a security capability that scans the state's cloud environment, exposing cyber vulnerabilities and providing recommendations for ways to prevent successful breaches.	Req \$	500,000	\$ -	\$ 500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	500,000	\$ -	\$ 500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Identity Security					
18 Identity Security Enhancements					
Provides funding for a technology solution focused on identity proofing and automated management of privileged access.	Req \$	800,000	\$ 10,250,000	\$ 800,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	800,000	\$ 10,250,000	\$ 800,000	\$ -
	FTE	0.000	0.000	0.000	0.000
19 Privacy Office Staff and Program Support					
Funds positions to provide guidance and training to state privacy stakeholders, Security Liaisons, and others to increase privacy awareness and compliance.	Req \$	1,550,000	\$ -	\$ 1,550,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,550,000	\$ -	\$ 1,550,000	\$ -
	FTE	5.000	0.000	5.000	0.000
20 Cloud and Identification Security Platform					
Provides funding for technology solutions that provide insights into cloud vulnerabilities and determine identification security risks.	Req \$	300,000	\$ -	\$ 300,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	300,000	\$ -	\$ 300,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Government Data Analytics Center					
21 GDAC Modernization Infrastructure					
Funds a subject matter expert to assess Government Data Analytics Center (GDAC) modernization needs. This will allow GDAC to implement an initial assessment for modernization and analytic solutions using artificial intelligence.	Req \$	300,000	\$ -	\$ 300,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	300,000	\$ -	\$ 300,000	\$ -
	FTE	1.000	0.000	1.000	0.000
Broadband					
22 Awareness and Digital Literacy					
Funds an awareness campaign with targeted community-based efforts and digital literacy offerings. This item is funded by the State Fiscal Recovery Fund in SL 2021-180.	Req \$	-	\$ 12,500,000	\$ -	\$ 12,500,000
	Rec \$	-	\$ 12,500,000	\$ -	\$ 12,500,000
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
23 Broadband Administration					
Provides funds to the Department of Information Technology to supplement existing administrative capacity in support of high-speed internet efforts. This item is funded by the State Fiscal Recovery Fund in SL 2021-180.	Req \$	-	\$ 3,750,000	\$ -	\$ 3,750,000
	Rec \$	-	\$ 3,750,000	\$ -	\$ 3,750,000
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	14,186,563	\$ 54,893,500	\$ 14,935,565	\$ 16,250,000
Total Change to Receipts	\$	-	\$ 16,250,000	\$ -	\$ 16,250,000
Total Change to Net Appropriation	\$	14,186,563	\$ 38,643,500	\$ 14,935,565	\$ -
Total Change to Full-Time Equivalent (FTE)		20.000	0.000	20.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		\$ 52,830,063	\$	\$ 14,935,565
Recommended Total FTE Changes			20.000		20.000

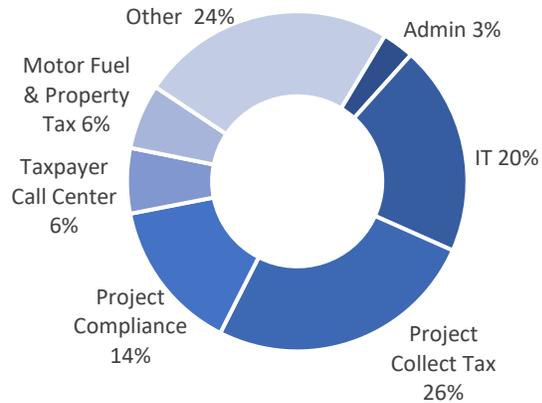
Mission

To fund public services benefiting the people of North Carolina. The department administers tax laws and collects taxes due in an impartial, consistent, secure, and efficient manner.

Goals

1. Solidify KPI's to improve and monitor service delivery quality.
2. Improve safety and security.
3. Improve internal communications, engagement & agency culture.
4. Implement a comprehensive Knowledge Management capability.
5. Improve IT systems.
6. Continue commitment to diversity and inclusion and EEO commitment, and equity.
7. Prioritize evidence-based decision making.

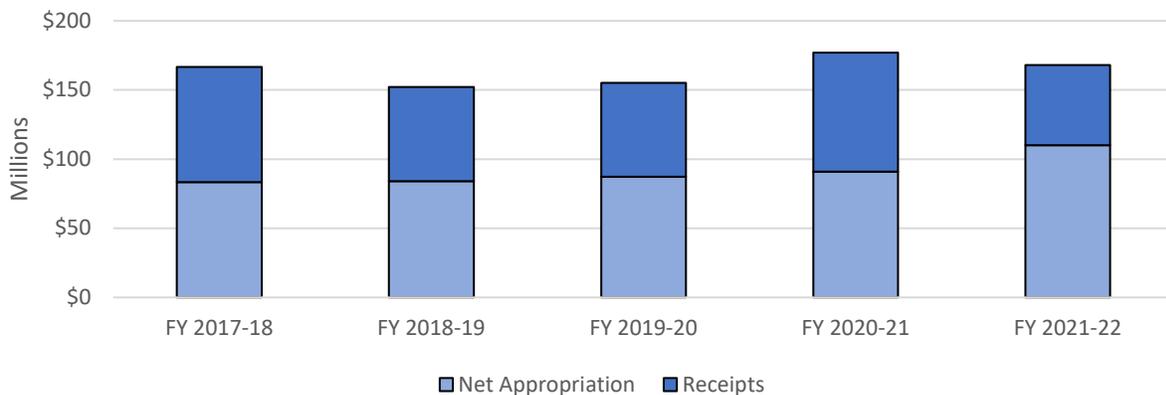
FY 2022-23 Authorized Expenditures



Agency Profile

- Administers over 20 different taxes, including individual income, corporate income, sales and use, motor fuel, alcoholic beverage, and tobacco taxes.
- Provides compliance and enforcement efforts that yielded \$848 million during FY 2021-22.
- Collected \$43.3 billion in revenue during FY 2021-22 and deposited \$32.2 billion into the state's General Fund.
- Received 72% of payments electronically during FY 2021-22.
- The individual income tax represents the largest source of revenue for the state General Fund, followed by the sales and use tax.
- Successfully administered the Business Recovery Grant program, awarding \$492.5 million to over 7,300 eligible NC business during the 2021-22 and 2022-23 FY's. This was accomplished while maintaining all other business continuity, including administering Phase 1 during tax season.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Department of Revenue (14700)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 182,147,968	\$ 12,265,436	\$ 5,196,920	\$ 17,462,356	\$ 199,610,324	9.6%
Receipts	\$ 66,973,597	\$ 1,067,088	\$ -	\$ 1,067,088	\$ 68,040,685	1.6%
Net Appropriation	\$ 115,174,371	\$ 11,198,348	\$ 5,196,920	\$ 16,395,268	\$ 131,569,639	14.2%
Positions (FTE)	1455.386	16.000	0.000	16.000	1471.386	1.1%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 182,147,968	\$ 16,766,397	\$ -	\$ 16,766,397	\$ 198,914,365	9.2%
Receipts	\$ 66,973,597	\$ 1,067,088	\$ -	\$ 1,067,088	\$ 68,040,685	1.6%
Net Appropriation	\$ 115,174,371	\$ 15,699,309	\$ -	\$ 15,699,309	\$ 130,873,680	13.6%
Positions (FTE)	1455.386	16.000	0.000	16.000	1471.386	1.1%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	3,634,000	\$ -	\$ 5,923,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,634,000	\$ -	\$ 5,923,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	2,330,000	\$ -	\$ 3,797,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	2,330,000	\$ -	\$ 3,797,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 2,163,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 2,163,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provide additional details on these compensation increases.	Req \$	3,562,000	\$ -	\$ 3,562,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,562,000	\$ -	\$ 3,562,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	955,825	\$ -	\$ 1,258,613	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	955,825	\$ -	\$ 1,258,613	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	184,111	\$ -	\$ 626,284	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	184,111	\$ -	\$ 626,284	\$ -
	FTE	0.000	0.000	0.000	0.000
Information Technology					
7 Tax System Modernization					
Fully funds the state's Integrated Tax Administration System (ITAS). Funds for this project are provided in the Information Technology Project Reserve and will be allocated to the department over the life of the project.	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
8 F5 Load Balance/Security Appliances					
Provides funding to replace the F5 Load Balancer/ Security Appliances that are reaching end of life and are no longer supported. These appliances help distribute and balance application and network traffic across servers and are essential to maintaining cyber security and preventing service interruptions.	Req \$	-	\$ 400,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 400,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Data Storage Technology Upgrade					
Provides funding to upgrade outdated data storage software to improve agency efficiency and data security. A modernized system for primary agency tax applications and document sharing will prevent lapses in data accessibility which can severely impair critical business applications.	Req \$	-	\$ 125,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 125,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Server Replacement					
Provides funding to replace the department's maintenance servers, which are reaching end of life and are no longer supported. These servers support the legacy tax mainframe system which underlies the entire tax system. They are essential to maintaining cyber security and preventing service interruptions.	Req \$	-	\$ 325,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 325,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Contract Technology Resources					
Funds contract resources to address problems and maintain the legacy tax administration system. Current recurring maintenance needs exceed staff bandwidth and negatively impact the ability to quickly collect and analyze tax data.	Req \$	-	\$ 800,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 800,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Internal Audit					
12 Internal Auditor					
Funds an Information Systems Internal Auditor to help meet minimum recommended levels from the Council of Internal Auditing. This position will improve efficiency, effectiveness, and compliance within the agency.	Req \$	148,295	\$ -	\$ 148,295	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	148,295	\$ -	\$ 148,295	\$ -
	FTE	1.000	0.000	1.000	0.000
Administrative Services					
13 Remote Location Safety and Security Improvements					
Funds the installation of safety features in remote leased facilities, such as bulletproof glass at customer service windows, protective wall coverings, additional cameras and duress alarms, and upgraded intrusion detection.	Req \$	-	\$ 800,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 800,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Submissions Processing					
14 Auto Extractor Replacement					
Provides funds to replace the department' auto-extractor machine. This equipment opens and extracts approximately 75% of all mail with checks and sends all information directly to scanners that collect tax data for processing.	Req \$	-	\$ 583,920	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 583,920	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Excise Tax Division					
15 Excise Tax Positions Increase					
Funds positions to support the department's administration of excise taxes. The department lacks adequate staffing to meet taxpayer needs and keep outstanding debt owed to the state.	Req \$	384,117	\$ -	\$ 384,117	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	384,117	\$ -	\$ 384,117	\$ -
	FTE	4.000	0.000	4.000	0.000

		R Changes		NR Changes		R Changes		NR Changes
16 Excise Tax Positions Increase-Collection Assistance Fund								
Funds excise tax positions through a transfer from the Collection Assistance Fund in budget code 24704. The department lacks adequate staffing to meet taxpayer needs and to collect outstanding debt owed to the state.	Req	\$ 263,517	\$	-	\$	263,517	\$	-
	Rec	\$ 263,517	\$	-	\$	263,517	\$	-
	App	-	\$	-	\$	-	\$	-
	FTE	3.000		0.000		3.000		0.000
17 Excise Tax Positions Increase-Department of Transportation								
Funds excise tax positions through a transfer from the Department of Transportation. The Department of Revenue lacks adequate staffing to meet taxpayer needs and to collect outstanding debt owed to the state.	Req	\$ 803,571	\$	-	\$	803,571	\$	-
	Rec	\$ 803,571	\$	-	\$	803,571	\$	-
	App	-	\$	-	\$	-	\$	-
	FTE	8.000		0.000		8.000		0.000
Total Change to Requirements		\$ 12,265,436		\$ 5,196,920		\$ 16,766,397		\$ -
Total Change to Receipts		\$ 1,067,088		\$ -		\$ 1,067,088		\$ -
Total Change to Net Appropriation		\$ 11,198,348		\$ 5,196,920		\$ 15,699,309		\$ -
Total Change to Full-Time Equivalent (FTE)		16.000		0.000		16.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)				\$ 16,395,268				\$ 15,699,309
Recommended Total FTE Changes				16.000				16.000

Revenue - Project Collect Tax (24704)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 47,485,728	\$ 263,517	\$ -	\$ 263,517	\$ 47,749,245	0.6%
Receipts	\$ 49,139,369	\$ 263,517	\$ -	\$ 263,517	\$ 49,402,886	0.5%
Δ in Fund Balance	\$ 1,653,641	\$ -	\$ -	\$ -	\$ 1,653,641	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 47,485,728	\$ 263,517	\$ -	\$ 263,517	\$ 47,749,245	0.6%
Receipts	\$ 49,139,369	\$ 263,517	\$ -	\$ 263,517	\$ 49,402,886	0.5%
Δ in Fund Balance	\$ 1,653,641	\$ -	\$ -	\$ -	\$ 1,653,641	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Excise Tax Division				
1 Excise Tax Positions Increase-Transfer				
Transfers funds to budget code 14700 for the Excise Tax Division.	Req \$ 263,517	\$ -	\$ 263,517	\$ -
	Rec \$ 263,517	\$ -	\$ 263,517	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 263,517	\$ -	\$ 263,517	\$ -
Total Change to Receipts	\$ 263,517	\$ -	\$ 263,517	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -		\$ -	
Recommended Total FTE Changes	0.000		0.000	

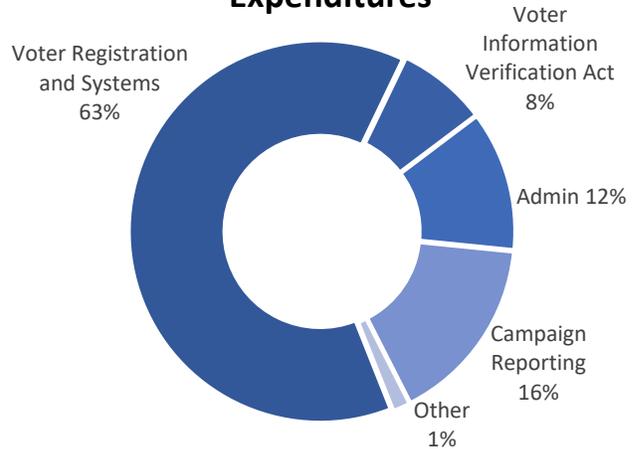
Mission

To safeguard the fundamental right to vote for North Carolinians through free, fair, and accessible elections, ensuring the integrity and accuracy of the election process through the consistent administration and impartial application of election and campaign finance laws, rules, and regulations across all 100 counties.

Goals

1. Conduct accessible, secure, and fair elections.
2. Promote political transparency and accountability.
3. Facilitate voter registration and participation by all eligible North Carolinians.
4. Deliver a positive voting experience and excellent customer service that instills confidence and trust for voters of North Carolina.

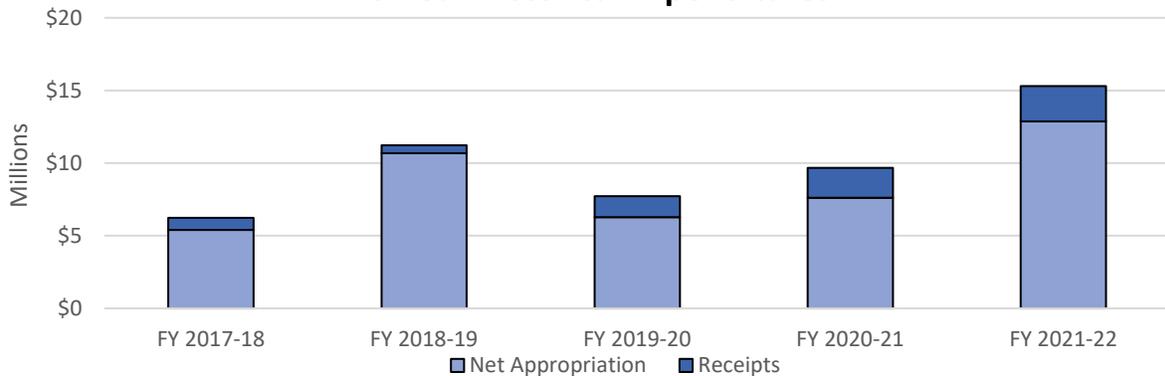
FY 2022-23 Authorized Expenditures



Agency Profile

- Supervises elections and campaign finance disclosure in the state. Elections are conducted by 100 county elections boards under SBE oversight.
- Governed by a five-member Board appointed by the Governor. No more than three members may belong to the same party.
- Appoints four of the five members for each county’s elections board. The Governor names the fifth member, who serves as the chair.
- Evaluates and certifies voting equipment used by county boards to administer elections.
- Is upgrading the Statewide Election Information Management System to automate processes for voter registration, voting, election site operations, and other key functions.

5-Year Historical Expenditures



Charts include General Fund budget codes only.

FY 2018-19 increase reflects additional net appropriations for the Voter Information Verification Act (VIVA) ballot measure. FY 2020-21 reflects additional receipts including federal receipts to support administration.

State Board of Elections (18025)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 8,310,162	\$ 2,281,185	\$ 834,763	\$ 3,115,948	\$ 11,426,110	37.5%
Receipts	\$ 102,000	\$ -	\$ -	\$ -	\$ 102,000	0.0%
Net Appropriation	\$ 8,208,162	\$ 2,281,185	\$ 834,763	\$ 3,115,948	\$ 11,324,110	38.0%
Positions (FTE)	54.100	5.000	0.000	5.000	59.100	9.2%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 8,310,162	\$ 2,551,128	\$ -	\$ 2,551,128	\$ 10,861,290	30.7%
Receipts	\$ 102,000	\$ -	\$ -	\$ -	\$ 102,000	0.0%
Net Appropriation	\$ 8,208,162	\$ 2,551,128	\$ -	\$ 2,551,128	\$ 10,759,290	31.1%
Positions (FTE)	54.100	5.000	0.000	5.000	59.100	9.2%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	332,000	\$ -	\$ 541,000
	Rec \$	-	\$ -	\$ -
	App \$	332,000	\$ -	\$ 541,000
	FTE	0.000	0.000	0.000
				0.000
2 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 107,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 107,000	\$ -
	FTE	0.000	0.000	0.000
				0.000
3 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	199,000	\$ -	\$ 199,000
	Rec \$	-	\$ -	\$ -
	App \$	199,000	\$ -	\$ 199,000
	FTE	0.000	0.000	0.000
				0.000
4 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	87,530	\$ -	\$ 115,257
	Rec \$	-	\$ -	\$ -
	App \$	87,530	\$ -	\$ 115,257
	FTE	0.000	0.000	0.000
				0.000
5 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	13,830	\$ -	\$ 47,046
	Rec \$	-	\$ -	\$ -
	App \$	13,830	\$ -	\$ 47,046
	FTE	0.000	0.000	0.000
				0.000

		R Changes	NR Changes	R Changes	NR Changes
Department-wide					
6 Absentee Ballot Request/Return Portal					
Provides state funds to continue hosting an online absentee ballot request portal that was created with one-time federal funds. This portal is used by more than 30% of absentee voters as well as 14,000 military and overseas voters. A recent court order requires the board to continue offering this service because it increases accessibility for visually impaired voters.	Req	\$ 350,000	\$ -	\$ 350,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 350,000	\$ -	\$ 350,000	\$ -
	FTE	0.000	0.000	0.000	0.000
7 Postal System Ballot Tracking Software					
Funds a secure software application that tracks mail-in ballots through the postal system, from election office to voter and back.	Req	\$ 50,000	\$ -	\$ 50,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 50,000	\$ -	\$ 50,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Information Systems					
8 Cloud-Based Data Storage					
Transfers funding for cloud-based data storage from federal funds to net appropriation support. This technology is critical to ensuring data security and compliance with Department of Information Technology standards.	Req	\$ 300,000	\$ -	\$ 300,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 300,000	\$ -	\$ 300,000	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Network Traffic Logging and Analysis Services					
Provides funds to improve the board's ability to detect and defend against cyberattacks.	Req	\$ 140,000	\$ -	\$ 140,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 140,000	\$ -	\$ 140,000	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Chief Information Security Officer					
Fundshifts the board's Chief Information Security Officer from federal funds to net appropriation support. This position safeguards elections networks against cyber attacks.	Req	\$ 225,000	\$ -	\$ 225,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 225,000	\$ -	\$ 225,000	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Regional Security & Support Technology					
Funds regional security and support technician positions to help meet local Boards of Elections' needs. These positions will provide security assistance and election administration support for all 100 county Boards of Elections.	Req	\$ 168,825	\$ -	\$ 168,825	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 168,825	\$ -	\$ 168,825	\$ -
	FTE	2.000	0.000	2.000	0.000
12 Data Personnel					
Provides funding for a Data Personnel position to conduct audits, develop safeguards for election integrity, and regularly update data to ensure transparency.	Req	\$ 160,000	\$ -	\$ 160,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 160,000	\$ -	\$ 160,000	\$ -
	FTE	1.000	0.000	1.000	0.000
13 Technology Specialist					
Funds a position to manage the information technology infrastructure that secures state and local election networks. This position will help the agency meet increased demand for support from the 800 county users who operate through virtual desktops on state applications and networks.	Req	\$ 120,000	\$ -	\$ 120,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 120,000	\$ -	\$ 120,000	\$ -
	FTE	1.000	0.000	1.000	0.000
14 Software Developer					
Funds a position to develop and support the State Board of Elections' software products, including the Statewide Election Information Management System. County elections officials use these programs to operate many essential aspects of elections.	Req	\$ 135,000	\$ -	\$ 135,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 135,000	\$ -	\$ 135,000	\$ -
	FTE	1.000	0.000	1.000	0.000
15 Election Management Systems Modernization					
Provides funding for planning to modernize the Election Management System. This system is used to manage multiple election-related processes throughout the state. Funds for this project are provided in the Information Technology Project Reserve.	Req	\$ -	\$ -	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Federal Funds					
16 Help America Vote Act State Match Requirement					
Provides funding for the state match to receive 2022 and 2023 federal HAVA funding. These matching funds will allow North Carolina to receive an additional \$3.6 million in federal funds for election security initiatives. These funds will be transferred to budget code 28025.	Req	\$ -	\$ 727,763	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 727,763	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 2,281,185	\$ 834,763	\$ 2,551,128	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 2,281,185	\$ 834,763	\$ 2,551,128	\$ -
Total Change to Full-Time Equivalent (FTE)		5.000	0.000	5.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	3,115,948	\$	2,551,128
Recommended Total FTE Changes			5.000		5.000

State Board of Elections - HAVA Federal Fund (28025)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ -	\$ -	\$ 727,763	\$ 727,763	\$ 727,763	0.0%
Receipts	\$ 30,000	\$ -	\$ 727,763	\$ 727,763	\$ 757,763	2425.9%
Δ in Fund Balance	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	0.0%
Positions (FTE)	35.500	0.000	0.000	0.000	35.500	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Receipts	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	0.0%
Δ in Fund Balance	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	0.0%
Positions (FTE)	35.500	0.000	0.000	0.000	35.500	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Elections				
1 Transfer - HAVA State Match Requirement				
Budgets the transfer of HAVA matching funds from budget code 18025.	Req \$ -	\$ 727,763	\$ -	\$ -
	Rec \$ -	\$ 727,763	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 727,763	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 727,763	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Mission

To serve the citizens of North Carolina with quality and efficiency by providing an independent forum for prompt and impartial resolution of administrative law contested cases involving citizens and state agencies; functioning as the state’s codifier, publisher, and reviewer of all administrative rules; and investigating alleged acts of unlawful discrimination in employment and housing.

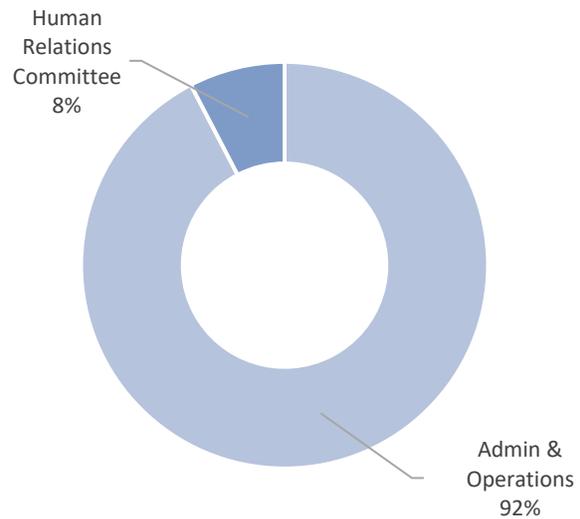
Goals

1. Manage dockets and case flow to conduct and conclude contested cases in a timely manner.
2. Publish and review all administrative rules within the established deadlines set by statute and rule.
3. Conduct and conclude discrimination investigations in a timely manner, consistent with state and federal law.

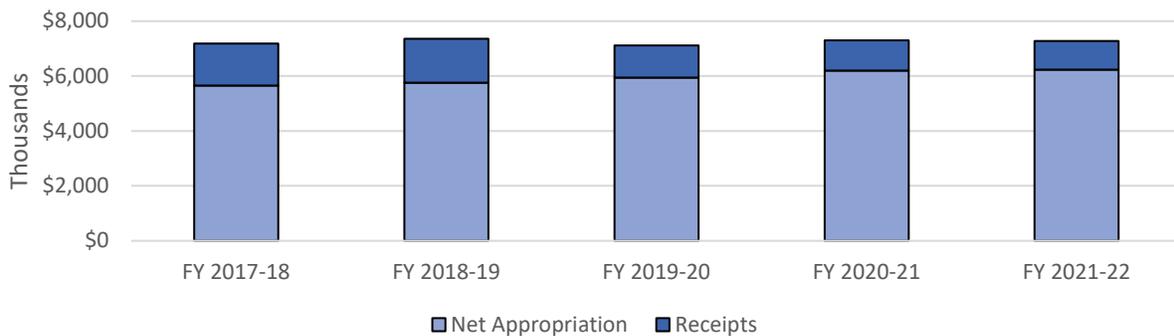
Agency Profile

- Hears and renders administrative decisions in a fair and impartial manner.
- Administers a uniform system of administrative rule making and review procedures for agencies.
- Acts as the official publisher of the North Carolina Register and the North Carolina Administrative Code.
- Serves as the deferral agency for the Equal Employment Opportunity Commission and receives fair housing complaints from US Dept. of Housing and Urban Development.
- Investigates acts of discrimination in employment and housing. Staffs both the Rules Review and Human Relations Commissions.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Charts include General Fund budget codes only.

Office of Administrative Hearings (18210)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 8,660,343	\$ 688,167	\$ 86,500	\$ 774,667	\$ 9,435,010	8.9%
Receipts	\$ 1,216,625	\$ -	\$ -	\$ -	\$ 1,216,625	0.0%
Net Appropriation	\$ 7,443,718	\$ 688,167	\$ 86,500	\$ 774,667	\$ 8,218,385	10.4%
Positions (FTE)	57.290	1.000	0.000	1.000	58.290	1.7%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 8,673,801	\$ 929,119	\$ -	\$ 929,119	\$ 9,602,920	10.7%
Receipts	\$ 1,216,625	\$ -	\$ -	\$ -	\$ 1,216,625	0.0%
Net Appropriation	\$ 7,457,176	\$ 929,119	\$ -	\$ 929,119	\$ 8,386,295	12.5%
Positions (FTE)	57.290	1.000	0.000	1.000	58.290	1.7%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	281,000	\$ -	\$ 458,000
	Rec \$	-	\$ -	\$ -
	App \$	281,000	\$ -	\$ 458,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	20,000	\$ -	\$ 32,000
	Rec \$	-	\$ -	\$ -
	App \$	20,000	\$ -	\$ 32,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 84,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 84,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	180,000	\$ -	\$ 180,000
	Rec \$	-	\$ -	\$ -
	App \$	180,000	\$ -	\$ 180,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	74,018	\$ -	\$ 97,466
	Rec \$	-	\$ -	\$ -
	App \$	74,018	\$ -	\$ 97,466
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	11,868	\$ -	\$ 40,372	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	11,868	\$ -	\$ 40,372	\$ -
	FTE	0.000	0.000	0.000	0.000
Civil Rights Division					
7 Human Relations Specialist					
Funds a position to support the work of the Human Relations Commission. This position will investigate charges of discrimination filed by property owners, mortgage applicants, and rental applicants and tenants.	Req \$	83,176	\$ 2,500	\$ 83,176	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	83,176	\$ 2,500	\$ 83,176	\$ -
	FTE	1.000	0.000	1.000	0.000
Hearings					
8 Employee Training					
Increases training resources for Administrative Law Judges (ALJ). These funds will allow ALJs to receive important training provided through the National Judicial College.	Req \$	15,000	\$ -	\$ 15,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	15,000	\$ -	\$ 15,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Information Technology Rates					
9 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	23,105	\$ -	\$ 23,105	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	23,105	\$ -	\$ 23,105	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 688,167	\$ 86,500	\$ 929,119	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 688,167	\$ 86,500	\$ 929,119	\$ -
Total Change to Full-Time Equivalent (FTE)		1.000	0.000	1.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		774,667	\$	929,119
Recommended Total FTE Changes			1.000		1.000

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Mission

To provide essential services to improve the health, safety, and well-being of all North Carolinians, in collaboration with our partners.

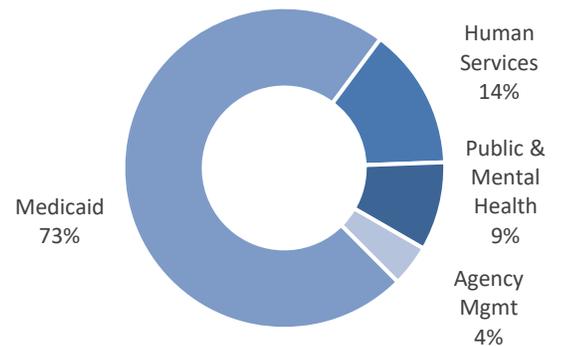
Goals

1. Advance health equity by reducing disparities in opportunity for individuals with social risk factors for poor health outcomes and limited access to care including those from rural communities who experience higher death rates and a greater disease burden.
2. Help North Carolinians continue to recover stronger from the COVID-19 pandemic, remain healthy, and prepare for future public health crises with an emphasis on serving communities most impacted.
3. Build an innovative, coordinated, and whole-person — physical, mental, and social health — centered system that addresses both medical and non-medical drivers of health.
4. Turn the tide on North Carolina’s opioid and substance use crisis.
5. Improve child and family well-being so all children can develop to their full potential and thrive.
6. Support individuals with disabilities and older adults in leading safe, healthy, and fulfilling lives.
7. Achieve operational excellence by living our values — belonging, joy, people-focused, proactive communication, stewardship, teamwork, and transparency.

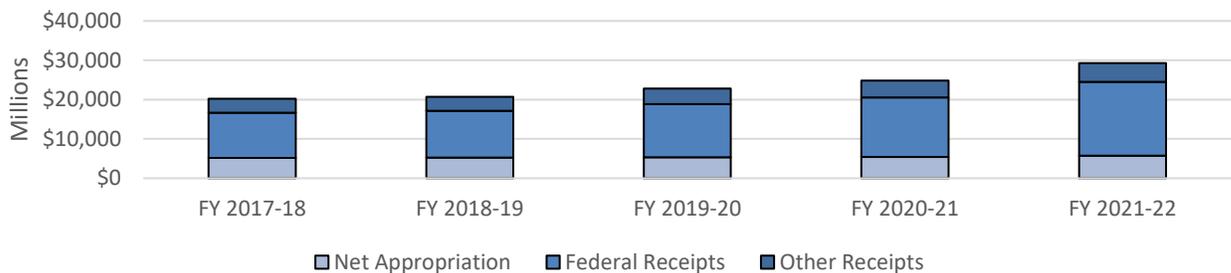
Agency Profile

- Buys health through our Medicaid program, including working with underserved communities to improve quality health care access and reduce health disparities.
- Safeguards public health by protecting communities from communicable and chronic diseases, epidemics, and contaminated food/water.
- Protects the safety, security, and well-being of children and vulnerable adults.
- Supports individuals with disabilities and older adults in leading healthy and fulfilling lives. Promotes family economic independence and self-sufficiency.
- Ensures high standards in the many health care facilities we operate or regulate.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Charts include General Fund budget codes only. Increased expenditures in FY2020-21 and FY2021-22 are due to federal COVID-19 funding.

Division of Child and Family Well Being (14435)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 572,936,467	\$ 16,611,187	\$ 103,100,000	\$ 119,711,187	\$ 692,647,654	20.9%
Receipts	\$ 514,976,713	\$ -	\$ 100,000,000	\$ 100,000,000	\$ 614,976,713	19.4%
Net Appropriation	\$ 57,959,754	\$ 16,611,187	\$ 3,100,000	\$ 19,711,187	\$ 77,670,941	34.0%
Positions (FTE)	868.725	0.000	0.000	0.000	868.725	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 572,963,586	\$ 12,485,154	\$ 67,050,000	\$ 79,535,154	\$ 652,498,740	13.9%
Receipts	\$ 514,976,713	\$ -	\$ 54,200,000	\$ 54,200,000	\$ 569,176,713	10.5%
Net Appropriation	\$ 57,986,873	\$ 12,485,154	\$ 12,850,000	\$ 25,335,154	\$ 83,322,027	43.7%
Positions (FTE)	868.725	0.000	0.000	0.000	868.725	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Constitutional Mandate				
1 Baseline Education Investments				
Provides all North Carolina children with greater access to a sound basic education by fully funding year 3 actions of the Comprehensive Remedial Plan as ordered by the North Carolina Supreme Court.	Req \$ 10,250,000	\$ -	\$ 10,250,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 10,250,000	\$ -	\$ 10,250,000	\$ -
	FTE 0.000	0.000	0.000	0.000
Reserve for Salaries and Benefits				
2 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$ 1,032,000	\$ -	\$ 1,682,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 1,032,000	\$ -	\$ 1,682,000	\$ -
	FTE 0.000	0.000	0.000	0.000
3 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$ 271,781	\$ -	\$ 357,877	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 271,781	\$ -	\$ 357,877	\$ -
	FTE 0.000	0.000	0.000	0.000
4 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$ 57,406	\$ -	\$ 195,277	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 57,406	\$ -	\$ 195,277	\$ -
	FTE 0.000	0.000	0.000	0.000
Sound Basic Education Item/Medicaid Expansion Bonus Investments				
5 Early Intervention				
Invests funding in individualized early intervention services and supports to families with children up to age three with developmental delays and established medical conditions who are currently eligible for the NC Infant Toddler Program (Early Intervention). Funding will support increases in state and local staffing, establish a centralized provider network system, and provide professional development focused on infant health and development. Funds also scale up early intervention services for children birth to age three who meet expanded eligibility criteria. Funds may be used to establish positions as needed (FY 2023-25 amounts are in addition to \$10.25M funded in the Baseline Education Investments item). This item is funded from the Improving Health Outcomes for People Everywhere (IHOPE) Fund.	Req \$ 5,000,000	\$ -	\$ -	\$ 64,250,000
	Rec \$ -	\$ -	\$ -	\$ 54,200,000
	App \$ 5,000,000	\$ -	\$ -	\$ 10,050,000
	FTE 0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Division-wide					
6 School Behavioral Health Package					
Invests funds to expand evidence-based behavioral health supports and services for children in schools, including telehealth resources and sustaining Project AWARE/ACTIVATE. Funds will be used to pilot telehealth technology in schools across the state, and sustain NC Project AWARE/ACTIVATE, increasing access to mental health care services and ensuring that high-risk youth receive the treatment they need.	Req	\$ -	\$ 3,100,000	\$ -	\$ 2,800,000
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 3,100,000	\$ -	\$ 2,800,000
	FTE	0.000	0.000	0.000	0.000
Medicaid Expansion Bonus Investments					
7 Child Welfare and Family Well-Being Transformation Package					
Transforms care for children with behavioral health needs who are involved with the child welfare system. Funding will expand behavioral health assessment and treatment services, and support to families in recovery to keep children at home. Funding will also create respite services for kids with complex needs, and safer placement options for children with complex needs. This item is funded from the Improving Health Outcomes for People Everywhere (IHOPE) Fund.	Req	\$ -	\$ 100,000,000	\$ -	\$ -
	Rec	\$ -	\$ 100,000,000	\$ -	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 16,611,187	\$ 103,100,000	\$ 12,485,154	\$ 67,050,000
Total Change to Receipts		\$ -	\$ 100,000,000	\$ -	\$ 54,200,000
Total Change to Net Appropriation		\$ 16,611,187	\$ 3,100,000	\$ 12,485,154	\$ 12,850,000
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$ -	\$ 19,711,187	\$ -	\$ 25,335,154
Recommended Total FTE Changes		0.000	0.000	0.000	0.000

Division of Aging and Adult Services (14411)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 162,811,870	\$ 1,558,448	\$ 34,800,000	\$ 36,358,448	\$ 199,170,318	22.3%
Receipts	\$ 110,379,526	\$ -	\$ 34,800,000	\$ 34,800,000	\$ 145,179,526	31.5%
Net Appropriation	\$ 52,432,344	\$ 1,558,448	\$ -	\$ 1,558,448	\$ 53,990,792	3.0%
Positions (FTE)	79.000	0.000	0.000	0.000	79.000	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 162,811,870	\$ 1,685,428	\$ -	\$ 1,685,428	\$ 164,497,298	1.0%
Receipts	\$ 110,379,526	\$ -	\$ -	\$ -	\$ 110,379,526	0.0%
Net Appropriation	\$ 52,432,344	\$ 1,685,428	\$ -	\$ 1,685,428	\$ 54,117,772	3.2%
Positions (FTE)	79.000	0.000	0.000	0.000	79.000	0.0%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	152,000	\$ -	\$ 248,000	
	Rec \$	-	\$ -	\$ -	
	App \$	152,000	\$ -	\$ 248,000	
	FTE	0.000	0.000	0.000	
2 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	40,172	\$ -	\$ 52,898	
	Rec \$	-	\$ -	\$ -	
	App \$	40,172	\$ -	\$ 52,898	
	FTE	0.000	0.000	0.000	
3 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	7,600	\$ -	\$ 25,854	
	Rec \$	-	\$ -	\$ -	
	App \$	7,600	\$ -	\$ 25,854	
	FTE	0.000	0.000	0.000	
Division-wide					
4 Corporate Guardianship Rate Increase					
Provides funding to adjust the Corporate Guardianship rates for Social Security cost-of-living increases. This funding will enable the division to retain guardianship providers, ensuring that older North Carolinians can access basic needs.	Req \$	1,358,676	\$ -	\$ 1,358,676	
	Rec \$	-	\$ -	\$ -	
	App \$	1,358,676	\$ -	\$ 1,358,676	
	FTE	0.000	0.000	0.000	
Medicaid Expansion Bonus Investments					
5 Rural Aging in Place					
Supports household improvements and upfitting to support older North Carolinians in rural communities preventing unnecessary institutionalization. This item is funded from the Improving Health Outcomes for People Everywhere (IHOPE) Fund.	Req \$	-	\$ 34,800,000	\$ -	
	Rec \$	-	\$ 34,800,000	\$ -	
	App \$	-	\$ -	\$ -	
	FTE	0.000	0.000	0.000	
Total Change to Requirements	\$	1,558,448	\$ 34,800,000	\$ 1,685,428	\$ -
Total Change to Receipts	\$	-	\$ 34,800,000	\$ -	\$ -
Total Change to Net Appropriation	\$	1,558,448	\$ -	\$ 1,685,428	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	1,558,448	\$	1,685,428	
Recommended Total FTE Changes		0.000		0.000	

