

The North Carolina State Budget _____

Recommended Operating Budget

with Results-Based Information

_____ 2007-2009

General Government
Volume 2



Michael F. Easley
Governor

The North Carolina State Budget _____

Recommended Operating Budget

with Results-Based Information

_____ **2007-2009**

General Government
Volume 2

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

www.osbm.state.nc.us

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Preface

The North Carolina State Budget: Recommended Operating Budget with Results-Based Information, 2007-2009 reflects the work of multiple people within the Office of State Budget and Management (OSBM), including budget administrators and analysts, economists, technical staff, and paraprofessionals. The OSBM team is listed below by administrative area.

This document is available online at www.osbm.state.nc.us. For additional information about its contents, please contact the appropriate administrator at the e-mail address cited below or by telephone at 919/807-4700. The mailing address for OSBM is 20320 Mail Service Center, Raleigh, NC 27699-0320.

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Introduction

Operating budget by department

The North Carolina State Budget: Recommended Operating Budget with Results-Based Information, 2007-2009 is a six-volume document that details Governor Easley's recommended fiscal plan for the budgets of each department in the State of North Carolina for the upcoming biennium.

New results-based information

Newly integrated with the budget details for each department are mission statements, goals, fund descriptions, key services supported by each fund or budget code, costs of services in dollars and staff, and performance measures. These results-based budgeting elements are intended to improve the reader's understanding of why an agency exists, what the agency does, how much money its services cost, and how effective its services are. The inclusion of these results-based budget elements is the first step in a multiyear effort to provide members of the North Carolina General Assembly and the public with expanded budget and operational information. Ultimately, this information is designed to improve funding, planning, and management decisions in state government.

Line item details

Line item base budget details for all budgeted budget codes and their component funds are available in a PDF file on the Web site of the Office of State Budget and Management, www.osbm.state.nc.us.

Order of presentation, explanation of codes

For publication of the recommended operating budget for state agencies, the various departments are grouped by function within the following volumes:

- Volume 1: Education
- Volume 2: General Government
- Volume 3: Health and Human Services

- Volume 4: Justice and Public Safety
- Volume 5: Natural and Economic Resources
- Volume 6: Transportation

Each volume is organized by department, by budget code, and then by fund code. Each department is assigned a unique five-digit budget code or set of budget codes (except for the Department of Health and Human Services, which has a unique budget code for each of its divisions). Each budget code is further divided into four-character fund codes that represent a group of activities for accounting purposes.¹ Within department budget codes, the recommended base budget is presented in order by fund code.

Presentation of base budget and recommended adjustments

The governor's recommended operating budget is comprised of two distinct components: 1) the base budget, or continuation budget, which enables a department to continue existing services and activities at current levels, and 2) recommended adjustments to the base budget, which include new programs and expansions to current activities, as well as reductions and eliminations. The base budget combined with any recommended adjustments yields the recommended operating budget for the biennium.

For each budget code in the General Fund that begins with "1", summarized information shows recommended appropriations and positions. Brief descriptions of recommended adjustments to the base budget are included with associated costs in dollars and positions. These costs are specified as recurring or nonrecurring. This section of information for the budget code is titled "Governor's Recommended Adjustments to Base Budget."

1. For example, the Department of Environment and Natural Resources (budget code 14300) has numerous fund codes corresponding to each of its programs. The budget for the Division of Marine Fisheries appears in three fund codes, one for each of its major activities, administration (14300-1315), research (14300-1320), and law enforcement (14300-1325).

Following the display of recommendations for adjustments to the base budget² is a section for the budget code titled “Base Budget and Results-Based Information.” This base budget section begins with graphs of expenditure and position histories that illustrate funding and staffing trends over the last several years.

The graphs in the base budget section for each budget code are followed by a summary base budget table. The summary base budget table displays the requirements, receipts, appropriation, and positions for the following:

- Actual expenditures for FY 2005-06 (the most recent year for which actual information is available)
- Certified budget for FY 2006-07
- Authorized budget for FY 2006-07
- Allowable adjustments, such as inflationary increases, to the current authorized budget for each fiscal year of the 2007-09 biennium
- Totals for each fiscal year of the 2007-09 biennium

Following the base budget table for a budget code is a display of base budget information for each fund within the budget code, in order by fund code. The presentation for each fund begins with a base budget for the fund followed by a fund description that explains the major activities being funded. The structure for the fund’s base budget table is the same as that for its parent budget code.

Results-based information presented with base budget

To explain and justify the expenditure of state taxpayers’ money, agencies have prepared supporting results-based information, which is developed at either the budget code level or the fund level. This information includes service statements that describe the lines of business, business processes, or set of activities supported by the fund or budget code; actual requirements (expenditures) and personnel requirements (FTEs) for each service statement; and performance measures that tie specifically to the services provided in the fund or budget code. The positions are those actually budgeted, not necessarily those filled.

2. For budget codes that do not begin with “1”, there are no adjustments to the base budget except for transportation budget codes.

Further information

Questions about *The North Carolina State Budget: Recommended Operating Budget with Results-Based Information, 2007-2009* 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 (919) 807-4700. The document may also be downloaded from the Office of State Budget and Management’s Web site, www.osbm.state.nc.us.

Glossary

Authorized budget. The certified budget plus revisions delegated to the Office of State Budget and Management and to agencies by the State Budget Act (G.S. 143C).

Base budget. That portion of the recommended operating budget that maintains existing, authorized levels of recurring services in agencies for a biennium. The base budget, or continuation budget, is based on the current year’s authorized budget and may be adjusted for inflationary increases, annualization of programs, reductions for nonrecurring programs, and adjustments for receipts. The State Budget Act specifically mandates that enrollment increases in public schools, community colleges, and the university system be reflected in the continuation budget submitted for the legislature’s review.

Budget code. A five-digit number established for budgetary reporting. This number generally identifies major fund types and the responsible entity for reporting. The first digit is the fund type. The second and third digits usually identify a state department or university institution, except for the Department of Health and Human Services, where the budget code identifies the department’s divisions. Budget codes are established for the following fund types:

- 0xxxx - Institutional Funds Revenue
- 1xxxx - General Fund
- 2xxxx - Special Funds
- 3xxxx - Federal Funds
- 4xxxx - Capital Project Funds
- 5xxxx - Enterprise Funds
- 6xxxx - Trust and Agency Funds
- 7xxxx - Service Funds
- 8xxxx - Highway Funds

Certified budget. The budget as enacted by the General Assembly, including adjustments made for (1) distributions to state agencies from statewide reserves appropriated by the General Assembly, (2) distributions of reserves appropriated to a specific agency by the General Assembly, and (3) organizational or budget changes directed by the legislature but left to the governor to carry out.

Continuation budget. Another term for the base budget.

Expansion budget. That portion of the recommended operating budget that presents additional operating funds for expansion of existing services or activities, including inflationary costs for the state's share of locally-operated programs, new programs, or pilot projects; proposals to change a statutorily-controlled program by redirecting funds from one program to another; onetime major equipment purchases; and continued phase-in of new programs initiated in a previous biennium.

FTE (full-time equivalent). FTE is the percentage of time that a staff member works represented as a decimal. A full-time position is 1.00, a half-time position is .50, and a quarter-time position is .25.

Fund code. A four-character code that, with its parent budget code, uniquely identifies the fund. Most budget codes have multiple fund codes that may reflect a department's organizational structure and are created for each division within a department and/or for specific programs or purposes of a division. Fund codes are established as a result of authorization by the General Assembly; changes in the accounting standards; authorizations by OSBM; and/or grant awards from federal, state, local, or private agencies, or from individuals.

Fund description. A description of the purpose of the programs, services, activities, or functions funded in the fund code. It provides justification for the expenditure of the funds.

Goal. A broad statement of what a department wants to achieve over a long period of time. Goals explain how an agency fulfills its mission.

Mission statement. A description of an organization's basic purpose (its fundamental reason for being) that specifies its major functional role and communicates its values.

Performance measure. A quantitative characterization of the quality of, need for, or impact of a service provided, ideally to help determine whether a desired outcome has been attained.

Recommended operating budget. Total of the base budget and recommended expansions and reductions submitted by the governor to the General Assembly for a biennium beginning with an odd-numbered year, for example, 2007-09. The recommended operating budget does not include the capital improvements budget, which is found in the accompanying budget publication entitled, *The North Carolina State Budget: Summary of Recommendations*. A Six-Year Capital Improvements Plan that supports and explains all proposed capital improvements is prepared as a separate document.

Service analysis. A description of the relationship between an activity supported by a fund or budget code and the dollars and personnel allocated to those activities.

Service statement. A description of the set of specific activities, lines of business, or work processes that are funded by a particular budget code or fund code.

General Assembly

Mission

Enact general and local laws promoting the best interests 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.

