MEMORANDUM

TO: Joint Legislative Commission on Governmental Operations
FROM: Kristin Walker

SUBJECT: Deviation Request from Department of Adult Correction, Canteen Funds

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

The Department of Adult Correction is requesting to budget over realized receipts in the amount of $17,373,110 to cover budgeted amounts required to cover purchases for resale. This includes funds needing to be budgeted under DPS for the period of July 1, 2022 to December 31, 2022.

The amounts received and spent fluctuate from year to year and it is hard to project the needs based on population and demand within the facilities.

Please see the attached Deviation Exception Request Form.

If you have questions or concerns, please contact Budget Analyst Marsha Overby, at Marsha.Overby@osbm.nc.gov
REQUEST TO DEViate UNDER G.S. 143C-6-4(b)(3)(b1):

(b1) Prior consultation with Governmental Operations is required when the overexpenditure would cause a department’s total requirements for a fund to exceed the department’s certified budget for a fiscal year for that fund by more than three percent (3%) prior to authorizing the overexpenditures.

| DEPARTMENT: | Adult Correction |
| FISCAL YEAR: | 2022 - 2023 |
| Date: | 10-Apr-23 |
| Budget Revision #: | 12-0017 |

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JUSTIFICATION FOR REQUEST:

G.S. 143C-6-4.(b1) requires reporting an overexpenditure that would cause a departments total requirement’s for a Fund to exceed the department’s certified budget by 3% for a fiscal year.

The Department of Adult Correction is requesting to budget overrealized receipts in the amount of $17,373,110 to cover budgeted amounts required to cover purchases for resale. This will eliminate negative line item account balances required to close out the 2022-2023 fiscal year. This includes funds to be budgeted under DPS for activity from 07/01/22 - 12/31/2022.
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