Division of Social Services (14440)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 2,110,968,620	\$ 15,903,806	\$ 100,000,000	\$ 115,903,806	\$ 2,226,872,426	5.5%
Receipts	\$ 1,899,595,249	\$ 1,771,732	\$ 100,000,000	\$ 101,771,732	\$ 2,001,366,981	5.4%
Net Appropriation	\$ 211,373,371	\$ 14,132,074	\$ -	\$ 14,132,074	\$ 225,505,445	6.7%
Positions (FTE)	367.000	8.000	0.000	8.000	375.000	2.2%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 2,110,971,533	\$ 18,855,856	\$ -	\$ 18,855,856	\$ 2,129,827,389	0.9%
Receipts	\$ 1,899,597,572	\$ 2,592,827	\$ -	\$ 2,592,827	\$ 1,902,190,399	0.1%
Net Appropriation	\$ 211,373,961	\$ 16,263,029	\$ -	\$ 16,263,029	\$ 227,636,990	7.7%
Positions (FTE)	367.000	8.000	0.000	8.000	375.000	2.2%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$ 652,000	\$ -	\$ 1,063,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 652,000	\$ -	\$ 1,063,000	\$ -
	FTE 0.000	0.000	0.000	0.000
2 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$ 171,859	\$ -	\$ 226,301	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 171,859	\$ -	\$ 226,301	\$ -
	FTE 0.000	0.000	0.000	0.000
3 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$ 36,061	\$ -	\$ 122,669	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 36,061	\$ -	\$ 122,669	\$ -
	FTE 0.000	0.000	0.000	0.000
Division-wide				
4 Board Payment to Kinship Parents				
Creates a subsidy program for kinship care parents, incentivizing kinship care families to receive a specific foster parent license, and increasing the number of children living with family. This funding will also establish positions to ensure county child welfare agencies can participate and comply with program requirements.	Req \$ 10,202,152	\$ -	\$ 10,202,152	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 10,202,152	\$ -	\$ 10,202,152	\$ -
	FTE 2.000	0.000	2.000	0.000
5 State-County Special Assistance Rate Cost-of Living Increases				
Adjusts State-County Special Assistance Rate to accommodate the cost-of-living increase provided under GS 108A-42.1.	Req \$ 1,700,000	\$ -	\$ 1,700,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 1,700,000	\$ -	\$ 1,700,000	\$ -
	FTE 0.000	0.000	0.000	0.000
6 Directors of Regional Departments of Social Services				
Establishes regional director positions to implement the state's Regional Support model and ensure compliance with Rylan's Law, SL 2017-41. These positions will provide supervision and technical assistance to county Division of Social Services offices, supporting county offices, and ensuring the state can meet federal performance requirements.	Req \$ 935,852	\$ -	\$ 935,852	\$ -
	Rec \$ 315,850	\$ -	\$ 315,850	\$ -
	App \$ 620,002	\$ -	\$ 620,002	\$ -
	FTE 6.000	0.000	6.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
7 County Reimbursement System Replacement					
Fully funds the replacement of the aging County Reimbursement System (CARS). This system is used to determine the cost allocation of federal administration funding for all local Division of Social Services units. Replacement of this system will reduce the amount of time and resources counties expend on reporting efforts and ensure compatibility with the state's new financial system. Non-recurring funding is provided for this project from the Information Technology Reserve in a corresponding Special Provision.	Req	\$ -	\$ -	\$ 2,400,000	\$ -
	Rec	\$ -	\$ -	\$ 821,095	\$ -
	App	\$ -	\$ -	\$ 1,578,905	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Child Support Services Technology System Replacement					
Fully funds the replacement of the current Child Support Services (CSS) technology system with a new cloud-based platform. Funding supports the procurement and implementation of a future state system compatible with modern coding language, advanced analytics, and future state enhancements. Non-recurring funding is provided for this project from the Information Technology Reserve in a corresponding Special Provision.	Req	\$ 2,205,882	\$ -	\$ 2,205,882	\$ -
	Rec	\$ 1,455,882	\$ -	\$ 1,455,882	\$ -
	App	\$ 750,000	\$ -	\$ 750,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Medicaid Expansion Bonus Investments					
9 Support to All NC Counties					
Supports all 100 counties in unwinding the continuous coverage requirements implemented in response to the federal Public Health Emergency. This item is funded from the Improving Health Outcomes for People Everywhere (IHOPE) Fund.	Req	\$ -	\$ 100,000,000	\$ -	\$ -
	Rec	\$ -	\$ 100,000,000	\$ -	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 15,903,806	\$ 100,000,000	\$ 18,855,856	\$ -
Total Change to Receipts		\$ 1,771,732	\$ 100,000,000	\$ 2,592,827	\$ -
Total Change to Net Appropriation		\$ 14,132,074	\$ -	\$ 16,263,029	\$ -
Total Change to Full-Time Equivalent (FTE)		8.000	0.000	8.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	14,132,074	\$	16,263,029
Recommended Total FTE Changes			8.000		8.000

Division of Services for the Blind, Deaf and Hard of Hearing (14450)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 45,204,538	\$ 283,861	\$ -	\$ 283,861	\$ 45,488,399	0.6%
Receipts	\$ 36,108,781	\$ -	\$ -	\$ -	\$ 36,108,781	0.0%
Net Appropriation	\$ 9,095,757	\$ 283,861	\$ -	\$ 283,861	\$ 9,379,618	3.1%
Positions (FTE)	336.500	0.000	0.000	0.000	336.500	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 45,208,625	\$ 464,402	\$ -	\$ 464,402	\$ 45,673,027	1.0%
Receipts	\$ 36,112,207	\$ -	\$ -	\$ -	\$ 36,112,207	0.0%
Net Appropriation	\$ 9,096,418	\$ 464,402	\$ -	\$ 464,402	\$ 9,560,820	5.1%
Positions (FTE)	336.500	0.000	0.000	0.000	336.500	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	208,000	\$ -	\$ 340,000
	Rec \$	-	\$ -	\$ -
	App \$	208,000	\$ -	\$ 340,000
	FTE	0.000	0.000	0.000
2 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	64,106	\$ -	\$ 84,414
	Rec \$	-	\$ -	\$ -
	App \$	64,106	\$ -	\$ 84,414
	FTE	0.000	0.000	0.000
3 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	11,755	\$ -	\$ 39,988
	Rec \$	-	\$ -	\$ -
	App \$	11,755	\$ -	\$ 39,988
	FTE	0.000	0.000	0.000
Total Change to Requirements	\$	283,861	\$ -	\$ 464,402
Total Change to Receipts	\$	-	\$ -	\$ -
Total Change to Net Appropriation	\$	283,861	\$ -	\$ 464,402
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	283,861	\$	464,402
Recommended Total FTE Changes		0.000		0.000

Division of Vocational Rehabilitation (14480)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 186,310,635	\$ 1,147,991	\$ -	\$ 1,147,991	\$ 187,458,626	0.6%
Receipts	\$ 144,233,185	\$ -	\$ -	\$ -	\$ 144,233,185	0.0%
Net Appropriation	\$ 42,077,450	\$ 1,147,991	\$ -	\$ 1,147,991	\$ 43,225,441	2.7%
Positions (FTE)	1001.750	0.000	0.000	0.000	1001.750	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 186,357,702	\$ 1,879,217	\$ -	\$ 1,879,217	\$ 188,236,919	1.0%
Receipts	\$ 144,276,372	\$ -	\$ -	\$ -	\$ 144,276,372	0.0%
Net Appropriation	\$ 42,081,330	\$ 1,879,217	\$ -	\$ 1,879,217	\$ 43,960,547	4.5%
Positions (FTE)	1001.750	0.000	0.000	0.000	1001.750	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	814,000	\$ -	\$ 1,327,000
	Rec \$	-	\$ -	\$ -
	App \$	814,000	\$ -	\$ 1,327,000
	FTE	0.000	0.000	0.000
2 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	280,068	\$ -	\$ 368,789
	Rec \$	-	\$ -	\$ -
	App \$	280,068	\$ -	\$ 368,789
	FTE	0.000	0.000	0.000
3 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	53,923	\$ -	\$ 183,428
	Rec \$	-	\$ -	\$ -
	App \$	53,923	\$ -	\$ 183,428
	FTE	0.000	0.000	0.000
Total Change to Requirements	\$	1,147,991	\$ -	\$ 1,879,217
Total Change to Receipts	\$	-	\$ -	\$ -
Total Change to Net Appropriation	\$	1,147,991	\$ -	\$ 1,879,217
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	1,147,991	\$	1,879,217
Recommended Total FTE Changes		0.000		0.000

Division of Central Management and Support (14410)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 369,173,742	\$ 72,598,398	\$ 131,560,025	\$ 204,158,423	\$ 573,332,165	55.3%
Receipts	\$ 173,779,697	\$ 1,861,786	\$ 100,058,562	\$ 101,920,348	\$ 275,700,045	58.6%
Net Appropriation	\$ 195,394,045	\$ 70,736,612	\$ 31,501,463	\$ 102,238,075	\$ 297,632,120	52.3%
Positions (FTE)	1052.500	11.000	0.000	11.000	1063.500	1.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 369,176,929	\$ 80,993,176	\$ -	\$ 80,993,176	\$ 450,170,105	21.9%
Receipts	\$ 173,782,566	\$ 1,861,786	\$ -	\$ 1,861,786	\$ 175,644,352	1.1%
Net Appropriation	\$ 195,394,363	\$ 79,131,390	\$ -	\$ 79,131,390	\$ 274,525,753	40.5%
Positions (FTE)	1052.500	11.000	0.000	11.000	1063.500	1.0%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	3,213,000	\$ -	\$ 5,237,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,213,000	\$ -	\$ 5,237,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	9,145,000	\$ -	\$ 14,906,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	9,145,000	\$ -	\$ 14,906,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 28,273,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 28,273,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	37,495,000	\$ -	\$ 37,495,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	37,495,000	\$ -	\$ 37,495,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	845,779	\$ -	\$ 1,113,706	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	845,779	\$ -	\$ 1,113,706	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	142,339	\$ -	\$ 484,190	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	142,339	\$ -	\$ 484,190	\$ -
	FTE	0.000	0.000	0.000	0.000
Olmstead					
7 Transitions to Community Living Initiative					
Invests funding in the Transitions to Community Living Initiative, which supports the transition of eligible adults with mental illness from institutions to community care settings. This funding will provide additional housing and tenancy support and wraparound mental health services following the US Department of Justice Olmstead Settlement.	Req \$	17,080,000	\$ -	\$ 17,080,000	\$ -
	Rec \$	1,469,250	\$ -	\$ 1,469,250	\$ -
	App \$	15,610,750	\$ -	\$ 15,610,750	\$ -
	FTE	4.000	0.000	4.000	0.000
Department-wide					
8 Expanded Capacity to Improve Health Outcomes					
Supports changes to DHHS policy and programming to improve health outcomes and create wellbeing for all North Carolinians. Funding will support the development of new positions which will work with community organizations to build capacity and improve health outcomes for North Carolinians living in rural, low-income, and Tribal lands.	Req \$	440,899	\$ 79,650	\$ 440,899	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	440,899	\$ 79,650	\$ 440,899	\$ -
	FTE	3.000	0.000	3.000	0.000
9 Cyber and Information Security					
Provides recurring funds for intrusion and risk management tools and resources, ensuring the critical infrastructure that reinforce the State's public health and human services systems is safe and secure. Funding will also support positions responsible for configuring and monitoring the intrusion tools, addressing threat alerts, and mediating risks.	Req \$	1,390,000	\$ 207,375	\$ 1,390,000	\$ -
	Rec \$	392,536	\$ 58,562	\$ 392,536	\$ -
	App \$	997,464	\$ 148,813	\$ 997,464	\$ -
	FTE	3.000	0.000	3.000	0.000
10 Operations, Maintenance, and Infrastructure					
Provides nonrecurring funding for the Information Technology Division (ITD) to modernize and improve efficiency and strengthen the Department's ability to deliver services focused on whole-person health. Funding will also support additional contract staff and system upgrades and maintenance.	Req \$	-	\$ 3,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 3,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	2,715,381	\$ -	\$ 2,715,381	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	2,715,381	\$ -	\$ 2,715,381	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Energy Manager					
Creates an Energy Manager position to improve energy efficiency in state buildings. This will enable the department to reduce water consumption, save energy, and reduce utility costs.	Req \$	131,000	\$ -	\$ 131,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	131,000	\$ -	\$ 131,000	\$ -
	FTE	1.000	0.000	1.000	0.000
Office of Rural Health/Medicaid Expansion Bonus Investments					
13 Data and Technology for Health Outcomes					
Invests funds for innovative technology to improve health outcomes and support data-driven decision making. Funds will cover provider start-up costs to launch telehealth programs, improving access to care for adults and children in rural communities. Funds will also enable under-resourced providers to transition to electronic health records and streamline the department's online centralized behavioral health bed registry, ensuring that individuals receive timely and appropriate care. This item is funded from the Improving Health Outcomes for People Everywhere (IHOPE) Fund.	Req \$	-	\$ 50,000,000	\$ -	\$ -
	Rec \$	-	\$ 50,000,000	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
14 Rural Hospital Rescue Fund					
Provides grants or loans to hospitals in rural communities to bridge operations when hospitals are at risk. Funds will be used to stabilize hospitals over the next five years, while the benefits of Medicaid Expansion and Healthcare Access and Stabilization Program are fully realized, and while other policy changes take effect. This item is funded from the IHOPE Fund.	Req	\$ -	\$ 50,000,000	\$ -	\$ -
	Rec	\$ -	\$ 50,000,000	\$ -	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 72,598,398	\$ 131,560,025	\$ 80,993,176	\$ -
Total Change to Receipts		\$ 1,861,786	\$ 100,058,562	\$ 1,861,786	\$ -
Total Change to Net Appropriation		\$ 70,736,612	\$ 31,501,463	\$ 79,131,390	\$ -
Total Change to Full-Time Equivalent (FTE)		11.000	0.000	11.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)			\$ 102,238,075		\$ 79,131,390
Recommended Total FTE Changes			11.000		11.000

DHHS - Central Management - Special Fund (24410)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 4,292,000	\$ -	\$ 1,055,000,000	\$ 1,055,000,000	\$ 1,059,292,000	24580.6%
Receipts	\$ 4,292,000	\$ -	\$ 1,055,000,000	\$ 1,055,000,000	\$ 1,059,292,000	24580.6%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	35.000	0.000	0.000	0.000	35.000	0.0%

Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 4,292,000	\$ -	\$ 195,000,000	\$ 195,000,000	\$ 199,292,000	4543.3%
Receipts	\$ 4,292,000	\$ -	\$ 195,000,000	\$ 195,000,000	\$ 199,292,000	4543.3%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	35.000	0.000	0.000	0.000	35.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 Improving Health Outcomes for People Everywhere Fund

Invests funds from the American Rescue Plan Act (ARPA) Medicaid expansion bonus to create the Improving Health Outcomes for People Everywhere (IHOPE) fund. The IHOPE fund will support various departmental programs and services that improve the health and well-being of all North Carolinians.	Req	\$ -	\$ 1,055,000,000	\$ -	\$ 195,000,000
	Rec	\$ -	\$ 1,055,000,000	\$ -	\$ 195,000,000
	CFB	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ 1,055,000,000	\$ -	\$ 195,000,000
Total Change to Receipts	\$ -	\$ 1,055,000,000	\$ -	\$ 195,000,000
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000

Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -
Recommended Total FTE Changes	0.000	0.000

Division of Child Development and Early Education (14420)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 829,893,524	\$ 318,094,508	\$ 200,750,000	\$ 518,844,508	\$ 1,348,738,032	62.5%
Receipts	\$ 578,614,479	\$ 108,300,000	\$ -	\$ 108,300,000	\$ 686,914,479	18.7%
Net Appropriation	\$ 251,279,045	\$ 209,794,508	\$ 200,750,000	\$ 410,544,508	\$ 661,823,553	163.4%
Positions (FTE)	331.000	0.000	0.000	0.000	331.000	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 829,893,524	\$ 536,924,916	\$ 300,250,000	\$ 837,174,916	\$ 1,667,068,440	100.9%
Receipts	\$ 578,614,479	\$ 199,500,000	\$ -	\$ 199,500,000	\$ 778,114,479	34.5%
Net Appropriation	\$ 251,279,045	\$ 337,424,916	\$ 300,250,000	\$ 637,674,916	\$ 888,953,961	253.8%
Positions (FTE)	331.000	0.000	0.000	0.000	331.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Constitutional Mandate				
1 Baseline Education Investments				
Provides all North Carolina children with greater access to a sound basic education by fully funding year 3 actions of the Comprehensive Remedial Plan as ordered by the North Carolina Supreme Court. NC Pre-K investments supported by Lottery receipts.	Req \$ 80,650,000	\$ -	\$ 80,650,000	\$ -
	Rec \$ 32,900,000	\$ -	\$ 32,900,000	\$ -
	App \$ 47,750,000	\$ -	\$ 47,750,000	\$ -
	FTE 0.000	0.000	0.000	0.000
Reserve for Salaries and Benefits				
2 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$ 94,000	\$ -	\$ 153,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 94,000	\$ -	\$ 153,000	\$ -
	FTE 0.000	0.000	0.000	0.000
3 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$ 24,875	\$ -	\$ 32,754	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 24,875	\$ -	\$ 32,754	\$ -
	FTE 0.000	0.000	0.000	0.000
4 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$ 5,633	\$ -	\$ 19,162	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 5,633	\$ -	\$ 19,162	\$ -
	FTE 0.000	0.000	0.000	0.000
Sound Basic Education Investments				
5 NC Pre-K Rate and Slot Increases				
Invests Lottery receipts to raise NC Pre-K slot reimbursement rates, raise the administrative rate to 10%, provide startup grants, and increase NC Pre-K slots. The fundamental barrier to expanding NC Pre-K, a nationally recognized model for outstanding early childhood education, is inadequate resources to cover costs including rising operating costs, recruiting and retaining qualified teachers, expanding facilities, and providing transportation (FY 2023-25 amounts are in addition to \$32.9M funded in the Baseline Education Investments item).	Req \$ 75,100,000	\$ -	\$ 150,200,000	\$ -
	Rec \$ 75,100,000	\$ -	\$ 150,200,000	\$ -
	App \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 NC Pre-K Technical Support					
Invests Lottery receipts to increase state-level staffing to provide more technical support to NC Pre-K providers.	Req \$	300,000	\$ -	\$ 300,000	\$ -
	Rec \$	300,000	\$ -	\$ 300,000	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
7 NC Pre-K Transportation					
Invests Lottery receipts to provide transportation for NC Pre-K enrollees.	Req \$	-	\$ -	\$ 16,100,000	\$ -
	Rec \$	-	\$ -	\$ 16,100,000	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Birth - Age 3 Early Learning Pilot					
Funds a pilot early learning program for eligible children ages birth through age three and an evaluation of the pilot. An NC Infant and Toddler Program Quality and Policy Study is currently underway to inform the pilot program.	Req \$	24,300,000	\$ 250,000	\$ 20,000,000	\$ 250,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	24,300,000	\$ 250,000	\$ 20,000,000	\$ 250,000
	FTE	0.000	0.000	0.000	0.000
9 Child Care Subsidy Rate Floor					
Increases child care subsidy rates in rural and lower wealth communities by creating a statewide rate floor. The increase would provide child care subsidy rates to providers in rural and lower wealth counties closer to those given to high wealth counties, benefitting approximately 50,000 children per year (\$10.0M funded in the Baseline Education Investments item to replace nonrecurring funds with net appropriations when federal funds expire).	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Smart Start and Child Care Subsidy Rate Floor					
Invests in Smart Start to expand access statewide to high-quality early childhood education and a continuum of evidence-based services for young children and families, especially those in under resourced communities. DCDEE shall set aside \$90 million each year to increase child care subsidy rates in rural and lower wealth communities by creating a statewide rate floor. This set-aside expires at the end of this fiscal biennium to support Smart Start's essential and ongoing work providing localized services for North Carolina's children and families (FY 2023-25 amounts are in addition to \$10.0M funded in the Baseline Education Investments item).	Req \$	102,400,000	\$ -	\$ 204,800,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	102,400,000	\$ -	\$ 204,800,000	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Family Connects Expansion					
Expands the Family Connects universal home visiting model to serve more children across the state.	Req \$	26,200,000	\$ -	\$ 52,400,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	26,200,000	\$ -	\$ 52,400,000	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Child Care WAGE\$ Statewide Expansion					
Invests funding in the Child Care WAGE\$ program to provide educational attainment-based salary supplements for early childhood educators, to better attract and retain highly qualified staff to essential early childhood programs. These funds will allow this successful program to expand statewide and will provide wage supplements to 4,000 additional teachers in all 100 counties (FY 2023-25 amounts are in addition to \$26.0M funded in the Baseline Education Investments item).	Req \$	1,500,000	\$ -	\$ 3,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,500,000	\$ -	\$ 3,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
13 Child Care Workforce Recruitment					
Grows and trains North Carolina's child care workforce by implementing recruitment strategies and professional development (FY 2023-25 amounts are in addition to \$1.25M funded in the Baseline Education Investments item).	Req \$	1,550,000	\$ -	\$ 3,050,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,550,000	\$ -	\$ 3,050,000	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
14 Pre-K to K Transitions					
Incrementally scales up the Pre-K to K Transitions program with the goal to serve all districts.	Req \$	5,000,000	\$ -	\$ 5,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	5,000,000	\$ -	\$ 5,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
15 Collaborative Family Engagement Plans					
Provides funds to support technical assistance for local collaborative family engagement plans for birth through third grade.	Req \$	320,000	\$ -	\$ 320,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	320,000	\$ -	\$ 320,000	\$ -
	FTE	0.000	0.000	0.000	0.000
16 Early Childhood Workforce Data System					
Supports ongoing operations and maintenance for the real-time early childhood workforce data system. This item is fully funded within the Essential Sound Basic Education Investments item (\$500K funded in the Baseline Education Investments item to replace nonrecurring funds with net appropriations when federal funds expire).	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
17 Childhood Data and Technical Assistance					
Expands and improves the NC Early Childhood Integrated Data System and connects to the NC Longitudinal Data System (\$500K/\$500K). Provides technical assistance to build local capacity to use quality early childhood data. (\$150K/\$150K). Implements a real-time data collection and sharing process to identify children eligible for early childhood programs (\$500K NR/\$250K R).	Req \$	650,000	\$ 500,000	\$ 900,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	650,000	\$ 500,000	\$ 900,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Essential Child Care Support					
18 Child Care Stabilization Grants					
Stabilizes and sustains North Carolina's child care centers that help children learn and grow and allow parents to work by continuing critical stabilization grants when federal support expires. Grant uses may include compensation, bonuses, and start-up support to open additional child care centers.	Req \$	-	\$ 200,000,000	\$ -	\$ 300,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 200,000,000	\$ -	\$ 300,000,000
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 318,094,508	\$ 200,750,000	\$ 536,924,916	\$ 300,250,000
Total Change to Receipts		\$ 108,300,000	\$ -	\$ 199,500,000	\$ -
Total Change to Net Appropriation		\$ 209,794,508	\$ 200,750,000	\$ 337,424,916	\$ 300,250,000
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	410,544,508	\$	637,674,916
Recommended Total FTE Changes			0.000		0.000

Division of Public Health (14430)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 476,682,236	\$ 2,250,942	\$ 7,351,879	\$ 9,602,821	\$ 486,285,057	2.0%
Receipts	\$ 363,183,803	\$ (280,000)	\$ -	\$ (280,000)	\$ 362,903,803	-0.1%
Net Appropriation	\$ 113,498,433	\$ 2,530,942	\$ 7,351,879	\$ 9,882,821	\$ 123,381,254	8.7%
Positions (FTE)	1195.285	0.000	0.000	0.000	1195.285	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 476,743,480	\$ 10,989,874	\$ -	\$ 10,989,874	\$ 487,733,354	2.3%
Receipts	\$ 363,208,810	\$ (280,000)	\$ -	\$ (280,000)	\$ 362,928,810	-0.1%
Net Appropriation	\$ 113,534,670	\$ 11,269,874	\$ -	\$ 11,269,874	\$ 124,804,544	9.9%
Positions (FTE)	1195.285	0.000	0.000	0.000	1195.285	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	1,718,000	\$ -	\$ 2,800,000
	Rec \$	-	\$ -	\$ -
	App \$	1,718,000	\$ -	\$ 2,800,000
	FTE	0.000	0.000	0.000
2 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	452,311	\$ -	\$ 595,595
	Rec \$	-	\$ -	\$ -
	App \$	452,311	\$ -	\$ 595,595
	FTE	0.000	0.000	0.000
3 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	80,631	\$ -	\$ 274,279
	Rec \$	-	\$ -	\$ -
	App \$	80,631	\$ -	\$ 274,279
	FTE	0.000	0.000	0.000
Vital Records				
4 Vital Records Modernization				
Provides nonrecurring funds, enabling the division to modernize North Carolina's paper-based vital records system. Digitizing vital records will reduce fulfillment time and increase the division's ability to meet the needs of the public.	Req \$	-	\$ 2,500,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 2,500,000	\$ -
	FTE	0.000	0.000	0.000
5 Vital Records Equitable Access				
Invests recurring funds to allow the division to provide vital records to low and no-income North Carolinians at no charge. As a result of providing these records at no charge, the division will no longer collect fees for these records, leading to a decline in receipts.	Req \$	-	\$ -	\$ -
	Rec \$	(280,000)	\$ -	\$ (280,000)
	App \$	280,000	\$ -	\$ 280,000
	FTE	0.000	0.000	0.000
Office of the Chief Medical Examiner				
6 Support Regional Autopsy Centers				
Increases the state share of the autopsy fee paid to counties in GS 130A-389 to reflect the actual cost of an autopsy. Funds will ensure that Regional Autopsy Centers remain open, preventing the shutdown of the Medical Examiner System, and reducing the Office of the Chief Medical Examiner's backlog.	Req \$	-	\$ -	\$ 7,320,000
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ -	\$ 7,320,000
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Epidemiology					
7 Critical Disease Prevention and Control Measures					
Invests onetime funding for critical functions needed to protect North Carolinians, including high-risk individuals, from emerging disease threats. Funds will be used to retain some of the infectious disease staff and infrastructure built during COVID-19 to respond to other emerging threats.	Req	\$ -	\$ 4,851,879	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 4,851,879	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 2,250,942	\$ 7,351,879	\$ 10,989,874	\$ -
Total Change to Receipts		\$ (280,000)	\$ -	\$ (280,000)	\$ -
Total Change to Net Appropriation		\$ 2,530,942	\$ 7,351,879	\$ 11,269,874	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$ -	\$ 9,882,821	\$ -	\$ 11,269,874
Recommended Total FTE Changes			0.000		0.000

DHHS - Public Health - Special Revenue - General Fund (24432)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 4,207,189	\$ -	\$ 8,000,000	\$ 8,000,000	\$ 12,207,189	190.2%
Receipts	\$ 4,207,189	\$ -	\$ -	\$ -	\$ 4,207,189	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ (8,000,000)	\$ (8,000,000)	\$ (8,000,000)	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 4,207,189	\$ -	\$ 7,500,000	\$ 7,500,000	\$ 11,707,189	178.3%
Receipts	\$ 4,207,189	\$ -	\$ 7,500,000	\$ 7,500,000	\$ 11,707,189	178.3%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 Juul Labs Settlement Funds

Appropriates payments for years two and three of Juul Labs Inc. v. State of NC settlement funds. These funds will support the department's efforts to combat the vaping crisis among youth in North Carolina by carrying out the activities required in the judge's consent order settling the Juul Labs Inc. V. State of NC case.	Req	\$ -	\$ 8,000,000	\$ -	\$ 7,500,000
	Rec	\$ -	\$ -	\$ -	\$ 7,500,000
	CFB	\$ -	\$ (8,000,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ 8,000,000	\$ -	\$ 7,500,000
Total Change to Receipts	\$ -	\$ -	\$ -	\$ 7,500,000
Total Change to Fund Balance	\$ -	\$ (8,000,000)	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000

Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ (8,000,000)	\$ -	\$ -
Recommended Total FTE Changes	0.000	0.000	0.000	0.000

Division of Health Benefits (14445)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 18,703,196,456	\$ 1,466,466,887	\$ 1,977,321,125	\$ 3,443,788,012	\$ 22,146,984,468	18.4%
Receipts	\$ 13,964,240,150	\$ 675,678,300	\$ 1,869,957,767	\$ 2,545,636,067	\$ 16,509,876,217	18.2%
Net Appropriation	\$ 4,738,956,306	\$ 790,788,587	\$ 107,363,358	\$ 898,151,945	\$ 5,637,108,251	19.0%
Positions (FTE)	460.000	20.000	0.000	20.000	480.000	4.3%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 18,703,201,546	\$ 2,285,295,976	\$ 734,573,161	\$ 3,019,869,137	\$ 21,723,070,683	16.1%
Receipts	\$ 13,964,240,150	\$ 1,141,168,046	\$ 643,674,615	\$ 1,784,842,661	\$ 15,749,082,811	12.8%
Net Appropriation	\$ 4,738,961,396	\$ 1,144,127,930	\$ 90,898,546	\$ 1,235,026,476	\$ 5,973,987,872	26.1%
Positions (FTE)	460.000	20.000	0.000	20.000	480.000	4.3%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	951,000	\$ -	\$ 1,550,000
	Rec \$	-	\$ -	\$ -
	App \$	951,000	\$ -	\$ 1,550,000
	FTE	0.000	0.000	0.000
2 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	250,495	\$ -	\$ 329,847
	Rec \$	-	\$ -	\$ -
	App \$	250,495	\$ -	\$ 329,847
	FTE	0.000	0.000	0.000
3 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	42,502	\$ -	\$ 144,578
	Rec \$	-	\$ -	\$ -
	App \$	42,502	\$ -	\$ 144,578
	FTE	0.000	0.000	0.000
Olmstead				
4 Innovation Rates				
Invests funds to build on the Home and Community Based Services (HCBS) community provider rate increase in SL 2021-180. Funding will support a pay increase in each year of the biennium raising the Innovations Waiver Direct Care Workforce wage to \$18 per hour. The rate increase is part the department's plan to increase care, including new 1915i Medicaid services, use of block grants, and certification for Direct Support Professionals (DSP).	Req \$	53,779,504	\$ -	\$ 216,000,000
	Rec \$	35,779,504	\$ -	\$ 144,000,000
	App \$	18,000,000	\$ -	\$ 72,000,000
	FTE	0.000	0.000	0.000
5 Innovation Slots				
Creates 1,000 new Innovation Waiver slots, effective January 1, 2024 with plans for additional slots each year through FY 2031-32 to reduce the waitlist for care. This waiver provides individualized services in the home and community for individuals who qualify for institutional level care due to intellectual or developmental disabilities. DHHS proposes 1,800 slots each fiscal year of 2025-27, 2,200 slots each fiscal year of 2027-29, and 2,400 slots each fiscal year of 2029-32.	Req \$	42,000,000	\$ -	\$ 84,000,000
	Rec \$	27,795,000	\$ -	\$ 55,590,000
	App \$	14,205,000	\$ -	\$ 28,410,000
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Direct Care Workforce					
6 Personal Care Services Rate Increase					
Increases the Personal Care Services (PCS) rate by \$2.14 per hour from 2020 levels, making 50% of the COVID-19 rate increase permanent. This funding will allow for Direct Support Professional Wage increases in the PCS and Community Alternatives Programs, addressing staffing shortages.	Req	\$ 88,500,000	\$ -	\$ 88,500,000	\$ -
	Rec	\$ 58,500,000	\$ -	\$ 58,500,000	\$ -
	App	\$ 30,000,000	\$ -	\$ 30,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
7 Skilled Nursing Facility Rate Increase					
Invests funding to increase Skilled Nursing Facility (SNF) average base per diem rates by making 50% of the enhanced COVID-19 rate permanent. This funding will allow SNFs to permanently increase wages, addressing staffing challenges.	Req	\$ 150,483,406	\$ -	\$ 150,483,406	\$ -
	Rec	\$ 100,116,610	\$ -	\$ 100,116,610	\$ -
	App	\$ 50,366,796	\$ -	\$ 50,366,796	\$ -
	FTE	0.000	0.000	0.000	0.000
Division-wide					
8 Maternal Mortality and Morbidity Reduction Package					
Implements evidence-based Medicaid policy and funding strategies to reduce maternal mortality and morbidity and address disparities for Medicaid recipients. Policies include increasing payments for certain types of prenatal care; developing and implementing a doula service package; and providing incentives to providers who increase participation in group prenatal care.	Req	\$ 11,600,000	\$ -	\$ 11,600,000	\$ -
	Rec	\$ 8,800,000	\$ -	\$ 8,800,000	\$ -
	App	\$ 2,800,000	\$ -	\$ 2,800,000	\$ -
	FTE	0.000	0.000	0.000	0.000
9 NC Psychiatric Access Line					
Provides funds to cover an existing contract with Duke University to increase capacity for the NC Psychiatric Access Line (NC PAL). NC PAL offers consultation and education on the diagnosis, management, and appropriate treatment of patients with behavioral health concerns to providers in all 100 counties.	Req	\$ 3,700,000	\$ -	\$ 3,900,000	\$ -
	Rec	\$ 1,850,000	\$ -	\$ 1,950,000	\$ -
	App	\$ 1,850,000	\$ -	\$ 1,950,000	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Medicaid Rebase					
Provides funds to reflect changes in the federal medical assistance percentage (FMAP), as well as changes in enrollment, utilization, costs, capitation rates, and services associated with the Medicaid program for the upcoming fiscal year. Tailored Plans in managed care are projected to begin October 1, 2023.	Req	\$ 1,024,539,287	\$ 1,298,937,313	\$ 1,637,367,452	\$ 157,080,000
	Rec	\$ 394,818,506	\$ 1,191,573,955	\$ 723,792,756	\$ 157,080,000
	App	\$ 629,720,781	\$ 107,363,358	\$ 913,574,696	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Medicaid Expansion					
Supports expanding Medicaid eligibility beginning June 1, 2023, to provide healthcare access for more than 600,000 North Carolinians, help prevent rural hospitals from closing, reduce the number of uninsured veterans, help fight the opioid epidemic, generate over \$113 million in state General Fund savings over the biennium, and secure North Carolina's share of federal resources that will inject over \$5 billion in direct investment into the state. An additional \$1.7 billion in federal funds over two years, which can be used for additional policy priorities, are available as part of the American Rescue Plan Act of 2021. The non-federal share of the expansion costs will be covered by a combination of collections resulting from increased insurance premiums from pre-paid health plans for the new eligibility group, increased collections from hospital assessments and intergovernmental transfers resulting from the new eligibility group, and a new Coverage Gap Assessment on hospitals. Hospital assessments under G.S. 108A-145 will also be increased to support enhanced hospital reimbursements under managed care to promote increased access to care.	Req	\$ -	\$ -	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Medicaid Transformation					
Provides funds to support the transition to Medicaid Managed Care and the Healthy Opportunities program. Recurring funding allows for the transition of up to 20 positions from time-limited to permanent.	Req	\$ 90,620,693	\$ 413,240,880	\$ 91,420,693	\$ 397,624,583
	Rec	\$ 48,018,680	\$ 413,240,880	\$ 48,418,680	\$ 306,726,037
	App	\$ 42,602,013	\$ -	\$ 43,002,013	\$ 90,898,546
	FTE	20.000	0.000	20.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
13 Fee-for-Service Claims Run Out					
Provides funds for the runout of Medicaid and NC Health Choice fee-for-service claims associated with beneficiaries enrolled in managed care. The State share of these costs is an estimated \$55 million in FY 2023-24 and \$10 million in FY 2024-25, will be transferred from the Medicaid Transformation Fund.	Req	\$ -	\$ 190,142,932	\$ -	\$ 29,868,578
	Rec	\$ -	\$ 190,142,932	\$ -	\$ 29,868,578
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Medicaid Expansion Bonus Investments					
14 Behavioral Health Rates					
Invests \$75 million in state dollars each year for the next three years to increase rates for inpatient and community behavioral health services, improving access to these services statewide. Funding will ensure that Medicaid reimbursement rates reflect the actual cost of providing care, enabling providers to continue offering services to address mental health treatment needs across the state. This item is funded from the Improving Health Outcomes for People Everywhere (IHOPE) Fund.	Req	\$ -	\$ 75,000,000	\$ -	\$ 150,000,000
	Rec	\$ -	\$ 75,000,000	\$ -	\$ 150,000,000
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 1,466,466,887	\$ 1,977,321,125	\$ 2,285,295,976	\$ 734,573,161
Total Change to Receipts		\$ 675,678,300	\$ 1,869,957,767	\$ 1,141,168,046	\$ 643,674,615
Total Change to Net Appropriation		\$ 790,788,587	\$ 107,363,358	\$ 1,144,127,930	\$ 90,898,546
Total Change to Full-Time Equivalent (FTE)		20.000	0.000	20.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	898,151,945	\$	1,235,026,476
Recommended Total FTE Changes			20.000		20.000

Medicaid Transformation (24447)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ -	\$ -	\$ 213,932,144	\$ 213,932,144	\$ 213,932,144	0.0%
Receipts	\$ -	\$ -	\$ 155,642,170	\$ 155,642,170	\$ 155,642,170	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ (58,289,974)	\$ (58,289,974)	\$ (58,289,974)	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%
Year 2						
FY 2024-25						
Requirements	\$ -	\$ -	\$ 77,877,427	\$ 77,877,427	\$ 77,877,427	0.0%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ (77,877,427)	\$ (77,877,427)	\$ (77,877,427)	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Medicaid Transformation Fund Availability				
Budget receipts from the Medicaid Transformation Reserve. These funds will be transferred to the Division of Health Benefits as needed to support fee-for-service claims run out and qualified Medicaid transformation expenses.	Req \$ -	\$ -	\$ -	\$ -
	Rec \$ -	\$ 155,642,170	\$ -	\$ -
	CFB \$ -	\$ 155,642,170	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Fee-for-Service Claims Run Out				
Transfers the State share of funds needed to pay the run out of Medicaid and NC Health Choice fee-for-service claims associated with beneficiaries who have enrolled in managed care. Run-out claims will be paid by the Division of Health Benefits.	Req \$ -	\$ 55,635,822	\$ -	\$ 10,000,000
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (55,635,822)	\$ -	\$ (10,000,000)
	FTE 0.000	0.000	0.000	0.000
3 Medicaid Transformation				
Transfers funds to the Division of Health Benefits to support the State share of Medicaid transformation costs approved as qualifying needs.	Req \$ -	\$ 158,296,322	\$ -	\$ 67,877,427
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (158,296,322)	\$ -	\$ (67,877,427)
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 213,932,144	\$ -	\$ 77,877,427
Total Change to Receipts	\$ -	\$ 155,642,170	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ (58,289,974)	\$ -	\$ (77,877,427)
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ (58,289,974)	\$ -	\$ (77,877,427)
Recommended Total FTE Changes	0.000	0.000	0.000	0.000

Division of Mental Health/Developmental Disabilities/Substance Abuse Services (14460)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 1,754,310,803	\$ 31,232,075	\$ 625,334,000	\$ 656,566,075	\$ 2,410,876,878	37.4%
Receipts	\$ 952,476,965	\$ 2,368,884	\$ 625,000,000	\$ 627,368,884	\$ 1,579,845,849	65.9%
Net Appropriation	\$ 801,833,838	\$ 28,863,191	\$ 334,000	\$ 29,197,191	\$ 831,031,029	3.6%
Positions (FTE)	11270.300	10.000	0.000	10.000	11280.300	0.1%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 1,730,280,599	\$ 50,232,922	\$ -	\$ 50,232,922	\$ 1,780,513,521	2.9%
Receipts	\$ 928,446,761	\$ 4,699,710	\$ -	\$ 4,699,710	\$ 933,146,471	0.5%
Net Appropriation	\$ 801,833,838	\$ 45,533,212	\$ -	\$ 45,533,212	\$ 847,367,050	5.7%
Positions (FTE)	11270.300	10.000	0.000	10.000	11280.300	0.1%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	15,181,000	\$ -	\$ 24,743,000
	Rec \$	-	\$ -	\$ -
	App \$	15,181,000	\$ -	\$ 24,743,000
	FTE	0.000	0.000	0.000
2 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	5,126,041	\$ -	\$ 6,749,879
	Rec \$	-	\$ -	\$ -
	App \$	5,126,041	\$ -	\$ 6,749,879
	FTE	0.000	0.000	0.000
3 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	936,554	\$ -	\$ 3,185,843
	Rec \$	-	\$ -	\$ -
	App \$	936,554	\$ -	\$ 3,185,843
	FTE	0.000	0.000	0.000
Division-wide				
4 988 Suicide and Crisis Lifeline				
Invests funds to support 988 Crisis Helpline Call Center staff that are currently funded by a Substance Abuse and Mental Health Services Administration (SAMHSA) grant that will end April 2024. The staff are required to meet the increased call volume following the implementation of the helpline.	Req \$	325,000	\$ -	\$ 1,300,000
	Rec \$	-	\$ -	\$ -
	App \$	325,000	\$ -	\$ 1,300,000
	FTE	0.000	0.000	0.000
5 Competitive Integrated Employment				
Expands competitive integrated employment with investments in vocational rehabilitation services, day supports, and community services for individuals with intellectual and developmental disabilities.	Req \$	5,000,000	\$ -	\$ 5,000,000
	Rec \$	-	\$ -	\$ -
	App \$	5,000,000	\$ -	\$ 5,000,000
	FTE	0.000	0.000	0.000
6 Crisis Stabilization Facility Capacity				
Addresses the needs of children in crisis who are currently boarded in emergency departments by investing funds to increase the number of crisis stabilization beds at facilities statewide.	Req \$	3,248,480	\$ -	\$ 7,821,200
	Rec \$	1,553,884	\$ -	\$ 3,884,710
	App \$	1,694,596	\$ -	\$ 3,936,490
	FTE	1.000	0.000	1.000

		R Changes	NR Changes	R Changes	NR Changes
7 New Office Space					
Provides funds to allow the division to move from the Bath Building prior to the Bath Building's demolition.	Req \$	600,000	\$ 334,000	\$ 618,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	600,000	\$ 334,000	\$ 618,000	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Substance Abuse Prevention and Treatment Block Grant Positions					
Establishes contractor and budget manager positions to ensure substance abuse treatment and prevention services are implemented efficiently and effectively statewide. These positions will be supported entirely by the Substance Abuse Prevention and Treatment Block Grant (SABG).	Req \$	720,000	\$ -	\$ 720,000	\$ -
	Rec \$	720,000	\$ -	\$ 720,000	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	8.000	0.000	8.000	0.000
9 Substance Abuse Prevention and Treatment Block Grant Manager					
Establishes a block grant manager position. This position is required to manage the SABG and ensure that funds are spent in accordance with federal and state requirements. This position will be supported entirely by the SABG.	Req \$	95,000	\$ -	\$ 95,000	\$ -
	Rec \$	95,000	\$ -	\$ 95,000	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	1.000	0.000	1.000	0.000
Medicaid Expansion Bonus Investments					
10 Behavioral Health Crisis System					
Strengthens the state's behavioral health crisis system to expand access to mental health and substance use disorder treatment. Funds will expand access to critical supports including mobile crisis and non-emergency department crisis treatment, as well as community-based supportive housing. Funds will also support the implementation of a statewide involuntary commitment transportation program. This item is funded from the Improving Health Outcomes for People Everywhere (IHOPE) Fund.	Req \$	-	\$ 200,000,000	\$ -	\$ -
	Rec \$	-	\$ 200,000,000	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Community and School-Based Behavioral Health Investments					
Invests funds to expand access to evidence-based integrated community-based behavioral health treatment. Funds will cover startup costs for primary care practices to adopt the Collaborative Care model and support the expansion of Certified Community Behavioral Health Clinics for individuals with serious mental illness. Funds will also expand youth behavioral health supports in schools statewide and extend mental health education to the public. To address the behavioral health workforce shortage, funds will support a targeted clinical loan forgiveness program, and specialty treatment training for behavioral health providers. This item is funded from the IHOPE Fund.	Req \$	-	\$ 175,000,000	\$ -	\$ -
	Rec \$	-	\$ 175,000,000	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Behavioral Health and Justice System Integration					
Invests funds to improve behavioral health within the justice system. Funds will cover start-up costs for county-based pre-arrest diversion and re-entry programs, expand non-hospital capacity restoration programs, and provide judicial education and training on diversion and mental health treatment options. This item is funded from the IHOPE Fund.	Req \$	-	\$ 150,000,000	\$ -	\$ -
	Rec \$	-	\$ 150,000,000	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
13 Psychiatric Facility Capacity Improvements					
Invests funds to ensure that individuals with complex needs can access care and successfully discharge from psychiatric hospitals to a lower level of care. Funds will be used to increase salaries and offer loan forgiveness to the state facility workforce, ensuring beds can remain open. Funds will also support investments in critical infrastructure, such as electronic medical records and automated medication dispensing cabinets. This item is funded from the IHOPE Fund.	Req \$	-	\$ 100,000,000	\$ -	\$ -
	Rec \$	-	\$ 100,000,000	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	31,232,075	\$	625,334,000	\$	50,232,922	\$	-
Total Change to Receipts	\$	2,368,884	\$	625,000,000	\$	4,699,710	\$	-
Total Change to Net Appropriation	\$	28,863,191	\$	334,000	\$	45,533,212	\$	-
Total Change to Full-Time Equivalent (FTE)		10.000		0.000		10.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			29,197,191	\$			45,533,212
Recommended Total FTE Changes				10.000				10.000