Governor's Recommended Adjustments to Base Budget

General Assembly (11000)

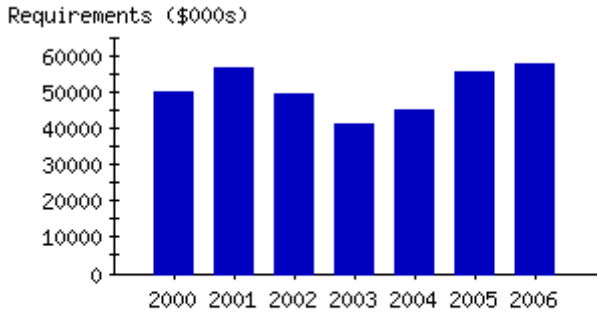
Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$56,798,820	\$58,075,011
Receipts	<u>\$1,069,737</u>	<u>\$1,143,807</u>
Appropriation	\$55,729,083	\$56,931,204
Adjustments		
Requirements	-	-
Receipts	-	-
Appropriation	-	-
Total		
Requirements	\$56,798,820	\$58,075,011
Receipts	<u>\$1,069,737</u>	<u>\$1,143,807</u>
Recommended Appropriation	<u>\$55,729,083</u>	<u>\$56,931,204</u>
<hr/>		
Positions		
Base Budget Positions	339.000	339.000
Reductions	-	-
Expansion	-	-
Recommended Positions	<u>339.000</u>	<u>339.000</u>

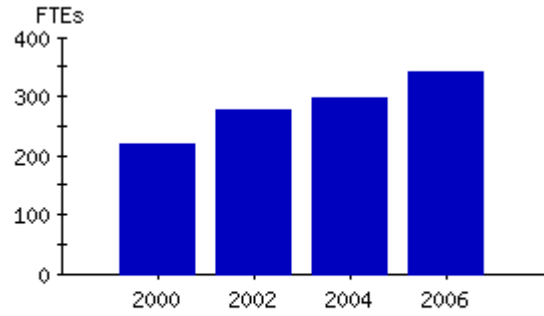
Base Budget and Results-Based Information

Budget Code 11000 General Assembly - General

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$57,701,070	\$51,077,943	\$51,077,943	\$5,720,877	\$56,798,820	\$6,997,068	\$58,075,011
Receipts	\$13,486,446	\$984,600	\$984,600	\$85,137	\$1,069,737	\$159,207	\$1,143,807
Appropriation	\$44,214,624	\$50,093,343	\$50,093,343	\$5,635,740	\$55,729,083	\$6,837,861	\$56,931,204
Positions	339.000	339.000	339.000	-	339.000	-	339.000

Budget Code 11000 General Assembly - General

Services for the budget code	<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
Senate: Provide professional and administrative support to all members of the Senate including staff assigned to members' offices to assist them with scheduling constituent and committee meetings, responding to constituent mail, researching policy and budget issues, and coordinating and facilitating committee meetings. Provide reimbursement for per diem and travel to senate members during the legislative session and during the interim when conducting legislative business.	\$7,418,092	49.000
House: Provide professional and administrative support to members of the House of Representative including staff assigned to members' offices to assist with scheduling constituent and committee meetings, responding to constituent mail, researching policy and budget issues, and coordinating and facilitating committee meetings. Provide reimbursement for per diem and travel to senate members during the legislative session and during the interim when conducting legislative business.	\$11,971,313	50.000
Administrative: Oversee administrative units serving the General Assembly. Manage and operate the legislative printing. Manage the recruitment, hiring and benefits. Prepare and monitor budgets. Provide accounting services and financial reporting. Provide 24-hour police support including patrolling the legislative buildings, grounds and parking decks, responding to staff requests for security support and emergency assistance, and managing the emergency evacuation program.	\$3,771,702	43.000
Bill Drafting: Draft Bills for members and committees of the General Assembly and respond to members' requests for legal assistance. Draft special provisions for the annual budget bill, coordinate the production of the budget bill and provide legal assistance to members of the House and Senate appropriations' committees. Read and make corrections in bills and amendments through a professional proofreading.	\$2,253,334	18.000
Research: Provide legal and research support to all members of the General Assembly including staff support to the substantive committees of the legislature during session and various study committees during the interim. Maintain two legislative libraries staffed with professional librarians to support the research and information needs of the Legislature, its committees and staff. Also, offer library services to other state agencies and provide reference services to the public.	\$3,842,127	45.000
Fiscal Research: Provide budget and policy support to members including staff support to the Appropriations committees during the legislative sessions and to various study committees during the interim. Analyze the fiscal impact of introduced bills. Provide revenue estimates and tax support to the finance committees during the legislative sessions, write fiscal notes on introduced bills impacting tax revenues, and provide staff support to revenue study committees during the interim.	\$3,828,108	38.000
Building Maintenance: Provide preventive maintenance and repairs of buildings and respond to routine and emergency work requests made by legislative members and staff. Provide landscaping and grounds maintenance. Provide cleaning, trash removal and moving services through a full-time housekeeping staff to maintain a clean and safe environment for members, staff and the general public visiting the legislative buildings.	\$2,039,935	29.000
Food Services: Operate main cafeteria and two snack bars for members, staff and the public.	\$1,527,817	26.000
Information Systems: Purchase of computer equipment to replace outdated items and/or upgrade to industry standards and maintain software licenses and maintenance agreements. Provide professional information technology support including staffing a helpdesk, providing computer training classes, developing custom software applications and maintaining the information technology infrastructure.	\$5,628,590	39.000
Legislative Research: Provide professional support to legislative study committees that need specialized support that can not be provided by the permanent staff.	\$0	-

Institute of Government: Contract with the Institute of Government to produce daily bulletins and weekly status report during session, and an index of legislation at the end of session.	\$110,000	-
Reserves and Transfers: Reserves and Transfers are treated as a program solely for accounting purposes.	\$15,310,052	2.000
Actual Totals	\$57,701,070	339.000

Measures for the budget code	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Drafting requests received for bills, proposed committee substitutes, amendments, conference committee substitutes, conference reports and special provisions	3,543	8,464	4,813
Fiscal notes completed	175	417	173
Session days	71	221	81
Bills enacted	204	463	264

Fund 11000-1110 Senate — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$7,418,092	\$8,860,128	\$8,860,128	\$1,292,210	\$10,152,338	\$2,269,833	\$11,129,961
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$7,418,092	\$8,860,128	\$8,860,128	\$1,292,210	\$10,152,338	\$2,269,833	\$11,129,961
Positions	49.000	49.000	49.000	-	49.000	-	49.000

Fund description

Carry out the legislative power of the State vested in the Senate by the North Carolina Constitution and General Statutes through the enactment of bills and legislative resolutions including all appropriations and revenue bills as well as substantive legislation establishing public policy for the State.

Fund 11000-1120 House of Representatives — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$11,971,313	\$16,004,145	\$16,004,145	\$1,170,005	\$17,174,150	\$3,068,973	\$19,073,118
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$11,971,313	\$16,004,145	\$16,004,145	\$1,170,005	\$17,174,150	\$3,068,973	\$19,073,118
Positions	50.000	50.000	50.000	-	50.000	-	50.000

Fund description

Carry out the legislative power of the State vested in the House of Representative by the North Carolina Constitution and General Statutes through the enactment of bills and legislative resolutions including all appropriations and revenue bills as well as substantive legislation establishing public policy for the State.

Fund 11000-1211 Administrative — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,771,702	\$4,355,555	\$4,355,555	\$226,038	\$4,581,593	\$361,644	\$4,717,199
Receipts	\$229,980	\$6,000	\$6,000	\$0	\$6,000	\$0	\$6,000
Appropriation	\$3,541,722	\$4,349,555	\$4,349,555	\$226,038	\$4,575,593	\$361,644	\$4,711,199
Positions	43.000	43.000	43.000	-	43.000	-	43.000

Fund description

The Administrative Division provides general administrative support including administrative management, budgeting, personnel, security, and production and storage of legislative documents for the North Carolina General Assembly.

Fund 11000-1212 Bill Drafting Division — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,253,334	\$2,692,105	\$2,692,105	(\$1,913)	\$2,690,192	\$213,526	\$2,905,631
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$2,253,334	\$2,692,105	\$2,692,105	(\$1,913)	\$2,690,192	\$213,526	\$2,905,631
Positions	18.000	18.000	18.000	-	18.000	-	18.000

Fund description

The Bill Drafting Division drafts bills for members and committees of the North Carolina General Assembly.

Fund 11000-1213 General Research — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,842,127	\$3,966,736	\$3,966,736	\$508,613	\$4,475,349	\$547,871	\$4,514,607
Receipts	\$60	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$3,842,067	\$3,966,736	\$3,966,736	\$508,613	\$4,475,349	\$547,871	\$4,514,607
Positions	45.000	45.000	45.000	-	45.000	-	45.000

Fund description

The Research Division provides research support for the North Carolina General Assembly and a reference library for use by legislators and the public.

Fund 11000-1214 Fiscal Research Division — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,828,108	\$4,085,099	\$4,085,099	\$173,263	\$4,258,362	\$214,086	\$4,299,185
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$3,828,108	\$4,085,099	\$4,085,099	\$173,263	\$4,258,362	\$214,086	\$4,299,185
Positions	38.000	38.000	38.000	-	38.000	-	38.000

Fund description

The Fiscal Research Division supplies fiscal data for the North Carolina General Assembly and recommends appropriations for state departments and agencies.

Fund 11000-1215 Building Maintenance — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,039,935	\$2,050,200	\$2,050,200	\$209,929	\$2,260,129	\$254,444	\$2,304,644
Receipts	\$18,182	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$2,021,753	\$2,050,200	\$2,050,200	\$209,929	\$2,260,129	\$254,444	\$2,304,644
Positions	29.000	29.000	29.000	-	29.000	-	29.000

Fund description

The Building Maintenance Division provides building maintenance and landscaping for the North Carolina General Assembly complex.

Fund 11000-1216 Food Service — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,527,817	\$1,700,430	\$1,700,430	(\$57,264)	\$1,643,166	(\$30,905)	\$1,669,525
Receipts	\$835,014	\$978,600	\$978,600	(\$54,832)	\$923,768	\$19,238	\$997,838
Appropriation	\$692,803	\$721,830	\$721,830	(\$2,432)	\$719,398	(\$50,143)	\$671,687
Positions	26.000	26.000	26.000	-	26.000	-	26.000

Fund description

The Food Services Division makes food readily available during working hours for the North Carolina General Assembly and the public.

Fund 11000-1217 Information Systems — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$5,628,590	\$5,869,937	\$5,869,937	\$591,915	\$6,461,852	(\$396,785)	\$5,473,152
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$5,628,590	\$5,869,937	\$5,869,937	\$591,915	\$6,461,852	(\$396,785)	\$5,473,152
Positions	39.000	39.000	39.000	-	39.000	-	39.000

Fund description

The Information Systems Division provides automated information systems support and services to the North Carolina General Assembly.

Fund 11000-1220 Legislative Research — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$96,300	\$96,300	\$353,700	\$450,000	\$0	\$96,300
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$0	\$96,300	\$96,300	\$353,700	\$450,000	\$0	\$96,300
Positions	-	-	-	-	-	-	-

Fund description

The Legislative Research program researches and reports on subjects that are, or promise to be, major issues for the next legislative session of the North Carolina General Assembly.

Fund 11000-1230 Institute of Government — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$110,000	\$85,000	\$85,000	\$25,000	\$110,000	\$0	\$85,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$110,000	\$85,000	\$85,000	\$25,000	\$110,000	\$0	\$85,000
Positions	-	-	-	-	-	-	-

Fund description

The Institute of Government furnishes information on bills and legislative actions to members of the North Carolina General Assembly, state and local government officials.