Opioid Abatement Fund (24491)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ -	\$ -	\$ 9,192,461	\$ 9,192,461	\$ 9,192,461	0.0%
Receipts	\$ -	\$ -	\$ 9,192,461	\$ 9,192,461	\$ 9,192,461	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ -	\$ -	\$ 9,978,462	\$ 9,978,462	\$ 9,978,462	0.0%
Receipts	\$ -	\$ -	\$ 9,978,462	\$ 9,978,462	\$ 9,978,462	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Opioid Settlement Funds				
Provides funds from the multi-state opioid settlements with Johnson & Johnson, McKinsey, and opioid distributors to the department to be allocated within the allowable uses of the Opioid Abatement Fund.	Req \$ -	\$ 9,192,461	\$ -	\$ 9,978,462
	Rec \$ -	\$ 9,192,461	\$ -	\$ 9,978,462
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 9,192,461	\$ -	\$ 9,978,462
Total Change to Receipts	\$ -	\$ 9,192,461	\$ -	\$ 9,978,462
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Division of Health Services Regulation (14470)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 79,220,241	\$ 5,371,295	\$ 234,000	\$ 5,605,295	\$ 84,825,536	7.1%
Receipts	\$ 56,399,591	\$ 1,087,168	\$ -	\$ 1,087,168	\$ 57,486,759	1.9%
Net Appropriation	\$ 22,820,650	\$ 4,284,127	\$ 234,000	\$ 4,518,127	\$ 27,338,777	19.8%
Positions (FTE)	579.500	36.000	0.000	36.000	615.500	6.2%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 79,220,241	\$ 6,324,994	\$ -	\$ 6,324,994	\$ 85,545,235	8.0%
Receipts	\$ 56,399,591	\$ 1,087,168	\$ -	\$ 1,087,168	\$ 57,486,759	1.9%
Net Appropriation	\$ 22,820,650	\$ 5,237,826	\$ -	\$ 5,237,826	\$ 28,058,476	23.0%
Positions (FTE)	579.500	36.000	0.000	36.000	615.500	6.2%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	1,112,000	\$ -	\$ 1,812,000
	Rec \$	-	\$ -	\$ -
	App \$	1,112,000	\$ -	\$ 1,812,000
	FTE	0.000	0.000	0.000
2 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	382,378	\$ -	\$ 503,509
	Rec \$	-	\$ -	\$ -
	App \$	382,378	\$ -	\$ 503,509
	FTE	0.000	0.000	0.000
3 State Health Plan				
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	55,198	\$ -	\$ 187,766
	Rec \$	-	\$ -	\$ -
	App \$	55,198	\$ -	\$ 187,766
	FTE	0.000	0.000	0.000
Division-wide				
4 Acute Care Workforce Capacity				
Creates positions to ensure the section can meet federal and state requirements, including the new Centers for Medicare and Medicaid Services Conditions of Participation requirement. The positions will allow the section to investigate the rising number of acute care and psychiatric hospitals complaints, protecting patient safety and health.	Req \$	215,791	\$ 13,000	\$ 215,791
	Rec \$	17,406	\$ -	\$ 17,406
	App \$	198,385	\$ 13,000	\$ 198,385
	FTE	2.000	0.000	2.000
5 Adult Care Workforce Capacity				
Establishes positions that are needed to meet federal and state mandates, including new requirements in SL 2021-171. The positions will ensure the section can investigate the growing number of complex complaints and address serious violations within adult care facilities across the state.	Req \$	815,180	\$ 52,000	\$ 815,180
	Rec \$	223,285	\$ -	\$ 223,285
	App \$	591,895	\$ 52,000	\$ 591,895
	FTE	8.000	0.000	8.000

		R Changes	NR Changes	R Changes	NR Changes
6 Licensing and Regulation Workforce Capacity					
Funds positions to allow the section to perform biennial physical plant inspections of adult care facilities pursuant to GS 131D-2.11 and mental health facilities pursuant to GS 122C-21(2). The positions are critical in ensuring that facilities are safe and adequate, protecting residents and preventing harm.	Req	\$ 231,331	\$ 13,000	\$ 231,331	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 231,331	\$ 13,000	\$ 231,331	\$ -
	FTE	2.000	0.000	2.000	0.000
7 Jails Workforce Capacity					
Creates positions to enable the section to meet the requirements in GS 153. The positions ensure the section can implement the additional responsibilities in SL 2021-143, ensuring the safety and care for incarcerated individuals across the state.	Req	\$ 165,988	\$ 13,000	\$ 165,988	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 165,988	\$ 13,000	\$ 165,988	\$ -
	FTE	2.000	0.000	2.000	0.000
8 Complaint Intake Capacity					
Establishes positions to ensure that the section can respond to residents in a timely manner and process intakes within two days, per federal requirements. These positions will also enhance the section's ability to process and refer complaints and facility reported incidents, improving the safety and well-being of individuals in facilities statewide.	Req	\$ 335,567	\$ 19,500	\$ 335,567	\$ -
	Rec	\$ 205,389	\$ -	\$ 205,389	\$ -
	App	\$ 130,178	\$ 19,500	\$ 130,178	\$ -
	FTE	3.000	0.000	3.000	0.000
9 Nursing Home Workforce Capacity					
Creates positions to allow the section to investigate the rising number of complaints and address nursing home violations, which continue to grow in severity. These positions are required to meet federal and state requirements and will ensure the safety of nursing home residents statewide.	Req	\$ 1,618,435	\$ 97,500	\$ 1,618,435	\$ -
	Rec	\$ 524,680	\$ -	\$ 524,680	\$ -
	App	\$ 1,093,755	\$ 97,500	\$ 1,093,755	\$ -
	FTE	15.000	0.000	15.000	0.000
10 Mental Health Workforce Capacity					
Establishes positions to monitor substance use disorder treatment facilities in accordance with American Society of Addictive Medicine (ASAM) criteria as required by a new Division of Mental Health (DMH) grant. Positions will also oversee licensure of child residential facilities for youth with complex needs who currently reside in emergency departments and Division of Social Services (DSS) offices.	Req	\$ 439,427	\$ 26,000	\$ 439,427	\$ -
	Rec	\$ 116,408	\$ -	\$ 116,408	\$ -
	App	\$ 323,019	\$ 26,000	\$ 323,019	\$ -
	FTE	4.000	0.000	4.000	0.000
Total Change to Requirements		\$ 5,371,295	\$ 234,000	\$ 6,324,994	\$ -
Total Change to Receipts		\$ 1,087,168	\$ -	\$ 1,087,168	\$ -
Total Change to Net Appropriation		\$ 4,284,127	\$ 234,000	\$ 5,237,826	\$ -
Total Change to Full-Time Equivalent (FTE)		36.000	0.000	36.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	4,518,127	\$	5,237,826
Recommended Total FTE Changes			36.000		36.000

Mission

To protect and preserve the rights and liberties of all the people, as guaranteed by the Constitutions and laws of the United States and North Carolina, by providing a fair, independent, and accessible forum for the just, timely, and economical resolution of their legal affairs.

The NC Administrative Office of the Courts (NCAOC) provides services to help North Carolina’s unified court system operate more efficiently and effectively, considering each courthouse’s diverse needs, caseloads, and available resources.

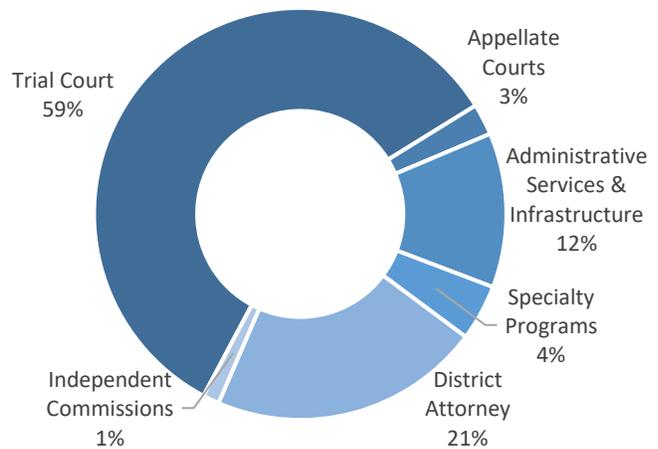
Goals

1. Strengthen fairness in the NC Court System.
2. Improve meaningful access to the courts for all North Carolinians.
3. Promote effective and efficient case management that saves time and supports good stewardship of taxpayer dollars.

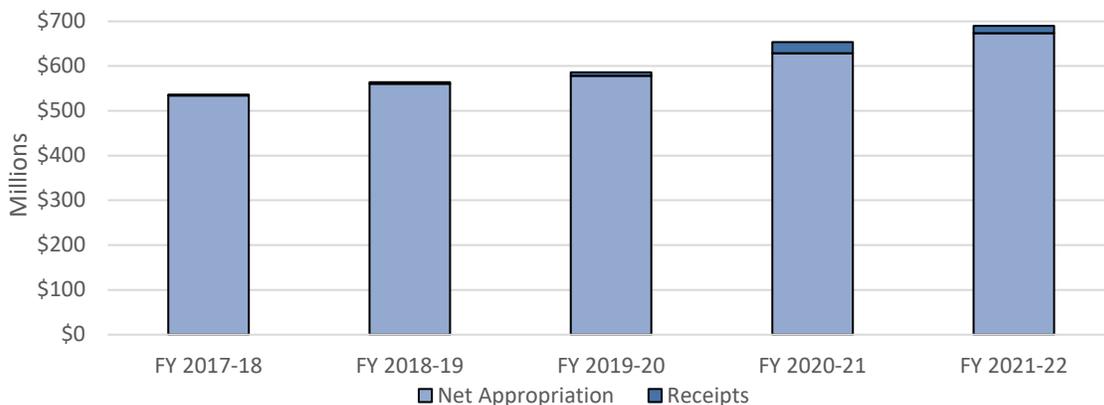
Agency Profile

- Employs nearly 400 NCAOC staff positions to support the needs of 555 independently elected court officials and almost 6,800 total court personnel.
- Provides centralized operations and support for the field, including Human Resources, Financial Services, Training, and Technology Services.
- Budgets and authorizes expenditures, identifying staffing needs statewide, procuring and distributing equipment and supplies, prescribing uniform practices for clerks, and making recommendations for the overall improvement of the Judicial Branch.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Charts include General Fund budget code only.

Judicial Branch (12000)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 698,574,848	\$ 55,784,631	\$ 11,355,701	\$ 67,140,332	\$ 765,715,180	9.6%
Receipts	\$ 1,210,166	\$ -	\$ -	\$ -	\$ 1,210,166	0.0%
Net Appropriation	\$ 697,364,682	\$ 55,784,631	\$ 11,355,701	\$ 67,140,332	\$ 764,505,014	9.6%
Positions (FTE)	6424.625	49.750	0.000	49.750	6474.375	0.8%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 698,583,690	\$ 79,664,252	\$ -	\$ 79,664,252	\$ 778,247,942	11.4%
Receipts	\$ 1,210,166	\$ -	\$ -	\$ -	\$ 1,210,166	0.0%
Net Appropriation	\$ 697,373,524	\$ 79,664,252	\$ -	\$ 79,664,252	\$ 777,037,776	11.4%
Positions (FTE)	6424.625	49.750	0.000	49.750	6474.375	0.8%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	34,596,000	\$ -	\$ 53,133,000
	Rec \$	-	\$ -	\$ -
	App \$	34,596,000	\$ -	\$ 53,133,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	6,000	\$ -	\$ 10,000
	Rec \$	-	\$ -	\$ -
	App \$	6,000	\$ -	\$ 10,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 10,834,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 10,834,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	6,635,000	\$ -	\$ 6,635,000
	Rec \$	-	\$ -	\$ -
	App \$	6,635,000	\$ -	\$ 6,635,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	6,028,323	\$ -	\$ 7,937,987
	Rec \$	-	\$ -	\$ -
	App \$	6,028,323	\$ -	\$ 7,937,987
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	1,427,741	\$ -	\$ 4,856,698	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,427,741	\$ -	\$ 4,856,698	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Fiscal Services Division Operations					
Establishes additional fiscal office positions to support grant processing, cash management, and financial analysis. This increased capacity will support recent judicial branch expansion and assist with filings for the newly implemented eCourts initiatives.	Req \$	324,187	\$ 6,696	\$ 324,187	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	324,187	\$ 6,696	\$ 324,187	\$ -
	FTE	3.000	0.000	3.000	0.000
Court Technology Transformation					
8 Statewide Technology and Business Process Personnel					
Converts time-limited technology and business process personnel to permanent positions. These staff support the eCourts expansion and the ongoing technology needs of local judicial officials.	Req \$	3,840,435	\$ -	\$ 3,840,435	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,840,435	\$ -	\$ 3,840,435	\$ -
	FTE	34.000	0.000	34.000	0.000
Support of Court Programs					
9 Guardian Ad Litem Contract Attorney Rate					
Provides funds to increase the Guardian Ad Litem (GAL) contract rate. This funding will align the GAL contract rate with the court-appointed public defender rate. This increase will help to recruit and retain attorneys for the GAL program.	Req \$	1,098,948	\$ -	\$ 1,098,948	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,098,948	\$ -	\$ 1,098,948	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Family Court Support					
Provides funds for Family Court Coordinator positions in District Court Districts 4, 19A, and 19C, which will establish new family courts. Family courts facilitate more timely, consistent, and positive outcomes to a family's legal issues.	Req \$	278,283	\$ 13,389	\$ 278,283	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	278,283	\$ 13,389	\$ 278,283	\$ -
	FTE	3.000	0.000	3.000	0.000
11 Custody Mediation Support					
Creates new statewide custody mediation positions. This additional capacity will address understaffing in custody mediation and help expedite custody mediation proceedings. Mediation provides a faster alternative to court hearings for addressing familial conflict.	Req \$	620,499	\$ 19,310	\$ 620,499	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	620,499	\$ 19,310	\$ 620,499	\$ -
	FTE	5.750	0.000	5.750	0.000
12 Human Trafficking Commission					
Provides permanent funds for the Human Trafficking Commission Administrative Assistant. The commission works to combat human trafficking by administering about \$40 million in grants annually and educating law enforcement and justice personnel.	Req \$	86,366	\$ -	\$ 86,366	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	86,366	\$ -	\$ 86,366	\$ -
	FTE	1.000	0.000	1.000	0.000
13 Language Access Specialist					
Establishes a Court Management Specialist position to translate court forms into multiple languages as required by federal law. This service will remove barriers for individuals with limited English proficiency.	Req \$	119,136	\$ 4,463	\$ 119,136	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	119,136	\$ 4,463	\$ 119,136	\$ -
	FTE	1.000	0.000	1.000	0.000
14 North Carolina Innocence Inquiry Commission					
Establishes a new Executive Assistant position. This position will support the commission's attorneys and assist current staff in managing workloads. The North Carolina Innocence Inquiry Commission receives over 200 claims per year.	Req \$	79,114	\$ 2,843	\$ 79,114	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	79,114	\$ 2,843	\$ 79,114	\$ -
	FTE	1.000	0.000	1.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Local Courthouse Resources					
15 District Attorney Juvenile Resource Prosecutor					
Provides permanent funding for one position through the Conference of District Attorneys. This position will serve as a resource for prosecutors, law enforcement, social workers, medical and mental health professionals, and other juvenile justice personnel involved with juvenile prosecution.	Req	\$ 144,599	\$ -	\$ 144,599	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 144,599	\$ -	\$ 144,599	\$ -
	FTE	1.000	0.000	1.000	0.000
Pass-Through Funds					
16 Public Service Attorney Support					
Provides funds to North Carolina Legal Education Assistance Foundation. This funding will support law school loan repayment, which assists in the recruitment and retention of public interest attorneys.	Req	\$ 500,000	\$ -	\$ 500,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 500,000	\$ -	\$ 500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
17 Veterans Law Project					
Provides funds to Pisgah Legal Services and the Charlotte Center for Legal Advocacy. These organizations assist homeless or otherwise vulnerable military veterans with obtaining permanent housing and accessing federal benefits and health care.	Req	\$ -	\$ 300,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 300,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Research, Policy, and Planning					
18 Safe Baby Courts Evaluation					
Provides funds for a comprehensive evaluation of the Safe Baby Courts Pilot Program. This program builds partnerships between judges, child welfare agencies, and local agencies to help children find long-term placements more quickly and serves infants, toddlers, and their families in foster care. Preliminary results indicate that children and families have improved access to services and have a reduced recurrence of abuse and neglect.	Req	\$ -	\$ 150,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 150,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
19 Court Reminder System Evaluation					
Provides funds to support a study, including stakeholder engagement, of the Administrative Office of the Courts Automated Court Event Notification (ACEN) capabilities. The study will determine the feasibility of upgrading the ACEN system to automatically enroll defendants in reminders. The study will also evaluate the effectiveness of the current reminder system for reducing Failure to Appear (FTAs) and include related recommendations to reduce FTAs.	Req	\$ -	\$ 25,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 25,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 55,784,631	\$ 11,355,701	\$ 79,664,252	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 55,784,631	\$ 11,355,701	\$ 79,664,252	\$ -
Total Change to Full-Time Equivalent (FTE)		49.750	0.000	49.750	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	67,140,332	\$	79,664,252
Recommended Total FTE Changes			49.750		49.750

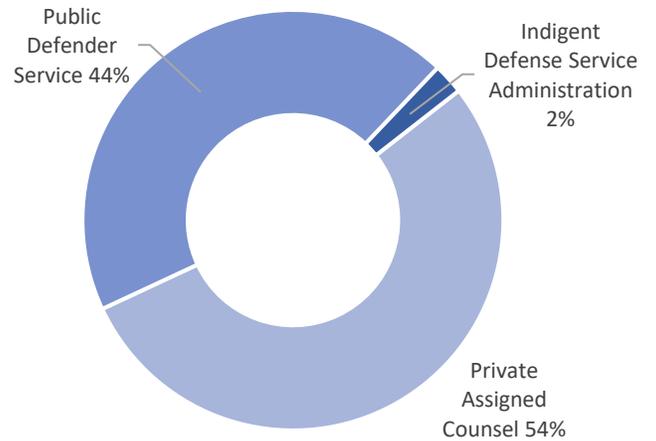
Mission

To ensure that the North Carolina public defense community has the resources it needs to achieve fair and just outcomes for clients.

Goals

1. Implement comprehensive long-term plan for provision of quality client service in all 100 counties through expansion of public defender districts supported by network of well-resourced private assigned counsel.
2. Improve compensation and resource support to all private appointed counsel to build local rosters and improve client outcomes.
3. Balance increased efficiency of court operations with effectiveness of counsel through robust, well-informed defense bar.

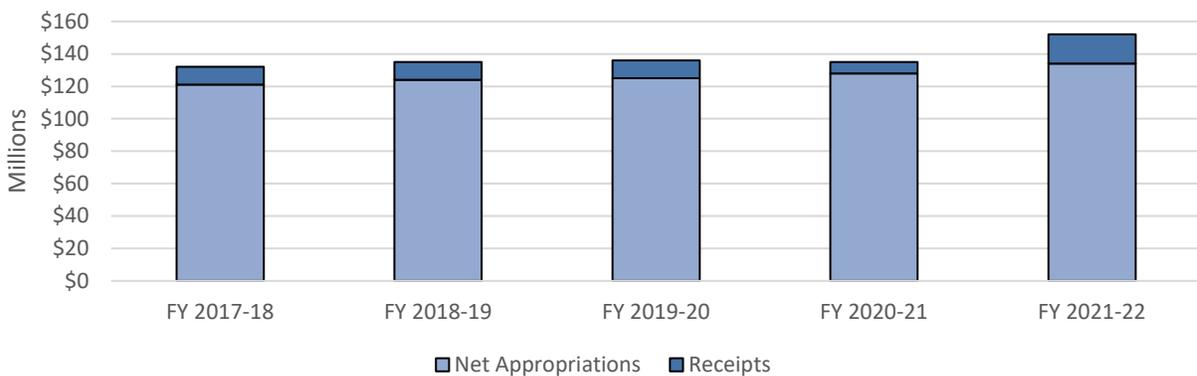
FY 2022-23 Authorized Expenditures



Agency Profile

- Administers and implements policy as directed by the 13-member Indigent Defense Commission, including direct support for court-appointed counsel through resources such as Forensic Resource Counsel and Regional Defenders.
- Manages the Private Assigned Counsel Fund, which pays court-appointed attorneys to represent indigent individuals, as provisioned by a carefully monitored process to ensure speedy payment of attorney and expert fee applications.
- Administers and oversees statewide defender programs: Offices of the Appellate Defender, Capital Defender, Juvenile Defender, Parent Representation, and Special Counsel.
- Provides administrative support for Public Defender Offices in 19 court districts/
- Develops training, and qualification and performance standards to govern the provision of legal services to indigent persons.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Judicial Branch - Indigent Defense (12001)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 153,813,873	\$ 18,583,756	\$ 1,154,564	\$ 19,738,320	\$ 173,552,193	12.8%
Receipts	\$ 13,962,679	\$ -	\$ -	\$ -	\$ 13,962,679	0.0%
Net Appropriation	\$ 139,851,194	\$ 18,583,756	\$ 1,154,564	\$ 19,738,320	\$ 159,589,514	14.1%
Positions (FTE)	593.000	141.000	0.000	141.000	734.000	23.8%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 153,815,013	\$ 24,296,519	\$ -	\$ 24,296,519	\$ 178,111,532	15.8%
Receipts	\$ 13,962,679	\$ -	\$ -	\$ -	\$ 13,962,679	0.0%
Net Appropriation	\$ 139,852,334	\$ 24,296,519	\$ -	\$ 24,296,519	\$ 164,148,853	17.4%
Positions (FTE)	593.000	141.000	0.000	141.000	734.000	23.8%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	3,931,000	\$ -	\$ 5,965,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,931,000	\$ -	\$ 5,965,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	33,000	\$ -	\$ 54,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	33,000	\$ -	\$ 54,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 850,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 850,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	441,000	\$ -	\$ 441,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	441,000	\$ -	\$ 441,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	772,662	\$ -	\$ 1,017,427	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	772,662	\$ -	\$ 1,017,427	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	130,286	\$ -	\$ 443,190	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	130,286	\$ -	\$ 443,190	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Indigent Defense Services Operational Fund					
Provides funds for operational costs to support lease increases, bar dues for Public Defenders (PDs), and administrative services. Funding is required to close budget shortfalls and address increased expenses.	Req \$	200,000	\$ 250,000	\$ 200,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	200,000	\$ 250,000	\$ 200,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Public Defender Capacity					
8 Public Defender District Expansion					
Establishes eight new PD offices over the biennium. This investment begins a phased expansion of PD offices to provide statewide coverage. This will ensure access to public defense in all judicial districts for indigent defendants.	Req \$	6,899,906	\$ -	\$ 10,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	6,899,906	\$ -	\$ 10,000,000	\$ -
	FTE	126.000	0.000	126.000	0.000
9 Public Defense Capacity					
Establishes attorney and support staff positions in high-need PD offices throughout the state. These additional resources will enable these offices to better serve constituents and manage caseloads.	Req \$	1,813,538	\$ 54,564	\$ 1,813,538	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,813,538	\$ 54,564	\$ 1,813,538	\$ -
	FTE	15.000	0.000	15.000	0.000
10 Compensation Equity for Statewide Defenders					
Provides equitable salary and benefit packages to statewide defenders. This expansion creates parity among the five statewide defender offices and ensures they are all equally compensated.	Req \$	216,640	\$ -	\$ 216,640	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	216,640	\$ -	\$ 216,640	\$ -
	FTE	0.000	0.000	0.000	0.000
Support for Private Assigned Counsel					
11 Private Assigned Counsel Rate					
Provides funds for private assigned counsel who represent persons declared indigent by the courts. Low rates have affected Indigent Defense Services' ability to recruit and retain qualified counsel.	Req \$	4,145,724	\$ -	\$ 4,145,724	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	4,145,724	\$ -	\$ 4,145,724	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 18,583,756	\$ 1,154,564	\$ 24,296,519	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 18,583,756	\$ 1,154,564	\$ 24,296,519	\$ -
Total Change to Full-Time Equivalent (FTE)		141.000	0.000	141.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		19,738,320	\$	24,296,519
Recommended Total FTE Changes			141.000		141.000

Mission

To protect the people of North Carolina through its work to prevent crime and support law enforcement, to safeguard consumers, and to defend the state, its people, and their constitutional rights.

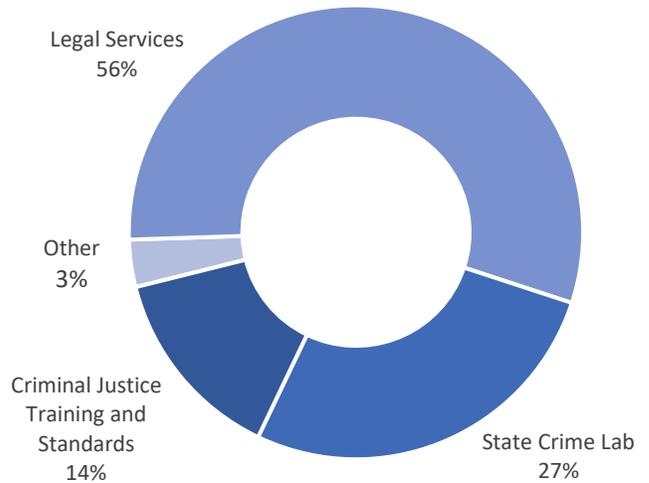
Goals

1. Use science to promote justice.
2. Provide excellent legal counsel and defense to the state.
3. Provide local law enforcement agencies with high-value, cost-effective, and responsive officer training, licensure, and certification activities.
4. Develop and lead policy implementation to protect North Carolinians.

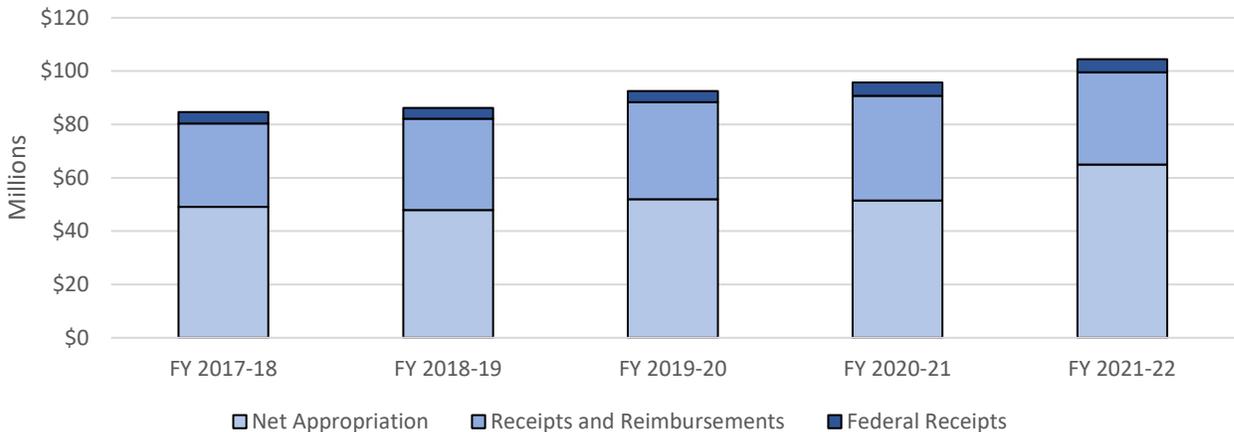
Agency Profile

- Protects consumers by working to prevent scams, investigating and taking legal action against corporations that break the law, combating Medicaid fraud, prosecuting tax cheats, and confronting the opioid crisis.
- Provides legal advice and representation to state agencies.
- Prosecutes complex criminal cases and handles all criminal appeals from state trial courts.
- Works with partners to analyze evidence at the State Crime Lab to convict the guilty and exonerate the innocent.
- Supports law enforcement through the NC Justice Academy, which trains officers, and Criminal Justice Training and Standards, which certifies law enforcement officers.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Charts include General Fund budget code only.

Department of Justice (13600)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 103,179,287	\$ 12,333,149	\$ 1,658,000	\$ 13,991,149	\$ 117,170,436	13.6%
Receipts	\$ 43,572,562	\$ 1,968,671	\$ -	\$ 1,968,671	\$ 45,541,233	4.5%
Net Appropriation	\$ 59,606,725	\$ 10,364,478	\$ 1,658,000	\$ 12,022,478	\$ 71,629,203	20.2%
Positions (FTE)	822.385	31.000	0.000	31.000	853.385	3.8%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 103,190,946	\$ 15,450,262	\$ -	\$ 15,450,262	\$ 118,641,208	15.0%
Receipts	\$ 43,572,562	\$ 1,968,671	\$ -	\$ 1,968,671	\$ 45,541,233	4.5%
Net Appropriation	\$ 59,618,384	\$ 13,481,591	\$ -	\$ 13,481,591	\$ 73,099,975	22.6%
Positions (FTE)	822.385	31.000	0.000	31.000	853.385	3.8%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	2,500,000	\$ -	\$ 4,075,000
	Rec \$	-	\$ -	\$ -
	App \$	2,500,000	\$ -	\$ 4,075,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	1,655,000	\$ -	\$ 2,698,000
	Rec \$	-	\$ -	\$ -
	App \$	1,655,000	\$ -	\$ 2,698,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 1,158,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 1,158,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	2,482,000	\$ -	\$ 2,482,000
	Rec \$	-	\$ -	\$ -
	App \$	2,482,000	\$ -	\$ 2,482,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	656,234	\$ -	\$ 864,117
	Rec \$	-	\$ -	\$ -
	App \$	656,234	\$ -	\$ 864,117
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	121,262	\$ -	\$ 412,492	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	121,262	\$ -	\$ 412,492	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Networking Security Officer					
Provides funding for a security officer responsible for the strategic development and implementation of the department's information technology (IT) and data risk management. This position will identify, analyze, and mitigate threats to IT systems and networks.	Req \$	188,835	\$ -	\$ 188,835	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	188,835	\$ -	\$ 188,835	\$ -
	FTE	1.000	0.000	1.000	0.000
8 Technology and State Crime Lab Equipment					
Funds the replacement of scientific equipment at the State Crime Lab and upgrades teleconference technology across the department. The new equipment will address increasing case submissions from law enforcement agencies and the growing need for remote testimony and client meetings.	Req \$	-	\$ 500,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 500,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	44,193	\$ -	\$ 44,193	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	44,193	\$ -	\$ 44,193	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Internal Auditor					
Funds internal auditors to meet minimum recommended levels from the Council of Internal Auditing. Additional staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req \$	382,473	\$ -	\$ 382,473	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	382,473	\$ -	\$ 382,473	\$ -
	FTE	3.000	0.000	3.000	0.000
Legal Services					
11 Attorney Positions					
Addresses the rise in caseloads by funding criminal appellate attorneys and civil attorneys. North Carolina is the only state that assigns criminal appellate briefs to non-criminal attorneys, which is currently required to manage the state's caseload. Specialized attorneys will better handle criminal appeals and represent state agencies, boards, and commissions, as well as assist local district attorneys in handling large-scale fentanyl cases.	Req \$	1,610,145	\$ -	\$ 1,610,145	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,610,145	\$ -	\$ 1,610,145	\$ -
	FTE	10.000	0.000	10.000	0.000
12 Increased Capacity for Medicaid Investigations Division					
Provides state matching funds to expand the Medicaid Investigations Division. This division investigates and prosecutes people who illegally obtain Medicaid funds. The investment leverages federal funding to hold violators accountable and ensure appropriate use of public resources.	Req \$	2,493,007	\$ -	\$ 2,493,007	\$ -
	Rec \$	1,968,671	\$ -	\$ 1,968,671	\$ -
	App \$	524,336	\$ -	\$ 524,336	\$ -
	FTE	15.000	0.000	15.000	0.000
Criminal Justice Education and Training Standards					
13 Statewide Law Enforcement Accreditation					
Supports additional capacity within the Criminal Justice Education and Training Standards Division to oversee a new statewide law enforcement agency accreditation program. This program will allow local law enforcement agencies to adhere to updated professional standards and provide a cost-effective, state-focused alternative for them to get accredited.	Req \$	200,000	\$ -	\$ 200,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	200,000	\$ -	\$ 200,000	\$ -
	FTE	2.000	0.000	2.000	0.000
Total Change to Requirements		\$ 12,333,149	\$ 1,658,000	\$ 15,450,262	\$ -
Total Change to Receipts		\$ 1,968,671	\$ -	\$ 1,968,671	\$ -
Total Change to Net Appropriation		\$ 10,364,478	\$ 1,658,000	\$ 13,481,591	\$ -
Total Change to Full-Time Equivalent (FTE)		31.000	0.000	31.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		12,022,478	\$	13,481,591
Recommended Total FTE Changes			31.000		31.000

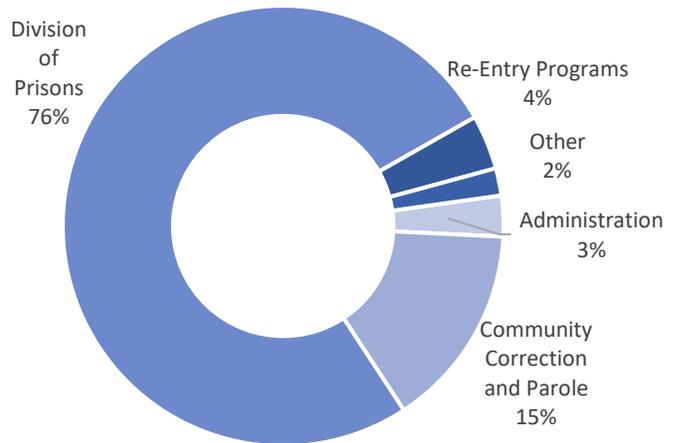
Mission

To uphold the law and protect the public by collaboratively focusing on rehabilitation with accountability and professionalism.

Goals*

1. Support our employees.
2. Safely manage and support offenders from custody to reentry.
3. Strengthen safety and security at our work locations.
4. Operate effectively and efficiently.
5. Increase transparency of DAC’s mission and operations.

FY 2022-23 Authorized Expenditures



Agency Profile

- Manages the care and custody of approximately 30,000 people housed in 53 North Carolina Prisons.
- Protects the safety of citizens in communities throughout the state by providing viable alternatives and meaningful supervision to more than 77,000 offenders on probation, parole, or post-release supervision. The department also oversees 6,000 unsupervised offenders who are issued court ordered community service.
- Oversees a comprehensive array of re-entry programs and services to help justice-involved individuals reintegrate into their communities.
- Develops marketable jobs skills and opportunities for offenders in a professional and safe work environment.

Budget Note

The Department of Adult Correction was established on January 1, 2023; therefore, historical figures are not available. OSBM certified the budget for the Department of Adult Correction as of July 1, 2022.

FY 2022-23 Certified Budget

Total Expenditures	\$	1,946,696,539
Revenue	\$	29,481,624
Net Appropriation	\$	1,917,214,915

Chart includes General Fund budget codes only.

** Goals are still in development and may be updated prior to the start of the 2023-2024 state fiscal year, as the Department of Adult Correction was recently established on January 1, 2023.*

Adult Correction - General Fund (15010)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,933,093,844	\$ 139,045,795	\$ 63,235,000	\$ 202,280,795	\$ 2,135,374,639	10.5%
Receipts	\$ 24,612,230	\$ -	\$ -	\$ -	\$ 24,612,230	0.0%
Net Appropriation	\$ 1,908,481,614	\$ 139,045,795	\$ 63,235,000	\$ 202,280,795	\$ 2,110,762,409	10.6%
Positions (FTE)	19518.225	0.000	0.000	0.000	19518.225	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,933,209,095	\$ 198,412,448	\$ -	\$ 198,412,448	\$ 2,131,621,543	10.3%
Receipts	\$ 24,612,230	\$ -	\$ -	\$ -	\$ 24,612,230	0.0%
Net Appropriation	\$ 1,908,596,865	\$ 198,412,448	\$ -	\$ 198,412,448	\$ 2,107,009,313	10.4%
Positions (FTE)	19518.225	0.000	0.000	0.000	19518.225	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	72,833,000	\$ -	\$ 112,758,000
	Rec \$	-	\$ -	\$ -
	App \$	72,833,000	\$ -	\$ 112,758,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	85,000	\$ -	\$ 138,000
	Rec \$	-	\$ -	\$ -
	App \$	85,000	\$ -	\$ 138,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 31,235,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 31,235,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	17,874,000	\$ -	\$ 17,874,000
	Rec \$	-	\$ -	\$ -
	App \$	17,874,000	\$ -	\$ 17,874,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	16,545,497	\$ -	\$ 21,786,813
	Rec \$	-	\$ -	\$ -
	App \$	16,545,497	\$ -	\$ 21,786,813
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	4,329,219	\$ -	14,726,556	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	4,329,219	\$ -	14,726,556	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Education Assistance Fund					
Provides additional funding for employee tuition assistance. This investment expands employee skillsets, promotes career progression, and addresses employee retention.	Req \$	100,000	\$ -	100,000	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	100,000	\$ -	100,000	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Recruitment Resource Expansion					
Funds advertising and recruitment efforts to address current staffing shortages and vacancies in difficult-to-fill positions. The department continues to experience high vacancy and turnover rates.	Req \$	-	\$ 1,000,000	\$ -	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	-	\$ 1,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Security Equipment Program					
Assigns all Probation and Parole Officers a security device to ensure availability of a nonlethal method of force. This funding also expands security device usage in medium custody prison facilities. This distribution mitigates offender violence and strengthens officer safety.	Req \$	2,511,500	\$ -	2,511,500	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	2,511,500	\$ -	2,511,500	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	1,466,079	\$ -	1,466,079	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	1,466,079	\$ -	1,466,079	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Special Teams Pay Enhancements					
Provides pay incentives for special teams in the Division of Prisons and the Division of Community Supervision. These employees provide assistance in emergency situations such as natural disasters, severe weather, epidemics, and external threats.	Req \$	1,086,000	\$ -	1,086,000	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	1,086,000	\$ -	1,086,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Division of Prisons					
12 Prison Life and Safety Improvements					
Provides funding for critical life and safety system upgrades such as emergency release locking systems, kitchen hood upgrades, and facility cell lighting. These systems are either at end of life or not compliant with industry standards. These improvements increase prison safety for correctional staff and offenders.	Req \$	-	\$ 15,000,000	\$ -	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	-	\$ 15,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
13 Comprehensive Facility Evaluation					
Provides funds to assess prison facilities across the state and create facility plans. The plans will help the department prioritize repairs and critical updates to the facilities that are aging or impacted by natural disasters and enhance the safety and security of the prison system.	Req \$	-	\$ 4,500,000	\$ -	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	-	\$ 4,500,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
14 American Correctional Association Accreditation					
Funds the American Correctional Association audit and accreditation process, which includes audits of 15 prison locations. This process ensures compliance with safety standards, which reduces the number of safety incidents for both correctional staff and offenders at these facilities.	Req \$	-	\$ 1,000,000	\$ -	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	-	\$ 1,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
15 Staff Duress/Man Down System Expansion					
Expands man down technology to eight additional correctional institutions, adding radio technology with panic buttons to improve safety of staff in potentially life-threatening situations.	Req \$	-	\$ 8,000,000	\$ -	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	-	\$ 8,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
16 Energy Efficiency and Sustainability					
Provides funds to continue sustainability and conservation efforts, such as HVAC, water and lighting management systems, and building envelope improvements. These developments will reduce utility costs and help the agency achieve its energy strategic plan targets.	Req \$	- \$	2,500,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	2,500,000 \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
17 Post-Secondary College Funding					
Supplements Pell Grant funding to assist offenders in completing higher education degree programs. Obtaining a degree reduces recidivism and improves outcomes for individuals re-entering communities.	Req \$	5,000,000 \$	- \$	5,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	5,000,000 \$	- \$	5,000,000 \$	-
	FTE	0.000	0.000	0.000	0.000
18 Rehabilitation Evidence-Based Programming					
Provides funds to expand evidence-based rehabilitation programming within prisons. This support will allow the department to provide programs such as Moral Recognition Therapy and Thinking for a Change that have been proven to reduce recidivism amongst participants, protecting public safety.	Req \$	10,000,000 \$	- \$	10,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	10,000,000 \$	- \$	10,000,000 \$	-
	FTE	0.000	0.000	0.000	0.000
Division of Community Supervision					
19 Oral Drug Screening					
Expands oral drug screening to all offenders that the Division of Community Supervision supervises. Oral drug tests are easier to administer and create operational efficiency in community corrections.	Req \$	2,490,500 \$	- \$	2,490,500 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	2,490,500 \$	- \$	2,490,500 \$	-
	FTE	0.000	0.000	0.000	0.000
Reentry Programs					
20 Local Reentry Councils-Statewide Coverage					
Expands local reentry councils and supportive services, including housing, transportation, educational training, and other basic needs assistance. These services improve outcomes for offenders returning to their communities after incarceration.	Req \$	3,225,000 \$	- \$	6,975,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	3,225,000 \$	- \$	6,975,000 \$	-
	FTE	0.000	0.000	0.000	0.000
21 Treatment for Effective Community Supervision					
Increases funding for Treatment for Effective Community Supervision. This program supports offenders who are reentering into the community by providing short-term transitional housing and pro-social programming. Evidence shows that these interventions reduce recidivism, protecting public safety.	Req \$	1,500,000 \$	- \$	1,500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	1,500,000 \$	- \$	1,500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	139,045,795	\$ 63,235,000	\$ 198,412,448	\$ -
Total Change to Receipts	\$	-	\$ -	\$ -	\$ -
Total Change to Net Appropriation	\$	139,045,795	\$ 63,235,000	\$ 198,412,448	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		202,280,795	\$	198,412,448
Recommended Total FTE Changes			0.000		0.000

Mission

To safeguard and preserve the lives and property of the people of North Carolina through prevention, protection, and preparation with integrity and honor.

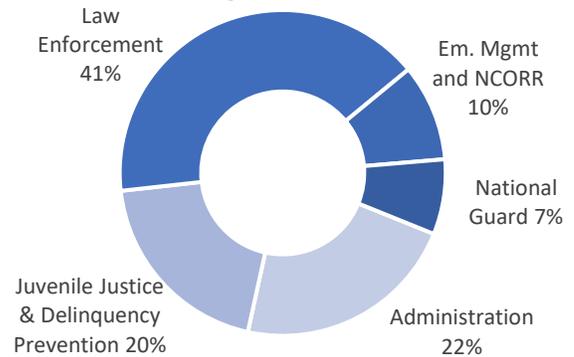
Goals

1. Strengthen the Department’s unity of effort as a consolidated and allied entity.
2. Create a true culture of prevention, protection, and preparedness.
3. Create and maintain an environment throughout the Department where employees are engaged, accountable, and recognized for the contributions they make to enhance public safety in North Carolina.

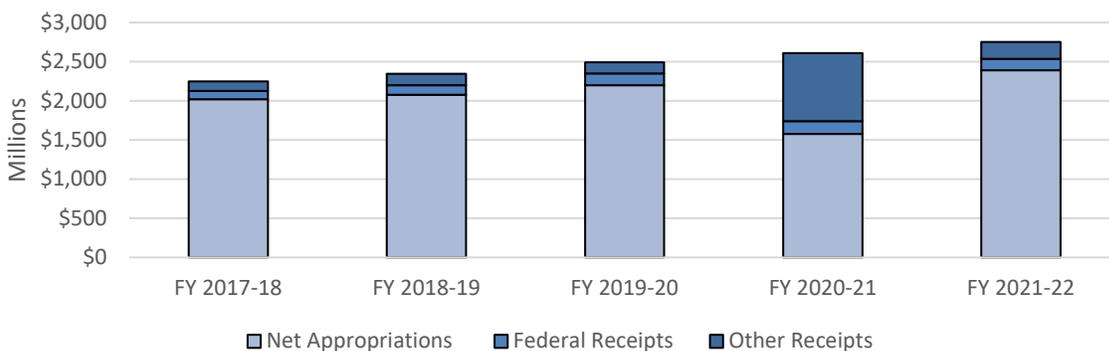
Agency Profile

- Serves as the state’s chief protector and defender of the public and is the statewide public safety and homeland security agency.
- Provides through the Division of Juvenile Justice and Delinquency Prevention care, custody, and supervision to juvenile offenders as well as interventions for court-involved youth ages 10 to 17 to strengthen families.
- Makes the state’s highways as safe as possible, provides security for the state government complex, provides criminal investigative assistance, and enforces state laws through the Law Enforcement Divisions.
- Dedicates Emergency Management personnel to help plan for and recover from man-made or natural disasters.
- Deploys the North Carolina National Guard for military capabilities in support of state and/or national authorities, to protect the lives and properties citizens and to defend the state and nation.
- Provides basic, in-service, and advanced training at the Samarcaand training facility for DPS, and other state, local, and federal law enforcement agencies and is partnering with the Center for Safer Schools to create a comprehensive school safety training facility.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures*



Charts include General Fund budget code only.

**SL 2021-180 created the Department of Adult Correction (DAC) as a Type I transfer effective Jan. 1, 2023. 5-Year Historical Expenditures chart depicts expenditures inclusive of all DAC divisions transferred under the session law through Dec. 31, 2022.*

Department of Public Safety (14550)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 851,698,725	\$ 78,793,171	\$ 33,974,750	\$ 112,767,921	\$ 964,466,646	13.2%
Receipts	\$ 237,764,523	\$ 266,000	\$ -	\$ 266,000	\$ 238,030,523	0.1%
Net Appropriation	\$ 613,934,202	\$ 78,527,171	\$ 33,974,750	\$ 112,501,921	\$ 726,436,123	18.3%
Positions (FTE)	5484.051	190.000	0.000	190.000	5674.051	3.5%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 851,997,807	\$ 97,520,229	\$ -	\$ 97,520,229	\$ 949,518,036	11.4%
Receipts	\$ 237,764,523	\$ 266,000	\$ -	\$ 266,000	\$ 238,030,523	0.1%
Net Appropriation	\$ 614,233,284	\$ 97,254,229	\$ -	\$ 97,254,229	\$ 711,487,513	15.8%
Positions (FTE)	5484.051	190.000	0.000	190.000	5674.051	3.5%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	23,204,000	\$ -	\$ 36,417,000
	Rec \$	-	\$ -	\$ -
	App \$	23,204,000	\$ -	\$ 36,417,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	1,923,000	\$ -	\$ 3,134,000
	Rec \$	-	\$ -	\$ -
	App \$	1,923,000	\$ -	\$ 3,134,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 8,925,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 8,925,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	7,459,000	\$ -	\$ 7,459,000
	Rec \$	-	\$ -	\$ -
	App \$	7,459,000	\$ -	\$ 7,459,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	5,216,236	\$ -	\$ 6,868,646
	Rec \$	-	\$ -	\$ -
	App \$	5,216,236	\$ -	\$ 6,868,646
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 1,097,130	\$ -	\$ 3,732,068	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,097,130	\$ -	\$ 3,732,068	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req	\$ 488,693	\$ -	\$ 488,693	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 488,693	\$ -	\$ 488,693	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Information Security Officer					
Funds a position at the Department of Information Technology to support the department's cybersecurity needs. This position will identify, analyze, and mitigate threats to information technology systems and networks.	Req	\$ 165,000	\$ -	\$ 165,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 165,000	\$ -	\$ 165,000	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Energy Manager					
Creates an Energy Manager position to improve energy efficiency in state buildings. This will enable the department to reduce water consumption, save energy, and reduce utility costs.	Req	\$ 131,000	\$ -	\$ 131,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 131,000	\$ -	\$ 131,000	\$ -
	FTE	1.000	0.000	1.000	0.000
Administration					
10 Violence Intervention Grants					
Funds a competitive grant program through the Governor's Crime Commission (GCC) to expand violence intervention and education programming. Grants will be awarded to community and healthcare organizations that approach violence as a public health issue and use evidence-based interventions to reduce the incidence of community-based violence.	Req	\$ -	\$ 5,000,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 5,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
11 Body Camera Grants					
Establishes a competitive grant program through the GCC to expand the use of body cameras across the state. Grants will be awarded to local law enforcement agencies in Tier 1 and 2 counties to cover the purchase costs of body cameras.	Req	\$ -	\$ 10,000,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 10,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Office of Violence Prevention					
Provides funds and personnel for initiatives at the new Office of Violence Prevention. This funding will support training and technical assistance to local communities on violence prevention efforts. It will also enable a statewide firearm safety awareness campaign.	Req	\$ 1,638,640	\$ -	\$ 1,638,640	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,638,640	\$ -	\$ 1,638,640	\$ -
	FTE	1.000	0.000	1.000	0.000
13 Administration Operations Support					
Increases capacity within the Administration Division following the separation of the Department of Adult Correction (DAC) from the Department of Public Safety (DPS). These additional positions will help the division continue to function effectively. This funding will also support recruitment activities to reduce vacancy rates and an internship program that connects DPS with Historically Black Colleges and Universities.	Req	\$ 1,510,983	\$ -	\$ 1,510,983	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,510,983	\$ -	\$ 1,510,983	\$ -
	FTE	13.000	0.000	13.000	0.000
14 Administration Office Leases					
Provides funds to relocate sections of the Administration Division following the separation of DAC from DPS. Agency leaders recommended new office space to ensure DPS operates independently following the transition.	Req	\$ 442,296	\$ -	\$ 442,296	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 442,296	\$ -	\$ 442,296	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Alcohol Law Enforcement					
15 Lease Space and Operating Budget for New Offices					
Funds leases and operational needs for the nine new Alcohol Law Enforcement (ALE) offices established in SL 2021-180. ALE requires additional funding to close budget shortfalls from the increased cost of leases, utilities, and business functions such as data and voice services.	Req \$	935,918	\$ -	\$ 951,628	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	935,918	\$ -	\$ 951,628	\$ -
	FTE	0.000	0.000	0.000	0.000
State Bureau of Investigation					
16 Agents and Pilots for Increased Workload					
Creates new agent and pilot positions to address workload concerns. The agent positions will manage investigations in response to requirements in SL 2021-138. The new pilot positions will provide the necessary personnel to staff surveillance missions.	Req \$	1,392,301	\$ 574,885	\$ 1,392,301	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,392,301	\$ 574,885	\$ 1,392,301	\$ -
	FTE	10.000	0.000	10.000	0.000
17 VIPER Radios					
Provides funds to replace radios that connect to the Voice Interoperability Plan for Emergency Responders (VIPER) network. The new radios will encrypt radio traffic to reduce the possibility of outsider actors intercepting the messages.	Req \$	-	\$ 825,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 825,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
State Capitol Police					
18 Security Enhancements					
Fundshifts State Capitol Police (SCP) officers from receipts to net appropriation. Reliance on agency receipts restricts SCP's ability to deploy officers to the Downtown State Government Complex. Additional net appropriations supported positions will increase SCP's ability to respond to incidents by reallocating and relocating officers. This flexibility will improve public safety around the downtown complex.	Req \$	822,500	\$ -	\$ 822,500	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	822,500	\$ -	\$ 822,500	\$ -
	FTE	0.000	0.000	0.000	0.000
19 Budget Analyst					
Provides funding for a Budget Analyst position to manage site contracts, grant management, and eProcurement purchases. SCP lacks a full-time budget or business position. This added capacity will improve fiscal management for the division.	Req \$	94,542	\$ -	\$ 94,542	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	94,542	\$ -	\$ 94,542	\$ -
	FTE	1.000	0.000	1.000	0.000
20 VIPER Radios and Consoles					
Supports the replacement of VIPER in-car radios and ongoing maintenance of radio consoles in the communications center. The new radios will encrypt radio traffic to reduce the possibility that messages are intercepted. Recurring funds are needed for maintenance of VIPER radio consoles, which ensures connectivity between telecommunicators, officers, and partners in emergency situations.	Req \$	48,000	\$ 200,000	\$ 48,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	48,000	\$ 200,000	\$ 48,000	\$ -
	FTE	0.000	0.000	0.000	0.000
State Highway Patrol					
21 VIPER Equipment and Maintenance					
Provides funds to replace radios and add the required personnel for continued tower maintenance for the VIPER network. The new radios will encrypt radio traffic to reduce the possibility that messages are intercepted. The growing network requires additional resources and personnel to meet maintenance and user support needs. The VIPER network has gained 98,000 users since 2014.	Req \$	3,115,500	\$ 7,959,865	\$ 3,115,500	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,115,500	\$ 7,959,865	\$ 3,115,500	\$ -
	FTE	14.000	0.000	14.000	0.000
Juvenile Justice					
22 Richmond and Rockingham Increases					
Supports operating and start-up costs for the Richmond and Rockingham centers opening in 2023. The facilities will provide 84 juvenile detention beds and help address the need for additional beds for justice-involved youth. Juvenile Justice facilities in the state are currently over capacity and do not have sufficient bed space available.	Req \$	8,040,665	\$ 390,000	\$ 8,040,665	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	8,040,665	\$ 390,000	\$ 8,040,665	\$ -
	FTE	86.000	0.000	86.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
23 Juvenile Justice Residential Crisis Unit					
Supports operating and start-up costs for a crisis unit serving justice-involved youth with mental and physical health concerns at the C.A. Dillon Juvenile Detention Center. Raise the Age, implemented in 2019, has resulted in the need for additional capacity for youth with behavioral and physical health concerns.	Req	\$ 4,004,124	\$ 100,000	\$ 4,004,124	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 4,004,124	\$ 100,000	\$ 4,004,124	\$ -
	FTE	44.000	0.000	44.000	0.000
24 Firearm Safety and Gun Violence Prevention Strategies					
Increases funding for Juvenile Crime Prevention Councils across the state. This support will help implement evidence-based violence and gang prevention and firearm safety programming for at-risk and justice-involved youth. The department will use \$2.5 million of these funds to evaluate gun violence prevention and intervention programs and conduct assessments of community needs.	Req	\$ 7,598,899	\$ -	\$ 7,598,899	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 7,598,899	\$ -	\$ 7,598,899	\$ -
	FTE	1.000	0.000	1.000	0.000
25 Escalation Clause for State Contracts					
Provides funds to address rate increases with vendors for transitional living facilities and multipurpose group homes. This funding ensures that justice-involved youth can continue to receive these services as they re-enter communities.	Req	\$ 1,640,664	\$ -	\$ 1,640,664	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,640,664	\$ -	\$ 1,640,664	\$ -
	FTE	0.000	0.000	0.000	0.000
26 Electronic Health Record Maintenance					
Provides funds to maintain the electronic health records online database. This software allows the division to collaborate with community partners and to monitor the cost and effectiveness of healthcare services. This service also ensures compliance with Health Insurance Portability and Accountability Act of 1996 standards.	Req	\$ 269,010	\$ -	\$ 269,010	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 269,010	\$ -	\$ 269,010	\$ -
	FTE	0.000	0.000	0.000	0.000
Emergency Management					
27 Cybersecurity and Critical Infrastructure					
Fundshifts homeland security and information technology personnel from receipts to net appropriation. This transition will allow the division to use federal funds to build capacity and to protect against cyber threats. This funding also supports increased capacity for the Joint Cyber Security Taskforce.	Req	\$ 980,920	\$ -	\$ 980,920	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 980,920	\$ -	\$ 980,920	\$ -
	FTE	2.000	0.000	2.000	0.000
28 School Safety Program Sustainment					
Provides funds to fully implement the Panic Alarm Program, the State Emergency Response Program, and the State Risk Management Portal. Additional personnel will support the programs and data sharing to ensure first responders can navigate school and other public buildings in emergency situations.	Req	\$ 2,877,951	\$ -	\$ 2,877,951	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 2,877,951	\$ -	\$ 2,877,951	\$ -
	FTE	3.000	0.000	3.000	0.000
29 Mental Health Support for Local First Responders					
Increases capacity for the North Carolina Responder Assistance Initiative to expand mental health services to local first responders throughout the state. This program will continue to provide services for current DPS employees.	Req	\$ 694,200	\$ -	\$ 694,200	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 694,200	\$ -	\$ 694,200	\$ -
	FTE	5.000	0.000	5.000	0.000
30 Flood Gauge Risk Mapping					
Supports the ongoing maintenance of flood gauges that support the Flood Inundation Mapping and Alert Network. This funding allows for regular visits to check and repair the gauges. The information from these gauges supports statewide monitoring, planning, and public notification of potential flood events.	Req	\$ 200,000	\$ -	\$ 200,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 200,000	\$ -	\$ 200,000	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
31 Grant Management Staff					
Adds capacity to manage grant programs that distribute state resources to local stakeholders. Existing grants management staff cannot manage state-supported projects due to limitations on the use of federal receipts. This position will improve monitoring of the state's investments in disaster recovery and mitigation.	Req	\$ 95,000	\$ -	\$ 95,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 95,000	\$ -	\$ 95,000	\$ -
	FTE	1.000	0.000	1.000	0.000
32 NC 2-1-1 System					
Provides additional funding to support operations of the NC 2-1-1 program that the United Way of North Carolina operates. This hotline provides North Carolinians with information and access for disaster recovery programs. It also serves as the official public information service of the State Emergency Response Team. This funding increases recurring net appropriations for the NC 2-1-1 program to \$500,000.	Req	\$ 100,000	\$ -	\$ 100,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 100,000	\$ -	\$ 100,000	\$ -
	FTE	0.000	0.000	0.000	0.000
NC Office of Recovery and Resiliency					
33 Resilience Team Support					
Supports personnel costs for the core Resilience Team at the NC Office of Recovery and Resiliency, allowing them to continue their work with state and local government leaders on disaster planning and mitigation of floods and other natural hazards. This funding addresses a budget shortfall that pulls resources away from disaster recovery and fully funds the current positions.	Req	\$ 50,802	\$ -	\$ 50,802	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 50,802	\$ -	\$ 50,802	\$ -
	FTE	0.000	0.000	0.000	0.000
NC National Guard					
34 North Carolina Tuition Assistance Program					
Funds additional tuition assistance for active-duty National Guard members seeking higher education. This funding is expected to support roughly 200 new participants per academic year which will assist nearly 100% of applicants.	Req	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
35 Cyber Security Response Force					
Adds capacity to the Cyber Security Response Force (CSRF) for assessments and penetration testing that identify system vulnerabilities. The CSRF provides these services to state agencies and local governments and currently has a six-month waitlist. These new positions will help meet their demand, expanding preventative support for cyber attacks.	Req	\$ 1,041,197	\$ -	\$ 1,041,197	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,041,197	\$ -	\$ 1,041,197	\$ -
	FTE	8.000	0.000	8.000	0.000
36 Building Reserves					
Supports two newly constructed Readiness Centers, which will improve the National Guard's ability to respond quickly to emergencies. These funds provide utility services, maintenance, contractual obligations, and federal match requirements at the Morganton Regional Readiness Center and the Wilmington Readiness Center.	Req	\$ 515,000	\$ -	\$ 515,000	\$ -
	Rec	\$ 266,000	\$ -	\$ 266,000	\$ -
	App	\$ 249,000	\$ -	\$ 249,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 78,793,171	\$ 33,974,750	\$ 97,520,229	\$ -
Total Change to Receipts		\$ 266,000	\$ -	\$ 266,000	\$ -
Total Change to Net Appropriation		\$ 78,527,171	\$ 33,974,750	\$ 97,254,229	\$ -
Total Change to Full-Time Equivalent (FTE)		190.000	0.000	190.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	112,501,921	\$	97,254,229
Recommended Total FTE Changes			190.000		190.000

Public Safety - Disasters after July 1, 2006 (24552)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 377,355,016	\$ -	\$ 61,527,500	\$ 61,527,500	\$ 438,882,516	16.3%
Receipts	\$ 377,355,016	\$ -	\$ 61,527,500	\$ 61,527,500	\$ 438,882,516	16.3%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	494.457	0.000	0.000	0.000	494.457	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 377,355,016	\$ -	\$ -	\$ -	\$ 377,355,016	0.0%
Receipts	\$ 377,355,016	\$ -	\$ -	\$ -	\$ 377,355,016	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	494.457	0.000	0.000	0.000	494.457	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

Emergency Management

1 State-Supported Recovery and Mitigation Grants

Budgets receipts from the State Emergency Response and Disaster Relief Fund (SERDRF) to support mitigation and disaster recovery projects. The initial implementation of the Transportation Resiliency Fund and the Disaster Relief and Mitigation Fund received over \$72 million in total requests. This additional funding combines these programs and supports flood mitigation and transportation resilience projects that the original funding could not address.

Req	\$ -	\$ 40,000,000	\$ -	\$ -
Rec	\$ -	\$ 40,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

2 Local Emergency Management Capacity Building Program

Budgets receipts from the SERDRF to continue the Capacity Building Competitive Grant program. This funding will support local investments in emergency management infrastructure.

Req	\$ -	\$ 5,000,000	\$ -	\$ -
Rec	\$ -	\$ 5,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Local Disaster Sheltering Capacity Building Grant Program

Budgets receipts from the SERDRF for a grant program to increase available capacity within local disaster shelters. These funds will support upgrades to existing structures to make them fully suitable to serve as emergency shelters.

Req	\$ -	\$ 5,000,000	\$ -	\$ -
Rec	\$ -	\$ 5,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

4 FIMAN Flood Gauge Risk Mapping

Budgets receipts from the SERDRF to conduct flood studies and risk assessments that inform mitigation strategies. This funding will support detailed mapping and flood risk impact studies for 250 existing flood gauges in the Flood Inundation Mapping and Alert Network.

Req	\$ -	\$ 3,327,500	\$ -	\$ -
Rec	\$ -	\$ 3,327,500	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

NC Office of Recovery and Resiliency

5 Duplication of Benefits Gap

Budgets receipts from the SERDRF for a loan program to cover escrow payments that allow construction projects to begin. The federal Stafford Act requires these "duplication of benefits" payments to verify that households do not receive assistance for previously covered expenses from the NC Office of Recovery and Resiliency. This program loans households funds that they will pay back during the recovery projects.

Req	\$ -	\$ 5,000,000	\$ -	\$ -
Rec	\$ -	\$ 5,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

6 Resilient Communities Program

Budgets receipts from the SERDRF for the NC Regions Innovating for Strong Economies and Environment (RISE) program. This funding expands the program to additional communities, enabling regions and local governments to reduce flood risk and promote long-term resilience. RISE offers training and project portfolio development to guide and enhance local efforts to build resilience.

Req	\$ -	\$ 3,200,000	\$ -	\$ -
Rec	\$ -	\$ 3,200,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Total Change to Requirements	\$	-	\$ 61,527,500	\$	-
Total Change to Receipts	\$	-	\$ 61,527,500	\$	-
Total Change to Fund Balance	\$	-	\$ -	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$		\$ -		-
Recommended Total FTE Changes			0.000		0.000

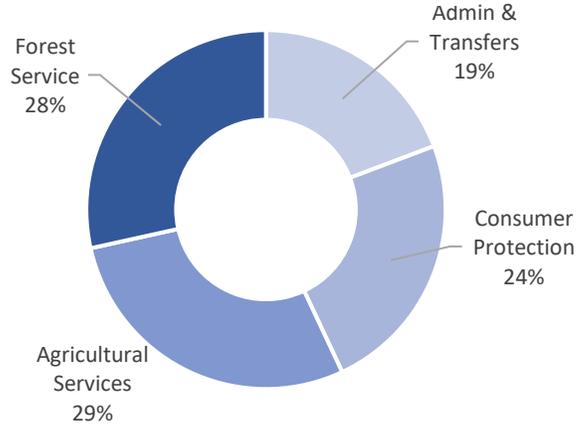
Mission

To provide services that promote and improve agriculture, agribusiness, and forests; protect consumers and businesses; and conserve farmland and natural resources for the prosperity of all North Carolinians.

Goals

1. Promote and enhance the production, marketing, and distribution of safe and healthy agricultural products and ensure sound stewardship of farmland and natural resources for North Carolinians.
2. Protect, manage, and promote forest resources for the citizens of North Carolina.
3. Protect public health, safety, and welfare, and preserve environmental quality by monitoring and managing risk for activities associated with North Carolina agricultural production and marketing and prevent fraud, deception, and unfair business practices for activities within the Department’s regulatory scope.
4. Promote North Carolina agriculture and agribusiness by creating positive entertainment experiences and fostering economic opportunities through operation of available state facilities.
5. Provide services and support that help the Department achieve its mission and vision.

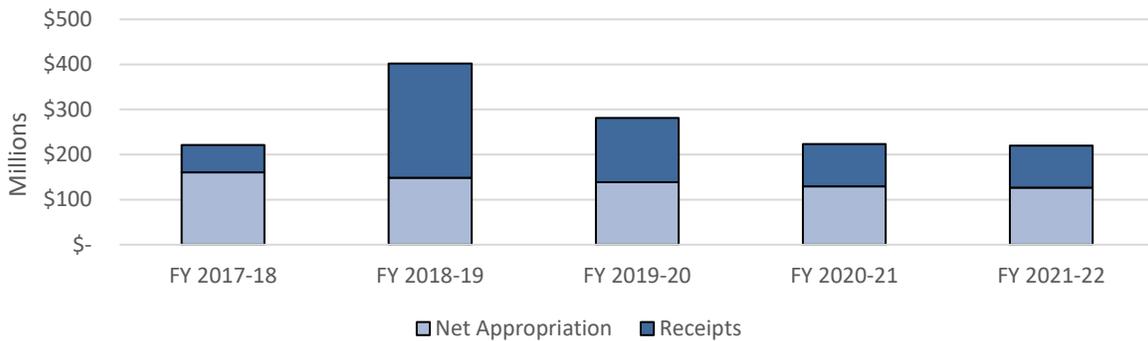
FY 2022-23 Authorized Expenditures



Agency Profile

- Markets and promotes North Carolina agriculture within the state, domestically, and abroad.
- Provides regulatory oversight for areas such as animal health; weights and measures; gas and oil inspection; food, drug and cosmetic testing for purity; seed and fertilizer; structural pest control; and pesticides.
- Distributed over 100 million pounds of food assistance in FY22 to schools, food banks, and other partners.
- Protected 9,580 homes and structures involving 6,887 wildfires.
- The Agricultural Development and Farmland Preservation Trust Fund has preserved over 30,000 acres of farmland and forestland across the state through conservation easements.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Department of Agriculture and Consumer Services (13700)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 230,607,635	\$ 20,765,384	\$ 33,669,000	\$ 54,434,384	\$ 285,042,019	23.6%
Receipts	\$ 76,050,056	\$ -	\$ -	\$ -	\$ 76,050,056	0.0%
Net Appropriation	\$ 154,557,579	\$ 20,765,384	\$ 33,669,000	\$ 54,434,384	\$ 208,991,963	35.2%
Positions (FTE)	1816.521	4.000	0.000	4.000	1820.521	0.2%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 230,607,635	\$ 25,899,374	\$ -	\$ 25,899,374	\$ 256,507,009	11.2%
Receipts	\$ 76,050,056	\$ -	\$ -	\$ -	\$ 76,050,056	0.0%
Net Appropriation	\$ 154,557,579	\$ 25,899,374	\$ -	\$ 25,899,374	\$ 180,456,953	16.8%
Positions (FTE)	1816.521	4.000	0.000	4.000	1820.521	0.2%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$ 4,847,000	\$ -	\$ 7,901,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 4,847,000	\$ -	\$ 7,901,000	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$ 1,528,000	\$ -	\$ 2,491,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 1,528,000	\$ -	\$ 2,491,000	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$ -	\$ 3,169,000	\$ -	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ -	\$ 3,169,000	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$ 3,815,000	\$ -	\$ 3,815,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 3,815,000	\$ -	\$ 3,815,000	\$ -
	FTE 0.000	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$ 1,275,326	\$ -	\$ 1,679,327	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 1,275,326	\$ -	\$ 1,679,327	\$ -
	FTE 0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	296,873	\$ -	\$ 1,009,862	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	296,873	\$ -	\$ 1,009,862	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Operating Support					
Funds operational expenses across eight divisions: Public Affairs, Plant Industry, Research Stations, Marketing, Emergency Programs, Food & Drug, Veterinary, and Standards. Operating support includes supplies, utilities, maintenance, equipment replacement, and irrigation system upgrades.	Req \$	3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	30,891	\$ -	\$ 30,891	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	30,891	\$ -	\$ 30,891	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Internal Auditors					
Funds internal auditors to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req \$	226,294	\$ -	\$ 226,294	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	226,294	\$ -	\$ 226,294	\$ -
	FTE	2.000	0.000	2.000	0.000
10 Energy Manager					
Creates an Energy Manager position to improve energy efficiency in state buildings. This will enable the department to reduce water consumption, save energy, and reduce utility costs.	Req \$	131,000	\$ -	\$ 131,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	131,000	\$ -	\$ 131,000	\$ -
	FTE	1.000	0.000	1.000	0.000
Marketing					
11 Charlotte Farmers Market					
Provides additional staffing at the Charlotte Farmers Market to support operations and facilities maintenance.	Req \$	65,000	\$ -	\$ 65,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	65,000	\$ -	\$ 65,000	\$ -
	FTE	1.000	0.000	1.000	0.000
North Carolina Forest Service					
12 Aviation Fleet Increases					
Provides operational support for the North Carolina Forest Service aviation fleet. Funding supports increased costs in insurance, fuel, contracted repairs, fire suppressant tools and consumables, and leased facilities.	Req \$	900,000	\$ -	\$ 900,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	900,000	\$ -	\$ 900,000	\$ -
	FTE	0.000	0.000	0.000	0.000
13 Forest Development Program					
Provides cost-share assistance to landowners. Improves forest management on private lands through outreach, technical, and financial support to adopt and follow best practice management plans. These funds will be transferred to budget code 23705.	Req \$	-	\$ 500,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 500,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Food Distribution					
14 Food Insecurity Grants					
Provides funds for the department to distribute grants to nonprofits to address food insecurity among children, families, and older adults.	Req \$	-	\$ 5,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 5,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Structural Pest Control and Pesticides					
15 Pesticide Disposal Program					
Provides funds for cost-free assistance to farmers and homeowners for the safe collection and lawful disposal of banned, outdated, or unwanted pesticides. Funding will support increased demand and increased disposal costs.	Req \$	150,000	\$ -	\$ 150,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	150,000	\$ -	\$ 150,000	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Soil and Water Conservation					
16 Agricultural Cost Share Program					
Provides funds for cost-share assistance to encourage best management practices by agricultural landowners and land users for water quality improvements. These funds will be transferred to budget code 23704.	Req \$	2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Agricultural Development and Farmland Preservation Trust Fund					
17 Farmland Preservation Trust Fund					
Supports the Agricultural Development and Farmland Preservation Trust Fund for conservation easements to help the state preserve farmland. North Carolina ranks second in projected agricultural land loss by the year 2040. These funds will be transferred to budget code 63701.	Req \$	2,500,000	\$ 20,000,000	\$ 2,500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	2,500,000	\$ 20,000,000	\$ 2,500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	20,765,384	\$ 33,669,000	\$ 25,899,374	\$ -
Total Change to Receipts	\$	-	\$ -	\$ -	\$ -
Total Change to Net Appropriation	\$	20,765,384	\$ 33,669,000	\$ 25,899,374	\$ -
Total Change to Full-Time Equivalent (FTE)		4.000	0.000	4.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		\$ 54,434,384	\$	25,899,374
Recommended Total FTE Changes			4.000		4.000

Agriculture and Consumer Services - Soil and Water Conservation (23704)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 22,359,379	\$ 2,000,000	\$ 43,000,000	\$ 45,000,000	\$ 67,359,379	201.3%
Receipts	\$ 8,050,819	\$ 2,000,000	\$ 43,000,000	\$ 45,000,000	\$ 53,050,819	558.9%
Δ in Fund Balance	\$ (14,308,560)	\$ -	\$ -	\$ -	\$ (14,308,560)	0.0%
Positions (FTE)	3.000	0.000	0.000	0.000	3.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 22,359,379	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 24,359,379	8.9%
Receipts	\$ 8,050,819	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 10,050,819	24.8%
Δ in Fund Balance	\$ (14,308,560)	\$ -	\$ -	\$ -	\$ (14,308,560)	0.0%
Positions (FTE)	3.000	0.000	0.000	0.000	3.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 Swine Floodplain Buyout Program

Budgets receipts from the State Emergency Response and Disaster Relief Fund (SERDRF) for the Swine Floodplain Buyout Program to purchase permanent conservation easements on properties currently used for swine production that are within the 100-year floodplain.	Req \$	-	\$ 20,000,000	\$ -	\$ -
	Rec \$	-	\$ 20,000,000	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

2 Streamflow Rehabilitation Assistance

Budgets receipts from SERDRF to the Streamflow Rehabilitation Assistance Program. Funds ongoing maintenance and restoration of streams across North Carolina in support of flood mitigation efforts.	Req \$	-	\$ 20,000,000	\$ -	\$ -
	Rec \$	-	\$ 20,000,000	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

3 Community Conservation Assistance Program

Budgets receipts from SERDRF for the Community Conservation Assistance Program for cost-share assistance to encourage best management practices by nonagricultural landowners and land users for water quality improvements.	Req \$	-	\$ 1,000,000	\$ -	\$ -
	Rec \$	-	\$ 1,000,000	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

4 Transfer - Agricultural Cost Share Program

Budgets the transfer from budget code 13700 for the Agricultural Cost Share Program.	Req \$	2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -
	Rec \$	2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$	2,000,000	\$ 43,000,000	\$ 2,000,000	\$ -
Total Change to Receipts	\$	2,000,000	\$ 43,000,000	\$ 2,000,000	\$ -
Total Change to Fund Balance	\$	-	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000

Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$	-	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000	0.000	0.000	0.000

Agriculture and Consumer Services - Forest Development Fund (23705)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 2,970,221	\$ -	\$ 500,000	\$ 500,000	\$ 3,470,221	16.8%
Receipts	\$ 2,854,787	\$ -	\$ 500,000	\$ 500,000	\$ 3,354,787	17.5%
Δ in Fund Balance	\$ (115,434)	\$ -	\$ -	\$ -	\$ (115,434)	0.0%
Positions (FTE)	1.750	0.000	0.000	0.000	1.750	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 2,970,221	\$ -	\$ -	\$ -	\$ 2,970,221	0.0%
Receipts	\$ 2,854,787	\$ -	\$ -	\$ -	\$ 2,854,787	0.0%
Δ in Fund Balance	\$ (115,434)	\$ -	\$ -	\$ -	\$ (115,434)	0.0%
Positions (FTE)	1.750	0.000	0.000	0.000	1.750	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Transfer - Forest Development Program				
Budgets the transfer from budget code 13700 for the Forest Development Program.	Req \$ -	\$ 500,000	\$ -	\$ -
	Rec \$ -	\$ 500,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 500,000	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 500,000	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Agriculture and Consumer Services - Land Preservation and Trust Investment (63701)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 18,624,186	\$ 2,500,000	\$ 20,000,000	\$ 22,500,000	\$ 41,124,186	120.8%
Receipts	\$ 5,168,794	\$ 2,500,000	\$ 20,000,000	\$ 22,500,000	\$ 27,668,794	435.3%
Δ in Fund Balance	\$ (13,455,392)	\$ -	\$ -	\$ -	\$ (13,455,392)	0.0%
Positions (FTE)	5.000	0.000	0.000	0.000	5.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 18,624,186	\$ 2,500,000	\$ -	\$ 2,500,000	\$ 21,124,186	13.4%
Receipts	\$ 5,168,794	\$ 2,500,000	\$ -	\$ 2,500,000	\$ 7,668,794	48.4%
Δ in Fund Balance	\$ (13,455,392)	\$ -	\$ -	\$ -	\$ (13,455,392)	0.0%
Positions (FTE)	5.000	0.000	0.000	0.000	5.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Transfer - Farmland Preservation				
Budgets the transfer from budget code 13700 for the Agricultural Development and Farmland Preservation Trust Fund.	Req \$ 2,500,000	\$ 20,000,000	\$ 2,500,000	\$ -
	Rec \$ 2,500,000	\$ 20,000,000	\$ 2,500,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 2,500,000	\$ 20,000,000	\$ 2,500,000	\$ -
Total Change to Receipts	\$ 2,500,000	\$ 20,000,000	\$ 2,500,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

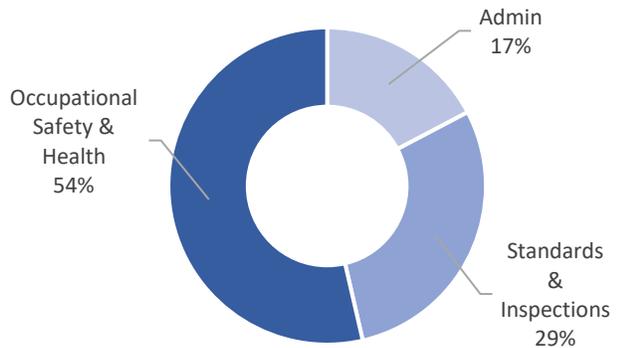
Mission

To foster a safe, healthy, fair and productive North Carolina by providing responsive, effective and efficient services; providing and encouraging quality education and training; administering consistently and fairly all regulatory mandates; and enhancing public confidence in the Department of Labor.

Goals

1. Protect the safety and health of North Carolina’s workforce.
2. Ensure public safety by conducting timely periodic inspections of elevators, boilers, pressure vessels, amusement devices, etc.
3. Protect employees from labor law violations by investigating allegations of wage and hour matters and retaliatory discrimination in response to protected activity.
4. Improve customer service.

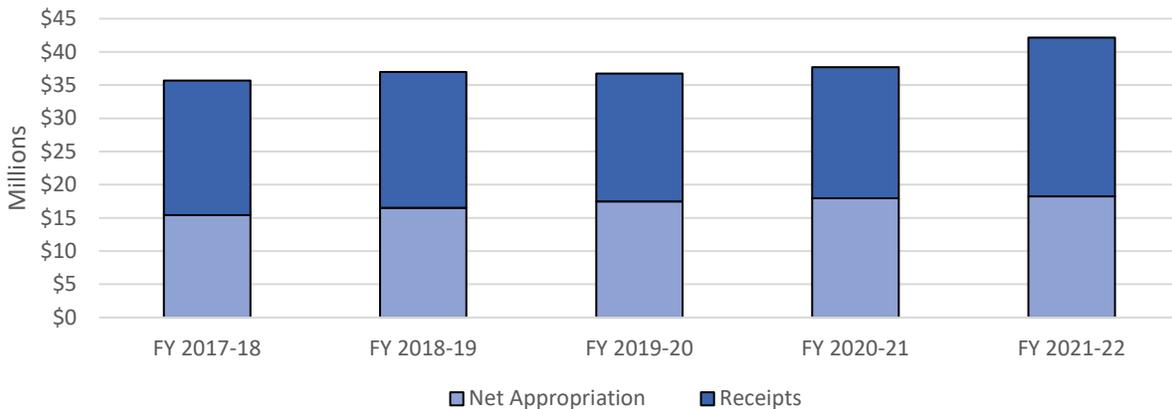
**FY 2022-23
Authorized Expenditures**



Agency Profile

- Works to ensure the safety of employees and employers through administration of the Occupational Safety and Health (OSH) Act as well as providing education, consultation, and training opportunities.
- Sets standards and provides inspections through five bureaus: Boiler Safety; Elevator and Amusement Device; Retaliatory Employment Discrimination; Mine and Quarry; and Wage and Hour.
- Houses the Occupational Safety and Health Review Commission, which hears contested OSH cases and is an independent body within the department.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Department of Labor (13800)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 41,612,064	\$ 3,736,175	\$ 546,000	\$ 4,282,175	\$ 45,894,239	10.3%
Receipts	\$ 18,605,412	\$ -	\$ -	\$ -	\$ 18,605,412	0.0%
Net Appropriation	\$ 23,006,652	\$ 3,736,175	\$ 546,000	\$ 4,282,175	\$ 27,288,827	18.6%
Positions (FTE)	370.670	1.000	0.000	1.000	371.670	0.3%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 41,616,569	\$ 4,992,156	\$ -	\$ 4,992,156	\$ 46,608,725	12.0%
Receipts	\$ 18,605,412	\$ -	\$ -	\$ -	\$ 18,605,412	0.0%
Net Appropriation	\$ 23,011,157	\$ 4,992,156	\$ -	\$ 4,992,156	\$ 28,003,313	21.7%
Positions (FTE)	370.670	1.000	0.000	1.000	371.670	0.3%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	972,000	\$ -	\$ 1,584,000
	Rec \$	-	\$ -	\$ -
	App \$	972,000	\$ -	\$ 1,584,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	711,000	\$ -	\$ 1,159,000
	Rec \$	-	\$ -	\$ -
	App \$	711,000	\$ -	\$ 1,159,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 546,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 546,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	1,005,000	\$ -	\$ 1,005,000
	Rec \$	-	\$ -	\$ -
	App \$	1,005,000	\$ -	\$ 1,005,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	255,927	\$ -	\$ 337,000
	Rec \$	-	\$ -	\$ -
	App \$	255,927	\$ -	\$ 337,000
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	47,845	\$ -	\$ 162,753	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	47,845	\$ -	\$ 162,753	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Administrative Positions					
Fundshifts 5.50 positions currently funded by departmental receipts to General Fund net appropriations. This will allow the department to address increased operational costs and retain employees currently supported by boiler and elevator inspection receipts.	Req \$	450,000	\$ -	\$ 450,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	450,000	\$ -	\$ 450,000	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Internal Auditor					
Funds an internal auditor to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req \$	120,694	\$ -	\$ 120,694	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	120,694	\$ -	\$ 120,694	\$ -
	FTE	1.000	0.000	1.000	0.000
9 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	22,465	\$ -	\$ 22,465	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	22,465	\$ -	\$ 22,465	\$ -
	FTE	0.000	0.000	0.000	0.000
Occupational Safety and Health					
10 Legal Services					
Supports an attorney within the Attorney General's (AG) Office to address a lack of specialized attorneys for coverage of labor-related legal cases. An additional attorney will allow for a redistribution of workload in the AG's Labor Section to reduce the growing backlog of labor cases.	Req \$	151,244	\$ -	\$ 151,244	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	151,244	\$ -	\$ 151,244	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	3,736,175	\$ 546,000	\$ 4,992,156	\$ -
Total Change to Receipts	\$	-	\$ -	\$ -	\$ -
Total Change to Net Appropriation	\$	3,736,175	\$ 546,000	\$ 4,992,156	\$ -
Total Change to Full-Time Equivalent (FTE)		1.000	0.000	1.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		4,282,175	\$	4,992,156
Recommended Total FTE Changes			1.000		1.000

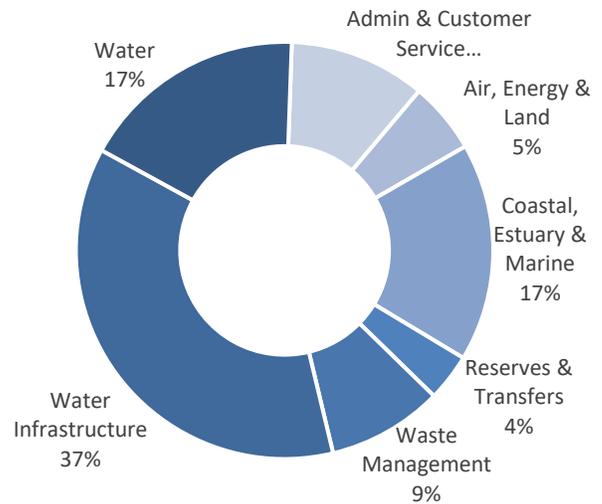
Mission

To provide science-based environmental stewardship for the health and prosperity of North Carolinians.