Fund 11000-1900 Reserves and Transfers — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$15,310,052	\$1,312,308	\$1,312,308	\$1,229,381	\$2,541,689	\$494,381	\$1,806,689
Receipts	\$12,403,210	\$0	\$0	\$139,969	\$139,969	\$139,969	\$139,969
Appropriation	\$2,906,842	\$1,312,308	\$1,312,308	\$1,089,412	\$2,401,720	\$354,412	\$1,666,720
Positions	2.000	2.000	2.000	-	2.000	-	2.000

Fund description

Reserves and Transfers are treated as a program solely for accounting purposes.

Office of the Governor

Mission

The Governor, as the chief executive officer of the State, ensures the smooth and efficient administration of State government through formulating and administering the policies of the executive branch of the State government, managing a comprehensive budget for all State agencies, and executing the laws of the United States and the State of North Carolina.

Goals

Invest in education from pre-K to the university through high-quality curricular offerings and reform efforts to prepare all students for the demands of college and work in the 21st Century.

Expand economic opportunities through job creation, job retention, and workforce development to ensure long-term economic growth across the state.

Provide the opportunity for all North Carolinians to be self-sufficient, productive, and healthy individuals by offering to the state's most vulnerable populations child and family initiatives, social supports, and programs that increase the availability of quality health care.

Promote the efficient and effective management of taxpayer resources through budgetary, management and data services.

Assure the proper management of the State's IT resources through the development and administration of comprehensive long range plan and technical standards, the efficient procurement of IT resources, the delivery of IT services, and the oversight of major technology projects to improve the delivery of governmental services.

Serve the citizens of North Carolina whose needs are not met by the market by creating affordable housing opportunities.

Governor's Recommended Adjustments to Base Budget

Office of the Governor (13000)

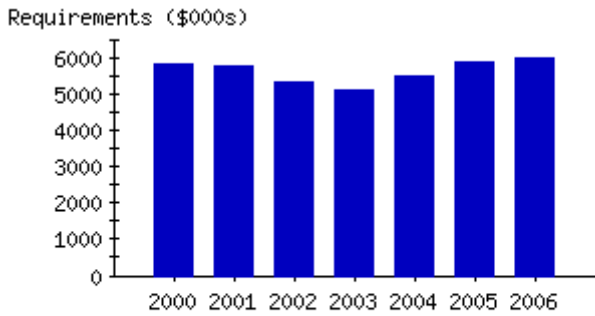
Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$6,893,424	\$6,931,692
Receipts	<u>\$431,105</u>	<u>\$431,105</u>
Appropriation	\$6,462,319	\$6,500,587
Adjustments		
Requirements	-	-
Receipts	-	-
Appropriation	-	-
Total		
Requirements	\$6,893,424	\$6,931,692
Receipts	<u>\$431,105</u>	<u>\$431,105</u>
Recommended Appropriation	<u>\$6,462,319</u>	<u>\$6,500,587</u>
<hr/>		
Positions		
Base Budget Positions	63.710	63.710
Reductions	-	-
Expansion	-	-
Recommended Positions	<u>63.710</u>	<u>63.710</u>

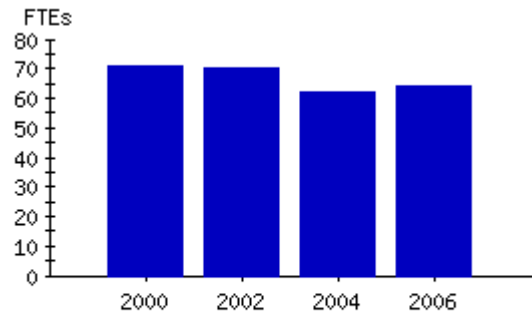
Base Budget and Results-Based Information

Budget Code 13000 Governor's Office - General Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$5,961,209	\$6,540,558	\$6,540,558	\$352,866	\$6,893,424	\$391,134	\$6,931,692
Receipts	\$307,240	\$434,592	\$434,592	(\$3,487)	\$431,105	(\$3,487)	\$431,105
Appropriation	\$5,653,969	\$6,105,966	\$6,105,966	\$356,353	\$6,462,319	\$394,621	\$6,500,587
Positions	63.680	63.710	63.710	-	63.710	-	63.710

Budget Code 13000 Governor's Office - General Fund

Fund 13000-1110 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,342,933	\$3,959,070	\$3,959,070	\$216,439	\$4,175,509	\$223,417	\$4,182,487
Receipts	\$137,248	\$152,455	\$152,455	\$0	\$152,455	\$0	\$152,455
Appropriation	\$3,205,685	\$3,806,615	\$3,806,615	\$216,439	\$4,023,054	\$223,417	\$4,030,032
Positions	42.990	43.000	43.000	-	43.000	-	43.000

Fund description

The Administration Unit provides resources and support to enable the Governor to fulfill the duties of Chief Executive of the state as set forth by law. These duties include supervising the official conduct of executive offices, making appointments for vacancies of executive offices and memberships on all boards and commissions, and serving as Director of the Budget with final authority over state expenditures. Further, the Governor is charged with employing counsel for cases in which the state is interested, granting pardons and commutations, issuing warrants in extradition of fugitives from North Carolina, having certain emergency war powers as Commander-in-Chief of the state military, and entering into interstate compacts and agreements with the federal government on various subjects ranging from nuclear energy to National Guard activities to child custody.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Fulfills all duties as Governor including Chief Executive, Director of the Budget, Commander-in-Chief of the state military, and Chairman of the Council of State.	\$166,940	1.000
Manages the internal operations and staff of the Governor's Office, serves as the Governor's liaison to the Executive Cabinet and Council of State, and advises the Governor on all key issues. Also provides administrative support to the Governor's executive staff.	\$787,488	9.000
Develops key policy initiatives, including those presented to the General Assembly for enactment or funding and those implemented by executive action or in Cabinet agencies, through research and analysis and working with state and non-state entities and community and business leaders.	\$563,540	6.990
Monitors all legal issues related to the Governor, his cabinet, and the Council of State. Advises the Governor when policy developments involve legal issues, coordinates judicial appointments and the preparation and execution of all Executive Orders, and investigates the merits of pardon requests, communications, reprieves, extraditions, and rewards.	\$220,576	2.000
Establishes and maintains a working relationship with members of the General Assembly on all legislative matters of importance to the Governor. Tracks legislation and reports to the Governor.	\$225,747	3.000
Manages media relations by drafting speeches and press releases, coordinating daily communications with reporters, and providing staff support during press events and conferences.	\$503,521	8.000
Advises the Governor on policy, legislation and personnel issues of concern to North Carolina's minority citizens and serves as liaisons with minority populations.	\$142,631	2.000
Assists the Governor in making appointments to more than 400 boards and commissions established by statute or executive order, including managing the application process, recommending proposed appointees and maintaining a boards and commission database.	\$159,558	3.000
Maintains the Governor's calendar and staffs the Governor's office in the State Capital.	\$172,981	3.000
Provides administrative staff support to Office of Citizen's Affairs.	\$158,955	4.000

Provides administrative support to Intergovernmental Relations.	\$40,996	1.000
Provides grant support to Communities In Schools.	\$200,000	-
Actual Totals	\$3,342,933	42.990

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
More at Four slots (total funded)	10,000	12,000	15,200
Appointments/Reappointments to State Boards and Commissions made by Governor Easley	1,003	969	733
Press releases issued by the Governor's Office	650	660	711

Fund 13000-1120 Dues to National Associations — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$418,102	\$424,540	\$424,540	\$26,015	\$450,555	\$40,435	\$464,975
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$418,102	\$424,540	\$424,540	\$26,015	\$450,555	\$40,435	\$464,975
Positions	-	-	-	-	-	-	-

Fund description

The Dues to National Associations fund code is used exclusively to provide payment of dues for memberships in national organizations to keep the Governor aware of new procedures in state governments and to exchange information on common problems to find effective solutions.

Fund 13000-1130 Intergovernmental Relations — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$702,810	\$489,104	\$489,104	\$6,174	\$495,278	\$6,174	\$495,278
Receipts	\$30,111	\$28,125	\$28,125	\$0	\$28,125	\$0	\$28,125
Appropriation	\$672,699	\$460,979	\$460,979	\$6,174	\$467,153	\$6,174	\$467,153
Positions	4.000	4.000	4.000	-	4.000	-	4.000

Fund description

The Intergovernmental Relations Unit coordinates federal, state, and state-local government matters for the Governor and responds to citizens' concerns by working with relevant federal, state and local agencies and elected officials at all levels of government. The Unit operates four offices, three in North Carolina and one in Washington, DC. This Unit also acts as the liaison to Local Government Partnership Council, which in turn advises the Governor and cabinet members on the effect of policies and programs that directly affect local government; identifies problem areas and recommends policies with respect to state, regional, and local relations; and functions as an ombudsman.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Serves as an advocate, resource, and communication link between the Governor's office and local governments, local elected officials and local government associations.	\$80,373	1.000
Maintains and staffs the Washington, DC office, tracks federal legislation, and advocates the state's view to Congress, the state's congressional delegation and federal agencies.	\$148,382	1.000
Maintains and staffs the Governor's offices in Eastern and Western NC, investigates and resolves local citizen complaints and concerns with state government and advises them of appropriate resources when the issue does not come under the state's jurisdiction.	\$189,055	2.000
Provides payments from Contingency and Emergency Fund as approved by the Council of State.	\$285,000	-
Actual Totals	\$702,810	4.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Estimated calls from citizens to the Western Office and the Eastern Office to ask questions or address their concerns on issues of importance to them	-	-	1,200

Fund 13000-1210 Citizens' Affairs — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$189,870	\$269,089	\$269,089	(\$267)	\$268,822	\$166	\$269,255
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$189,870	\$269,089	\$269,089	(\$267)	\$268,822	\$166	\$269,255
Positions	4.700	4.700	4.700	-	4.700	-	4.700

Fund description

The Governor's Office of Citizens' Affairs increases citizen participation in the communities of North Carolina by encouraging citizen volunteer involvement and providing prompt response to citizen concerns. Services provided by Citizens' Affairs include toll-free information and referral, training and technical assistance, citizen awards, recognition awards and proclamations. The office also coordinates the Governor's Disaster Hotline in times of emergency. This is one of two funds that support the North Carolina Commission on Volunteerism and Community Service (Budget 23000, Funds 2126, 2127, 2131).