Goals

1. Promote and ensure environmental stewardship and provide technical, compliance, permit and financial assistance to meet or exceed regulatory requirements and prevent pollution.
2. Create a working environment where employees are empowered to be active participants in developing science-based solutions to protect public health and the environment.
3. Modernize and streamline internal processes and foster innovation to provide enhanced public service, increase transparency, and strengthen partnerships to serve the people and businesses of North Carolina.
4. Ensure fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of laws, regulations, and policies.
5. Address climate change impacts through equitable and just engagement, accounting, mitigation efforts, and resiliency strategies.
6. Protect North Carolinians from exposures to emerging compounds using transparent and science-based decision-making.
7. Strengthen North Carolina’s infrastructure through thoughtful and strategic investments.

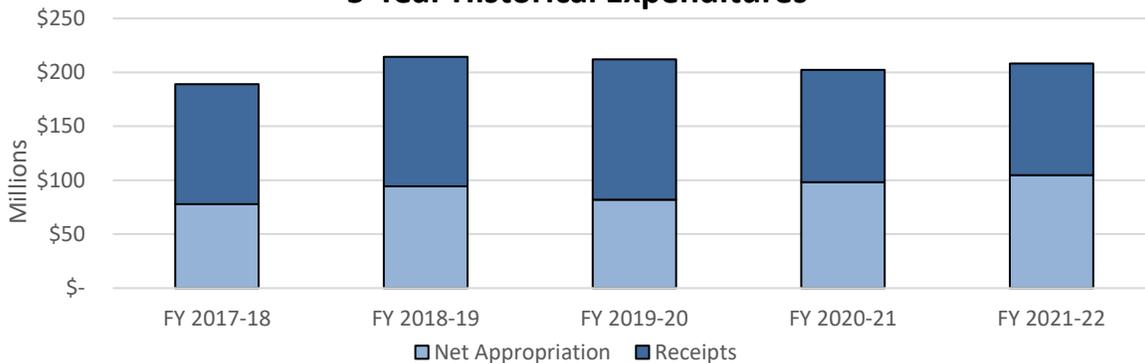
FY2022-23 Authorized Expenditures



Agency Profile

- Protects, conserves, manages, and restores North Carolina's environmental resources through planning, permitting, education and research.
- Provides grants and technical assistance to local communities to improve air, land, and water quality through natural and built infrastructure investments.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Department of Environmental Quality (14300)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 289,041,532	\$ 22,353,297	\$ 8,246,543	\$ 30,599,840	\$ 319,641,372	10.6%
Receipts	\$ 191,798,072	\$ 3,117,569	\$ -	\$ 3,117,569	\$ 194,915,641	1.6%
Net Appropriation	\$ 97,243,460	\$ 19,235,728	\$ 8,246,543	\$ 27,482,271	\$ 124,725,731	28.3%
Positions (FTE)	1143.946	72.000	0.000	72.000	1215.946	6.3%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 289,031,740	\$ 25,799,895	\$ -	\$ 25,799,895	\$ 314,831,635	8.9%
Receipts	\$ 191,808,369	\$ 3,117,569	\$ -	\$ 3,117,569	\$ 194,925,938	1.6%
Net Appropriation	\$ 97,223,371	\$ 22,682,326	\$ -	\$ 22,682,326	\$ 119,905,697	23.3%
Positions (FTE)	1143.946	72.000	0.000	72.000	1215.946	6.3%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$ 2,454,000	\$ -	\$ 4,000,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 2,454,000	\$ -	\$ 4,000,000	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$ 2,197,000	\$ -	\$ 3,581,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 2,197,000	\$ -	\$ 3,581,000	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$ -	\$ 2,604,000	\$ -	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ -	\$ 2,604,000	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$ 2,775,000	\$ -	\$ 2,775,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 2,775,000	\$ -	\$ 2,775,000	\$ -
	FTE 0.000	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$ 643,965	\$ -	\$ 847,962	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 643,965	\$ -	\$ 847,962	\$ -
	FTE 0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	130,160	\$ -	\$ 442,761	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	130,160	\$ -	\$ 442,761	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Emerging Compounds Support					
Funds agency-wide work on emerging compounds. These funds will support operating costs and additional highly skilled staff such as: chemists, hydrogeologists, engineers, and environmental specialists. This will allow the agency to carry out sampling and analysis of emerging compounds in existing and emerging sources.	Req \$	4,005,115	\$ 583,633	\$ 4,005,115	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	4,005,115	\$ 583,633	\$ 4,005,115	\$ -
	FTE	24.000	0.000	24.000	0.000
8 Enterprise Data Modernization Initiative					
Provides support for data services, a new laboratory information management system, and a data management position. This initiative strengthens the department's data and reporting capabilities, making environmental data more accessible to the public.	Req \$	1,095,737	\$ 2,500,000	\$ 1,095,737	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,095,737	\$ 2,500,000	\$ 1,095,737	\$ -
	FTE	1.000	0.000	1.000	0.000
9 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	586,402	\$ -	\$ 586,402	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	586,402	\$ -	\$ 586,402	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Flood Resiliency Blueprint Support					
Invests in statewide flood resilience efforts. Provides staff and contractor support for model and data maintenance to complete the blueprint. The blueprint will be a tool to conduct flood resiliency planning at the river basin level by state and local governments. These funds will be transferred to budget code 24300.	Req \$	987,906	\$ -	\$ 987,906	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	987,906	\$ -	\$ 987,906	\$ -
	FTE	6.000	0.000	6.000	0.000
Division of Air Quality					
11 Mobile Air Quality Monitoring					
Provides funds to support a mobile Geospatial Measurement of Air Pollution unit. This vehicle will be used to analyze air quality, provide field support, monitor air pollution events, and supplement data from the state's air quality monitoring network.	Req \$	392,335	\$ 548,910	\$ 392,335	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	392,335	\$ 548,910	\$ 392,335	\$ -
	FTE	3.000	0.000	3.000	0.000
Division of Coastal Management					
12 Coastal Habitat Assessment Program					
Establishes the Coastal Habitat Assessment Program. This program will assess coastal habitats through site mapping, vegetation assessments, and observation of wetland changes over time in order to carry out resiliency planning and fishery management plans.	Req \$	462,764	\$ -	\$ 462,764	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	462,764	\$ -	\$ 462,764	\$ -
	FTE	5.000	0.000	5.000	0.000
Division of Energy, Mineral, and Land Resources					
13 Stormwater Program Fee Improvements					
Updates the Stormwater Program fee schedule to be more in-line with surrounding states. The additional revenue will support staff resulting in significantly shorter permit response times. This enables the program to provide better service for permit applicants. This fee has not been updated since 2007.	Req \$	898,655	\$ -	\$ 898,655	\$ -
	Rec \$	898,655	\$ -	\$ 898,655	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	6.000	0.000	6.000	0.000
Division of Coastal Management					
14 Resilient Coastal Communities Program					
Provides funds to support operation of the Resilient Coastal Communities Program. These funds will be used to convert two time-limited positions to permanent and for grants to local governments to facilitate local resiliency projects in coastal counties.	Req \$	1,705,055	\$ -	\$ 1,705,055	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,705,055	\$ -	\$ 1,705,055	\$ -
	FTE	2.000	0.000	2.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Division of Environmental Assistance and Customer Service					
15 Economic Development Investments					
Invests in economic development through new positions and local grants. These positions will support regional offices to improve customer service and strengthen environmental initiatives to offer technical assistance to the business community.	Req	\$ 1,200,289	\$ 500,000	\$ 1,200,289	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 1,200,289	\$ 500,000	\$ 1,200,289	\$ -
	FTE	8.000	0.000	8.000	0.000
Division of Marine Fisheries					
16 Marine Patrol Officers					
Provides positions to support the department's Marine Patrol. These funds will strengthen the department's ability to sustain the health of the state's commercial and recreational fisheries, protect shellfish food safety, and assist with search and rescue and natural disaster operations.	Req	\$ 600,000	\$ 10,000	\$ 600,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 600,000	\$ 10,000	\$ 600,000	\$ -
	FTE	5.000	0.000	5.000	0.000
Division of Waste Management					
17 Supports Hazardous Waste Site Clean Up					
Provides funds for the Superfund Cost Share Fund. This meets the state's 10% cost share obligation, which will cover operating and maintenance costs for sites on the federal National Priorities List for cleanup. These funds will be transferred to budget code 64305.	Req	\$ -	\$ 1,500,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 1,500,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
18 Transfer – Hazardous Waste Fee Improvements					
Budgets the transfer from budget code 24300 for hazardous waste fee updates. The additional revenue will support an additional position and program costs. This will allow the program to better provide technical assistance, guidance, training, and compliance inspections at small quantity generator facilities. This fee was last updated in 2010.	Req	\$ 223,000	\$ -	\$ 223,000	\$ -
	Rec	\$ 223,000	\$ -	\$ 223,000	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	1.000	0.000	1.000	0.000
19 Transfer – Underground Storage Tank Program Improvements					
Budgets the transfer from budget code 64305 of underground storage tanks receipts. The added revenue will support staff to perform expedited reviews and address permitting backlogs to improve customer service to the regulated community. This fee was last updated in 2008.	Req	\$ 150,000	\$ -	\$ 150,000	\$ -
	Rec	\$ 150,000	\$ -	\$ 150,000	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	1.000	0.000	1.000	0.000
Division of Water Resources					
20 Transfer – Water Quality Permitting Improvements					
Budgets the transfer of fee revenue for water quality permitting fee updates from budget code 24300. The revenue will allow for additional permitting staff to more easily address increasingly complex analyses. This will improve customer service with faster permit reviews. This fee was last updated in 2007.	Req	\$ 1,313,914	\$ -	\$ 1,313,914	\$ -
	Rec	\$ 1,313,914	\$ -	\$ 1,313,914	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	10.000	0.000	10.000	0.000
21 Transfer – Plan Review and Permit Improvements					
Transfers additional fee revenue from budget code 24300 for changes to the engineering plan review and public drinking water system operations fees. The additional revenue will support staff necessary for the engineering plan review. This fee was last updated in 2006.	Req	\$ 500,000	\$ -	\$ 500,000	\$ -
	Rec	\$ 500,000	\$ -	\$ 500,000	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
22 Transfer – Wastewater and Animal Waste Improvements					
Budgets the transfer from budget code 24300 for changes to wastewater and animal waste operator fees. The additional revenue will mitigate inflationary pressures on the program's operation resulting in faster application review. These fees were last updated in 2007.	Req	\$ 32,000	\$ -	\$ 32,000	\$ -
	Rec	\$ 32,000	\$ -	\$ 32,000	\$ -
	App	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	22,353,297	\$	8,246,543	\$	25,799,895	\$	-
Total Change to Receipts	\$	3,117,569	\$	-	\$	3,117,569	\$	-
Total Change to Net Appropriation	\$	19,235,728	\$	8,246,543	\$	22,682,326	\$	-
Total Change to Full-Time Equivalent (FTE)		72.000		0.000		72.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			27,482,271	\$			22,682,326
Recommended Total FTE Changes				72.000				72.000

Environmental Quality - Special (24300)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 102,457,472	\$ 4,008,097	\$ 3,150,000	\$ 7,158,097	\$ 109,615,569	7.0%
Receipts	\$ 93,792,444	\$ 4,008,097	\$ 3,150,000	\$ 7,158,097	\$ 100,950,541	7.6%
Δ in Fund Balance	\$ (8,665,028)	\$ -	\$ -	\$ -	\$ (8,665,028)	0.0%
Positions (FTE)	211.062	14.000	0.000	14.000	225.062	6.6%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 102,457,472	\$ 4,008,097	\$ -	\$ 4,008,097	\$ 106,465,569	3.9%
Receipts	\$ 93,792,444	\$ 4,008,097	\$ -	\$ 4,008,097	\$ 97,800,541	4.3%
Δ in Fund Balance	\$ (8,665,028)	\$ -	\$ -	\$ -	\$ (8,665,028)	0.0%
Positions (FTE)	211.062	14.000	0.000	14.000	225.062	6.6%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

Department-wide

1 Express Permitting Improvements

Budgets revenue from changes to the Express Permitting fee structure. Increased revenues will allow the department to hire additional express permitting staff, resulting in improved customer service and faster permit review times. This fee schedule was last updated in 2005.

Req	\$ 386,114	\$ -	\$ 386,114	\$ -
Rec	\$ 386,114	\$ -	\$ 386,114	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	3.000	0.000	3.000	0.000

2 Transfer - Flood Resiliency Blueprint

Budgets the transfer from budget code 14300 of flood resiliency funds. These funds will allow the division to support new positions and contractor support for modeling and data maintenance. Once complete, the blueprint will be a tool to conduct flood resiliency planning by state and local governments. These funds will be transferred from budget code 14300.

Req	\$ 987,906	\$ -	\$ 987,906	\$ -
Rec	\$ 987,906	\$ -	\$ 987,906	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	6.000	0.000	6.000	0.000

Division of Energy, Mineral, and Land Resources

3 Dam Safety Program Improvements

Creates positions to process and review dam safety applications and related compliance activities. These funds will allow for better technical assistance, education for dam owners, and timelier high-hazard dam inspections. These inspections protect against failures that could result in loss of life or property. This fee schedule has not been changed since it was created in 1991.

Req	\$ 237,713	\$ -	\$ 237,713	\$ -
Rec	\$ 237,713	\$ -	\$ 237,713	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	2.000	0.000	2.000	0.000

4 Dam Overtopping Studies

Budget receipts from the State Emergency and Disaster Relief Fund for dam overtopping studies of high hazard dams. These studies will allow the department to identify which dams maybe at risk of overtopping and take proactive measures to protect the public.

Req	\$ -	\$ 3,150,000	\$ -	\$ -
Rec	\$ -	\$ 3,150,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Division of Waste Management

5 Solid Waste Non-septage Program Improvements

Updates the application fee from 10% to 25% of the annual facility fee and adds supplemental application fees to reflect the level of additional work incurred for environmental justice reviews and for permit modifications under life-of-site permits. Non-septage application fees were last updated in 2007.

Req	\$ 124,000	\$ -	\$ 124,000	\$ -
Rec	\$ 124,000	\$ -	\$ 124,000	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	1.000	0.000	1.000	0.000

6 Solid Waste Septage Permit Program Improvements

Expedite septage program permit renewal processing. Additional revenue will support program operations and minimize permitting backlogs from turnover. Septage permit fees were last updated in 2001.

Req	\$ 203,450	\$ -	\$ 203,450	\$ -
Rec	\$ 203,450	\$ -	\$ 203,450	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	2.000	0.000	2.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
7 Hazardous Waste Program Improvements					
Budgets additional fee revenue for program costs to better provide rule interpretation, guidance, training, and compliance inspections at small quality generator facilities. This fee was last updated in 2010. These funds will be transferred to 14300 to support program operations.	Req \$	223,000	\$ -	\$ 223,000	\$ -
	Rec \$	223,000	\$ -	\$ 223,000	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Division of Water Resources					
8 Water Quality Permitting Program Improvements					
Updates fees for certain permits issued in the National Pollution Discharge Elimination System (NPDES), Non-Discharge and Wetlands and Buffer permitting programs. The revenue will allow for additional permitting staff to address increasingly complex analyses more quickly, leading to faster permit review. This fee was last updated in 2007. These funds will be transferred to budget code 14300 to support program operations.	Req \$	1,313,914	\$ -	\$ 1,313,914	\$ -
	Rec \$	1,313,914	\$ -	\$ 1,313,914	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Plan Review and Permit Program Improvements					
Updates fees for engineering plan reviews and public drinking water systems operations. This helps the agency recruit and retain the engineers needed for timely plan review. This fee was last updated in 2006. These funds will be transferred to budget code 14300 to support program operations.	Req \$	500,000	\$ -	\$ 500,000	\$ -
	Rec \$	500,000	\$ -	\$ 500,000	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Wastewater and Animal Waste Program					
Budgets additional revenue expected from changes to GS 90A that allow for an annual renewal, per certification, on all licenses held by a single wastewater operator. This will also update the fee structure for animal waste facility operators to support inflationary pressures on the program's operations. These fees were last update in 2001 and 1998, respectively. These funds will be transferred to 14300 to support program operations.	Req \$	32,000	\$ -	\$ 32,000	\$ -
	Rec \$	32,000	\$ -	\$ 32,000	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	4,008,097	\$ 3,150,000	\$ 4,008,097	\$ -
Total Change to Receipts	\$	4,008,097	\$ 3,150,000	\$ 4,008,097	\$ -
Total Change to Fund Balance	\$	-	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		14.000	0.000	14.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$		\$ -		\$ -
Recommended Total FTE Changes			14.000		14.000

Environmental Quality - Special Revenue - GF (24317)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,652,438,720	\$ -	\$ -	\$ -	\$ 1,652,438,720	0.0%
Receipts	\$ 1,652,865,060	\$ -	\$ -	\$ -	\$ 1,652,865,060	0.0%
Δ in Fund Balance	\$ 426,340	\$ -	\$ -	\$ -	\$ 426,340	0.0%
Positions (FTE)	88.560	0.000	0.000	0.000	88.560	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,652,438,720	\$ -	\$ -	\$ -	\$ 1,652,438,720	0.0%
Receipts	\$ 1,652,865,060	\$ -	\$ -	\$ -	\$ 1,652,865,060	0.0%
Δ in Fund Balance	\$ 426,340	\$ -	\$ -	\$ -	\$ 426,340	0.0%
Positions (FTE)	88.560	0.000	0.000	0.000	88.560	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Department-wide				
1 Permit Transformation Project				
Completes the Permit Transformation Project (PTP). Funds for this project are provided in the Information Technology Project Reserve and will be allocated to the department over the life of the project.	Req \$	- \$	- \$	- \$
	Rec \$	- \$	- \$	- \$
	CFB \$	- \$	- \$	- \$
	FTE	0.000	0.000	0.000
Total Change to Requirements	\$	- \$	- \$	- \$
Total Change to Receipts	\$	- \$	- \$	- \$
Total Change to Fund Balance	\$	- \$	- \$	- \$
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$		- \$	
Recommended Total FTE Changes			0.000	0.000

Environmental Quality - WIF Local Supplemental Grants (24327)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 11,710,609	\$ -	\$ 35,000,000	\$ 35,000,000	\$ 46,710,609	298.9%
Receipts	\$ 10,172,380	\$ -	\$ 35,000,000	\$ 35,000,000	\$ 45,172,380	344.1%
Δ in Fund Balance	\$ (1,538,229)	\$ -	\$ -	\$ -	\$ (1,538,229)	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 11,710,609	\$ -	\$ -	\$ -	\$ 11,710,609	0.0%
Receipts	\$ 10,172,380	\$ -	\$ -	\$ -	\$ 10,172,380	0.0%
Δ in Fund Balance	\$ (1,538,229)	\$ -	\$ -	\$ -	\$ (1,538,229)	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Division of Water Infrastructure					
1 Viable Utility Reserve					
Budgets receipts from the State Fiscal Recovery Fund. These funds provide emergency grant funding and inflation adjustments to existing grants for water and wastewater systems that the State Water Infrastructure Authority and Local Government Commission have designated as distressed pursuant to GS 159G-34.5. Previously appropriated American Rescue Plan Act funding is expected to be obligated by March 2023 and demand for this program has outpaced prior appropriations.	Req	\$ -	\$ 35,000,000	\$ -	\$ -
	Rec	\$ -	\$ 35,000,000	\$ -	\$ -
	CFB	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 35,000,000	\$ -	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 35,000,000	\$ -	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes	0.000	0.000	0.000	0.000	0.000

Environmental Quality - Coal Ash Management Fund (24340)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 2,000,418	\$ 683,000	\$ -	\$ 683,000	\$ 2,683,418	34.1%
Receipts	\$ 1,878,887	\$ 683,000	\$ -	\$ 683,000	\$ 2,561,887	36.4%
Δ in Fund Balance	\$ (121,531)	\$ -	\$ -	\$ -	\$ (121,531)	0.0%
Positions (FTE)	20.292	4.000	0.000	4.000	24.292	19.7%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 2,000,418	\$ 683,000	\$ -	\$ 683,000	\$ 2,683,418	34.1%
Receipts	\$ 1,878,887	\$ 683,000	\$ -	\$ 683,000	\$ 2,561,887	36.4%
Δ in Fund Balance	\$ (121,531)	\$ -	\$ -	\$ -	\$ (121,531)	0.0%
Positions (FTE)	20.292	4.000	0.000	4.000	24.292	19.7%

	FY 2023-24		FY 2024-25			
	R Changes	NR Changes	R Changes	NR Changes		
Division of Water Resources						
1 Coal Ash Management Act						
Reflects the change in the combustion residuals surface impoundments fee from 0.022% to 0.03% to provide for more effective implementation of the Coal Ash Management Act. Funds will support additional staff to provide expedited permits for industrial coal ash landfills, to monitor soil and erosion permits, and to provide proper regulatory oversight of coal ash management in North Carolina. This fee was last updated in 2016.	Req	\$ 683,000	\$ -	\$ 683,000	\$ -	
	Rec	\$ 683,000	\$ -	\$ 683,000	\$ -	
	CFB	\$ -	\$ -	\$ -	\$ -	
	FTE	4.000	0.000	4.000	0.000	
Total Change to Requirements	\$	683,000	\$	-	\$ 683,000	-
Total Change to Receipts	\$	683,000	\$	-	\$ 683,000	-
Total Change to Fund Balance	\$	-	\$	-	\$ -	-
Total Change to Full-Time Equivalent (FTE)		4.000		0.000	4.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$		\$	-		-
Recommended Total FTE Changes				4.000		4.000

Environmental Quality - Waste Management Cleanup (64305)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 45,718,581	\$ 150,000	\$ 1,500,000	\$ 1,650,000	\$ 47,368,581	3.6%
Receipts	\$ 41,444,662	\$ 150,000	\$ 1,500,000	\$ 1,650,000	\$ 43,094,662	4.0%
Δ in Fund Balance	\$ (4,273,919)	\$ -	\$ -	\$ -	\$ (4,273,919)	0.0%
Positions (FTE)	39.050	0.000	0.000	0.000	39.050	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 45,718,581	\$ 150,000	\$ -	\$ 150,000	\$ 45,868,581	0.3%
Receipts	\$ 41,444,662	\$ 150,000	\$ -	\$ 150,000	\$ 41,594,662	0.4%
Δ in Fund Balance	\$ (4,273,919)	\$ -	\$ -	\$ -	\$ (4,273,919)	0.0%
Positions (FTE)	39.050	0.000	0.000	0.000	39.050	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Division of Waste Management				
1 Underground Storage Tank Program Improvements				
Budgets underground storage tank receipts to assist in performing expedited reviews and addressing permitting backlogs. This fee was last updated in 2008. These funds will be transferred to budget code 14300 to support operations.	Req \$	150,000	\$ -	\$ 150,000
	Rec \$	150,000	\$ -	\$ 150,000
	CFB \$	-	\$ -	\$ -
	FTE	0.000	0.000	0.000
2 Transfer – Hazardous Waste Site Clean Up Cost Share Fund				
Budgets the transfer from budget code 14300 for hazardous waste site cleanup.	Req \$	-	\$ 1,500,000	\$ -
	Rec \$	-	\$ 1,500,000	\$ -
	CFB \$	-	\$ -	\$ -
	FTE	0.000	0.000	0.000
Total Change to Requirements	\$	150,000	\$ 1,500,000	\$ 150,000
Total Change to Receipts	\$	150,000	\$ 1,500,000	\$ 150,000
Total Change to Fund Balance	\$	-	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$		\$ -	\$ -
Recommended Total FTE Changes			0.000	0.000

Environmental Quality - Water Pollution Revolving Loan (64311)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 129,880,267	\$ -	\$ 15,000,000	\$ 15,000,000	\$ 144,880,267	11.5%
Receipts	\$ 152,773,477	\$ -	\$ 15,000,000	\$ 15,000,000	\$ 167,773,477	9.8%
Δ in Fund Balance	\$ 22,893,210	\$ -	\$ -	\$ -	\$ 22,893,210	0.0%
Positions (FTE)	29.475	0.000	0.000	0.000	29.475	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 129,880,267	\$ -	\$ -	\$ -	\$ 129,880,267	0.0%
Receipts	\$ 152,773,477	\$ -	\$ -	\$ -	\$ 152,773,477	0.0%
Δ in Fund Balance	\$ 22,893,210	\$ -	\$ -	\$ -	\$ 22,893,210	0.0%
Positions (FTE)	29.475	0.000	0.000	0.000	29.475	0.0%

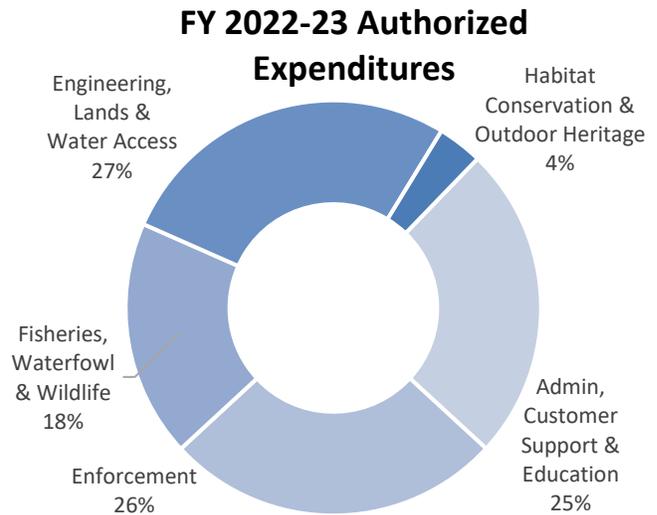
	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Division of Water Infrastructure					
1 Local Assistance for Stormwater Infrastructure Investments Fund					
Budgets receipts from the State Fiscal Recovery Fund to provide funds for grants and inflation adjustments to existing grants to local governments for stormwater infrastructure. These funds may be used for projects that address stormwater quality or quantity. Previously appropriated American Rescue Plan Act funding is expected to be obligated by July 2023 and demand for this program has outpaced prior appropriations.	Req	\$ -	\$ 15,000,000	\$ -	\$ -
	Rec	\$ -	\$ 15,000,000	\$ -	\$ -
	CFB	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 15,000,000	\$ -	\$ -	
Total Change to Receipts	\$ -	\$ 15,000,000	\$ -	\$ -	
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -	
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000	
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -	
Recommended Total FTE Changes	0.000	0.000	0.000	0.000	

Mission

To conserve North Carolina’s wildlife resources and their habitats and provide programs and opportunities that allow hunters, anglers, boaters, and outdoor enthusiasts to enjoy wildlife-associated recreation.

Goals

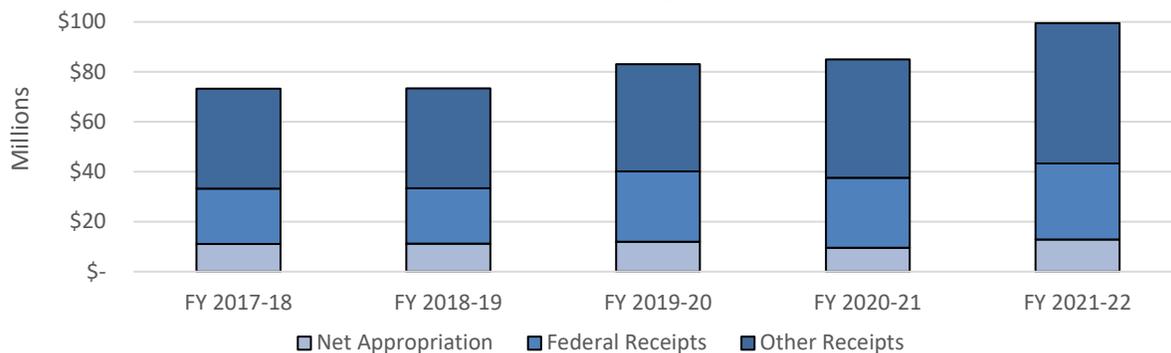
1. Ensure North Carolinians have opportunities for safe and readily available participation in hunting, fishing, boating and other wildlife-related activities.
2. Provide and promote opportunities for every adult and child, regardless of physical abilities, to experience North Carolina’s wildlife resources.
3. Conserve and enhance the abundance and diversity of North Carolina’s fish and wildlife resources.
4. Be recognized as a leader sustaining working lands, conserving wildlife habitats and species diversity, and maintaining hunting and fishing heritage of North Carolina.
5. Communicate, educate, and market wildlife conservation and the role of hunting and fishing in effective wildlife-management programs.



Agency Profile

- Conserves and sustains the state’s fish and wildlife resources through research, scientific management, wise use, and public input.
- Administers and enforces North Carolina fishing, hunting, trapping, and boating laws.
- Owns and operates 69 game lands of almost 500,000 acres and manages an additional 1.6 million acres through cooperative agreements for wildlife management and conservation.
- Manages over 250 boating access areas, 220 public fishing areas, nine shooting ranges and six fish hatcheries to provide opportunity and access to the public.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Wildlife Resources Commission (14350)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 104,365,794	\$ 5,420,225	\$ 2,041,000	\$ 7,461,225	\$ 111,827,019	7.1%
Receipts	\$ 90,592,483	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 91,592,483	1.1%
Net Appropriation	\$ 13,773,311	\$ 5,420,225	\$ 1,041,000	\$ 6,461,225	\$ 20,234,536	46.9%
Positions (FTE)	678.000	7.000	0.000	7.000	685.000	1.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 104,415,878	\$ 7,257,782	\$ -	\$ 7,257,782	\$ 111,673,660	7.0%
Receipts	\$ 90,631,286	\$ -	\$ -	\$ -	\$ 90,631,286	0.0%
Net Appropriation	\$ 13,784,592	\$ 7,257,782	\$ -	\$ 7,257,782	\$ 21,042,374	52.7%
Positions (FTE)	678.000	7.000	0.000	7.000	685.000	1.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	589,000	\$ -	\$ 960,000
	Rec \$	-	\$ -	\$ -
	App \$	589,000	\$ -	\$ 960,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	2,138,000	\$ -	\$ 3,485,000
	Rec \$	-	\$ -	\$ -
	App \$	2,138,000	\$ -	\$ 3,485,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 1,031,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 1,031,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	1,621,000	\$ -	\$ 1,621,000
	Rec \$	-	\$ -	\$ -
	App \$	1,621,000	\$ -	\$ 1,621,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	149,972	\$ -	\$ 197,481
	Rec \$	-	\$ -	\$ -
	App \$	149,972	\$ -	\$ 197,481
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	29,999	\$ -	\$ 102,047	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	29,999	\$ -	\$ 102,047	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Wildlife Resource Officers					
Provides positions to support the commission's Law Enforcement Division operations. These funds will strengthen the commission's ability to enforce public safety laws, conduct rescue operations, and assist during natural disasters.	Req \$	600,000	\$ 10,000	\$ 600,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	600,000	\$ 10,000	\$ 600,000	\$ -
	FTE	5.000	0.000	5.000	0.000
8 Controlled Burn Equipment and Vehicles					
Budgets receipts from the State Emergency Response and Disaster Relief Fund to replace equipment and procure vehicles to effectively utilize prescribed fire and contain wildfires.	Req \$	-	\$ 1,000,000	\$ -	\$ -
	Rec \$	-	\$ 1,000,000	\$ -	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Internal Auditors					
Funds internal auditors to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req \$	261,779	\$ -	\$ 261,779	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	261,779	\$ -	\$ 261,779	\$ -
	FTE	2.000	0.000	2.000	0.000
10 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	30,475	\$ -	\$ 30,475	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	30,475	\$ -	\$ 30,475	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	5,420,225	\$ 2,041,000	\$ 7,257,782	\$ -
Total Change to Receipts	\$	-	\$ 1,000,000	\$ -	\$ -
Total Change to Net Appropriation	\$	5,420,225	\$ 1,041,000	\$ 7,257,782	\$ -
Total Change to Full-Time Equivalent (FTE)		7.000	0.000	7.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		\$ 6,461,225	\$	7,257,782
Recommended Total FTE Changes			7.000		7.000

Mission

To improve the economic well-being and quality of life for all North Carolinians. To do that, the North Carolina Department of Commerce works closely with local, regional, national, and international organizations to advance economic, community, and workforce development for the state.

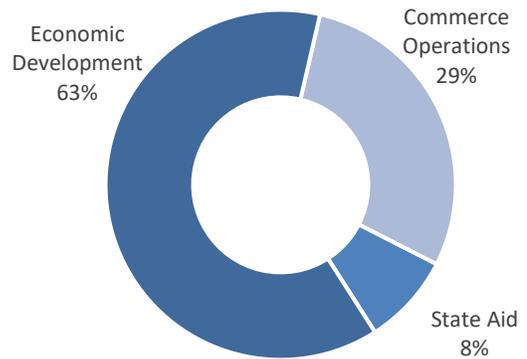
Goals

1. To support the growth of North Carolina’s economy.
2. To increase the efficiency of the Department of Commerce’s programs and service delivery.
3. Provide high quality services to businesses, individuals, and communities.

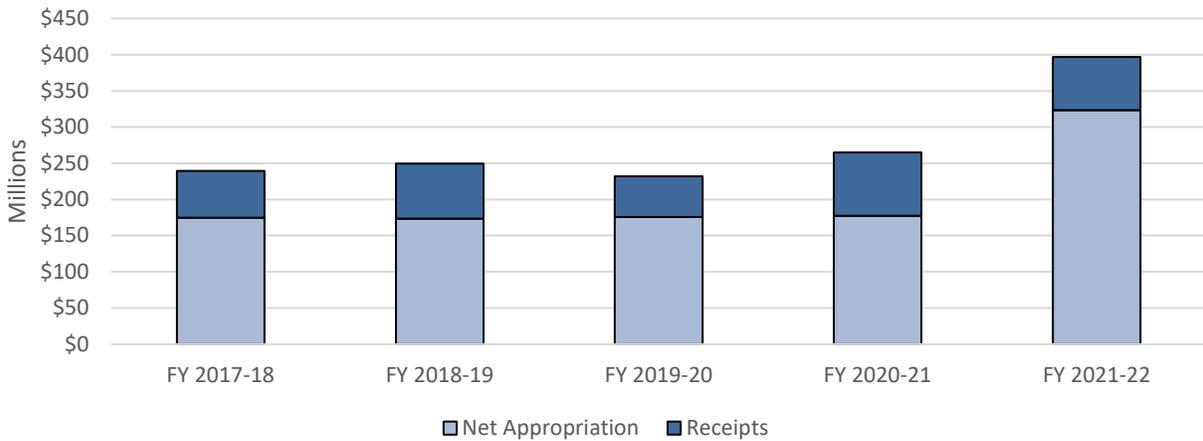
Agency Profile

- Comprises six divisions: Employment Security; Labor and Economic Analysis; Division-Finance Center; Rural Economic Development; Science, Technology and Innovation; and Workforce Solutions.
- Connects businesses with the site locations, workforce, and infrastructure they need to set themselves up for success; connects local communities with the grants and funding they need to attract new business and ensure future prosperity.
- Administers the state’s economic incentives program and publishes data, statistics, information, and reports for those interested in North Carolina’s economy.
- Contracts services from the Economic Development Partnership of North Carolina to market North Carolina as a business and visitor destination.

FY 2022-23 Authorized Expenditures*



5-Year Historical Expenditures**



*Charts include General Fund budget codes only and State Fiscal Recovery Funds across three areas.

**FY 2021-22 recorded substantial investments in Economic Development projects.

Department of Commerce (14600)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 77,250,848	\$ 3,062,334	\$ 3,221,000	\$ 6,283,334	\$ 83,534,182	8.1%
Receipts	\$ 63,523,455	\$ -	\$ -	\$ -	\$ 63,523,455	0.0%
Net Appropriation	\$ 13,727,393	\$ 3,062,334	\$ 3,221,000	\$ 6,283,334	\$ 20,010,727	45.8%
Positions (FTE)	176.357	10.000	0.000	10.000	186.357	5.7%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 77,250,848	\$ 3,645,028	\$ -	\$ 3,645,028	\$ 80,895,876	4.7%
Receipts	\$ 63,523,455	\$ -	\$ -	\$ -	\$ 63,523,455	0.0%
Net Appropriation	\$ 13,727,393	\$ 3,645,028	\$ -	\$ 3,645,028	\$ 17,372,421	26.6%
Positions (FTE)	176.357	10.000	0.000	10.000	186.357	5.7%

	FY 2023-24		FY 2024-25		
	R Changes	NR Changes	R Changes	NR Changes	
Reserve for Salaries and Benefits					
1 Compensation Increase Reserve					
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	483,000	\$ -	\$ 787,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	483,000	\$ -	\$ 787,000	\$ -
	FTE	0.000	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve					
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	285,000	\$ -	\$ 464,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	285,000	\$ -	\$ 464,000	\$ -
	FTE	0.000	0.000	0.000	0.000
3 Retention Bonus					
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 3,221,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 3,221,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve					
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	459,000	\$ -	\$ 459,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	459,000	\$ -	\$ 459,000	\$ -
	FTE	0.000	0.000	0.000	0.000
5 State Retirement Contributions					
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	127,376	\$ -	\$ 167,726	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	127,376	\$ -	\$ 167,726	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req \$	24,710	\$ -	\$ 84,054	-
	Rec \$	-	\$ -	\$ -	-
	App \$	24,710	\$ -	\$ 84,054	-
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Clean Energy Support					
Funds positions to better enable North Carolina to compete in an estimated \$14 billion, cross-sector clean energy market. Additional staff will continue to develop clean energy programs that generate business activity, federal and private investment, and workforce opportunities.	Req \$	228,984	\$ -	\$ 228,984	-
	Rec \$	-	\$ -	\$ -	-
	App \$	228,984	\$ -	\$ 228,984	-
	FTE	2.000	0.000	2.000	0.000
8 Special Projects Liaison					
Creates a position to serve as the primary liaison for large-scale economic development projects. This position will field client requests and help them meet state and local government requirements, engage with community stakeholders, and fulfill workforce needs.	Req \$	181,464	\$ -	\$ 181,464	-
	Rec \$	-	\$ -	\$ -	-
	App \$	181,464	\$ -	\$ 181,464	-
	FTE	1.000	0.000	1.000	0.000
9 Outdoor Recreation Recruitment					
Transfers the Outdoor Recreation Office from the Economic Development Partnership of North Carolina (EDPNC) to the Department of Commerce. This item establishes a position to further promote the state's outdoor recreation economy and assist in the recruitment of new business. Of funds provided by the department to EDPNC, at least \$250,000 shall remain with the department for the position and operating expenses.	Req \$	-	\$ -	\$ -	-
	Rec \$	-	\$ -	\$ -	-
	App \$	-	\$ -	\$ -	-
	FTE	1.000	0.000	1.000	0.000
10 Chief Information Security Officer					
Provides funding for a security officer responsible for the strategic development and implementation of the department's information technology and data risk management. This position will identify, analyze, and mitigate threats to information technology systems and networks.	Req \$	165,000	\$ -	\$ 165,000	-
	Rec \$	-	\$ -	\$ -	-
	App \$	165,000	\$ -	\$ 165,000	-
	FTE	1.000	0.000	1.000	0.000
11 Internal Auditors					
Funds internal auditors to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req \$	197,800	\$ -	\$ 197,800	-
	Rec \$	-	\$ -	\$ -	-
	App \$	197,800	\$ -	\$ 197,800	-
	FTE	2.000	0.000	2.000	0.000
Labor and Economic Analysis Division					
12 Career Information Portal					
Funds a position to manage and promote NCCareers.org, the state's career information portal. These funds will improve the system to attract and support website users. The collaborative is the state's comprehensive career information system, providing data and resources to help students and jobseekers of all ages make informed career decisions. Nearly 700,000 unique users have accessed the information portal since its launch in July 2020. This portal will interface with the NC Department of Commerce's NCCareers.org website.	Req \$	350,000	\$ -	\$ 350,000	-
	Rec \$	-	\$ -	\$ -	-
	App \$	350,000	\$ -	\$ 350,000	-
	FTE	1.000	0.000	1.000	0.000
Division of Workforce Solutions					
13 Workforce Credentials Advisory Council					
Provides funding for a position to support the North Carolina Workforce Credentials Advisory Council. This council, an advisory committee of the NCWorks Commission, will manage the process needed to approve industry recognized skill credentials and certifications. Research shows that earning a non-degree credential typically boosts yearly income by at least \$3,000.	Req \$	160,000	\$ -	\$ 160,000	-
	Rec \$	-	\$ -	\$ -	-
	App \$	160,000	\$ -	\$ 160,000	-
	FTE	1.000	0.000	1.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
14 Work-based Learning Data Enhancements					
Enables sophisticated data collection and tracking of employer engagement in a technology platform to better share information, manage projects, and align to the department's grants management system.	Req	\$ 200,000	\$ -	\$ 200,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 200,000	\$ -	\$ 200,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Rural Economic Development Division					
15 CDBG Federal Match Requirement					
Provides the Rural Economic Development Division funding for a position and operating expenses to advance Community Development Block Grant (CDBG) programming, ensure compliance with CDBG requirements, and improve local government assistance. This investment is needed to leverage the federally required 1:1 match for CDBG dedicated administration funds.	Req	\$ 200,000	\$ -	\$ 200,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 200,000	\$ -	\$ 200,000	\$ -
	FTE	1.000	0.000	1.000	0.000
Total Change to Requirements		\$ 3,062,334	\$ 3,221,000	\$ 3,645,028	\$ -
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 3,062,334	\$ 3,221,000	\$ 3,645,028	\$ -
Total Change to Full-Time Equivalent (FTE)		10.000	0.000	10.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	6,283,334	\$	3,645,028
Recommended Total FTE Changes			10.000		10.000

Commerce - General State Aid (14601)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 18,155,810	\$ 2,500,000	\$ 84,000,000	\$ 86,500,000	\$ 104,655,810	476.4%
Receipts	\$ -	\$ -	\$ 78,000,000	\$ 78,000,000	\$ 78,000,000	0.0%
Net Appropriation	\$ 18,155,810	\$ 2,500,000	\$ 6,000,000	\$ 8,500,000	\$ 26,655,810	46.8%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 18,155,810	\$ 2,500,000	\$ -	\$ 2,500,000	\$ 20,655,810	13.8%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 18,155,810	\$ 2,500,000	\$ -	\$ 2,500,000	\$ 20,655,810	13.8%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 National Institute of Minority Economic Development

Provides funds to the National Institute of Minority Economic Development for technical assistance and counseling to minority and women-owned small businesses. Of these funds, \$2 million nonrecurring will support Community Development Financial Institution lending resources.