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Responds to inquires on state government matters, recognizes outstanding achievement through awards and proclamations and ensures Governor's correspondence is responded to in a timely manner.	\$119,313	2.500
Manages the office and staff to the Commission on Volunteerism and Community Support. Administers a number of federally funded grants that support volunteer efforts in the state and coordinates the Governor's Page Program.	\$70,557	2.200
Actual Totals	\$189,870	4.700

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Certificates to the Citizens of North Carolina to recognize their contribution to public service	-	821	803
Proclamations issued to recognize contributions of state service and/or to recognize special events	-	214	133
NC Students who participated in the Governor's Page Program	376	370	453

Fund 13000-1230 Education — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$458,454	\$565,496	\$565,496	\$1,432	\$566,928	\$1,432	\$566,928
Receipts	\$47,661	\$134,615	\$134,615	(\$2,387)	\$132,228	(\$2,387)	\$132,228
Appropriation	\$410,793	\$430,881	\$430,881	\$3,819	\$434,700	\$3,819	\$434,700
Positions	6.990	7.000	7.000	-	7.000	-	7.000

Fund description

The Governor's Education Policy Office is responsible for advising the Governor and developing the Governor's key policy initiatives on education from K-12 through higher education. The Education Policy Office works with the State's public school, community college, and university systems, private colleges and universities, interest groups, nonprofit organizations, community and business leaders, and others to develop the Governor's education initiatives.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provides policy advice and recommendations to the Governor regarding all aspects of education for NC citizens through the formation and staffing of task forces and advisory committees, research and analysis of current data, and examination of the latest trends.	\$254,599	3.990
Assists Governor in his efforts to improve NC schools and teaching conditions by conducting a statewide teacher worker conditions survey, analyzing responses, summarizing findings and making policy recommendations.	\$92,920	1.000
Provides staff support to the North Carolina Business Committee on Education including leading regional meetings to discuss how NC can remain economically competitive, representing the Governor at relevant business meetings and conferences and facilitating the creation of innovative education initiatives such as Teach4NC.	\$110,935	2.000
Actual Totals	\$458,454	6.990

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Class size reductions: Average number of second grade students per teacher	18	18	18
Class size reductions: Average number of third grade students per teacher	22	18	18
Beginning teacher salary (dollars)	\$25,250	\$25,420	\$26,260
Disadvantaged Student Supplemental Funding (dollars)	-	\$22,500,000	\$22,650,000

Fund 13000-1240 Center 21st Century Skills — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$243,832	\$255,342	\$255,342	\$0	\$255,342	\$0	\$255,342
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$243,832	\$255,342	\$255,342	\$0	\$255,342	\$0	\$255,342
Positions	1.000	1.000	1.000	-	1.000	-	1.000

Fund description

The Center for 21st Century Skills was created in 2005 by Governor Easley as a public-private partnership that works actively with business leaders, educators and policymakers to create new curricula, new assessments, and new ways of linking student work in the classroom to the workplace in the 21st century to ensure that students leave school better prepared to succeed in the global economy.

Services for the fund

Manages the development of new curriculum, teacher training, and student assessments; researches and proposes options for math and science programs; and works with existing educational organizations to develop recommendations for high school reform initiatives.

Contracts with nonprofit entities for the development of a multimedia student assessment tool and the evaluation of high schools' progress toward teaching quality, educational equity and academic success.

Actual Totals

<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
\$56,666	1.000
\$187,166	-
\$243,832	1.000

Measures for the fund

High schools redesigned through Governor's Specialty Schools Pilot

Cumulative number of high schools participating in Learn and Earn initiative

<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
-	-	11
-	5	15

Fund 13000-1631 Raleigh Executive Residence — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$591,924	\$561,813	\$561,813	\$103,073	\$664,886	\$119,510	\$681,323
Receipts	\$83,770	\$111,297	\$111,297	\$0	\$111,297	\$0	\$111,297
Appropriation	\$508,154	\$450,516	\$450,516	\$103,073	\$553,589	\$119,510	\$570,026
Positions	4.000	4.000	4.000	-	4.000	-	4.000

Fund description

The Raleigh Executive Residence serves as the primary residence of the First Family, the official entertainment and meeting place for the Governor, and a historic site for the public.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Manages all the Governor's public and private functions including event planning and coordination, catering services and related activities. Also supports the personal needs of the first family.	\$174,911	3.000
Provides staff support to the First Lady.	\$63,429	1.000
Purchases services to maintain the operations and grounds of the executive residence including utilities, telephones and travel.	\$227,571	-
Transfers funds to Crime Control and Public Safety to provide police protection to the Governor and his family.	\$126,013	-
Actual Totals	\$591,924	4.000

Fund 13000-1632 Western Executive Residence — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$13,284	\$16,104	\$16,104	\$0	\$16,104	\$0	\$16,104
Receipts	\$8,450	\$8,100	\$8,100	(\$1,100)	\$7,000	(\$1,100)	\$7,000
Appropriation	\$4,834	\$8,004	\$8,004	\$1,100	\$9,104	\$1,100	\$9,104
Positions	-	-	-	-	-	-	-

Fund description

The Western Executive Residence provides a secondary residence for the First Family and is a vacation residence for former first families in the western part of the state. It provides a site for official functions for the Governor and for area-wide governmental and civic organizations.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Purchases utility, telecommunication, pest control and repair services to maintain the Governor's secondary residence.	\$8,109	-
Purchases supplies necessary to maintain a secondary residence.	\$5,175	-
Actual Totals	\$13,284	-

Governor's Recommended Adjustments to Base Budget

Office of State Budget and Management (13005)

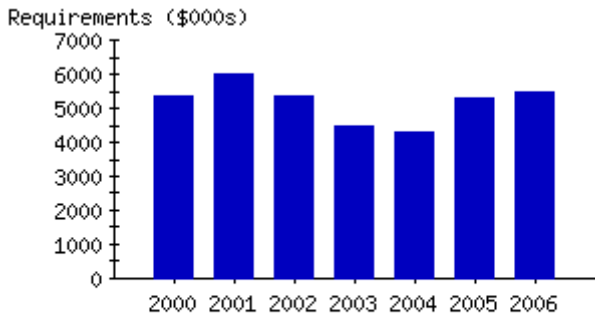
Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$6,143,729	\$6,151,209
Receipts	<u>\$213,669</u>	<u>\$214,444</u>
Appropriation	\$5,930,060	\$5,936,765
Adjustments		
Requirements	-	-
Receipts	-	-
Appropriation	-	-
Total		
Requirements	\$6,143,729	\$6,151,209
Receipts	<u>\$213,669</u>	<u>\$214,444</u>
Recommended Appropriation	<u>\$5,930,060</u>	<u>\$5,936,765</u>
<hr/>		
Positions		
Base Budget Positions	63.000	63.000
Reductions	-	-
Expansion	-	-
Recommended Positions	<u>63.000</u>	<u>63.000</u>

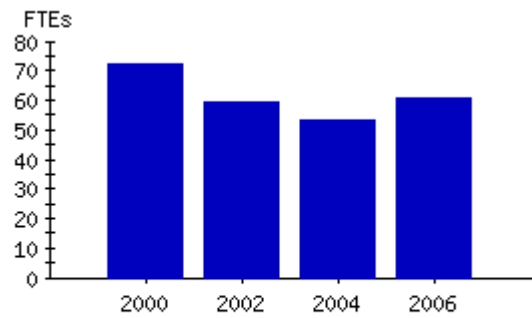
Base Budget and Results-Based Information

Budget Code 13005 Office of State Budget and Management - General Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$5,510,778	\$6,162,613	\$6,162,613	(\$18,884)	\$6,143,729	(\$11,404)	\$6,151,209
Receipts	\$646,710	\$212,953	\$212,953	\$716	\$213,669	\$1,491	\$214,444
Appropriation	\$4,864,068	\$5,949,660	\$5,949,660	(\$19,600)	\$5,930,060	(\$12,895)	\$5,936,765
Positions	61.000	63.000	63.000	-	63.000	-	63.000

Budget Code 13005 Office of State Budget and Management - General Fund

Fund 13005-1310 Office of State Budget and Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$5,290,449	\$6,062,613	\$6,062,613	(\$18,884)	\$6,043,729	(\$11,404)	\$6,051,209
Receipts	\$524,354	\$212,953	\$212,953	\$716	\$213,669	\$1,491	\$214,444
Appropriation	\$4,766,095	\$5,849,660	\$5,849,660	(\$19,600)	\$5,830,060	(\$12,895)	\$5,836,765
Positions	60.000	63.000	63.000	-	63.000	-	63.000

Fund description

This fund is used to support the personnel and operations of the Office of State Budget and Management (OSBM). OSBM promotes the use of statewide standards for budgeting procedures and the sharing of common budgeting and planning data across the state. OSBM delivers these services in a manner consistent with the objectives of the administration and in accordance with the General Statutes and the Constitution of the State of North Carolina.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provides fiscal advice to the Governor to carry out his constitutional and statutory duties as Director of the Budget; supervises the development of statewide budget and revenue data used to inform decision-making and to prepare and present the Governor's budget to the General Assembly; consults with agency officers on budget execution; coordinates North Carolina's economic and financial report presented annually to bond rating agencies; and serves as Secretary to the Council of State.	\$719,681	4.000
Prepares the Governor's recommended operating and capital budget through budget and policy research and analysis to ensure the efficient use of taxpayer dollars; administers the legislatively certified budget by monitoring state agencies' expenditures to ensure adherence to state laws and executive and/or legislative intent; monitors and evaluates programs, policies and legislation that affect State resources; and interprets budgeting policy and procedures to assist state agencies.	\$2,355,521	29.000
Forecasts and monitors state revenues through research and modeling of tax and economic information to ensure the proper basis for budgeting; analyzes and approves fiscal notes on rule changes; prepares and publishes economic and tax reports; and responds to ad hoc requests for economic data and analysis.	\$349,704	3.000
Conducts productivity studies and provides management analysis services to state and local agencies to help them work more effectively and efficiently by assessing organization, staffing, systems, processes, and service delivery and quality. These services and reports are initiated at the direction of the Governor or General Assembly or at the request of an agency or OSBM.	\$452,818	5.000
Designs, builds, and maintains statewide budgeting, statistical, and managerial applications and provides comprehensive IT administration for OSBM. Trains users of applications.	\$594,386	5.550
Oversees, reviews, and evaluates state agency information technology system requests to ensure that the state derives value from these IT investments. Partners with the State's Information Technology Services to drive consolidation of information technology infrastructure across agencies.	\$198,238	2.000
Assists government agencies and the public in using socioeconomic data and provides census and state-agency statistics about North Carolina geographies. Responds to internal and external needs for statistical information through analysis, special reports, consultation, training, research, and data finding tools.	\$137,239	2.650