Req	\$ 2,500,000	\$ 2,000,000	\$ 2,500,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 2,500,000	\$ 2,000,000	\$ 2,500,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 Rural Works Program Pilot

Provides funding to North Carolina Business Committee for Education (NCBCE) to implement the three-year Rural Works program pilot, an expanded version of the successful Surry-Yadkin Works program that helps provide work-based learning opportunities, including internships and pre-apprenticeships from middle school through high schools, across five counties. NCBCE shall use a portion of funds provided for the pilot to conduct a program evaluation.

Req	\$ -	\$ 4,000,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 4,000,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 NCInnovation

Budgets the transfer of funds from the Economic Development Project Reserve to NCInnovation, Inc. NCInnovation will use these funds to develop a network of regional innovation hubs and to administer a grant program to foster the commercialization pipeline of applied research and investment in the state's innovation economy. The regional hubs shall be centered around applied research institutions and focused on promoting technology commercialization and entrepreneurship capabilities.

Req	\$ -	\$ 50,000,000	\$ -	\$ -
Rec	\$ -	\$ 50,000,000	\$ -	\$ -
App	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

4 Golden LEAF

Budgets the transfer of funds from the Economic Development Project Reserve to Golden LEAF. Golden LEAF will use these funds for their programs focused on increasing economic opportunity in rural and economically distressed areas. In addition, the recurring transfer of 1998 Tobacco Master Settlement Agreement (MSA) funds is increased by \$2.5 million, bringing Golden LEAF's MSA allotment to \$20 million per year.

Req	\$ -	\$ 25,000,000	\$ -	\$ -
Rec	\$ -	\$ 25,000,000	\$ -	\$ -
App	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

5 North Carolina Biotechnology Center

Budgets the transfer of funds from the Economic Development Project Reserve to the North Carolina Biotechnology Center (BioTech Center). The BioTech Center shall use these funds to continue building upon North Carolina's economic success in life sciences.

Req	\$ -	\$ 3,000,000	\$ -	\$ -
Rec	\$ -	\$ 3,000,000	\$ -	\$ -
App	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	2,500,000	\$	84,000,000	\$	2,500,000	\$	-
Total Change to Receipts	\$	-	\$	78,000,000	\$	-	\$	-
Total Change to Net Appropriation	\$	2,500,000	\$	6,000,000	\$	2,500,000	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		\$	8,500,000	\$		\$	2,500,000
Recommended Total FTE Changes				0.000				0.000

Commerce - Economic Development (14602)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 158,670,660	\$ 14,950,000	\$ 13,500,000	\$ 28,450,000	\$ 187,120,660	17.9%
Receipts	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000	0.0%
Net Appropriation	\$ 158,550,660	\$ 14,950,000	\$ 13,500,000	\$ 28,450,000	\$ 187,000,660	17.9%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 158,670,660	\$ 14,950,000	\$ 13,500,000	\$ 28,450,000	\$ 187,120,660	17.9%
Receipts	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000	0.0%
Net Appropriation	\$ 158,550,660	\$ 14,950,000	\$ 13,500,000	\$ 28,450,000	\$ 187,000,660	17.9%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

Rural Community Support

1 Rural Transformation Grant Fund

Funds a program administered by the Rural Economic Development Division which provides grants to local government that support downtown revitalization, resilient neighborhood development, and rural community capacity building. Demand far outpaced available funding for this program which awarded nearly \$50 million in grants since 2021.

Req	\$ 12,500,000	\$ 12,500,000	\$ 12,500,000	\$ 12,500,000
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 12,500,000	\$ 12,500,000	\$ 12,500,000	\$ 12,500,000
FTE	0.000	0.000	0.000	0.000

Business Development and Investment

2 One North Carolina Small Business Program

Provides additional funds for technology grants for small businesses. Last year the department received applications to access over \$10 million but only \$5 million for grants. Expanding the program will increase the number of small businesses that can access funds needed for early-stage technology development and commercialization. Nonrecurring funding is also provided for this program from the Economic Development Project Reserve and is shown in budget code 24609.

Req	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
FTE	0.000	0.000	0.000	0.000

3 North Carolina Defense Innovation Network

Provides funding to the Office of Science Technology and Innovation to establish a network that increases federal funding for the state's defense innovation economy. North Carolina lags expectations on receiving defense research and development contracts, ranking 33rd among states, despite being home to the 4th most defense-related personnel. Funds would support a defense strategic review council, a virtual business accelerator, a marketing campaign, and grants for defense-focused companies applying for the One North Carolina Small Business Program. Nonrecurring funding is also provided for this program from the Economic Development Project Reserve and is shown in budget code 24609.

Req	\$ 200,000	\$ -	\$ 200,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 200,000	\$ -	\$ 200,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 Film Partnership of North Carolina

Provides funding to the Film Partnership of North Carolina to partner with state's Film Office and expand an internship program that develops a pipeline of professionals to enhance the state's film and production industry. The Partnership may use 10% of funds to administer the program.

Req	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
FTE	0.000	0.000	0.000	0.000

5 Southeast Crescent Regional Commission

Provides funding to support the state's cost share and administration of the Southeast Crescent Regional Commission. This investment will enable access to \$3.6 million in federal funds for projects that support infrastructure, business development, natural resources, and workforce expansion in 69 counties.

Req	\$ 250,000	\$ -	\$ 250,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 250,000	\$ -	\$ 250,000	\$ -
FTE	0.000	0.000	0.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	14,950,000	\$	13,500,000	\$	14,950,000	\$	13,500,000
Total Change to Receipts	\$	-	\$	-	\$	-	\$	-
Total Change to Net Appropriation	\$	14,950,000	\$	13,500,000	\$	14,950,000	\$	13,500,000
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			28,450,000	\$			28,450,000
Recommended Total FTE Changes				0.000				0.000

Commerce - Special (24609)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 154,451,696	\$ -	\$ 237,000,000	\$ 237,000,000	\$ 391,451,696	153.4%
Receipts	\$ 154,069,571	\$ -	\$ 237,000,000	\$ 237,000,000	\$ 391,069,571	153.8%
Δ in Fund Balance	\$ (382,125)	\$ -	\$ -	\$ -	\$ (382,125)	0.0%
Positions (FTE)	7.613	0.000	0.000	0.000	7.613	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 154,451,696	\$ -	\$ 10,000,000	\$ 10,000,000	\$ 164,451,696	6.5%
Receipts	\$ 154,069,571	\$ -	\$ 10,000,000	\$ 10,000,000	\$ 164,069,571	6.5%
Δ in Fund Balance	\$ (382,125)	\$ -	\$ -	\$ -	\$ (382,125)	0.0%
Positions (FTE)	7.613	0.000	0.000	0.000	7.613	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 Megasite Preparation and Development

Budgets the transfer of funds from the Economic Development Project Reserve to the North Carolina Megasite Fund, established in SL 2022-74 and amended in a corresponding special provision. Funds will support site due diligence, upgrades to public infrastructure, and onsite preparation at Megasites.

Req	\$ -	\$ 100,000,000	\$ -	\$ -
Rec	\$ -	\$ 100,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

2 Sports and Entertainment Fund

Budgets the transfer of funds from the Economic Development Project Reserve to support the Sports and Entertainment Fund. This fund will be used to provide grants to local governments for facility upgrades, infrastructure, equipment, marketing, and advertising. Eligible uses include, but are not limited to, minor league baseball, golf, e-Sports, festivals, and other sports and entertainment related facilities. The department shall establish eligibility criteria for these grants and may use up to \$100,000 to administer the grant program.

Req	\$ -	\$ 70,000,000	\$ -	\$ -
Rec	\$ -	\$ 70,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Radio Island Infrastructure Investments

Budgets the transfer of funds from the Economic Development Project Reserve for infrastructure improvements and readiness preparation at Radio Island to support economic development at the site. The Department shall work with the Department of Transportation in utilizing these funds.

Req	\$ -	\$ 50,000,000	\$ -	\$ -
Rec	\$ -	\$ 50,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

4 One North Carolina Small Business

Budgets the transfer of funds from the Economic Development Project Reserve for technology grants to small businesses.

Req	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000
Rec	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

5 North Carolina Defense Innovation Network

Budgets the transfer of funds from the Economic Development Project Reserve to establish a network that increases federal funding for the state's defense innovation economy. Recurring funding is provided for this item and is shown in budget code 14602.

Req	\$ -	\$ 1,000,000	\$ -	\$ -
Rec	\$ -	\$ 1,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

6 Southeast U.S. and Japan Conference

Budgets the transfer of funds from the Economic Development Project Reserve to host the annual joint meeting of Southeast U.S. Japan Association. The conference serves as a marketing opportunity for North Carolina to attract additional Japanese business investment.

Req	\$ -	\$ 1,000,000	\$ -	\$ -
Rec	\$ -	\$ 1,000,000	\$ -	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
7 Canton Paper Mill Response					
Provides funds to support employee and community needs related to the closure of the paper mill in Canton, NC. These funds are transferred from the Economic Development Project Reserve. Any funds returned from economic development agreements with Blue Ridge Paper Products or Evergreen Packaging shall be used to support the Canton community.	Req	\$ -	\$ 5,000,000	\$ -	\$ -
	Rec	\$ -	\$ 5,000,000	\$ -	\$ -
	CFB	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ -	\$ 237,000,000	\$ -	\$ 10,000,000
Total Change to Receipts		\$ -	\$ 237,000,000	\$ -	\$ 10,000,000
Total Change to Fund Balance		\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)		\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes			0.000		0.000

Commerce - Employment Security (24650)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 165,889,322	\$ -	\$ -	\$ -	\$ 165,889,322	0.0%
Receipts	\$ 165,889,322	\$ -	\$ -	\$ -	\$ 165,889,322	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	872.823	0.000	0.000	0.000	872.823	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 165,889,322	\$ 910,000	\$ -	\$ 910,000	\$ 166,799,322	0.5%
Receipts	\$ 165,889,322	\$ 910,000	\$ -	\$ 910,000	\$ 166,799,322	0.5%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	872.823	0.000	0.000	0.000	872.823	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 Operations and Maintenance

Budgets the transfer of funds from the Strategic Workforce Investment Trust Fund to support the unemployment insurance information technology systems. These funds will assist with operating and maintaining the unemployment benefit system (SCUBI) as well as the active project to modernize the division's tax system (NCSUITS), which is expected to be complete in the fall of 2023.	Req	\$ -	\$ -	\$ 910,000	\$ -
	Rec	\$ -	\$ -	\$ 910,000	\$ -
	CFB	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ 910,000	\$ -
Total Change to Receipts	\$ -	\$ -	\$ 910,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes	0.000	0.000	0.000	0.000

Commerce - Special - Workforce Solutions (24651)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 142,945,159	\$ -	\$ -	\$ -	\$ 142,945,159	0.0%
Receipts	\$ 142,945,159	\$ -	\$ -	\$ -	\$ 142,945,159	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	1000.750	0.000	0.000	0.000	1000.750	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 142,945,159	\$ 15,000,000	\$ -	\$ 15,000,000	\$ 157,945,159	10.5%
Receipts	\$ 142,945,159	\$ 15,000,000	\$ -	\$ 15,000,000	\$ 157,945,159	10.5%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	1000.750	0.000	0.000	0.000	1000.750	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 Workforce Development Training Grants

Budgets the transfer of funds from the Strategic Workforce Investment Trust Fund to support a competitive grant program for workforce development boards (WDBs) to support employers hiring, training, and retaining employees. Funding may be used to support outreach, work-based learning, on-the job training, or employer engagement activities. WDBs are encouraged to partner with local employers, education providers, and chambers of commerce to develop plans that address local labor market needs. WDBs must address how they plan to target outreach to priority populations, including reentry and justice-involved individuals, minorities, jobseekers in rural and underserved communities, recipients of public assistance, limited English proficiency jobseekers, seasoned workers, people with disabilities, and military spouses. The Division of Workforce Solutions will administer the grant application process and may use up to \$250,000 for communications, outreach, evaluation, and administrative costs.	Req	\$ -	\$ -	\$ 15,000,000	\$ -
	Rec	\$ -	\$ -	\$ 15,000,000	\$ -
	CFB	\$ -	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ 15,000,000	\$ -
Total Change to Receipts	\$ -	\$ -	\$ 15,000,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes	0.000	0.000	0.000	0.000

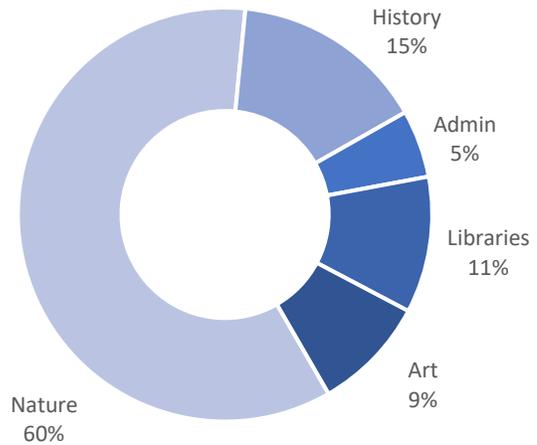
Mission

To improve quality of life in North Carolina by creating opportunities to experience excellence in the arts, history, libraries, and nature by stimulating learning, inspiring creativity, preserving the state’s history, conserving the state’s natural heritage, encouraging recreation and cultural heritage tourism, and promoting economic development.

Goals

1. Expand educational opportunities for children and families by increasing access to the state’s innovative, interactive, and inspirational natural and cultural sites, programs, and services.
2. Boost economic growth through the “Hometown Strong” initiative to support rural communities.
3. Preserve, enhance, and expand North Carolina’s natural and cultural resources in an effective, efficient, collaborative, and customer-friendly manner.
4. Promote diversity, equity, accessibility, and cultural inclusion in departmental programs, recruitment, administration, and community engagement.
5. Evaluate the impact of climate change and integrate climate change mitigation, adaption, education, and resiliency practices into DNCR programs and operations.

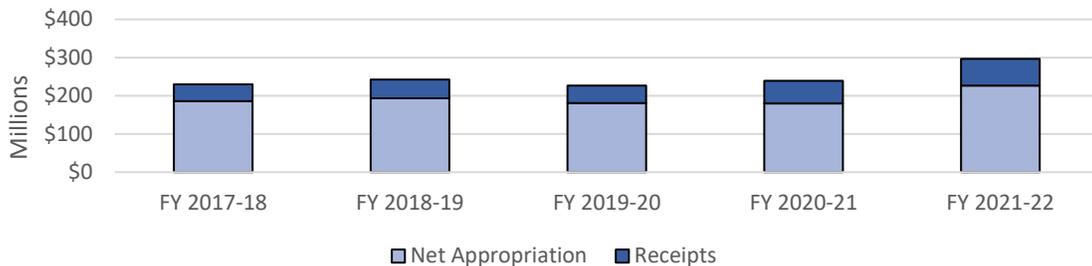
FY 2022-23 Authorized Expenditures



Agency Profile

- Operates North Carolina’s state parks, aquariums, science museums, and zoo and works to preserve the state’s natural resources to provide all North Carolinians the opportunity to discover them.
- Builds the capacity of all libraries in the state, runs the Library of North Carolina, and develops and supports access to traditional and online collections.
- Celebrates the history of North Carolina from pre-colonial times to the present and preserves the state’s historical treasures and artifacts.
- Supports North Carolina’s state art museums, symphony, and arts councils to give all people access to world-class art experiences and support the state’s creative economy.

5-Year Historical Expenditures*



Charts include General Fund budget code only.

*FY 2021-22 includes increased expenditures in PARTF & LWF.

Natural and Cultural Resources (14800)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 285,304,197	\$ 37,302,918	\$ 95,359,500	\$ 132,662,418	\$ 417,966,615	46.5%
Receipts	\$ 54,842,950	\$ -	\$ -	\$ -	\$ 54,842,950	0.0%
Net Appropriation	\$ 230,461,247	\$ 37,302,918	\$ 95,359,500	\$ 132,662,418	\$ 363,123,665	57.6%
Positions (FTE)	1944.822	114.000	0.000	114.000	2058.822	5.9%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 285,304,197	\$ 44,770,133	\$ 1,448,500	\$ 46,218,633	\$ 331,522,830	16.2%
Receipts	\$ 54,842,950	\$ -	\$ -	\$ -	\$ 54,842,950	0.0%
Net Appropriation	\$ 230,461,247	\$ 44,770,133	\$ 1,448,500	\$ 46,218,633	\$ 276,679,880	20.1%
Positions (FTE)	1944.822	133.000	0.000	133.000	2077.822	6.8%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Reserve for Salaries and Benefits				
1 Compensation Increase Reserve				
Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.	Req \$	5,670,000	\$ -	\$ 9,242,000
	Rec \$	-	\$ -	\$ -
	App \$	5,670,000	\$ -	\$ 9,242,000
	FTE	0.000	0.000	0.000
2 Receipt-Supported Cost-of-Living Adjustment Reserve				
Provides funds equivalent to 5% of total receipt-supported General Fund payroll in FY 2023-24 and 3% in FY 2024-25. Funds may be used to fundshift a limited number of positions from receipts to net appropriation support.	Req \$	736,000	\$ -	\$ 1,200,000
	Rec \$	-	\$ -	\$ -
	App \$	736,000	\$ -	\$ 1,200,000
	FTE	0.000	0.000	0.000
3 Retention Bonus				
Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.	Req \$	-	\$ 3,155,000	\$ -
	Rec \$	-	\$ -	\$ -
	App \$	-	\$ 3,155,000	\$ -
	FTE	0.000	0.000	0.000
4 Enhanced Labor Market Retention and Adjustment Reserve				
Provides 3% of General Fund net appropriation-supported and receipt-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases.	Req \$	3,838,000	\$ -	\$ 3,838,000
	Rec \$	-	\$ -	\$ -
	App \$	3,838,000	\$ -	\$ 3,838,000
	FTE	0.000	0.000	0.000
5 State Retirement Contributions				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.	Req \$	1,484,678	\$ -	\$ 1,954,998
	Rec \$	-	\$ -	\$ -
	App \$	1,484,678	\$ -	\$ 1,954,998
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
6 State Health Plan					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.	Req	\$ 385,738	\$ -	\$ 1,312,153	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 385,738	\$ -	\$ 1,312,153	\$ -
	FTE	0.000	0.000	0.000	0.000
Department-wide					
7 Information Technology Services for Natural Resource Divisions					
Funds the consolidation of information technology services for the natural resource divisions, including Land & Water Stewardship, Parks & Recreation, Aquariums, Zoo, and the Museum of Natural Science. Consolidation will allow IT operations to be managed more securely and efficiently.	Req	\$ 950,000	\$ -	\$ 950,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 950,000	\$ -	\$ 950,000	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req	\$ 447,594	\$ -	\$ 447,594	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 447,594	\$ -	\$ 447,594	\$ -
	FTE	0.000	0.000	0.000	0.000
9 Exhibit Updates					
Invests in enhancements to outdated exhibits across the state. Many exhibits are more than 40 years old. Improvements will include adding online content and virtual engagement, updating tour scripts, and refurbishing outdated materials. These funds will be transferred to budget code 24805.	Req	\$ -	\$ 6,000,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 6,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
10 Internal Auditor					
Funds an internal auditor to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.	Req	\$ 120,694	\$ -	\$ 120,694	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 120,694	\$ -	\$ 120,694	\$ -
	FTE	1.000	0.000	1.000	0.000
11 Energy Manager					
Creates an Energy Manager position to improve energy efficiency in state buildings. This will enable the department to reduce water consumption, save energy, and reduce utility costs.	Req	\$ 131,000	\$ -	\$ 131,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 131,000	\$ -	\$ 131,000	\$ -
	FTE	1.000	0.000	1.000	0.000
History					
12 State Historic Sites					
Funds positions for State Historic Sites to address operational and maintenance needs, improve safety of staff and visitors, and ensure compliance with mandated preservation statutes.	Req	\$ 650,000	\$ -	\$ 650,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 650,000	\$ -	\$ 650,000	\$ -
	FTE	10.000	0.000	10.000	0.000
13 Historic Preservation and Archaeology					
Establishes positions to meet increased constituent demand for Office of State Archaeology services and to improve processing of legally required reviews within the State Historic Preservation Office.	Req	\$ 306,353	\$ -	\$ 306,353	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 306,353	\$ -	\$ 306,353	\$ -
	FTE	4.000	0.000	4.000	0.000
14 Thomas Day Historic Site Operating Reserve					
Provides operating funds and positions to support the development of exhibit and tour content, additional artifacts acquisition, marketing and public affairs, and repairs required for building code compliance.	Req	\$ 450,000	\$ 300,000	\$ 450,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 450,000	\$ 300,000	\$ 450,000	\$ -
	FTE	5.000	0.000	5.000	0.000
15 American Indian Heritage Commission					
Provides operating support for the American Indian Heritage Commission to carry out its mission to promote and preserve American Indian history, arts, culture, and customs.	Req	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
	FTE	1.000	0.000	1.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
16 African American Heritage Commission Trail Programming					
Expands operating support for the planning and development of the African American Heritage Trail. Funding includes a position to support trail programming.	Req \$	275,000	\$ -	\$ 275,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	275,000	\$ -	\$ 275,000	\$ -
	FTE	1.000	0.000	1.000	0.000
17 America 250 NC					
Funds programming and educational resources to support statewide commemorative activities in anticipation of America's 250th Anniversary in 2026. This will allow the department to create exhibits, educational, and promotional resources that will be launched in 2023.	Req \$	187,500	\$ 300,000	\$ 187,500	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	187,500	\$ 300,000	\$ 187,500	\$ -
	FTE	2.000	0.000	2.000	0.000
Arts					
18 A+ School Support					
Provides operating support for A+ Schools, a whole-school model that combines interdisciplinary teaching and daily arts instruction. Over 20 years of research shows that the A+ Schools philosophy increases overall school performance and student proficiency, narrows the achievement gap, improves attendance and discipline, enhances teacher satisfaction, and increases community and parental involvement. The non-position funds will be transferred to budget code 24812.	Req \$	500,000	\$ -	\$ 500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	500,000	\$ -	\$ 500,000	\$ -
	FTE	1.000	0.000	1.000	0.000
19 Arts Council					
Increases the availability of grant funds for arts organizations and artists across the state. Additional funding will allow the Arts Council to reach new partners in rural and underserved communities.	Req \$	-	\$ 750,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 750,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
20 NC Symphony					
Creates a position and provides funding to expand music education programming statewide to improve community engagement with smaller rural and underserved communities.	Req \$	80,000	\$ 200,000	\$ 80,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	80,000	\$ 200,000	\$ 80,000	\$ -
	FTE	1.000	0.000	1.000	0.000
Nature					
21 Schools in Parks					
Provides funding for the Schools in Parks Teacher Collaborative, a program engaging teachers alongside park rangers in hands-on, inquiry-based activities integrated across content areas. The program emphasizes outdoor activities, current environmental science, and first-hand experiences with the natural resources of state parks.	Req \$	500,000	\$ -	\$ 500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	500,000	\$ -	\$ 500,000	\$ -
	FTE	5.000	0.000	5.000	0.000
22 Parks Operating Reserve					
Funds operating costs associated with opening new facilities or areas of state parks, state recreational areas, and state natural areas. These funds will support 14 park projects expected to be completed over the biennium.	Req \$	3,800,000	\$ 2,874,500	\$ 5,100,000	\$ 778,500
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,800,000	\$ 2,874,500	\$ 5,100,000	\$ 778,500
	FTE	27.000	0.000	37.000	0.000
23 Parks Operating Support					
Creates positions and provides funds for operating needs resulting from significant increases in visitation to state parks and recreation areas. Visitation has increased 7% over the last three years while staff and operating funds have remained the same. This investment will improve visitor experience through better customer service and improved park maintenance.	Req \$	600,000	\$ 1,000,000	\$ 600,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	600,000	\$ 1,000,000	\$ 600,000	\$ -
	FTE	7.000	0.000	7.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
24 Asia Complex Operating Reserve					
Creates positions to support the new Asia complex currently under construction at the North Carolina Zoo. The Asia complex is expected to open in 2026. Prior to opening, the Zoo requires staff to provide animal care, develop educational materials, conduct research, and provide security and other support.	Req \$	4,093,513	\$ 730,000	\$ 4,827,993	\$ 670,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	4,093,513	\$ 730,000	\$ 4,827,993	\$ 670,000
	FTE	41.000	0.000	50.000	0.000
25 Dueling Dinosaurs Operating Reserve					
Provides additional staffing to support the Dueling Dinosaurs exhibit, which opens Fall 2023. The Museum of Natural Sciences projects a 30% increase in attendance when the exhibit opens.	Req \$	291,493	\$ -	\$ 291,493	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	291,493	\$ -	\$ 291,493	\$ -
	FTE	5.000	0.000	5.000	0.000
26 Museum of Natural Sciences - Greenville					
Creates a position at the Greenville museum to support outreach and educational services to an area underserved by informal science education. This will provide the first permanent staffing to support A Time For Science, the nonprofit partner currently staffing the museum.	Req \$	69,329	\$ -	\$ 69,329	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	69,329	\$ -	\$ 69,329	\$ -
	FTE	1.000	0.000	1.000	0.000
27 Great Trails State Fund					
Creates the Great Trails State Fund to develop trails connecting communities and state trails as North Carolina celebrates the Year of the Trail throughout 2023. Funds support projects across all trail types including paved, natural surface, and paddle projects. This initiative will accelerate the completion of significant trail projects statewide. Trails are shown to stimulate economic opportunity, create jobs, and improve health outcomes. These funds will be transferred to budget code 24817.	Req \$	-	\$ 25,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 25,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
28 Parks and Recreation Trust Fund					
Provides additional funds to the Parks and Recreation Trust Fund (PARTF) for grants to support projects in state parks, development and renovation of local parks, and beach access. With this investment, PARTF will have a \$30 million recurring budget and \$55M for grants in FY 2023-24. These funds will be transferred to budget code 24820.	Req \$	5,757,116	\$ 25,000,000	\$ 5,757,116	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	5,757,116	\$ 25,000,000	\$ 5,757,116	\$ -
	FTE	0.000	0.000	0.000	0.000
29 North Carolina Land and Water Fund					
Provides additional funds to the North Carolina Land and Water Fund (NCLWF) for grants to support projects that protect and restore the state's land and water resources, preserve military buffers, restore degraded streams, and develop and improve stormwater treatment. With this investment, NCLWF will have a \$30 million recurring budget and \$55M for grants in FY 2023-24. These funds will be transferred to 24818.	Req \$	5,842,470	\$ 25,000,000	\$ 5,842,470	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	5,842,470	\$ 25,000,000	\$ 5,842,470	\$ -
	FTE	0.000	0.000	0.000	0.000
30 Acquisition Project Manager					
Funds a position for the NCLWF to assist in reviewing acquisition project applications and activities related to NCLWF-funded projects. In 2022, the Land Acquisition Program's implementation workload increased over 80%. This position will improve the efficiency of grant implementation and reduce the risk of losing time-sensitive projects.	Req \$	86,440	\$ -	\$ 86,440	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	86,440	\$ -	\$ 86,440	\$ -
	FTE	1.000	0.000	1.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
31 Peatland and Pocosins Restoration					
Provides funds for peatlands and pocosins acquisition and restoration. Restoring these ecosystems will provide flood resilience, improve water quality, and reduce wildfire risk and carbon emissions. This funding will also enable the Natural Heritage Program to inventory Coastal Plain wetlands not previously included in natural heritage inventories to inform acquisition and restoration efforts. These funds will be transferred to budget code 24818.	Req	\$ -	\$ 5,000,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 5,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 37,302,918	\$ 95,359,500	\$ 44,770,133	\$ 1,448,500
Total Change to Receipts		\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation		\$ 37,302,918	\$ 95,359,500	\$ 44,770,133	\$ 1,448,500
Total Change to Full-Time Equivalent (FTE)		114.000	0.000	133.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	132,662,418	\$	46,218,633
Recommended Total FTE Changes			114.000		133.000

Natural and Cultural Resources - Special - General Fund (24805)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 514,671	\$ -	\$ 6,000,000	\$ 6,000,000	\$ 6,514,671	1165.8%
Receipts	\$ 454,627	\$ -	\$ 6,000,000	\$ 6,000,000	\$ 6,454,627	1319.8%
Δ in Fund Balance	\$ (60,044)	\$ -	\$ -	\$ -	\$ (60,044)	0.0%
Positions (FTE)	5.300	0.000	0.000	0.000	5.300	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 514,671	\$ -	\$ -	\$ -	\$ 514,671	0.0%
Receipts	\$ 454,627	\$ -	\$ -	\$ -	\$ 454,627	0.0%
Δ in Fund Balance	\$ (60,044)	\$ -	\$ -	\$ -	\$ (60,044)	0.0%
Positions (FTE)	5.300	0.000	0.000	0.000	5.300	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Transfer - Exhibit Updates				
Budgets the transfer from budget code 14800 for the Education and Exhibits Special Fund.	Req \$ -	\$ 6,000,000	\$ -	\$ -
	Rec \$ -	\$ 6,000,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 6,000,000	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 6,000,000	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Natural and Cultural Resources - NC Arts Council A+ Schools - Special Revenue (24812)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 445,486	\$ 391,722	\$ -	\$ 391,722	\$ 837,208	87.9%
Receipts	\$ 445,486	\$ 391,722	\$ -	\$ 391,722	\$ 837,208	87.9%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	3.100	0.000	0.000	0.000	3.100	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 445,486	\$ 391,722	\$ -	\$ 391,722	\$ 837,208	87.9%
Receipts	\$ 445,486	\$ 391,722	\$ -	\$ 391,722	\$ 837,208	87.9%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	3.100	0.000	0.000	0.000	3.100	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Transfer - A+ Schools				
Budgets the transfer from budget code 14800 for A+ Schools.	Req \$ 391,722	\$ -	\$ 391,722	\$ -
	Rec \$ 391,722	\$ -	\$ 391,722	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 391,722	\$ -	\$ 391,722	\$ -
Total Change to Receipts	\$ 391,722	\$ -	\$ 391,722	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Natural and Cultural Resources - Depart. Parks and Recreation-Land & Water Conservation Fund LW (24817)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 4,767,445	\$ -	\$ 25,000,000	\$ 25,000,000	\$ 29,767,445	524.4%
Receipts	\$ 4,767,445	\$ -	\$ 25,000,000	\$ 25,000,000	\$ 29,767,445	524.4%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	1.000	0.000	0.000	0.000	1.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 4,767,445	\$ -	\$ -	\$ -	\$ 4,767,445	0.0%
Receipts	\$ 4,767,445	\$ -	\$ -	\$ -	\$ 4,767,445	0.0%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	1.000	0.000	0.000	0.000	1.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Transfer - Great Trails State Fund				
Budgets the transfer from budget code 14800 for the Great Trails State Fund.	Req \$ -	\$ 25,000,000	\$ -	\$ -
	Rec \$ -	\$ 25,000,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 25,000,000	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 25,000,000	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$	-	\$	-
Recommended Total FTE Changes		0.000		0.000

Natural and Cultural Resources - Clean Water Management Trust Fund (24818)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 28,706,173	\$ 5,842,470	\$ 35,000,000	\$ 40,842,470	\$ 69,548,643	142.3%
Receipts	\$ 28,706,173	\$ 5,842,470	\$ 35,000,000	\$ 40,842,470	\$ 69,548,643	142.3%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 28,706,173	\$ 5,842,470	\$ -	\$ 5,842,470	\$ 34,548,643	20.4%
Receipts	\$ 28,706,173	\$ 5,842,470	\$ -	\$ 5,842,470	\$ 34,548,643	20.4%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Transfer - North Carolina Land and Water Fund				
Budgets the transfer from budget code 14800 for North Carolina Land and Water Fund.	Req \$ 5,842,470	\$ 25,000,000	\$ 5,842,470	\$ -
	Rec \$ 5,842,470	\$ 25,000,000	\$ 5,842,470	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
2 NCLWF Flood Risk Reduction				
Budgets the receipts from State Emergency Response and Disaster Relief Fund for the NCLWF Flood Risk Reduction Program, which reduces the impacts of flooding and extreme weather events by acquiring land in flood prone areas, reducing stormwater impacts, and restoring damaged streambanks and waterways.	Req \$ -	\$ 5,000,000	\$ -	\$ -
	Rec \$ -	\$ 5,000,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Transfer - Peatland and Pocosins Restoration				
Budgets the transfer from budget code 14800 for peatlands and pocosins acquisition and restoration.	Req \$ -	\$ 5,000,000	\$ -	\$ -
	Rec \$ -	\$ 5,000,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 5,842,470	\$ 35,000,000	\$ 5,842,470	\$ -
Total Change to Receipts	\$ 5,842,470	\$ 35,000,000	\$ 5,842,470	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Natural and Cultural Resources - DPR - PARTF (Parks and Recreation Trust Fund) (24820)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 27,066,402	\$ 5,757,116	\$ 25,000,000	\$ 30,757,116	\$ 57,823,518	113.6%
Receipts	\$ 27,066,402	\$ 5,757,116	\$ 25,000,000	\$ 30,757,116	\$ 57,823,518	113.6%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	2.000	0.000	0.000	0.000	2.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 27,066,402	\$ 5,757,116	\$ -	\$ 5,757,116	\$ 32,823,518	21.3%
Receipts	\$ 27,066,402	\$ 5,757,116	\$ -	\$ 5,757,116	\$ 32,823,518	21.3%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	2.000	0.000	0.000	0.000	2.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Transfer - Parks and Recreation Trust Fund				
Budgets the transfer from budget code 14800 for Parks and Recreation Trust Fund.	Req \$ 5,757,116	\$ 25,000,000	\$ 5,757,116	\$ -
	Rec \$ 5,757,116	\$ 25,000,000	\$ 5,757,116	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 5,757,116	\$ 25,000,000	\$ 5,757,116	\$ -
Total Change to Receipts	\$ 5,757,116	\$ 25,000,000	\$ 5,757,116	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Mission

To connect people, products, and places safely and efficiently with customer focus, accountability, and environmental sensitivity to enhance the economy and vitality of North Carolina.

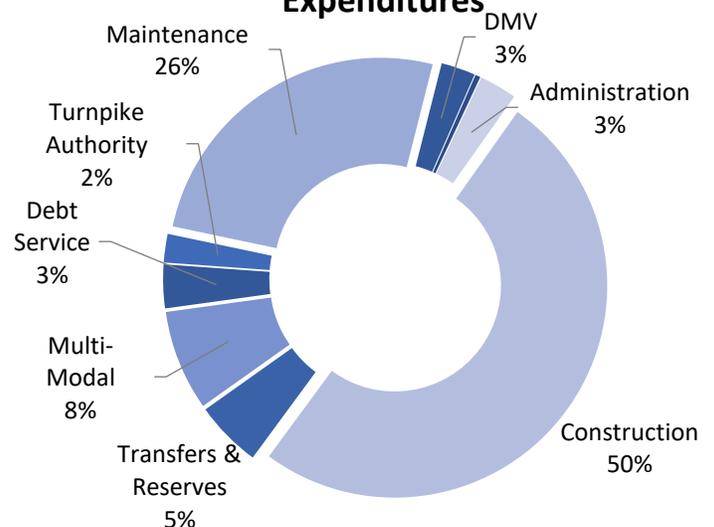
Goals

1. Make transportation safer.
2. Provide GREAT customer service.
3. Deliver and maintain infrastructure effectively and efficiently.
4. Improve the reliability and connectivity of the transportation system.
5. Promote economic growth through better use of our infrastructure.
6. Make the organization a great place to work.

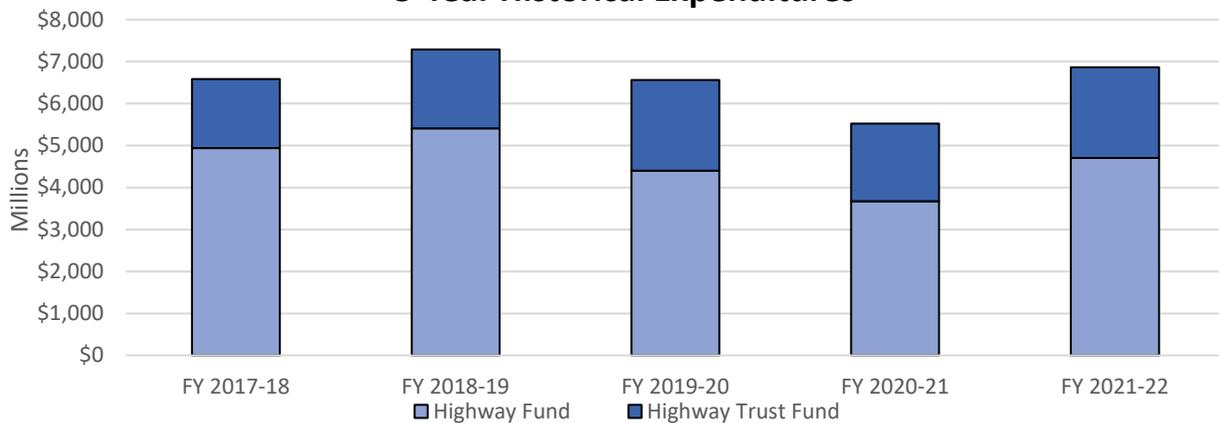
Agency Profile

- Responsible for all modes of transportation in North Carolina, including highways, rail, aviation, ferries, public transit, and bicycle and pedestrian transportation.
- Maintains one of the largest state-maintained highway systems in the nation with over 80,000 miles of road and more than 13,500 bridges.
- Every year, more than 56 million passengers and 1.3 billion pounds of cargo pass through state airports.
- Serves 2 million passengers on the 2nd largest state-operated ferry system in the country.
- Provides more than 78 million passenger trips on 99 transit systems serving residents in all 100 NC counties.