Develops and tests mathematical models to produce official population estimates and projections for the state, counties, and municipalities for revenue sharing and as a basis for statewide planning, budgeting, and research.	\$79,837	1.800
Provides fiscal, personnel and support services to both the Governor's Office and the Office of State Budget and Management to ensure efficient internal office operations through reception, budgeting, accounting, purchasing, payroll, and human resource functions.	\$317,614	6.000
Provide for the uniform administration of state grants to non-state entities by ensuring compliance with state laws, rules and reporting requirements including the withholding of state funds from entities found in noncompliance.	\$85,411	1.000
Actual Totals	\$5,290,449	60.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Management reports completed annually	17	23	25
Completions of new computer applications and major enhancements to existing applications	10	10	12
Budget revision requests	9,218	9,767	10,998
Participant hours in OSBM educational offerings	4,352	3,653	5,589

Fund 13005-1311 Senate Bill 7 Hurricane Recovery Act — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$56,962	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$58,989	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	(\$2,027)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	1.000	-	-	-	-	-	-

Fund description

The Hurricane Recovery Act of 2005 (2005 Session Laws, Chapter 1, Section 5.3) authorizes the establishment of time-limited exempt positions to implement the Act. This temporary fund accounts for reserve funds to support one time-limited Emergency Management Analyst position in the Office of State Budget and Management.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Coordinates the State's disaster recovery efforts resulting from six hurricanes (Frances, Ivan, Alex, Bonnie, Charlie, and Jeanne) that impacted the State during 2004 including the administration of the Disaster Relief Reserve Fund, the monitoring of the implementation of assistance programs and compliance with statutorily required reports.	\$28,481	.500
Researches and compiles a guide that differentiates the roles, responsibilities and types of assistance provided by federal, state and community organizations involved in disaster recovery to assist in recovery and rebuilding efforts following a disaster. Develops a network of leaders and service providers to facilitate the exchange of information for stronger and speedier recovery.	\$28,481	.500
Actual Totals	\$56,962	1.000

Fund 13005-1910 Reserve — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$163,367	\$100,000	\$100,000	\$0	\$100,000	\$0	\$100,000
Receipts	\$63,367	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$100,000	\$100,000	\$100,000	\$0	\$100,000	\$0	\$100,000
Positions	-	-	-	-	-	-	-

Fund description

This fund is used to deposit General Fund appropriations reserved to pay attorney fees for the Rules Review Commission in Office of Administrative Hearings.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Pay Office of Administrative Hearing legal fees.	\$5,650	-
Carry forward funds to FY07 for Rules Impact Review.	\$157,717	-
Actual Totals	\$163,367	-

Governor's Recommended Adjustments to Base Budget

OSBM - Reserve for General Assembly Appropriation (13085)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$6,058,446	\$6,058,446
Receipts	<u>\$1,120,000</u>	<u>\$1,120,000</u>
Appropriation	\$4,938,446	\$4,938,446
Adjustments		
Requirements	\$1,500,000	\$1,500,000
Receipts	-	-
Appropriation	\$1,500,000	\$1,500,000
Total		
Requirements	\$7,558,446	\$7,558,446
Receipts	<u>\$1,120,000</u>	<u>\$1,120,000</u>
Recommended Appropriation	<u>\$6,438,446</u>	<u>\$6,438,446</u>
<hr/>		
Positions		
Base Budget Positions	-	-
Reductions	-	-
Expansion	<u>-</u>	<u>-</u>
Recommended Positions	<u>-</u>	<u>-</u>

Appropriation Items -- Recommended Adjustments

Expansion

	<u>2007-08</u>	<u>2008-09</u>
Reserves and Transfers		
1. Reserve for Military Morale, Recreation, and Welfare		
Funds are recommended to sustain historical grants to military installations for the purposes of community service and quality of life programs for military members and their families in North Carolina.		
Appropriation	\$1,000,000	\$1,000,000
2. Fire Protection Grants-in-Aid Supplement		
Funds are recommended to increase the funding for the Fire Protection Grants-in-Aid program. Many new state-owned facilities have been constructed statewide. This funding will assist local fire districts that provide fire protection and other services to state-owned facilities.		
Appropriation	\$500,000	\$500,000

Total Recommended Expansion

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$1,500,000	\$1,500,000
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$1,500,000	\$1,500,000
Positions	-	-
Nonrecurring		
Requirements	-	-
Receipts	-	-
	<hr/>	<hr/>
Appropriation	-	-
Positions	-	-

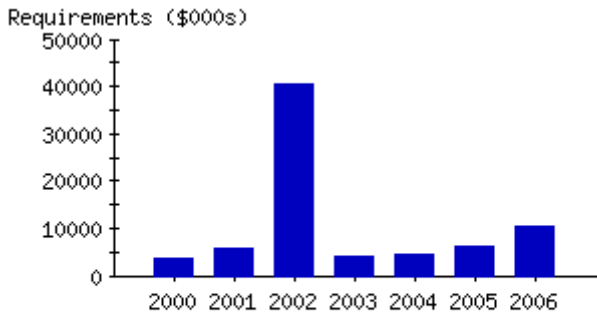
**Total Recommended Adjustments for
OSBM - Reserve for General Assembly
Appropriation (13085)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$1,500,000	\$1,500,000
Receipts	-	-
	\$1,500,000	\$1,500,000
Appropriation	\$1,500,000	\$1,500,000
Positions	-	-
Nonrecurring		
Requirements	-	-
Receipts	-	-
	-	-
Appropriation	-	-
Positions	-	-
Total Appropriation Adjustments	\$1,500,000	\$1,500,000
Total Position Adjustments	-	-

Base Budget and Results-Based Information

Budget Code 13085 OSBM - Reserve for General Assembly Appropriation

**Actual Expenditures
by Fiscal Year**



2002 data includes a \$36 million transfer to the State Employees Health Plan.

	Base Budget						
	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$10,270,795	\$6,656,467	\$6,656,467	(\$598,021)	\$6,058,446	(\$598,021)	\$6,058,446
Receipts	\$1,273,797	\$1,120,000	\$1,120,000	\$0	\$1,120,000	\$0	\$1,120,000
Appropriation	\$8,996,998	\$5,536,467	\$5,536,467	(\$598,021)	\$4,938,446	(\$598,021)	\$4,938,446
Positions	-	-	-	-	-	-	-

Budget Code 13085 OSBM - Reserve for General Assembly Appropriation

Fund 13085-1022 Special Appropriations — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$5,262,795	\$1,656,467	\$1,656,467	(\$598,021)	\$1,058,446	(\$598,021)	\$1,058,446
Receipts	\$140,797	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$5,121,998	\$1,656,467	\$1,656,467	(\$598,021)	\$1,058,446	(\$598,021)	\$1,058,446
Positions	-	-	-	-	-	-	-

Fund description

This fund is used to collect and distribute special appropriations made to non-state entities as directed by the General Assembly. Funds in this account are allocated to specific non-state entities in accordance with Session Law and/or the Joint Conference Committee Report on the Continuation, Expansion and Capital Budgets.

Services for the fund

Disburse special appropriations to over 40 local governments and nonprofit organizations identified by the General Assembly in Joint Conference Committee report dated August 8, 2005.

<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
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\$5,122,000	-
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Provide expenditures for military affairs.

\$23,499	-
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Carry forward unexpended funds for Military Affairs to fiscal year 2006-07.

\$117,296	-
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Actual Totals

\$5,262,795	-
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Fund 13085-1023 Fire Protection Grant Fund — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$5,000,000	\$0	\$5,000,000
Receipts	\$1,120,000	\$1,120,000	\$1,120,000	\$0	\$1,120,000	\$0	\$1,120,000
Appropriation	\$3,880,000	\$3,880,000	\$3,880,000	\$0	\$3,880,000	\$0	\$3,880,000
Positions	-	-	-	-	-	-	-

Fund description

This fund is statutorily established in the Office of State Budget and Management (G.S. 58-85A-1) for the purpose of compensating local fire districts and political subdivisions of the State for providing local fire protection to State owned buildings and their contents.

Services for the fund

Provide aid to North Carolina fire departments.

<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
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\$4,873,235	-
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Carry forward unexpended aid for NC fire departments to fiscal year 2006-07.

\$126,765	-
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Actual Totals

\$5,000,000	-
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Fund 13085-1900 Reserves and Transfers — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$8,000	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$13,000	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	(\$5,000)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This fund is used to deposit General Fund appropriations reserved for a specific purpose as directed by the General Assembly. Funds in this account are transferred to state agencies and institutions in accordance with Session Law and/or the Joint Conference Committee Report on the Continuation, Expansion and Capital Budgets.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Disburse special appropriation carried forward from fiscal year 2004-05.	\$8,000	-
Actual Totals	\$8,000	-

Base Budget and Results-Based Information

Budget Code 23004 OSBM - Education Lottery Reserve

Base Budget							
	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Budget Code 23004 OSBM - Education Lottery Reserve

Fund 23004-2C01 Education Lottery Reserve — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The NC State Education Lottery was established in 2005 to generate funds for the following public purposes: to reduce class size in early grades, to support academic pre-kindergarten programs for at risk four year olds, to support public school construction, and to fund college and university scholarships. As part of the Act (S.L. 2005-344) that created the lottery, an Education Lottery Reserve was established that could be used in event net revenues from the lottery fell short of the annual appropriation for the public purposes listed above. The Education Lottery Reserve receives a transfer from the Education Lottery Fund equal to five percent (5%) of the net revenue of the prior year and is capped at \$50 million. (Note: Lottery proceeds generated from the first four months of the start-up year (March 2006- June 2006) were transferred at the end of FY 2005-06 to fully fund the reserve at \$50 million. The General Assembly made the first lottery appropriation for education using lottery proceeds generated during FY 2006-07, the first full year of lottery activity).