FY 2022-23 Authorized Expenditures



5-Year Historical Expenditures



Transportation - NC Global TransPark (04280)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 10,452,406	\$ (1,589,573)	\$ -	\$ (1,589,573)	\$ 8,862,833	-15.2%
Receipts	\$ 10,452,406	\$ (1,589,573)	\$ -	\$ (1,589,573)	\$ 8,862,833	-15.2%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	15.750	0.000	0.000	0.000	15.750	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 10,452,406	\$ (1,589,573)	\$ -	\$ (1,589,573)	\$ 8,862,833	-15.2%
Receipts	\$ 10,452,406	\$ (1,589,573)	\$ -	\$ (1,589,573)	\$ 8,862,833	-15.2%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	15.750	0.000	0.000	0.000	15.750	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
Global Transpark				
1 Base Budget Technical Correction				
Removes nonrecurring items from the base budget for Global TransPark.	Req \$ (9,589,573)	\$ -	\$ (9,589,573)	\$ -
	Rec \$ (9,589,573)	\$ -	\$ (9,589,573)	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Global Transpark Capital Projects				
Budgets receipts from the Highway Fund to fund capital projects at the Global Transpark in Lenoir County.	Req \$ 8,000,000	\$ -	\$ 8,000,000	\$ -
	Rec \$ 8,000,000	\$ -	\$ 8,000,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ (1,589,573)	\$ -	\$ (1,589,573)	\$ -
Total Change to Receipts	\$ (1,589,573)	\$ -	\$ (1,589,573)	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		0.000		0.000

Transportation - Highway Fund (84210)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 4,474,754,365	\$ 109,722,843	\$ 201,919,730	\$ 311,642,573	\$ 4,786,396,938	7.0%
Receipts	\$ 1,792,506,833	\$ 352,393	\$ 83,237,712	\$ 83,590,105	\$ 1,876,096,938	4.7%
Net Appropriation	\$ 2,682,247,532	\$ 109,370,450	\$ 118,682,018	\$ 228,052,468	\$ 2,910,300,000	8.5%
Positions (FTE)	11130.000	28.000	0.000	28.000	11158.000	0.3%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 4,506,158,329	\$ 326,661,697	\$ 166,496,539	\$ 493,158,236	\$ 4,999,316,565	10.9%
Receipts	\$ 1,823,316,460	\$ 352,393	\$ 83,247,712	\$ 83,600,105	\$ 1,906,916,565	4.6%
Net Appropriation	\$ 2,682,841,869	\$ 326,309,304	\$ 83,248,827	\$ 409,558,131	\$ 3,092,400,000	15.3%
Positions (FTE)	11130.000	28.000	0.000	28.000	11158.000	0.3%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 Compensation Increase Reserve

Provides funds for an across-the-board salary increase of 5% in FY 2023-24, plus an additional 1.5% increase for employees paid on an experience-based salary schedule or with a salary set in law, as well as a 3% across-the-board salary increase in FY 2024-25. State agency teacher salaries are increased in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation increases.

Req	\$ 22,974,000	\$ -	\$ 37,447,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 22,974,000	\$ -	\$ 37,447,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 Enhanced Labor Market Retention and Adjustment Reserve

Provides 3% of Highway Fund-supported and Highway Trust Fund-supported payroll to allow agencies to address retention and other labor market needs unique to their staffing concerns. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A corresponding special provision provides additional details on these compensation increases. Priority for this funding shall be given to the employees of the School Bus and Traffic Safety Unit in the Division of Motor Vehicles (DMV).

Req	\$ 21,390,000	\$ -	\$ 21,390,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 21,390,000	\$ -	\$ 21,390,000	\$ -
FTE	0.000	0.000	0.000	0.000

3 State Retirement Contributions

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the General Fund to fund the actuarially determined contribution and retiree medical premiums, and provides a 2% cost-of-living increase for retirees in FY 2023-24. A 2% one-time retiree supplement in FY 2023-24 and 1% supplement in FY 2024-25 is funded by direct transfer to the retirement system for all funding sources. Retirees have not had a recurring cost-of-living adjustment since 2017.

Req	\$ 3,170,000	\$ -	\$ 5,124,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 3,170,000	\$ -	\$ 5,124,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 State Health Plan

Provides additional funding to continue health benefit coverage for enrolled active employees supported by the General fund for the 2023-25 fiscal biennium.

Req	\$ 1,250,000	\$ -	\$ 4,260,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 1,250,000	\$ -	\$ 4,260,000	\$ -
FTE	0.000	0.000	0.000	0.000

5 Retention Bonus

Provides a \$1,000 bonus to all state employees and local education employees regardless of funding source and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the bonus will be paid in two installments with half of the bonus paid in November 2023 and half in April 2024. A corresponding special provision provides additional details on the retention bonus.

Req	\$ -	\$ 17,117,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 17,117,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Highway Maintenance					
6 Bridge Program - Legislatively Required Adjustment					
Adjusts the base budget for the bridge program due to revised revenue estimates, as required in GS 119-18.	Req \$	(750,750)	\$ -	(650,750)	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	(750,750)	\$ -	(650,750)	\$ -
	FTE	0.000	0.000	0.000	0.000
7 General Maintenance					
Increases funds in the second year of the biennium for the statewide maintenance program. These funds will be expended by the local highway divisions.	Req \$	-	\$ -	175,701,854	\$ -
	Rec \$	-	\$ -	-	\$ -
	App \$	-	\$ -	175,701,854	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Contract Resurfacing					
Provides funds for contract resurfacing projects, which are administered by the local highway divisions, to improve road surfaces. The additional funds will be used to help complete repayment of funding borrowed from future years' appropriations in 2018-19 to meet contractual obligations and ensure continuity of resurfacing operations.	Req \$	-	\$ 16,291,858	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 16,291,858	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Capital Improvements					
9 Statewide Capital, Repairs, and Renovations					
Provides funding for 27 capital projects, which are listed in Section 41.3 of the Appropriations Bill. Projects include replacements for regional offices, building refurbishments and changes to meet Americans with Disabilities Act (ADA) requirements, and building storage facilities for maintenance and construction equipment. Also funds the Ten Year Facilities Plan required in SL 2021-180, S.41.17.(a).	Req \$	-	\$ 42,456,481	\$ -	\$ 54,361,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 42,456,481	\$ -	\$ 54,361,000
	FTE	0.000	0.000	0.000	0.000
10 Capital Improvements - Roof Projects					
Funds roof replacements at DOT buildings across the state. Many DOT buildings are over 50 years old, and therefore require significant ongoing repairs, including roof replacement.	Req \$	-	\$ 7,027,638	\$ -	\$ 7,623,363
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 7,027,638	\$ -	\$ 7,623,363
	FTE	0.000	0.000	0.000	0.000
Administration					
11 Commission on Future Funding Arrangements for DOT					
Provides funding for expert consultancy from the Institute for Transportation Research and Education (ITRE) at NC State University, to work with DOT and OSBM staff in support of the Commission on Future Funding Arrangements for DOT.	Req \$	-	\$ 200,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 200,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Electrification and Energy Office					
Provides funds for the team to implement the Clean Transportation Plan, working within DOT, with stakeholders, and with other agencies on issues such as ensuring an adequate charging infrastructure for electric vehicles and planning for the implementation of the clean transportation of goods.	Req \$	800,000	\$ -	800,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	800,000	\$ -	800,000	\$ -
	FTE	6.000	0.000	6.000	0.000
13 Increase for Janitorial Services					
Increases the budget for janitorial services in DOT buildings. DOT anticipates average cost increases of 25% as new contracts are agreed, and is therefore seeking a similar increase, taking the recurring annual budget for this item from \$1,629,693 to \$2,037,116.	Req \$	407,423	\$ -	407,423	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	407,423	\$ -	407,423	\$ -
	FTE	0.000	0.000	0.000	0.000
14 Preventive Maintenance for DOT Buildings					
Increases the budget for building maintenance at state-owned Division of Highways, DMV, and Ferry Division buildings statewide, as well as providing funding to hire seven embedded private sector personnel to manage the short-term maintenance program this will enable.	Req \$	-	\$ 6,189,464	\$ -	\$ 6,189,464
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 6,189,464	\$ -	\$ 6,189,464
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
15 Safety & Risk Management - Automated External Defibrillators					
Funds Automated External Defibrillators (AEDs) at each DOT facility that currently serves the public, including DMV, to enable a rapid response to cardiac emergencies. This ensures compliance with SL 2012-198 (HB 914).	Req \$	- \$	450,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	450,000 \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
16 Information Technology Rates					
Adjusts funding based on the FY 2023-24 approved Department of Information Technology rates. This amount reflects the net impact of the change in subscription and service delivery rates.	Req \$	6,479,457 \$	- \$	6,479,457 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	6,479,457 \$	- \$	6,479,457 \$	-
	FTE	0.000	0.000	0.000	0.000
17 Computer Refresh Expansion					
Increases funds for computer hardware, allowing DOT to refresh laptops / computers every four years. The revised annual net appropriation in 2024-25 for this budget item is \$8.5 million.	Req \$	3,500,000 \$	- \$	3,500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	3,500,000 \$	- \$	3,500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
18 Purchasing - Vendor Outreach & Additional Staffing Supplies Needs					
Funds outreach facilities, conferences, promotional supplies and various memberships in Historically Underutilized Business (HUB) and Transportation industry groups. Also funds supplies, office furniture and/or cubicles for approved and incoming staff in the HUB team.	Req \$	150,000 \$	- \$	150,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	150,000 \$	- \$	150,000 \$	-
	FTE	0.000	0.000	0.000	0.000
Division of Motor Vehicles (DMV)					
19 Increasing Capacity to Train School Bus Drivers					
Provides funding for an additional ten Driver Education Program Specialist positions, including vehicle lease and equipment costs, in the School Bus and Traffic Safety Unit (SBTSU). There is currently a growing wait list of potential school bus drivers for behind the wheel training and testing. These additional staff will enable the SBTSU to train and test at least an additional 600 drivers per year, helping address the shortage of school bus drivers across the state.	Req \$	906,452 \$	13,872 \$	906,452 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	906,452 \$	13,872 \$	906,452 \$	-
	FTE	10.000	0.000	10.000	0.000
20 Postage Costs Increase					
Fully funds mail and postage costs for the DMV Mail Services. This is a recurring and growing need as more mail is generated, partly as a result of more services being provided online rather than in-person, and continued increases in postage costs.	Req \$	3,500,000 \$	- \$	3,500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	3,500,000 \$	- \$	3,500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
21 Lease for New Mail Equipment					
Funds new mail inserters to replace current equipment that is over 35 years old. The new equipment will allow for more modern, computer driven, multi-function machines to replace obsolete mechanical inserters, enabling DMV to handle increased mail volume without additional staff.	Req \$	190,000 \$	- \$	190,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	190,000 \$	- \$	190,000 \$	-
	FTE	0.000	0.000	0.000	0.000
22 Lease for New Facilities for Mail Services					
Provides funding to lease space adjacent to the Department of Administration's Mail Service Center (MSC), completing the process of vacating the old DMV headquarters in Raleigh. Co-locating this operation with the Mail Service Center will increase efficiency by eliminating multiple, daily trips to pick up and drop off mail at the MSC.	Req \$	336,000 \$	- \$	336,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	336,000 \$	- \$	336,000 \$	-
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
23 Merchant Fees Funding					
Provides funds to cover increased charges for electronic fund transfer and credit card transactions arising from the enhanced payment options now offered by DMV. Charges have increased from \$17 million in FY 2020 to over \$22 million in FY 2022. They are projected to reach \$26.9 million for FY 2023 and grow again in FY 2024.	Req \$	6,200,000	\$ -	\$ 6,200,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	6,200,000	\$ -	\$ 6,200,000	\$ -
	FTE	0.000	0.000	0.000	0.000
24 License and Theft Bureau Fleet Outfitting					
Funds emergency operations equipment in 79 new License and Theft Bureau vehicles, which will be provided by Motor Fleet Management to replace high mileage law enforcement fleet vehicles. Emergency operations equipment installed in the new vehicles will allow for the agency to perform vital functions required by law.	Req \$	-	\$ 584,561	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 584,561	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
25 Radio Replacement for License and Theft Bureau Vehicles					
Replaces 400 Viper radio units in License and Theft Bureau cars. The new statewide system uses an updated mobile radio standard which uses the radio frequency spectrum more efficiently, but is incompatible with current radios.	Req \$	-	\$ 2,428,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 2,428,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
26 Electronic Insurance Verification Program					
Funds implementation of the Electronic Insurance Verification project to create a more efficient system and process for verifying drivers' insurance status. This will identify more uninsured drivers and reduce paperwork.	Req \$	350,000	\$ -	\$ 350,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	350,000	\$ -	\$ 350,000	\$ -
	FTE	0.000	0.000	0.000	0.000
27 Increased Utility Costs					
Funds utility expenses at the DMV Headquarters Building in Rocky Mount that it did not incur before its relocation from a state-owned facility in Raleigh.	Req \$	284,860	\$ -	\$ 284,860	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	284,860	\$ -	\$ 284,860	\$ -
	FTE	0.000	0.000	0.000	0.000
28 Ignition Interlock Program					
Provides funding for changes to the State Automated Drivers License System needed to facilitate the Ignition Interlock Program. This will enable delivery of the requirements in SL 2021-182 (SB 183).	Req \$	142,416	\$ -	\$ 142,416	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	142,416	\$ -	\$ 142,416	\$ -
	FTE	0.000	0.000	0.000	0.000
29 DMV Employee Uniforms					
Funds uniforms for both sworn and civilian members of the License and Theft Bureau, as well as the replacement of uniforms for Drivers License examiners.	Req \$	98,144	\$ 98,144	\$ 98,144	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	98,144	\$ 98,144	\$ 98,144	\$ -
	FTE	0.000	0.000	0.000	0.000
30 Services and Supplies for DMV Offices Statewide					
Funds a range of service and supply needs in DMV offices across the state, ranging from janitor services to copiers and other office equipment and supplies. DMV is currently running a deficit in this budget line item.	Req \$	-	\$ 1,500,000	\$ -	\$ 1,500,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 1,500,000	\$ -	\$ 1,500,000
	FTE	0.000	0.000	0.000	0.000
Integrated Mobility					
31 Bicycle and Pedestrian Projects					
Establishes a local government grant program to match federal funds for bicycle and pedestrian projects, such as shared use paths, bicycle lanes, and bicycle and pedestrian bridges.	Req \$	-	\$ -	\$ 10,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ -	\$ 10,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
32 Federal Match - Microtransit					
Funds a state match for a \$10.4 million US Department of Transport competitive grant awarded to the Integrated Mobility Division (IMD). The grant is for deployment of on-demand microtransit services in eleven rural communities.	Req \$	-	\$ 10,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 10,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
33 Integrated Mobility - Federal Matching Funds					
Provides funds to match federal grants for multimodal transportation. Opportunities for both formula funding and competitive grants have increased significantly due to IJA.	Req \$	2,000,000	\$ -	\$ 2,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	2,000,000	\$ -	\$ 2,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
34 Integrated Mobility - Feasibility Studies					
Funds feasibility studies and implementation of the Great Trails State Plan, as well as plans developed through IMD's planning grant program and the Transportation Planning Division. This builds on the \$2 million nonrecurring amount appropriated in SL 2021-180.	Req \$	1,000,000	\$ -	\$ 1,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,000,000	\$ -	\$ 1,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
35 Integrated Mobility - Multimodal Planning Grants					
Provides funding for multimodal, bicycle, and pedestrian plans as well as other special studies and programs. The revised annual appropriation for this program is \$670,000.	Req \$	200,000	\$ -	\$ 200,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	200,000	\$ -	\$ 200,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Office of Civil Rights (OCR)					
36 Environmental Justice Program Development					
Budgets receipts from the Highway Trust Fund to raise the capacity within OCR to provide advice, outreach, and support on environmental justice issues, both within NCDOT and with external partners. Includes funding for two positions to support project development activities and provide data analytic expertise to measure efficacy.	Req \$	207,812	\$ 237,712	\$ 207,812	\$ 247,712
	Rec \$	207,812	\$ 237,712	\$ 207,812	\$ 247,712
	App \$	-	\$ -	\$ -	\$ -
	FTE	2.000	0.000	2.000	0.000
37 Workforce Development Manager					
Budgets receipts from the the Highway Trust Fund for one position in the OCR. The position will coordinate work within NCDOT and with external partners to increase the representation of minorities, women, and disadvantaged people in the North Carolina multimodal transportation industry.	Req \$	144,581	\$ -	\$ 144,581	\$ -
	Rec \$	144,581	\$ -	\$ 144,581	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	1.000	0.000	1.000	0.000
Transfers					
38 Department of Revenue (DOR) Excise Tax New Positions					
Transfers funds to NC DOR for eight additional staff in its Excise Tax Division, to ensure effective administration of the tax laws as required by General Statutes.	Req \$	803,571	\$ -	\$ 803,571	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	803,571	\$ -	\$ 803,571	\$ -
	FTE	0.000	0.000	0.000	0.000
39 Global Transpark Capital Projects					
Provides recurring funding to the Global Transpark in Lenoir County for a program of capital projects, including maintaining the safety of the airport facilities, new hangars for military and corporate tenants, and a connector rail spur.	Req \$	8,000,000	\$ -	\$ 8,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	8,000,000	\$ -	\$ 8,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Aviation Division					
40 Aviation Division - Legislatively-Required Adjustment					
Adjusts the base budget for the Aviation Division, as required by GS 105-164.44M, due to a revised revenue estimate for aviation fuel tax.	Req \$	3,300,000	\$ -	\$ 15,000,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,300,000	\$ -	\$ 15,000,000	\$ -
	FTE	0.000	0.000	0.000	0.000
41 Aviation Division - Additional Staff Positions					
Provides nine positions in the Aviation Division to manage significant increases in workload. Funding for airport infrastructure development has climbed 332% in six years, while the division now manages 12 grant programs, compared to five in 2018. Insufficient staffing has led to the pausing of the receipt of funds from the latest federal program.	Req \$	1,198,877	\$ -	\$ 1,198,877	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,198,877	\$ -	\$ 1,198,877	\$ -
	FTE	9.000	0.000	9.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Rail Division					
42 Rail: S-Line Federal Grant Match					
Provides the required state match from the General Fund to leverage federal grants available under the bipartisan Infrastructure Investment and Jobs Act (IIJA). The S-Line will provide a direct rail link from Raleigh to Richmond, Virginia, increasing rail capacity and resilience and creating economic development and environmental benefits. Match funding of \$78 million per year over five years is required to leverage \$2.6 billion in federal investment.	Req \$	- \$	78,000,000 \$	- \$	78,000,000
	Rec \$	- \$	78,000,000 \$	- \$	78,000,000
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
Ferry Division					
43 Increase in Fuel Costs					
Increases the Ferry Division's fuel budget to account for increasing fuel prices. The forecast requirement is based on consumption of two million gallons at a cost of \$4.23 per gallon (the US Energy Information Administration forecast price). Additional funding ensure the Division can operate and maintain the ferry system without having to reduce service to cover the rising cost of diesel.	Req \$	2,600,000 \$	- \$	2,600,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	2,600,000 \$	- \$	2,600,000 \$	-
	FTE	0.000	0.000	0.000	0.000
44 Crew Training and Employee Recruitment					
Provides funds to send vessel crews for US Coast Guard-required license preparation schooling. This is a key part of the division's recruitment, retention and succession planning strategy, helping alleviate the overall 19% vacancy rate of permanent employees in the division.	Req \$	140,000 \$	- \$	140,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	140,000 \$	- \$	140,000 \$	-
	FTE	0.000	0.000	0.000	0.000
45 Ferry Dry Docks and Maintenance Equipment					
Provides funds for vessel drydocks and to purchase equipment needed for maintenance and repairs, to meet US Coast Guard requirements. This will help the Ferry Division to manage the enhanced maintenance schedule required owing to the increasing age of its fleet - nine of its 22 vessels are already past the expected life of a vessel of 30 years.	Req \$	12,500,000 \$	- \$	12,500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	12,500,000 \$	- \$	12,500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
46 New Vessel Construction					
Funds the design and construction of one vehicle ferry to replace an existing vessel based on condition, age, and continuing costs to maintain / operate. Budgets \$5 million transferred from the Ferry Capital Special Fund in each year of the biennium to contribute to the costs.	Req \$	- \$	11,500,000 \$	- \$	18,500,000
	Rec \$	- \$	5,000,000 \$	- \$	5,000,000
	App \$	- \$	6,500,000 \$	- \$	13,500,000
	FTE	0.000	0.000	0.000	0.000
47 Marine and Facility Maintenance					
Provides recurring funding for the Ferry Division's marine maintenance and facility maintenance units. Projects to be undertaken include dredging and work for pilings, ramps, docks, and gantries that are in fair or poor condition. Improvements will also be made to several terminal facilities to ensure safe working conditions and improve the visitor experience.	Req \$	2,000,000 \$	- \$	2,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	2,000,000 \$	- \$	2,000,000 \$	-
	FTE	0.000	0.000	0.000	0.000
48 Propulsion Control System Updates					
Provides funds to update and upgrade the propulsion control systems on vessels constructed between 1995 and 2002, which are no longer supported by the manufacturer. These updates / upgrades will reduce vessel downtime and increase service reliability.	Req \$	- \$	4,500,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	4,500,000 \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
49 M/V Hunt Emergency Switch Board Replacement					
Funds the replacement of the M/V Hunt's antiquated emergency generator switchboard, for which parts are no longer available.	Req \$	- \$	750,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	750,000 \$	- \$	-
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
50 Planning and Matching Grants					
Funds the completion of asset and infrastructure condition reports, updated capital plans, and critical studies / reports. In addition, funds will be used to meet the matching requirements for several federal and state grant opportunities.	Req \$	500,000	\$ -	\$ 500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	500,000	\$ -	\$ 500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
51 NC12 South Dock Stacking Lane					
Provides funding to partner with NCDOT Highway Division 1 to modify the current NC 12 configuration at the South Dock (Ocracoke North) Ferry Terminal. The new design will allow for stacking lanes to be created on NC 12, together with a concrete barrier to protect travelers from traffic flows.	Req \$	-	\$ 1,500,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 1,500,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
52 Replace Ferry Fire Suppression Systems					
Replaces the current carbon dioxide gas fire suppression system used in ferries with a new, safer system. The change will require the vessel to be in drydock to be completed. The budget includes engineering design, labor to install the systems, and training for two vessels each year.	Req \$	-	\$ 75,000	\$ -	\$ 75,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 75,000	\$ -	\$ 75,000
	FTE	0.000	0.000	0.000	0.000
53 Environmentally-Friendly Lubricants					
Replaces mineral based lubricants with a water-based, more environmentally-friendly lubricant. It is likely that the Environmental Protection Agency will issue a rule to require this change in the near future. Costs will include switching out associated materials, such as seals.	Req \$	250,000	\$ 1,000,000	\$ 250,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	250,000	\$ 1,000,000	\$ 250,000	\$ -
	FTE	0.000	0.000	0.000	0.000
54 Programatic Overtime and Temporary Labor					
Fully funds programmed overtime and temporary labor based on FY 2022 actuals. This approach enables the Ferry Division to operate three daily shifts with two worker rotas.	Req \$	3,500,000	\$ -	\$ 3,500,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	3,500,000	\$ -	\$ 3,500,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ 109,722,843	\$ 201,919,730	\$ 326,661,697	\$ 166,496,539
Total Change to Receipts		\$ 352,393	\$ 83,237,712	\$ 352,393	\$ 83,247,712
Total Change to Net Appropriation		\$ 109,370,450	\$ 118,682,018	\$ 326,309,304	\$ 83,248,827
Total Change to Full-Time Equivalent (FTE)		28.000	0.000	28.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		228,052,468	\$	409,558,131
Recommended Total FTE Changes			28.000		28.000

Transportation - Highway Trust Fund (84290)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,835,500,000	\$ 196,962,288	\$ 7,737,712	\$ 204,700,000	\$ 2,040,200,000	11.2%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 1,835,500,000	\$ 196,962,288	\$ 7,737,712	\$ 204,700,000	\$ 2,040,200,000	11.2%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,835,500,000	\$ 286,552,288	\$ 247,712	\$ 286,800,000	\$ 2,122,300,000	15.6%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 1,835,500,000	\$ 286,552,288	\$ 247,712	\$ 286,800,000	\$ 2,122,300,000	15.6%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Strategic Transportation Investments Prioritization (STIP)				
Adjusts the budget for the STIP program to match the revenues available to the Highway Trust Fund. The revised annual net appropriation for Strategic Transportation Investments is \$1.8 billion in 2023-24 and \$1.9 billion in 2024-25.	Req \$ 196,609,895	\$ -	\$ 286,199,895	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 196,609,895	\$ -	\$ 286,199,895	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Economic Development Fund - Buncombe County Interchange				
Provides additional nonrecurring funds to address increased costs for the interchange project in Buncombe County funded in SL 2022-74. The anticipated costs to complete the project have increased from \$30 million to \$37.5 million, reflecting the impact of higher costs in the construction industry.	Req \$ -	\$ 7,500,000	\$ -	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ -	\$ 7,500,000	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Environmental Justice Program Development				
Transfers funds to the Highway Fund to raise the capacity within OCR to provide advice, outreach and support on environmental justice issues, both within NCDOT and with external partners. Includes funding for two positions to support project development activities and provide data analytic expertise to measure efficacy.	Req \$ 207,812	\$ 237,712	\$ 207,812	\$ 247,712
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 207,812	\$ 237,712	\$ 207,812	\$ 247,712
	FTE 0.000	0.000	0.000	0.000
4 Workforce Development Manager				
Transfers recurring funds to the Highway Fund for one position in the OCR. The position will coordinate work both within NCDOT and with external partners to increase the representation of minorities, women, and disadvantaged people in the North Carolina multimodal transportation industry.	Req \$ 144,581	\$ -	\$ 144,581	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 144,581	\$ -	\$ 144,581	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 196,962,288	\$ 7,737,712	\$ 286,552,288	\$ 247,712
Total Change to Receipts	\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriation	\$ 196,962,288	\$ 7,737,712	\$ 286,552,288	\$ 247,712
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	204,700,000	\$	286,800,000
Recommended Total FTE Changes		0.000		0.000

Ferry Capital Spec Fund (24268)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	0.0%
Receipts	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,500,000	0.0%
Δ in Fund Balance	\$ 2,500,000	\$ -	\$ (5,000,000)	\$ (5,000,000)	\$ (2,500,000)	-200.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	0.0%
Receipts	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,500,000	0.0%
Δ in Fund Balance	\$ 2,500,000	\$ -	\$ (5,000,000)	\$ (5,000,000)	\$ (2,500,000)	-200.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 New Vessel Construction				
Transfers nonrecurring funds from the Ferry Capital Special Fund to the Highway Fund. This will help meet the costs of a new ferry to replace an existing vessel based on condition, age, and continuing costs to maintain / operate.	Req \$ -	\$ 5,000,000	\$ -	\$ 5,000,000
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (5,000,000)	\$ -	\$ (5,000,000)
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000
Total Change to Receipts	\$ -	\$ -	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ (5,000,000)	\$ -	\$ (5,000,000)
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)		\$ (5,000,000)		\$ (5,000,000)
Recommended Total FTE Changes		0.000		0.000