Governor's Recommended Adjustments to Base Budget

North Carolina Housing Finance Agency (13010)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$4,750,945	\$4,750,945
Receipts	=	=
Appropriation	\$4,750,945	\$4,750,945
Adjustments		
Requirements	\$6,500,000	-
Receipts	=	=
Appropriation	\$6,500,000	-
Total		
Requirements	\$11,250,945	\$4,750,945
Receipts	=	=
Recommended Appropriation	<u>\$11,250,945</u>	<u>\$4,750,945</u>
<hr/>		
Positions		
Base Budget Positions	-	-
Reductions	-	-
Expansion	<u>-</u>	<u>-</u>
Recommended Positions	<u><u>-</u></u>	<u><u>-</u></u>

Appropriation Items -- Recommended Adjustments

Expansion

2007-08 2008-09

Housing Programs

1. North Carolina Housing Trust Fund

Funding is recommended to support the Housing Trust Fund. This fund helps to alleviate the shortage of decent, safe, and affordable housing for North Carolina citizens with low to moderate incomes.

Appropriation - Nonrecurring \$5,000,000 -

2. Home Protection Pilot Program

The Governor recommends nonrecurring funds to continue the Home Protection Pilot program that assists homeowners in 26 counties who are at risk of losing their homes due to job loss. The program offers short or long term loans to qualifying homeowners so that they can maintain their home while regaining employment.

Appropriation - Nonrecurring \$1,500,000 -

Total Recommended Expansion

2007-08 2008-09

Recurring

Requirements - -

Receipts - -

Appropriation - -

Positions - -

Nonrecurring

Requirements \$6,500,000 -

Receipts - -

Appropriation \$6,500,000 -

Positions - -

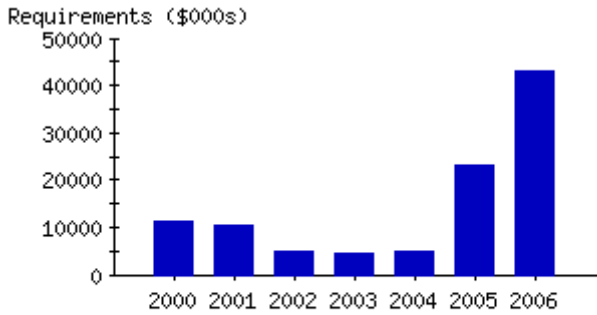
**Total Recommended Adjustments for
North Carolina Housing Finance Agency (13010)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	-	-
Receipts	-	-
	-	-
Appropriation	-	-
Positions	-	-
Nonrecurring		
Requirements	\$6,500,000	-
Receipts	-	-
	\$6,500,000	-
Appropriation	\$6,500,000	-
Positions	-	-
Total Appropriation Adjustments	\$6,500,000	-
Total Position Adjustments	-	-

Base Budget and Results-Based Information

Budget Code 13010 NC Housing Finance - Home Match

**Actual Expenditures
by Fiscal Year**



State Tax Credit began (2005 --\$16.6 million, 2006 -- \$32.5 million), plus one-time appropriation for Housing Trust Fund and Home Protection Pilot in 2005 and 2006.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$42,926,596	\$22,188,445	\$22,188,445	(\$17,437,500)	\$4,750,945	(\$17,437,500)	\$4,750,945
Receipts	\$32,475,651	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$10,450,945	\$22,188,445	\$22,188,445	(\$17,437,500)	\$4,750,945	(\$17,437,500)	\$4,750,945
Positions	-	-	-	-	-	-	-

Budget Code 13010 NC Housing Finance - Home Match

Services for the budget code	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Transfer state match for the federal Home Program to budget code 23010 fund 2200.	\$1,750,945	-
Transfer annual General Fund appropriation for the Housing Trust Fund to budget codes 63010 and 63011.	\$8,000,000	-
Transfer of funds received from the Department of Revenue for the State Tax Credit program.	\$32,475,651	-
Transfer General Fund appropriations for the Home Protection Pilot to budget code 23010 fund 2950.	\$700,000	-
Actual Totals	\$42,926,596	-

Fund 13010-1100 Housing Finance Agency - Appropriations — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$42,926,596	\$22,188,445	\$22,188,445	(\$17,437,500)	\$4,750,945	(\$17,437,500)	\$4,750,945
Receipts	\$32,475,651	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$10,450,945	\$22,188,445	\$22,188,445	(\$17,437,500)	\$4,750,945	(\$17,437,500)	\$4,750,945
Positions	-	-	-	-	-	-	-

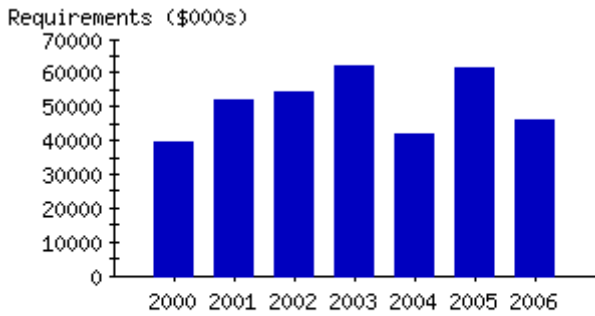
Fund description

This fund receives and disburses appropriations made by the General Assembly that are then transferred to other funds that are actively managed by the North Carolina Housing Finance Agency (NCHFA). The fund receives appropriations for the state's partial matching support for the federal HOME Program, the annual Housing Trust Fund, the annual State Tax Credits, and the Home Protection Program. These funds are used to increase the supply of housing for North Carolinians who have very low or low to moderate incomes. The Agency provides financing and technical assistance for the development, rehabilitation, or purchase of affordable housing, both rental and home ownership. In addition, it coordinates rental and mortgage assistance.

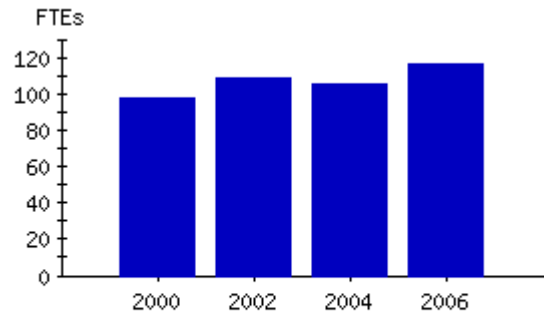
Base Budget and Results-Based Information

Budget Code 23010 NC Housing Finance - Special

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



2003 - Contract with US HUD to administer Section 8.
 2004 and 2005 - Hurricane Floyd Disaster Relief
 winding down. \$100,628 cash adjustment for 2005-06,
 plus increase in state funding for Housing Trust Fund,
 Home Protection Pilot and Apartment Housing.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$46,146,026	\$57,141,118	\$57,141,118	\$0	\$57,141,118	\$0	\$57,141,118
Receipts	\$67,456,870	\$57,141,118	\$57,141,118	\$0	\$57,141,118	\$0	\$57,141,118
Chng Fund Bal	\$21,310,844	\$0	\$0	\$0	\$0	\$0	\$0
Positions	116.000	107.000	116.000	-	116.000	-	116.000

Budget Code 23010 NC Housing Finance - Special

Fund 23010-2100 North Carolina Housing Finance Agency — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$9,431,564	\$9,772,643	\$9,772,643	\$0	\$9,772,643	\$0	\$9,772,643
Receipts	\$9,522,448	\$9,772,643	\$9,772,643	\$0	\$9,772,643	\$0	\$9,772,643
Chng Fund Bal	\$90,884	\$0	\$0	\$0	\$0	\$0	\$0
Positions	116.000	107.000	116.000	-	116.000	-	116.000

Fund description

This fund is used for the operational transactions of the North Carolina Housing Finance Agency. The Agency is a self-supporting agency with an independent board of directors. The Agency was created to increase the supply of housing for North Carolinians who have very-low or low to moderate incomes. The Agency provides financing and technical assistance for the development, rehabilitation, or purchase of affordable housing, both rental and home ownership. In addition, it coordinates rental and mortgage assistance. All operational functions are in support of the above listed activities, as well as those of other funds. The North Carolina Housing and Finance agency uses a cost allocation system that distributes all personnel and operating costs to its program areas. The distribution of dollars listed below not only includes the direct program staff for that service area, but also includes the time spent by support staff, human resources, accounting, budgeting, and upper management.

The following are the full titles to each of the acronyms listed in the service statements below: Rental Production Program (RPP), Supportive Housing Development Program (SHDP), Supportive Housing Development Program 400 (SHDP400), Preservation Loan Program (PLP), Preservation Loan Program 400 (PLP400), New Home Loan Pool (NHLP), Self Help Loan Pool (SHLP), Individual Development Account Program (IDAP), Down payment Assistance Program (DAP), Rural Opportunity Mortgage (ROM), Single-Family Rehabilitation Program (SFR), Urgent Repair Program (URP), Home Protection Pilot Program (HPPP), KEY program = This program provides a bridge subsidy for households on disability income who have not yet received a Section 8 housing choice voucher.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Provide financing and technical assistance for the development of affordable rental housing (including operational funding for funds 2200 and 2800). Programs supported include RPP, SHDP, SHDP400, Supportive Housing Predevelopment Loan, and Housing Credit program.	\$3,448,908	42.419
Provide financing and technical assistance for the rehabilitation of affordable rental housing (including operational funding for funds 2200 and 2800). Programs supported include RPP, SHDP, SHDP400, Supportive Housing Predevelopment Loan, Housing Credit program, PLP, and PLP400.	\$546,615	6.723
Provide financing and technical assistance for affordable home ownership activities (including operational funding for fund 2200). Programs supported include NHLP, SHLP, IDAP, DAP, First-Time Homebuyer Program, and ROM.	\$3,746,953	46.084
Provide financing and technical assistance for rehabilitation of individually owned homes to preserve affordable housing (including operational funding for fund 2200). Programs supported include Single-Family Rehabilitation Program, and Urgent Repair Program.	\$531,166	6.533
Provide financing and technical assistance for rental assistance (including operational funding for funds 2101, 2102, 2500). Programs supported include KEY, SHDP400, PLP400, Section 8, and Section 8 rehabilitation.	\$510,955	6.284
Providing financing and technical assistance for mortgage assistance for existing homeowners through the Home Protection Pilot Program (including operational funding for fund 2950).	\$646,967	7.957
Actual Totals	\$9,431,564	116.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Rental housing units developed or rehabilitated	213	217	552
Homeownership units financed	1,782	1,814	1,842
Owner-occupied homes repaired or rehabilitated	685	776	678

Fund 23010-2101 Section 8 — Base Budget

	<u>2005-06</u> Actual	<u>2006-07</u> Certified	<u>2006-07</u> Authorized	<u>2007-08</u> Adjustments	<u>2007-08</u> Total	<u>2008-09</u> Adjustments	<u>2008-09</u> Total
Requirements	\$18,548,675	\$18,736,125	\$18,736,125	\$0	\$18,736,125	\$0	\$18,736,125
Receipts	\$18,514,816	\$18,736,125	\$18,736,125	\$0	\$18,736,125	\$0	\$18,736,125
Chng Fund Bal	(\$33,859)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The Section 8 rental assistance program is a federal project-based rental assistance program that helps eligible North Carolinians with low incomes gain access to housing in new construction or substantially rehabilitated developments. Payments are made to property managers, not individual tenants.

Services for the fund	<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
Disburse federal funds in compliance with Section 8 regulation to ensure that each property receives an accurately calculated amount of rental assistance each month. Payments made directly to property managers.	\$18,548,675	-
Actual Totals	\$18,548,675	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of Section 8 funds disbursed to properties within 2 business days of receipt	100 %	100 %	100 %
Percentage of properties visited annually by agency staff to ensure compliance with Section 8 regulations ¹	40 %	35 %	66 %

¹The agency's goal is to visit every property at least once every 3 years.

Fund 23010-2102 Section 8 Rehabilitation — Base Budget

	<u>2005-06</u> Actual	<u>2006-07</u> Certified	<u>2006-07</u> Authorized	<u>2007-08</u> Adjustments	<u>2007-08</u> Total	<u>2008-09</u> Adjustments	<u>2008-09</u> Total
Requirements	\$338,510	\$302,100	\$302,100	\$0	\$302,100	\$0	\$302,100
Receipts	\$336,396	\$302,100	\$302,100	\$0	\$302,100	\$0	\$302,100
Chng Fund Bal	(\$2,114)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The Section 8 Rehabilitation rent assistance program is a federal project-based rental assistance program that helps eligible North Carolinians who have low incomes gain access to housing in moderately rehabilitated developments. Payments are made to property managers, not individual tenants.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Disburse federal funds in compliance with Section 8 regulation to ensure that each property receives an accurately calculated amount of rental assistance each month. Payments made directly to property managers.	\$338,510	-
Actual Totals	\$338,510	-

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of Section 8 funds disbursed to properties within 2 business days of receipt	100 %	100 %	100 %
Percentage of properties visited annually by agency staff to ensure compliance with Section 8 regulations ¹	100 %	100 %	100 %

¹The agency's goal is to visit every property at least once every 3 years.

Fund 23010-2200 NCHFA-Home Program — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$15,911,758	\$27,395,000	\$27,395,000	\$0	\$27,395,000	\$0	\$27,395,000
Receipts	\$37,243,578	\$27,395,000	\$27,395,000	\$0	\$27,395,000	\$0	\$27,395,000
Chng Fund Bal	\$21,331,820	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The HOME program is a federal block grant, based on population and housing needs. The funds can be used to finance the acquisition, construction, and rehabilitation of affordable housing, down payment assistance, and rent subsidies. The North Carolina Housing Finance Agency administers the state's share of HOME Program funds to finance affordable housing in partnership with local governments, nonprofit organizations, and for-profit developers. The North Carolina General Assembly annually appropriates a portion of the 25% matching funds required to receive the federal funds.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Provide financing for the development and rehabilitation of affordable rental housing and owner-occupied housing.	\$11,365,664	-
Provide financing for affordable homeownership activities.	\$4,546,094	-
Actual Totals	\$15,911,758	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Rental housing units developed or rehabilitated	465	546	543
Homeownership units financed	370	621	900
Owner-occupied homes repaired or rehabilitated	194	72	14

Fund 23010-2500 Key Program — Base Budget

	<u>2005-06</u> Actual	<u>2006-07</u> Certified	<u>2006-07</u> Authorized	<u>2007-08</u> Adjustments	<u>2007-08</u> Total	<u>2008-09</u> Adjustments	<u>2008-09</u> Total
Requirements	\$7,970	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$1,008,718	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$1,000,748	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This is a new program that enables extremely-low, very-low, and low-income disabled persons to have access to affordable housing by providing rental assistance payments for disabled households in specific developments. Payments are generally of amounts smaller than \$300.

Services for the fund	<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
Provide rental assistance payments for disabled persons in specific rental housing developments.	\$7,970	-
Actual Totals	\$7,970	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Households which received rental assistance payments	-	-	19

Fund 23010-2800 State Disaster — Base Budget

	<u>2005-06</u> Actual	<u>2006-07</u> Certified	<u>2006-07</u> Authorized	<u>2007-08</u> Adjustments	<u>2007-08</u> Total	<u>2008-09</u> Adjustments	<u>2008-09</u> Total
Requirements	\$779,664	\$935,250	\$935,250	\$0	\$935,250	\$0	\$935,250
Receipts	\$115,594	\$935,250	\$935,250	\$0	\$935,250	\$0	\$935,250
Chng Fund Bal	(\$664,070)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This fund receives state appropriation for any disaster recovery efforts. It finances the repair and replacement of housing damaged or destroyed by natural disasters for low- and moderate-income households. It can be used for any housing recovery activities appropriate to a disaster (for example: rehabilitation, new construction, and rental assistance).

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Finance the repair and replacement of housing for the Floyd disaster recovery.	\$779,664	-
Actual Totals	\$779,664	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Affordable housing units repaired or developed	0	50	0

Fund 23010-2950 Home Protection Pilot — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,127,885	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$715,320	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	(\$412,565)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this fund is to help North Carolina homeowners at risk of losing their homes due to job loss caused by layoffs, by providing counseling and interim loans (both short term assistance and longer term assistance) to help residents maintain their homes while regaining employment. Assistance can equal up to 18 months worth of mortgage payments and interest, property insurance, and taxes.

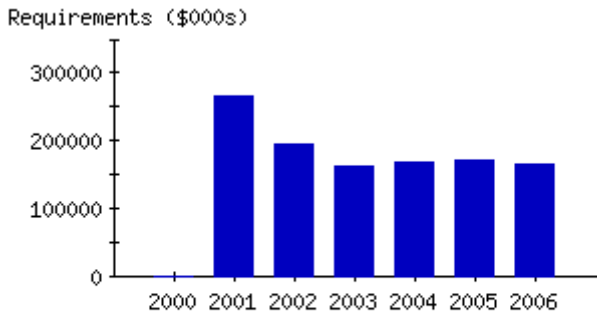
Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Provide loans as short term assistance for homeowners at risk of foreclosure. Usually used to help clients cover missed payments and bring their mortgage up to current good standing.	\$146,751	-
Provide loans as longer term assistance for homeowners at risk of foreclosure up to 18 months.	\$981,134	-
Actual Totals	\$1,127,885	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Loans made to homeowners	0	23	114

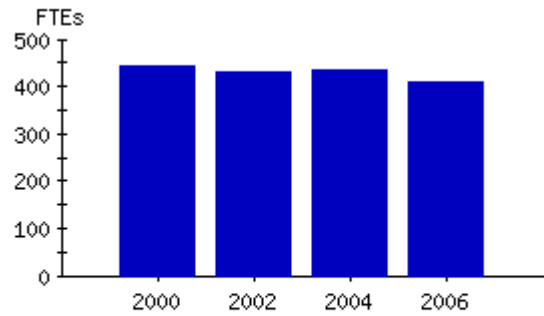
Base Budget and Results-Based Information

Budget Code 74660 Governor-Information Technology Services-Internal Service

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$165,955,394	\$193,667,326	\$203,508,903	\$0	\$203,508,903	\$0	\$203,508,903
Receipts	\$159,947,228	\$188,531,809	\$197,819,438	\$0	\$197,819,438	\$0	\$197,819,438
Chng Fund Bal	(\$6,008,166)	(\$5,135,517)	(\$5,689,465)	\$0	(\$5,689,465)	\$0	(\$5,689,465)
Positions	411.000	407.000	412.000	-	412.000	-	412.000

Budget Code 74660 Governor-Information Technology Services-Internal Service

Fund 74660-7100 ITS - Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$9,298,387	\$9,148,406	\$9,585,319	\$0	\$9,585,319	\$0	\$9,585,319
Receipts	\$9,558,474	\$9,398,969	\$9,520,352	\$0	\$9,520,352	\$0	\$9,520,352
Chng Fund Bal	\$260,087	\$250,563	(\$64,967)	\$0	(\$64,967)	\$0	(\$64,967)
Positions	72.000	65.000	73.000	-	73.000	-	73.000