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State Budget and Management - State Capital and Infrastructure Fund (24001)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 700,350,492	\$ (85,990,387)	\$ 2,612,866,938	\$ 2,526,876,551	\$ 3,227,227,043	360.8%
Receipts	\$ 700,350,492	\$ -	\$ 2,253,565,412	\$ 2,253,565,412	\$ 2,953,915,904	321.8%
Δ in Fund Balance	\$ -	\$ 85,990,387	\$ (359,301,526)	\$ (273,311,139)	\$ (273,311,139)	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%
Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 700,350,492	\$ (211,212,323)	\$ 1,478,870,264	\$ 1,267,657,941	\$ 1,968,008,433	181.0%
Receipts	\$ 700,350,492	\$ -	\$ 1,258,094,746	\$ 1,258,094,746	\$ 1,958,445,238	179.6%
Δ in Fund Balance	\$ -	\$ 211,212,323	\$ (220,775,518)	\$ (9,563,195)	\$ (9,563,195)	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
SCIF Availability				
1 Beginning of Year Transfer				
Budgets receipts for the statutorily required transfer per 143C-4-3.1(b)(2), less the funding for recurring items (debt service, GREAT program, SCIF-funded positions) in the Base Budget.	Req \$	- \$	- \$	- \$
	Rec \$	- \$	692,242,008 \$	- \$
	CFB \$	- \$	692,242,008 \$	- \$
	FTE	0.000	0.000	0.000
2 State Capital and Infrastructure Fund Infusion (SCIF)				
Provides additional funding to support projects funded by the SCIF.	Req \$	- \$	- \$	- \$
	Rec \$	- \$	1,415,000,000 \$	- \$
	CFB \$	- \$	1,415,000,000 \$	- \$
	FTE	0.000	0.000	0.000
3 Unspent Funds from Prior Years				
Re-purposes unspent funds from FY 2021-22.	Req \$	- \$	- \$	- \$
	Rec \$	- \$	3,124,558 \$	- \$
	CFB \$	- \$	3,124,558 \$	- \$
	FTE	0.000	0.000	0.000
4 SCIF Interest Income				
Appropriates interest earned on the SCIF fund balance. Interest income between July 2022 and January 2023 was \$32,291,222, and is estimated as an additional \$30 million for the remaining months of FY 2023.	Req \$	- \$	- \$	- \$
	Rec \$	- \$	62,291,222 \$	- \$
	CFB \$	- \$	62,291,222 \$	- \$
	FTE	0.000	0.000	0.000
Debt Service				
5 Debt Service Adjustment				
Adjusts the transfer from the State Capital Infrastructure Fund to the Department of the State Treasurer's budget code 19425 to more accurately reflect debt service requirements. The new total amount needed to support existing debt service is \$591,360,105 in 2023-24 and \$466,138,169 in 2024-25.	Req \$	(86,990,387) \$	- \$	(212,212,323) \$
	Rec \$	- \$	- \$	- \$
	CFB \$	86,990,387 \$	- \$	212,212,323 \$
	FTE	0.000	0.000	0.000
Repairs and Renovations				
6 Repairs and Renovations - State Agencies				
Provides funding for repairs and renovations of State-owned facilities of State agencies, excluding UNC.	Req \$	- \$	200,000,000 \$	- \$
	Rec \$	- \$	- \$	- \$
	CFB \$	- \$	(200,000,000) \$	- \$
	FTE	0.000	0.000	0.000
7 Repairs and Renovations - UNC				
Provides funding for repairs and renovations of State-owned university facilities.	Req \$	- \$	200,000,000 \$	- \$
	Rec \$	- \$	- \$	- \$
	CFB \$	- \$	(200,000,000) \$	- \$
	FTE	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Capital Projects Inflation Adjustments Fund (CPIAF)					
8 Capital Projects Inflation Adjustments Fund					
Provides \$50 million in 2023-24 and \$25 million in 2024-25 that the Office of State Budget and Management may allocate to supplement funds allocated to other state agency projects up to 10% of the authorized amount for those projects. Also appropriates additional funding from the Capital Projects Inflation Reserve to meet requests from agencies and campuses that exceed that limit.	Req \$	-	\$ 50,000,000	\$ -	\$ 25,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (50,000,000)	\$ -	\$ (25,000,000)
	FTE	0.000	0.000	0.000	0.000
9 Cost Increase Adjustments for Existing Capital Projects					
Provides funding from the Capital Projects Inflation Adjustments Fund to state agencies, the UNC System Office, and the Community College System Office to fund increased costs arising from construction cost increases in projects listed in Section 40.4.(c) of the Budget Bill.	Req \$	-	\$ -	\$ -	\$ -
	Rec \$	-	\$ 22,383,000	\$ -	\$ 37,107,000
	CFB \$	-	\$ 22,383,000	\$ -	\$ 37,107,000
	FTE	0.000	0.000	0.000	0.000
10 Capital Projects Inflation Adjustments Fund (CPIAF) Allocations					
Provides funding from the CPIAF to the Office of State Budget and Management to allocate to state agency or UNC system capital projects in accordance with Section 40.4.(d) of the Budget Bill.	Req \$	-	\$ 50,000,000	\$ -	\$ 50,000,000
	Rec \$	-	\$ 50,000,000	\$ -	\$ 50,000,000
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Office of the Lieutenant Governor					
11 Hawkins-Hartness Carriage House Conversion					
Provides funds to renovate the historic Carriage House and convert it into meeting and office space. Renovations would include electrical systems, telecommunications systems, and HVAC.	Req \$	-	\$ 788,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (788,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Department of Agriculture and Consumer Services					
12 Western NC Farmers Market Planning					
Provides funds for a facility-wide assessment of buildings, roads, and utilities that will be used to develop a 7-year Capital Improvement plan for the Market. The deliverables will include a perspective of priorities and estimated costs.	Req \$	-	\$ 200,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (200,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
13 Raleigh State Farmers Market Improvements					
Provides funds to relocate existing operations and to create a new open air pavilion at the market. Funds will also create access to Dix Park. The project is part of the State Farmers Market masterplan.	Req \$	-	\$ 3,000,000	\$ -	\$ 2,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (3,000,000)	\$ -	\$ (2,000,000)
	FTE	0.000	0.000	0.000	0.000
14 Pesticide Storage, Loading, and Cleaning Facilities					
Provides funding to construct ten new pesticide storage, loading, and cleaning facilities involving hazardous chemicals at multiple research stations.	Req \$	-	\$ 750,000	\$ -	\$ 1,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (750,000)	\$ -	\$ (1,000,000)
	FTE	0.000	0.000	0.000	0.000
15 Cherry Research Station Administrative Office					
Provides funds to construct a new Administrative Office outside of the flood plain at the Wayne County facility.	Req \$	-	\$ 749,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (749,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
16 Griffith Forest Center Central Warehouse and Office					
Provides funding to construct a new warehouse to support regional operations. Construction will include a single office, restroom and plumbing for safety shower and eye wash stations.	Req \$	-	\$ -	\$ -	\$ 750,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ (750,000)
	FTE	0.000	0.000	0.000	0.000
Department of Environmental Quality					
17 Water Resources Development Grant- Carolina Beach					
Provides funds to match the Army Corps of Engineers Coastal Storm Damage Reduction renourishment project at Carolina Beach.	Req \$	-	\$ 911,667	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (911,667)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
18 Water Resources Development Grant- Holden Beach					
Provides funds to match the Army Corps of Engineers Coastal Storm Damage Reduction project at Holden Beach.	Req \$	- \$	750,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(750,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
19 Water Resources Development Grant- Ocean Isle					
Provides funds to match the United States Army Corps of Engineers Coastal Storm Risk Management renourishment project at Ocean Isle.	Req \$	- \$	27,784 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(27,784) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
20 Water Resources Development Grant- State and Local Projects					
Provides funds for cost-share grants to local governments across the state to implement various water resource development projects that provide significant environmental, economic, and social benefits to communities.	Req \$	- \$	3,000,000 \$	- \$	3,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(3,000,000) \$	- \$	(3,000,000)
	FTE	0.000	0.000	0.000	0.000
21 Water Resources Development Grant- EQUIP Projects					
Provides the funding necessary to offer cost-share grants to local governments across the state to implement Environmental Quality Incentives Program projects and other various water resource development projects that provide significant environmental, economic, and social benefits to the communities.	Req \$	- \$	2,000,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(2,000,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
22 Water Resources Development Grant- Manteo Old House Channel					
Provides funds to create an oyster habitat from the maintenance dredging of Old House Channel in Dare County.	Req \$	- \$	2,700,000 \$	- \$	2,700,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(2,700,000) \$	- \$	(2,700,000)
	FTE	0.000	0.000	0.000	0.000
23 Water Resources Development Grants- Dan River Project					
Provides funds for the state match needed to complete the Dan River Regional Water Supply Project.	Req \$	- \$	107,667 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(107,667) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
24 Water Resources Development Grant- Cape Fear River Basin					
Provides the necessary state matching funds for an Army Corps of Engineers flood mitigation study in the Cape Fear River Basin.	Req \$	- \$	1,500,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(1,500,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
25 Remaining Funds for DEQ Reedy Creek Lab					
Completes funding for the Reedy Creek Lab. The total cost of this project is \$55 million.	Req \$	- \$	22,000,000 \$	- \$	13,750,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(22,000,000) \$	- \$	(13,750,000)
	FTE	0.000	0.000	0.000	0.000
26 Reedy Creek Addition					
Provides funds for a third phase of construction at the Reedy Creek Lab Campus to add office space and equipment. The additional space will allow for the relocation and consolidation of DEQ staff currently occupying the Archdale Building.	Req \$	- \$	10,957,800 \$	- \$	15,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(10,957,800) \$	- \$	(15,000,000)
	FTE	0.000	0.000	0.000	0.000
Department of Administration					
27 Secure Records and Technology Center					
Provides funds for the construction of a new Secure Records and Technology Center to serve as the cornerstone of a multi-phased project that will create swing space and allow for the renovation of state buildings and their secure storage vaults. The facility will eventually house classroom space to serve as the Personnel Training Center.	Req \$	- \$	12,000,000 \$	- \$	45,172,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(12,000,000) \$	- \$	(45,172,000)
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
28 DOA Services Campus					
Provides funds for a phased process to move Motor Fleet Management facilities, and allow for shared services for State Surplus, Mail Service Center, and Facilities Management Division Warehouse.	Req \$	- \$	- \$	- \$	1,500,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(1,500,000)
	FTE	0.000	0.000	0.000	0.000
29 DHHS DIT Backbone Equipment					
Provides funds to complete the Data Center equipment purchase and installation at the DHHS headquarters building.	Req \$	- \$	14,177,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(14,177,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
30 Remaining Funds for New DHHS HQ					
Provides remaining funds for the construction of the new Administrative Complex for the Department of Health and Human Services on Blue Ridge Road. DHHS is required to move from the Dorothea Dix Campus, per the sale of the property to the city of Raleigh.	Req \$	- \$	54,000,000 \$	- \$	64,500,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(54,000,000) \$	- \$	(64,500,000)
	FTE	0.000	0.000	0.000	0.000
31 Additional State Construction Office Positions					
Provides recurring funds to maintain the additional staff capacity at the State Construction Office (SCO) funded on a nonrecurring basis in the last biennium. This supports SCO to manage the increased number of construction projects being undertaken by state agencies.	Req \$	1,000,000 \$	- \$	1,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	(1,000,000) \$	- \$	(1,000,000) \$	-
	FTE	0.000	0.000	0.000	0.000
Wildlife Resources Commission					
32 Setzer Hatchery Renovation					
Provides funds for major infrastructure improvements to the Setzer fish hatchery to increase economic and fishing opportunities provided by the Wildlife Resources Commission trout program. Renovations include repair of two stream intakes, installation of new piping, reworking of well water supply, updated hatchery building with mechanical support systems, and additional flood protection measures.	Req \$	- \$	8,000,000 \$	- \$	6,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(8,000,000) \$	- \$	(6,000,000)
	FTE	0.000	0.000	0.000	0.000
Department of Public Safety					
33 Cabarrus Youth Development Center Perimeter Fence Modifications					
Provides funds to support the replacement of existing perimeter fencing with curved anti-climb perimeter fencing to upgrade security and to create a vehicle gate for secure access to the campus.	Req \$	- \$	1,186,000 \$	- \$	-
	Rec \$	- \$	300,000 \$	- \$	-
	CFB \$	- \$	(886,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
34 Cabarrus New Modular Office					
Provides funding to support office space, storage, and a workroom for existing staff in the portion of the DPS facility that is scheduled to be sold.	Req \$	- \$	690,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(690,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
35 Samarcand Training Academy for Safer Schools					
Provides funding to fully renovate East Montgomery County High School which has been purchased for a new Safer Schools Training program managed by Samarcand Training Academy. Renovations will include replacing outdated utility systems, removal of temporary trailers, removal and replacement of fencing, and renovating sidewalks and pavement across the campus.	Req \$	- \$	15,000,000 \$	- \$	15,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(15,000,000) \$	- \$	(15,000,000)
	FTE	0.000	0.000	0.000	0.000
36 Winston-Salem National Guard HAZMAT Storage Building					
Provides the state funding match to construct a secondary containment pad with overhead protection, and relocate or modify existing sidewalks, storm water control, and utilities.	Req \$	- \$	1,112,832 \$	- \$	-
	Rec \$	- \$	834,624 \$	- \$	-
	CFB \$	- \$	(278,208) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
37 Winston-Salem National Guard Storage Building					
Provides the state funding match to construct a new climate-controlled storage building at the field maintenance shop in the Winston-Salem facility. The storage space will be utilized for storing the parts, equipment, and tools required at this facility.	Req \$	- \$	1,000,000 \$	- \$	-
	Rec \$	- \$	750,000 \$	- \$	-
	CFB \$	- \$	(250,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
38 Louisburg National Guard Readiness Center					
Provides the state funding match to expand all major components of the Louisburg Readiness Center. Funds will be used to expand and renovate the supply room, classroom, office and kitchen space, and HAZMAT storage.	Req \$	- \$	8,666,667 \$	- \$	-
	Rec \$	- \$	5,000,000 \$	- \$	-
	CFB \$	- \$	(3,666,667) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
39 State Highway Patrol Cadet Dormitory 1					
This project is part of Phase II for an overall master redevelopment plan for the State Highway Patrol campus and provides the first of two new mixed-use dormitories to increase enrollment on the campus and improve training efficiency for cadets.	Req \$	- \$	3,706,000 \$	- \$	11,069,500
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(3,706,000) \$	- \$	(11,069,500)
	FTE	0.000	0.000	0.000	0.000
40 Emergency Management - Badin Logistics Support Center Shed					
Provides funds to construct a pre-engineered metal enclosure with steel bollards to protect the structural columns and panels. The structure will serve as a logistics support center at the NCEM Western Disaster Warehouse.	Req \$	- \$	527,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(527,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
41 Emergency Management - Badin Warehouse Expansion					
Provides funds to construct a raised addition with four loading docks at the NCEM Western Disaster Warehouse.	Req \$	- \$	1,000,000 \$	- \$	2,024,414
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(1,000,000) \$	- \$	(2,024,414)
	FTE	0.000	0.000	0.000	0.000
42 SBI - Logistics Building Phase 1					
Provides funds for the first phase of the overall Master Plan for the campus. Funds will be used to provide a pre-engineered metal building to house the Bomb Squad and SBI Special Services unit. The facility will allow NCSBI to vacate the lease for the Capital District Building prior to starting Phase II of the Master Plan.	Req \$	- \$	2,028,500 \$	- \$	5,927,250
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(2,028,500) \$	- \$	(5,927,250)
	FTE	0.000	0.000	0.000	0.000
43 Emergency Management - Badin Warehouse Expansion					
Provides funding to purchase 2.76 acres of cleared property adjacent to the NCEM Western Disaster Warehouse. The property will allow for additional equipment and vehicle storage, including an additional 60 tractor trailers next to the main warehouse.	Req \$	- \$	- \$	- \$	4,198,414
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(4,198,414)
	FTE	0.000	0.000	0.000	0.000
44 Samarcand - Live Fire Indoor Training Building					
Provides funding to support the construction of the Live Fire Indoor Training Building at the existing Samarcand shooting range. The indoor facility will directly support law enforcement training in realistic mock-up scenarios.	Req \$	- \$	3,200,000 \$	- \$	1,202,919
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(3,200,000) \$	- \$	(1,202,919)
	FTE	0.000	0.000	0.000	0.000
45 National Guard Constable Building Restoration					
Provides funds to renovate the Constable laboratory building and convert it to the North Carolina National Guard Office Space. The renovations will include major building systems such as HVAC, electrical, plumbing, and fire protection systems.	Req \$	- \$	8,214,291 \$	- \$	8,214,291
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(8,214,291) \$	- \$	(8,214,291)
	FTE	0.000	0.000	0.000	0.000
46 New Youth Detention Center					
Provides funding to begin site location, advanced planning, and construction of a new 48-bed facility with storage and support spaces. The new facility will provide increased capacity to the Division of Juvenile Justice, which projects to be short of available bed-space by 2025.	Req \$	- \$	600,000 \$	- \$	10,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(600,000) \$	- \$	(10,000,000)
	FTE	0.000	0.000	0.000	0.000
47 Remaining Funds for Samarcand Driving Track					
Provides funds for the completion of the construction of the driving track for the DPS Samarcand facility.	Req \$	- \$	- \$	- \$	11,409,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(11,409,000)
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
48 Remaining Funds for SBI HQ and Building 12 Renovation					
Provides funds for the completion of the new State Bureau of Investigation headquarters facility and major renovation of Building 12 at the Garner Road Campus.	Req \$	- \$	32,653,000 \$	- \$	20,408,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(32,653,000) \$	- \$	(20,408,000)
	FTE	0.000	0.000	0.000	0.000
Department of Health and Human Services					
49 Walter B. Jones-New Medical Office Building					
Provides funds for permanent facilities at the Walter B. Jones Alcohol and Drug Abuse Treatment Center to provide medical services and support.	Req \$	- \$	- \$	- \$	1,352,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(1,352,000)
	FTE	0.000	0.000	0.000	0.000
50 Broughton Hospital-New Maintenance & Warehouse Facility					
Provides funds to complete the new maintenance and warehouse facility, and the relocation of all operations to the new Broughton Hospital.	Req \$	- \$	5,983,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(5,983,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
51 Cherry Hospital-New Maintenance Building					
Provides funds to complete the new maintenance and warehouse facility, and the relocation of all operations to the new Cherry Hospital.	Req \$	- \$	5,405,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(5,405,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
52 J. Iverson Riddle Development Center-Cedar Cottage Renovation					
Provides funds for a full renovation of Cedar Cottage at J. Iverson Riddle Development Center (JIRDC). Renovations include replacement of failing water and sanitary systems.	Req \$	- \$	12,722,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(12,722,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
53 Murdoch Development Center-Briarwood Cottage Renovation					
Provides funds for the comprehensive renovation of Briarwood Cottage at the Murdoch Development Center. Renovations will include interior structure, building systems, and failing water and sanitary systems.	Req \$	- \$	- \$	- \$	12,792,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(12,792,000)
	FTE	0.000	0.000	0.000	0.000
54 J. Iverson Riddle Development Center - Willow Cottage					
Provides funds for a full renovation of Willow Cottage at the J. Iverson Riddle Development Center.	Req \$	- \$	12,375,600 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(12,375,600) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
55 John Umstead Hospital Building 48 Renovation					
Provides funds for the renovation of a currently vacant building. New building systems and interior renovation would allow for additional office and work space.	Req \$	- \$	- \$	- \$	6,806,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(6,806,000)
	FTE	0.000	0.000	0.000	0.000
Department of Natural and Cultural Resources					
56 Remaining Funds for Museum of History Phase 1					
Provides funds to complete the first phase of a project to renovate the interior of the Museum of History.	Req \$	- \$	22,000,000 \$	- \$	15,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(22,000,000) \$	- \$	(15,000,000)
	FTE	0.000	0.000	0.000	0.000
57 NC Museum of History Renovations & Expansion					
Provides funds to complete the full renovation of the interior and major building systems of the Museum. Funding would also allow for the expansion of exhibit space, the addition of the multi-story atrium, and cover increased construction costs.	Req \$	- \$	25,000,000 \$	- \$	25,000,000
	Rec \$	- \$	- \$	- \$	25,000,000
	CFB \$	- \$	(25,000,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
58 NC Zoological Park - New Aviary Exhibit Building					
Provides funds to construct a new Aviary Exhibit Building at the North Carolina Zoo. The previous building exceeded its useful life, and the replacement is needed to house bird and plant exhibits popular with visitors.	Req \$	- \$	3,000,000 \$	- \$	3,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(3,000,000) \$	- \$	(3,000,000)
	FTE	0.000	0.000	0.000	0.000
59 Town Creek Indian Mound State Historic Site Additions					
Provides funds for a new visitor center and additional exhibits at the Town Creek Indian Mound State Historic Site.	Req \$	- \$	500,000 \$	- \$	5,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(500,000) \$	- \$	(5,000,000)
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
60 State Historic Sites - Three New Visitor Centers					
Provides funds for new visitor centers at the House in the Horseshoe, Historic Stagville, and Somerset Place historic sites. The projects would also include demolition of previous structures as well as landscaping and parking improvements.	Req \$	- \$	2,000,000 \$	- \$	7,721,240
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(2,000,000) \$	- \$	(7,721,240)
	FTE	0.000	0.000	0.000	0.000
61 Energy Savings Building Systems and Equipment					
Provides funds to purchase and utilize energy saving building systems and equipment for use in DNCR's Energy Savings Contractor projects.	Req \$	- \$	1,400,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(1,400,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
62 African American Monument at the State Capitol					
Provides funds to complete the planning, design, and construction of the African American Monument, led by the African American Heritage Commission. The monument would be constructed on the southeast corner of the State Capitol grounds.	Req \$	- \$	3,000,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(3,000,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
63 Hanging Rock State Park - Vade Mecum Facility Renovations					
Provides funds to complete the project to re-open the Vade Mecum property and to renovate and repurpose five existing buildings including the gym, hotel, and three cabins for public use.	Req \$	- \$	5,000,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(5,000,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
64 NC Aquariums - Gallants Channel Animal Rescue Facility					
Provides funds to construct a facility needed for animal care, rescue, and rehabilitation on existing DNCR property in Morehead City. This site would also run educational programs for the public.	Req \$	- \$	- \$	- \$	1,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(1,000,000)
	FTE	0.000	0.000	0.000	0.000
65 Thomas Day State Historic Site					
Provides funds to complete the repair and restoration of the Thomas Day House and the Milton Bank Visitor Center, two recently acquired state properties.	Req \$	- \$	600,000 \$	- \$	3,400,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(600,000) \$	- \$	(3,400,000)
	FTE	0.000	0.000	0.000	0.000
66 Charlotte Hawkins Brown State Historic Site - Economic and Communi					
Provides funds to complete an economic and community use feasibility study for a portion of the Charlotte Hawkins Brown State Historic Site.	Req \$	- \$	- \$	- \$	250,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(250,000)
	FTE	0.000	0.000	0.000	0.000
67 Lake Waccamaw State Park - New Campground					
Provides funds to develop a new campground. The new campground would require RV sites, camper cabins, tent camping sites, and water and septic system work.	Req \$	- \$	3,000,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(3,000,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
68 Lumber River - Wire Pasture Access Development					
Provides funds to construct a visitor contact station, access road, and parking lot at the Wire Pasture site in Robeson County.	Req \$	- \$	2,500,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(2,500,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
69 Charlotte Hawkins Brown SHS - Galen Stone, Eliot, and Reynolds Halls					
Provides funds for complete renovations of three buildings at the Charlotte Hawkins Brown State Historic Site. Renovations would include asbestos removal, lead abatement, new roofing, and painting.	Req \$	- \$	- \$	- \$	3,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(3,000,000)
	FTE	0.000	0.000	0.000	0.000
70 Charlotte Hawkins Brown - Cottages Restoration					
Provides funds to restore three cottages at the Charlotte Hawkins Brown State Historic Site. Funding would allow for foundation work, exterior renovations, window and floor repairs.	Req \$	- \$	150,000 \$	- \$	850,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(150,000) \$	- \$	(850,000)
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
71 Museum of Natural Science - Mary Ann Britain Education Center					
Provides funds for renovations at the Wake County museum. Funds would provide classroom space and new bathrooms at the Museum's Prairie Ridge Ecostation.	Req \$	-	2,250,000	\$ -	\$ -
	Rec \$	-	1,640,000	\$ -	\$ -
	CFB \$	-	(610,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Department of Adult Corrections					
72 Facility Security Stun Fencing					
Provides funding for the design and installation of stun fencing inside the perimeter fence at Central Prison, as well as Piedmont, Eastern, Franklin, and Southern Correctional Institutes. Funds would be used for the electrical systems modifications and new components, including software monitoring.	Req \$	-	4,776,392	\$ -	\$ 9,607,804
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	(4,776,392)	\$ -	\$ (9,607,804)
	FTE	0.000	0.000	0.000	0.000
73 Facilities Management Office Renovation					
Provides funds for the major renovations of two buildings to be repurposed as the Facilities Management Office for DAC. Renovation will require asbestos and hazardous materials removal, as well as the installation of new building systems including HVAC and electrical systems.	Req \$	-	1,330,338	\$ -	\$ 3,410,831
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	(1,330,338)	\$ -	\$ (3,410,831)
	FTE	0.000	0.000	0.000	0.000
74 DART Center - Exterior Envelope Repairs					
Provides funds for major repairs at the Drug Abuse Rehabilitation Center in Wayne County. Funding would address leaking exteriors and water damage.	Req \$	-	303,612	\$ -	\$ 2,656,601
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	(303,612)	\$ -	\$ (2,656,601)
	FTE	0.000	0.000	0.000	0.000
75 Sampson Correctional Center Gatehouse					
Increased security and visitor registration area.	Req \$	-	1,521,000	\$ -	\$ -
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	(1,521,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
76 Arledge Building Modifications and Shop Building					
Provides funds for renovations of a dorm and shop at the former Swannanoa facility.	Req \$	-	-	\$ -	\$ 1,032,000
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	-	\$ -	\$ (1,032,000)
	FTE	0.000	0.000	0.000	0.000
77 Gaston Correctional Center Modular Medical Office					
Provides funds for the construction of a modular facility at Gaston Correctional Center to house space for medical services.	Req \$	-	1,078,000	\$ -	\$ -
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	(1,078,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
78 Eastern Correctional Institution Drainage & Paving					
Provides funds to repair the pathways, roads, and parking areas at the Eastern Correctional Institution. Funding would also provide for flood mitigation measures.	Req \$	-	2,394,178	\$ -	\$ 2,000,000
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	(2,394,178)	\$ -	\$ (2,000,000)
	FTE	0.000	0.000	0.000	0.000
79 Correctional Center Storage Buildings					
Provides funds for the construction of small storage buildings at the Lumberton, Sanford, Wilkes, and Tabor Correctional Centers.	Req \$	-	-	\$ -	\$ 449,000
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	-	\$ -	\$ (449,000)
	FTE	0.000	0.000	0.000	0.000
General Assembly					
80 Remaining Funds for New Education Building					
Provides the remaining funds to complete the new education building in the Raleigh Downtown Complex. The total authorized for this project is \$230 million.	Req \$	-	38,000,000	\$ -	\$ 101,000,000
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	(38,000,000)	\$ -	\$ (101,000,000)
	FTE	0.000	0.000	0.000	0.000
Department of Public Instruction					
81 NCCAT - Professional Development Center Phase II Renovations					
Provides funding to NCCAT for the renovation of a third hall of residence and the literacy building at its Professional Development Center.	Req \$	-	7,000,000	\$ -	\$ -
	Rec \$	-	-	\$ -	\$ -
	CFB \$	-	(7,000,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
82 K-12 Public School Facilities					
Provides funds for the construction and renovation of public school facilities. The Department of Public Instruction will allocate \$1,000,000 of funding to each public school unit in the state. The remaining funds will be allocated to public schools on the basis of average daily membership for FY 2022-23.	Req \$	-	\$ 1,000,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (1,000,000,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
83 Pre-K Capital Funding					
Provides funds for the renovation, repair, and construction of Pre-Kindergarten educational facilities. The Department of Public Instruction will distribute funds to local school boards to establish or expand the provision of high-quality Pre-Kindergarten education.	Req \$	-	\$ 100,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (100,000,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
State Agency Project Inflation Adjustments					
84 DACS - Supplement for Region 1 HQ Project in Duplin					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to DACS to complete the construction of its Region 1 HQ in Duplin.	Req \$	-	\$ 1,850,000	\$ -	\$ 1,500,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (1,850,000)	\$ -	\$ (1,500,000)
	FTE	0.000	0.000	0.000	0.000
85 DACS - Supplement for Tidewater Swine Research Project					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to DACS to complete the Tidewater Swine Research Project.	Req \$	-	\$ 1,900,000	\$ -	\$ 1,500,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (1,900,000)	\$ -	\$ (1,500,000)
	FTE	0.000	0.000	0.000	0.000
86 DPS - SHP Technical Services Unit Building Supplemental					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to DPS to complete construction of the SHP Technical Services Unit Building.	Req \$	-	\$ -	\$ -	\$ 519,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ (519,000)
	FTE	0.000	0.000	0.000	0.000
87 NCCAT - Cullowhee Project Supplemental					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to NCCAT to complete the renovation and expansion of its Professional Development Center.	Req \$	-	\$ 2,122,110	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (2,122,110)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Community Colleges					
88 Community College Capital					
Provides funding for new construction and repairs and renovations of community college facilities, to be allocated consistent with the arrangements set out in Section 40.1.(e) of S.L. 2021-180.	Req \$	-	\$ 100,000,000	\$ -	\$ 100,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (100,000,000)	\$ -	\$ (100,000,000)
	FTE	0.000	0.000	0.000	0.000
89 High-Demand Workforce Capital Funds					
Provides funding to the Community College System Office to be distributed on a competitive basis for capital and / or equipment needed for new or expanded programs in areas of high workforce demand. Priority should be given to programs which equip local residents for well-paid roles resulting from new, major investments in North Carolina.	Req \$	-	\$ 50,000,000	\$ -	\$ 50,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (50,000,000)	\$ -	\$ (50,000,000)
	FTE	0.000	0.000	0.000	0.000
90 Inflation Adjustments for Community College Projects					
Provides funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to the Community College System Office to address cost pressures at state-funded capital projects at community colleges.	Req \$	-	\$ 5,000,000	\$ -	\$ 5,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (5,000,000)	\$ -	\$ (5,000,000)
	FTE	0.000	0.000	0.000	0.000
University of North Carolina (UNC)					
91 Appalachian State University - Walker Hall Interior Renovation					
Provides funding for the interior renovation of Walker Hall.	Req \$	-	\$ 9,000,000	\$ -	\$ 9,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (9,000,000)	\$ -	\$ (9,000,000)
	FTE	0.000	0.000	0.000	0.000
92 Appalachian State University - Hickory Campus Phase 1					
Provides funding to complete renovations of the former Corning Optical Communications Building to establish the Appalachian State University Hickory Campus.	Req \$	-	\$ -	\$ -	\$ 4,100,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ (4,100,000)
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
93 East Carolina University - Brody School of Medicine					
Provides the remaining funds required to complete construction of the new Brody School of Medicine at East Carolina University. The total cost of the project is \$215 million.	Req \$	-	\$ 86,000,000	\$ -	\$ 53,750,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (86,000,000)	\$ -	\$ (53,750,000)
	FTE	0.000	0.000	0.000	0.000
94 East Carolina University - Leo Jenkins Building					
Provides planning funds for the comprehensive renovation of the Leo Jenkins Building on the Health Science Campus at East Carolina University.	Req \$	-	\$ -	\$ -	\$ 1,890,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ (1,890,000)
	FTE	0.000	0.000	0.000	0.000
95 Elizabeth City State University - Flight School					
Completes funding for the construction of a new aviation instruction building at Elizabeth City State University. The total cost of the project is \$34 million.	Req \$	-	\$ 10,000,000	\$ -	\$ 10,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (10,000,000)	\$ -	\$ (10,000,000)
	FTE	0.000	0.000	0.000	0.000
96 Elizabeth City State University - Infrastructure Repairs Phase 3					
Provides planning funds for the third phase of infrastructure repairs at Elizabeth City State University. The total amount authorized for this project is \$20 million.	Req \$	-	\$ -	\$ -	\$ 2,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ (2,000,000)
	FTE	0.000	0.000	0.000	0.000
97 Elizabeth City State University - Jenkins Hall and Dixon Hall					
Provides funding for laboratory, classroom, and building renovations at Jenkins Hall and Dixon Hall at Elizabeth City State University.	Req \$	-	\$ 1,250,000	\$ -	\$ 11,250,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (1,250,000)	\$ -	\$ (11,250,000)
	FTE	0.000	0.000	0.000	0.000
98 Fayetteville State University - New Residence Hall					
Provides the remaining funds required for a new residence hall at Fayetteville State University. The total cost of the project is \$40 million.	Req \$	-	\$ 16,000,000	\$ -	\$ 10,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (16,000,000)	\$ -	\$ (10,000,000)
	FTE	0.000	0.000	0.000	0.000
99 Fayetteville State University - College of Education					
Completes funding for the College of Education at Fayetteville State University. The total cost of the project is \$63 million.	Req \$	-	\$ 27,200,000	\$ -	\$ 15,750,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (27,200,000)	\$ -	\$ (15,750,000)
	FTE	0.000	0.000	0.000	0.000
100 Fayetteville State University - H.L. Cook Building Renovation					
Provides funds for the renovation of, and addition to, the H.L. Cook Building at Fayetteville State University.	Req \$	-	\$ 10,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (10,000,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
101 NC A&T State University - Marteena Hall Renovation Phase 2					
Provides funds for the second phase of the renovation of Marteena Hall at North Carolina Agricultural and Technical State University.	Req \$	-	\$ 9,700,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (9,700,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
102 NC A&T State University - Health and Human Sciences Building					
Provides initial planning and preparation funds for a new Health and Human Sciences Building at North Carolina Agricultural and Technical State University. The total amount authorized for this project is \$125 million.	Req \$	-	\$ -	\$ -	\$ 2,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ (2,000,000)
	FTE	0.000	0.000	0.000	0.000
103 NC Central University - Dent Building Comprehensive Renovation					
Provides funds for the comprehensive renovation of the Dent Building at North Carolina Central University.	Req \$	-	\$ 12,100,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (12,100,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
104 NC Central University - Edmonds Classroom Building					
Provides funds for the comprehensive renovation of the Edmonds Classroom Building at North Carolina Central University.	Req \$	-	\$ 13,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (13,000,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
105 NC Central University - University Theater Renovation					
Provides funds for the comprehensive renovation of the University Theater at North Carolina Central University.	Req \$	-	8,500,000	-	-
	Rec \$	-	-	-	-
	CFB \$	-	(8,500,000)	-	-
	FTE	0.000	0.000	0.000	0.000
106 NC State University - STEM Building					
Completes funding of the STEM Building at North Carolina State University. The total cost of the project is \$180 million.	Req \$	-	28,250,000	-	-
	Rec \$	-	-	-	-
	CFB \$	-	(28,250,000)	-	-
	FTE	0.000	0.000	0.000	0.000
107 NC State University - Mann Hall					
Provides the first two years of funding for the second phase of renovations at Mann Hall at North Carolina State University. The total amount authorized for this project is \$30 million.	Req \$	-	6,000,000	-	6,000,000
	Rec \$	-	-	-	-
	CFB \$	-	(6,000,000)	-	(6,000,000)
	FTE	0.000	0.000	0.000	0.000
108 NC State University - Polk Hall					
Provides planning funds for the second phase of renovations at Polk Hall at NC State University. The total amount authorized for this project is \$63 million.	Req \$	-	-	-	6,300,000
	Rec \$	-	-	-	-
	CFB \$	-	-	-	(6,300,000)
	FTE	0.000	0.000	0.000	0.000
109 NCSSM - Student Wellness and Activity Center					
Provides funding for a Student Wellness and Activity Center at the North Carolina School of Science and Math's Morganton Campus.	Req \$	-	12,000,000	-	-
	Rec \$	-	-	-	-
	CFB \$	-	(12,000,000)	-	-
	FTE	0.000	0.000	0.000	0.000
110 NCSSM - Residence Hall Renovations					
Provides funding for the first phase of renovations at three residence halls (Hill, Reynolds, Royal) at the North Carolina School of Science and Math.	Req \$	-	-	-	9,250,000
	Rec \$	-	-	-	-
	CFB \$	-	-	-	(9,250,000)
	FTE	0.000	0.000	0.000	0.000
111 NCSSM - Residence Hall Renovations					
Provides funding for the first phase of renovations at two residence halls (Beall, Bryan) at the North Carolina School of Science and Math.	Req \$	-	7,000,000	-	-
	Rec \$	-	-	-	-
	CFB \$	-	(7,000,000)	-	-
	FTE	0.000	0.000	0.000	0.000
112 UNC Asheville - Lipinsky Hall					
Completes comprehensive renovations and an addition at Lipinsky Hall at UNC-Asheville.	Req \$	-	2,615,000	-	23,535,000
	Rec \$	-	-	-	-
	CFB \$	-	(2,615,000)	-	(23,535,000)
	FTE	0.000	0.000	0.000	0.000
113 UNC Chapel Hill - Business School					
Completes funding for the Business School at UNC-Chapel Hill. The total cost of the project is \$150 million.	Req \$	-	20,000,000	-	19,250,000
	Rec \$	-	-	-	-
	CFB \$	-	(20,000,000)	-	(19,250,000)
	FTE	0.000	0.000	0.000	0.000
114 UNC Chapel Hill - Nursing School					
Together with funding from the Capital Projects Inflation Adjustments Fund (CPIAF), completes funding for the Nursing School at UNC-Chapel Hill. The total cost of the project, including additional funding from the CPIAF, is \$ 84.2 million.	Req \$	-	10,750,000	-	-
	Rec \$	-	-	-	-
	CFB \$	-	(10,750,000)	-	-
	FTE	0.000	0.000	0.000	0.000
115 UNC Chapel Hill - School of Law					
Provides funding for a new School of Law building at UNC Chapel Hill. The total amount authorized for this project is \$83 million.	Req \$	-	8,300,000	-	15,750,000
	Rec \$	-	-	-	-
	CFB \$	-	(8,300,000)	-	(15,750,000)
	FTE	0.000	0.000	0.000	0.000
116 UNC Chapel Hill - Demolition Funds					
Provides funds for campus-wide demolition projects at UNC Chapel Hill.	Req \$	-	10,000,000	-	-
	Rec \$	-	-	-	-
	CFB \$	-	(10,000,000)	-	-
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
117 UNC Chapel Hill - Gardner Hall					
Provides planning funds for the comprehensive renovation of Gardner Hall at UNC-Chapel Hill. The total amount authorized for this project is \$25 million.	Req \$	- \$	- \$	- \$	2,500,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(2,500,000)
	FTE	0.000	0.000	0.000	0.000
118 UNC Charlotte - Smith Hall					
Provides funding for the comprehensive renovation of Smith Hall at UNC-Charlotte.	Req \$	- \$	3,600,000 \$	- \$	32,400,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(3,600,000) \$	- \$	(32,400,000)
	FTE	0.000	0.000	0.000	0.000
119 UNC Charlotte - Colvard Hall					
Provides planning funds for the comprehensive renovation of Colvard Hall at UNC-Charlotte. The total amount authorized for this project is \$45 million.	Req \$	- \$	- \$	- \$	4,500,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(4,500,000)
	FTE	0.000	0.000	0.000	0.000
120 UNC Greensboro - Moore Building Renovation					
Provides planning funds for the renovation of the Moore Building at UNC-Greensboro. The total amount authorized for this project is \$24.2 million.	Req \$	- \$	- \$	- \$	2,420,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	- \$	- \$	(2,420,000)
	FTE	0.000	0.000	0.000	0.000
121 UNC Pembroke - Health Sciences Center					
Completes funding for the new Health Sciences Center at UNC-Pembroke. The total cost of this project is \$91 million.	Req \$	- \$	36,400,000 \$	- \$	22,750,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(36,400,000) \$	- \$	(22,750,000)
	FTE	0.000	0.000	0.000	0.000
122 UNC School of the Arts - Stevens Center Renovation					
Funds the second phase of the renovation of the Stevens Center at UNC School of the Arts.	Req \$	- \$	8,600,000 \$	- \$	12,750,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(8,600,000) \$	- \$	(12,750,000)
	FTE	0.000	0.000	0.000	0.000
123 UNC School of the Arts - New High School Residence Hall					
Provides funding for a new High School Residence Hall at UNC School of the Arts.	Req \$	- \$	6,125,000 \$	- \$	18,375,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(6,125,000) \$	- \$	(18,375,000)
	FTE	0.000	0.000	0.000	0.000
124 UNC Wilmington - Cameron Hall					
Provides funding for the comprehensive renovation and expansion of Cameron Hall at UNC Wilmington. The total amount authorized for this project is \$44.5 million, including \$4.45 million from UNC-Wilmington's Trust funds.	Req \$	- \$	10,262,500 \$	- \$	10,000,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(10,262,500) \$	- \$	(10,000,000)
	FTE	0.000	0.000	0.000	0.000
125 UNC Wilmington - Kenan Auditorium					
Provides funding for the comprehensive renovation and expansion of Kenan Auditorium at UNC-Wilmington. The total amount authorized for this project is \$24 million, including \$2.4 million from UNC-Wilmington's Trust funds.	Req \$	- \$	2,160,000 \$	- \$	19,440,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(2,160,000) \$	- \$	(19,440,000)
	FTE	0.000	0.000	0.000	0.000
126 Western Carolina University - Replacement Engineering Building					
Provides planning funding for the replacement Engineering Building at Western Carolina University. The total amount authorized for this project is \$95.3 million.	Req \$	- \$	11,530,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(11,530,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
127 Winston-Salem State University - K R Williams Auditorium					
Provides the remaining funding to complete the renovation of the K R Williams Auditorium at Winston-Salem State University. The total cost of this project is \$57 million.	Req \$	- \$	22,800,000 \$	- \$	14,250,000
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(22,800,000) \$	- \$	(14,250,000)
	FTE	0.000	0.000	0.000	0.000
128 Winston-Salem State University - Eller Hall					
Provides funding for the renovation of Eller Hall, including the addition of an elevator, at Winston-Salem State University. The total amount authorized for this project is \$10.8 million.	Req \$	- \$	10,800,000 \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	CFB \$	- \$	(10,800,000) \$	- \$	-
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
129 Winston-Salem State University - Pegram Hall					
Provides funding for the renovation of Pegram Hall, including the addition of an elevator, at Winston-Salem State University. The total amount authorized for this project is \$16 million.	Req \$	-	\$ 1,600,000	\$ -	\$ 14,400,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (1,600,000)	\$ -	\$ (14,400,000)
	FTE	0.000	0.000	0.000	0.000
130 UNC System Office - Lease Funds					
Provides continued lease funding for the UNC System Office during the design and construction of the new Education Building in the Downtown Raleigh State Complex.	Req \$	-	\$ 3,750,000	\$ -	\$ 3,750,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (3,750,000)	\$ -	\$ (3,750,000)
	FTE	0.000	0.000	0.000	0.000
131 North Carolina Arboretum - UNC Mountain Gateway					
Provides funding for the UNC Mountain Gateway for Science and Art at the North Carolina Arboretum. The total amount authorized for this project is \$23 million.	Req \$	-	\$ 10,000,000	\$ -	\$ 13,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (10,000,000)	\$ -	\$ (13,000,000)
	FTE	0.000	0.000	0.000	0.000
132 PBS North Carolina					
Provides funding for public safety communications upgrades at PBS North Carolina.	Req \$	-	\$ 4,950,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (4,950,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
University of North Carolina (UNC) Project Inflation Adjustments					
133 Appalachian State University - Wey Hall Inflation Adjustment					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to Appalachian State University to complete the renovation of Wey Hall.	Req \$	-	\$ 2,000,000	\$ -	\$ 2,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (2,000,000)	\$ -	\$ (2,000,000)
	FTE	0.000	0.000	0.000	0.000
134 Appalachian State University - Duncan Hall Inflation Adjustment					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to Appalachian State University to complete the renovation of Duncan Hall.	Req \$	-	\$ 3,000,000	\$ -	\$ 3,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (3,000,000)	\$ -	\$ (3,000,000)
	FTE	0.000	0.000	0.000	0.000
135 UNC Chapel Hill - Nursing School Inflation Adjustment					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to UNC Chapel Hill to complete the redevelopment of the Nursing School.	Req \$	-	\$ 8,550,000	\$ -	\$ 10,450,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (8,550,000)	\$ -	\$ (10,450,000)
	FTE	0.000	0.000	0.000	0.000
136 UNC Greensboro - Jackson Library Inflation Adjustment					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to UNC Greensboro to complete the Jackson Library addition and renovation.	Req \$	-	\$ 1,710,000	\$ -	\$ 5,985,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (1,710,000)	\$ -	\$ (5,985,000)
	FTE	0.000	0.000	0.000	0.000
137 UNC Greensboro - Water Infrastructure Inflation Adjustment					
Provides additional funding from the Capital Projects Inflation Adjustments Fund (CPIAF) to UNC Greensboro to complete the renovation of campus chilled water infrastructure and equipment.	Req \$	-	\$ -	\$ -	\$ 3,403,000
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ (3,403,000)
	FTE	0.000	0.000	0.000	0.000
North Carolina Independent Colleges and Universities					
138 NCICU HMSI Renovations					
Provides funding for renovations and repairs at the eight NCICU campuses that are Historically Minority-Serving Institutions.	Req \$	-	\$ 16,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	CFB \$	-	\$ (16,000,000)	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements		\$ (85,990,387)	\$ 2,612,866,938	\$ (211,212,323)	\$ 1,478,870,264
Total Change to Receipts		\$ -	\$ 2,253,565,412	\$ -	\$ 1,258,094,746
Total Change to Fund Balance		\$ 85,990,387	\$ (359,301,526)	\$ 211,212,323	\$ (220,775,518)
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)		\$ -	\$ (273,311,139)	\$ -	\$ (9,563,195)
Recommended Total FTE Changes			0.000		0.000

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Reserves, Debt Service, and Other Adjustments (19xxx)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 649,265,711	\$ (114,305,606)	\$ 115,682,000	\$ 1,376,394	\$ 650,642,105	0.2%
Receipts	\$ 649,265,711	\$ (57,905,606)	\$ 5,000,000	\$ (52,905,606)	\$ 596,360,105	-8.1%
Net Appropriation	\$ -	\$ (56,400,000)	\$ 110,682,000	\$ 54,282,000	\$ 54,282,000	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 649,265,711	\$ (239,527,542)	\$ 58,466,000	\$ (181,061,542)	\$ 468,204,169	-27.9%
Receipts	\$ 649,265,711	\$ (183,127,542)	\$ 5,000,000	\$ (178,127,542)	\$ 471,138,169	-27.4%
Net Appropriation	\$ -	\$ (56,400,000)	\$ 53,466,000	\$ (2,934,000)	\$ (2,934,000)	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

Statewide

1 Debt Service Adjustments

Adjusts budgeted requirements and receipts to more accurately reflect debt service projections, and adjusts the transfer from the State Capital Infrastructure Fund. The new total amount to support existing debt service is \$1,057,498,274 over the biennium.	Req \$	(57,905,606)	\$ -	\$ (183,127,542)	\$ -
	Rec \$	(57,905,606)	\$ -	\$ (183,127,542)	\$ -
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

2 Medicaid Coverage Gap Savings

Reflects reduced state appropriation requirements needed to maintain current levels of service in the Division of Mental Health, the Division of Health Benefits, and the Department of Adult Correction due to closing the coverage gap as a result of expanding Medicaid eligibility beginning June 1, 2023.	Req \$	(56,400,000)	\$ -	\$ (56,400,000)	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	(56,400,000)	\$ -	\$ (56,400,000)	\$ -
	FTE	0.000	0.000	0.000	0.000

3 Contingency and Emergency Fund

Restores funding to the Contingency and Emergency Fund, established in GS 143C-4-4. This funding was eliminated in 2017. Funds are needed to respond to emergent circumstances, such as court orders, Industrial Commission orders, or death benefits. The state had \$6.5 million in eligible expenditures in FY 2022.	Req \$	-	\$ 5,000,000	\$ -	\$ 5,000,000
	Rec \$	-	\$ 5,000,000	\$ -	\$ 5,000,000
	App \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

4 Community Engagement and Pathways Analysis

Provides funding to state agencies for equitable community engagement, available to all state agencies and to be dispersed by the Office of State Budget and Management. These funds will support public participation from underserved communities to better inform agency decision-making processes and assess community impact. Funds will also support the update of the Deep Decarbonization Pathways Analysis, which was first released in February 2023.	Req \$	-	\$ 750,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 750,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

Compensation

5 Cost of Living Supplement – State Retirees

Supports the one-time supplements for retirees. These funds provide a 2% supplement for retirees in FY 2023-24 and a 1% supplement in FY 2024-25. These funds will be transferred to the Retirement System to cover the cost of these adjustments.	Req \$	-	\$ 106,932,000	\$ -	\$ 53,466,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 106,932,000	\$ -	\$ 53,466,000
	FTE	0.000	0.000	0.000	0.000

6 Workers' Compensation Settlement Reserve

Provides funds for the Office of State Human Resources (OSHR) to close pending workers' compensation claims. These funds will help the state avoid protracted and costly litigation. Between FY 2015-16 and FY 2017-18, OSHR deployed \$8.4 million in funds to support agencies in settling 273 claims, yielding projected savings of \$143 million.	Req \$	-	\$ 3,000,000	\$ -	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 3,000,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Investments from Reserves					
7 Information Technology Project Reserve					
Provides an additional \$180 million for critical information technology (IT) investments. Funds will be transferred to the Office of State Budget and Management (OSBM) for ERP 2.0, the Department for Revenue for the Integrated Tax Administration System, the State Board of Elections for system modernization planning, the Department of Health and Human Services for the County Reimbursement System and the Automated Collection and Tracking System, the Department of Public Instruction for the Online Licensure System, the Department of Environmental Quality for the Permit Transformation Project, and the Department of Administration for Financial System Integration. OSBM will also maintain the IT Contingency and Planning Funds held in this reserve.	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
8 Federal Infrastructure Match Funds					
Provides an additional \$225 million for federal match needs to leverage unprecedented federal funding available through the Infrastructure Investment and Jobs Act, the CHIPS and Science Act, and the Inflation Reduction Act. The funds will be used to support the following types of activities:	Req \$	- \$	- \$	- \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	-
	FTE	0.000	0.000	0.000	0.000
<ul style="list-style-type: none"> - Contract-support support to assist state and local governments in applying for and implementing grant funds - Matching funds for: <ul style="list-style-type: none"> - Clean Water and Drink Water State Revolving Loan Fund - Grid Resiliency projects - Clean Energy and Energy Efficiency projects, including projects such as electric school buses - Federal energy projects at RTI - Wildlife Crossing projects at Wildlife Resources Commission - Additional opportunities as programs are announced by the federal government. 					
Total Change to Requirements		\$ (114,305,606)	\$ 115,682,000	\$ (239,527,542)	\$ 58,466,000
Total Change to Receipts		\$ (57,905,606)	\$ 5,000,000	\$ (183,127,542)	\$ 5,000,000
Total Change to Net Appropriation		\$ (56,400,000)	\$ 110,682,000	\$ (56,400,000)	\$ 53,466,000
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		54,282,000	\$	(2,934,000)
Recommended Total FTE Changes			0.000		0.000

Governor's Office - State Budget and Management - Education Lottery Fund (23003)

Year 1 FY 2023-24	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 885,000,000	\$ 152,000,000	\$ -	\$ 152,000,000	\$ 1,037,000,000	17.2%
Receipts	\$ 885,000,000	\$ 152,000,000	\$ -	\$ 152,000,000	\$ 1,037,000,000	17.2%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2024-25	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 885,000,000	\$ 456,000,000	\$ -	\$ 456,000,000	\$ 1,341,000,000	51.5%
Receipts	\$ 885,000,000	\$ 456,000,000	\$ -	\$ 456,000,000	\$ 1,341,000,000	51.5%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Educational Lottery Fund – Additional Receipts				
Budgets additional projected receipts from the State Lottery Fund.	Req \$ -	\$ -	\$ -	\$ -
	Rec \$ 152,000,000	\$ -	\$ 456,000,000	\$ -
	CFB \$ 152,000,000	\$ -	\$ 456,000,000	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Educational Lottery Fund – NC Pre-K				
Transfers funds to the Department of Health and Human Services for early childhood education including NC Pre-K slot reimbursement rates, administrative rates, startup grants, slot expansion, technical assistance, and transportation. Additional details are provided in the Department of Health and Human Services section of this document.	Req \$ 108,300,000	\$ -	\$ 199,500,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ (108,300,000)	\$ -	\$ (199,500,000)	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Educational Lottery Fund – Teacher Assistants				
Transfers funds to the Department of Public Instruction for additional teacher assistants. Additional details are provided in the Department of Public Instruction section of this document.	Req \$ 43,700,000	\$ -	\$ 105,100,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ (43,700,000)	\$ -	\$ (105,100,000)	\$ -
	FTE 0.000	0.000	0.000	0.000
4 Educational Lottery Fund – Instructional Support Personnel				
Transfers funds to the Department of Public Instruction for Specialized Instructional Support Personnel (SISP), including school counselors, nurses, social workers, and psychologists. Additional details are provided in the Department of Public Instruction section of this document.	Req \$ -	\$ -	\$ 151,400,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ -	\$ (151,400,000)	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 152,000,000	\$ -	\$ 456,000,000	\$ -
Total Change to Receipts	\$ 152,000,000	\$ -	\$ 456,000,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes	0.000	0.000	0.000	0.000

NC Education Lottery Proceeds (54641)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 2,910,746,400	\$ 152,000,000	\$ -	\$ 152,000,000	\$ 3,062,746,400	5.2%
Receipts	\$ 2,910,746,400	\$ 152,000,000	\$ -	\$ 152,000,000	\$ 3,062,746,400	5.2%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%
Year 2						
FY 2024-25						
Requirements	\$ 2,910,746,400	\$ 456,000,000	\$ -	\$ 456,000,000	\$ 3,366,746,400	15.7%
Receipts	\$ 2,910,746,400	\$ 456,000,000	\$ -	\$ 456,000,000	\$ 3,366,746,400	15.7%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes
1 Additional Lottery Proceeds				
Increases the transfer to the Education Lottery Fund and increases the lottery receipts consistent with the revenue forecast.	Req \$ 46,000,000	\$ -	\$ 50,000,000	\$ -
	Rec \$ 46,000,000	\$ -	\$ 50,000,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
2 Sports Betting Proceeds				
Transfers Sports Betting proceeds to the Education Lottery Fund, and increases the lottery receipts consistent with the revenue forecast.	Req \$ 25,000,000	\$ -	\$ 60,000,000	\$ -
	Rec \$ 25,000,000	\$ -	\$ 60,000,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
3 Digital Instants Proceeds				
Transfers Digital Instants proceeds to the Education Lottery Fund, and increases the lottery receipts consistent with the revenue forecast	Req \$ 81,000,000	\$ -	\$ 103,000,000	\$ -
	Rec \$ 81,000,000	\$ -	\$ 103,000,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
4 Video Lottery Terminals Proceeds				
Transfers video lottery terminal proceeds to the Education Lottery Fund, and increases the lottery receipts consistent with the revenue forecast	Req \$ -	\$ -	\$ 243,000,000	\$ -
	Rec \$ -	\$ -	\$ 243,000,000	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
Total Change to Requirements	\$ 152,000,000	\$ -	\$ 456,000,000	\$ -
Total Change to Receipts	\$ 152,000,000	\$ -	\$ 456,000,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -		\$ -	
Recommended Total FTE Changes	0.000		0.000	

NC Education Lottery Commission (54670)

Year 1	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2023-24						
Requirements	\$ 117,716,400	\$ 198,261	\$ -	\$ 198,261	\$ 117,914,661	0.2%
Receipts	\$ 117,716,400	\$ 198,261	\$ -	\$ 198,261	\$ 117,914,661	0.2%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	255.000	2.000	0.000	2.000	257.000	0.8%

Year 2	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
FY 2024-25						
Requirements	\$ 117,716,400	\$ 198,261	\$ -	\$ 198,261	\$ 117,914,661	0.2%
Receipts	\$ 117,716,400	\$ 198,261	\$ -	\$ 198,261	\$ 117,914,661	0.2%
Δ in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	255.000	2.000	0.000	2.000	257.000	0.8%

	FY 2023-24		FY 2024-25	
	R Changes	NR Changes	R Changes	NR Changes

1 Internal Auditors

Budgets receipts to support internal auditing. The Lottery shall use receipts for two internal auditor positions to meet minimum recommended levels from the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, and compliance with state laws and internal policies within the agency.

Req	\$ 198,261	\$ -	\$ 198,261	\$ -
Rec	\$ 198,261	\$ -	\$ 198,261	\$ -
CFB	\$ -	\$ -	\$ -	\$ -
FTE	2.000	0.000	2.000	0.000

Total Change to Requirements	\$ 198,261	\$ -	\$ 198,261	\$ -
Total Change to Receipts	\$ 198,261	\$ -	\$ 198,261	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	2.000	0.000	2.000	0.000

Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Recommended Total FTE Changes		2.000		2.000

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