Fund description

The Office of Information Technology Services' (ITS) administration fund is to provide oversight and support to the agency's program areas. This support includes financial administration (budgeting, fiscal and human resources management); agency purchasing; as well as IT statewide procurement administration; and the agency's around the clock facilities operations. The administrative fund also includes the Operational Excellence Program (OEP), which provides a strategic and standardized approach to managing IT services.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide support to ITS through the oversight and operation of the following items: electrical, HVAC, space allocation, building layout, furniture, cubicles, construction, landscaping, janitorial, fire suppression, security access control system, warehousing (on-site and off-site), shipping and receiving, uninterrupted power supply (UPS) maintenance, and generator maintenance.	\$4,094,867	8.000
Provide executive/program management techniques for ITS staff, through program oversight styles, strategic planning, scope development, project planning and tracking, and development of design teams that develop tailored processes for program implementation. Operational Excellence Program also provides multi-tiered training programs, for State agencies, from familiarization to expert training on the Information Technology Infrastructure Library (ITIL) and its associated processes and functions.	\$1,198,220	3.000
Provide procurement services for ITS purchasing needs as well as Statewide IT procurement for all state agencies to achieve better pricing through bulk purchasing.	\$1,382,548	17.000
Provide personnel/accounting services to support the operation of ITS. Services include, but are not limited to, the following: human resource management; budgeting; accounts payable/accounts receivable, payroll, cash management, Comprehensive Annual Financial Report (CAFR), monthly and year-end close out processing; and, agency position control and salary reserve management.	\$2,622,752	44.000
Actual Totals	\$9,298,387	72.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of meeting industry standards for incident resolution timeframes (annually)	-	2.00 %	35.00 %
Percentage increase in first call resolution rates (annually)	-	-	2.00 %
Percentage decrease in Emergency/Urgent changes required (annually)	-	-	18.00 %

Fund 74660-7105 Business Relations Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$0	\$99,102	\$0	\$99,102	\$0	\$99,102
Receipts	\$0	\$0	\$675,476	\$0	\$675,476	\$0	\$675,476
Chng Fund Bal	\$0	\$0	\$576,374	\$0	\$576,374	\$0	\$576,374
Positions	-	-	-	-	-	-	-

Fund description

(SEE 7110)

Fund 74660-7110 Customer Public Relations Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,407,227	\$3,104,823	\$3,065,388	\$0	\$3,065,388	\$0	\$3,065,388
Receipts	\$2,433,401	\$2,993,999	\$2,364,038	\$0	\$2,364,038	\$0	\$2,364,038
Chng Fund Bal	\$26,174	(\$110,824)	(\$701,350)	\$0	(\$701,350)	\$0	(\$701,350)
Positions	34.000	34.000	34.000	-	34.000	-	34.000

Fund description

This fund is used to provide expert technical (Help Desk) support to ITS customers; provide liaison services to key ITS customers; assist customers in successful problem resolution and provide public information about service offerings and operational successes.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Respond to customer requests and incidents and provide first and second level support as appropriate.	\$1,556,403	26.000
Provide liaison support to the largest state agencies.	\$401,698	3.000
Own, coordinate and support the Incident, Problem and Service Level Management Processes and support the Operational Excellence Program.	\$343,260	4.000
Provide a Service Desk Management Application Tool (iWise) to ITS and as a revenue generating service for customers.	\$105,866	1.000
Actual Totals	\$2,407,227	34.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Customer meetings	276	240	480
Percentage of employee ITIL Training	0.0 %	18.00 %	100.00 %
Incidents responded to	76,494	56,139	61,205

Fund 74660-7200 Enterprise Technology Strategies — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$23,815	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	(\$23,815)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This fund is used to research new and emerging communications and information technologies and assist customers in matching technologies with their current and prospective needs; to develop Statewide Technical Architecture policies, standards, and best practices and recommend them for adoption by the State Chief Information Officer (CIO). Disseminate technical architecture standards and assist agencies in interpreting them and designing projects; identify critical quality control issues in technology projects; and identify quality training tools and programs to help managers optimize their use of new technologies. (See budget code 24667, fund code 2730.)

Services for the fund

This fund is no longer used. Activity in this fund was moved to budget code 24667, fund 2730. Requirements shown represent dollar amount needed to clear negative cash balance.

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
	\$23,815	-
Actual Totals	\$23,815	-

Fund 74660-7217 Computing Services — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$66,511,058	\$76,196,378	\$74,765,831	\$0	\$74,765,831	\$0	\$74,765,831
Receipts	\$62,768,243	\$73,670,332	\$73,670,332	\$0	\$73,670,332	\$0	\$73,670,332
Chng Fund Bal	(\$3,742,815)	(\$2,526,046)	(\$1,095,499)	\$0	(\$1,095,499)	\$0	(\$1,095,499)
Positions	139.000	143.000	138.000	-	138.000	-	138.000

Fund description

This fund is used for ITS to provide enterprise-class, highly efficient, around-the-clock operations in the ITS Data Centers as well as at remote computer room locations; implementation and support of hardware and software systems for government agencies, State and local; provide consultation services and manage requests for mainframe and server services; provide diagnostic capabilities for infrastructure troubleshooting; provide support and managed services including systems selection and implementation; offer distributed computer services across several platforms; and drive server consolidation initiatives.

Services for the fund

Manage mainframe hosting solutions for mission-critical applications for State and local governments. Build and maintain highly available systems that ensure key agency business functions perform reliably.

Provide centrally managed distributed hosting services for State agency applications. Build and maintain hosting services in a reliable, efficient manner that leverages economies of scale.

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
	\$39,536,213	62.000
	\$20,463,672	33.500

Deliver core system software services for database, middleware, and programming tools. Install and maintain software solutions that provide a technology framework for agency business applications.	\$3,932,715	40.100
Maintain an integrated, statewide directory service that provides global access to network resources. Provide a flexible and secure means for storing, accessing, and managing user and resource data.	\$2,578,458	3.400
Actual Totals	\$66,511,058	139.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of Priority 1, 2 and 3 incidents resolved in target timeframe	65.00 %	70.00 %	75.00 %
Documented change management requests (monthly average)	190	260	310
Percentage of mainframe availability (up-time)	99.82 %	99.00 %	99.40 %

Fund 74660-7224 State Telecommunications — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$80,587,859	\$94,884,698	\$94,406,421	\$0	\$94,406,421	\$0	\$94,406,421
Receipts	\$78,111,797	\$92,577,100	\$92,577,100	\$0	\$92,577,100	\$0	\$92,577,100
Chng Fund Bal	(\$2,476,062)	(\$2,307,598)	(\$1,829,321)	\$0	(\$1,829,321)	\$0	(\$1,829,321)
Positions	120.000	129.000	121.000	-	121.000	-	121.000

Fund description

This fund is used to provide secure data network connections, an array of telephone services, contact center capabilities, and video collaboration services to the agencies and institutions of North Carolina state government. These services enable the daily operation of all agencies by providing access to information and the ability to communicate with constituents. Using rigorous business analysis, State Telecommunications determines the best value for the state to deliver these services through the acquisition and operation of systems or contracting to outside providers. Resources in this fund are used to determine the application, interoperability and cost of technology required to meet agencies business needs as well as the ongoing operation, maintenance and management of the aforementioned services.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide, support, and contract for voice telecommunications services for State agencies and authorized local governmental entities that enables them to communicate effectively and efficiently with their constituents.	\$44,515,258	51.980
Provides Wide Area Network (WAN) and Local Area Network (LAN) service to any authorized government entity. The WAN Service offers statewide internet protocol (IP) connectivity at commercially available data rates and connects Customer's LANs to other resources connected to the WAN or Internet. LAN Service provides network infrastructure within a building or campus environment enabling data communications among local computing and printing resources.	\$31,438,232	55.760
Videoconferencing technologies, allows face-to-face interaction, with two-way video and audio communications are supported by ITS. Video applications supported over the network include distance learning for K-12 and higher education, state agency meetings, statewide training activities, emergency response assistance, public hearings, and many more. Web Conferencing and Video streaming services are also available.	\$4,634,369	12.260
Actual Totals	\$80,587,859	120.000

Measures for the fund	2003-04	2004-05	2005-06
Percentage of WAN available connections to customers (based on percentage of weekly network up-time)	98.00 %	99.00 %	99.30 %
Percentage of cost compared to state telecommunication networks of similar size and scope ¹	10.00 %	10.00 %	10.00 %
Percentage of incidents responded to in 4 hours	90.00 %	93.00 %	95.00 %

¹The goal is to be in the top 20% of peer group as measured by independent benchmark group.

Fund 74660-7228 Enterprise Solutions — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$5,391,327	\$8,503,835	\$8,592,008	\$0	\$8,592,008	\$0	\$8,592,008
Receipts	\$5,303,796	\$7,258,291	\$7,210,703	\$0	\$7,210,703	\$0	\$7,210,703
Chng Fund Bal	(\$87,531)	(\$1,245,544)	(\$1,381,305)	\$0	(\$1,381,305)	\$0	(\$1,381,305)
Positions	31.000	27.000	31.000	-	31.000	-	31.000

Fund description

This fund is used to provide statewide IT applications via a shared services delivery model. This fund also provides web application development, support, and consulting services to State and local agencies. The current and in-process offering portfolio for this fund includes the following : e-Mail and Calendar Services; Common Payment Services for credit card and pre-authorized debits transaction processing; Web application development and support services; IT Project Management Services; Electronic Document Management Services; Data Warehouse Services, and Software Quality Assurance Services.

Services for the fund

	Actual Requirements 2005-06	Actual FTEs 2005-06
Provide the State of NC with an e-mail messaging, calendar, e-mail relay, spam filtering, and virus filtering solution delivered via a shared service model that maximizes economies of scale and reduces overall costs for providing these services to State and local agencies.	\$1,781,604	7.500
Monitor and maintain a Common Payment shared service infrastructure for performing payment gateway services in support of credit card and pre-authorized debits transaction processing needs for the State of NC in a highly cost effective manner. Drive the adoption and use of the Common Payment Service by providing technical assistance and support to new State Agencies added to the service.	\$715,084	3.200
Provide certified Project Management Professionals (PMP) for timely & material project management services to State agencies in order to increase the probability of a successful completion of any given IT project. Provide analysis, design, development, implementation, and technical support for web based applications and web sites in order to facilitate the deployment of these applications when it is not within the capabilities of any given agency to perform these services internally.	\$1,932,394	17.030
Provide the State of NC with a highly reliable, scalable, secure, and feature rich electronic document management shared service platform delivered via the Internet that will enable State agencies with the capability to store, retrieve, workflow, and manage their electronic document assets which in turn will reduce agency operating costs, increase employee productivity, and improve customer/citizen service and satisfaction.	\$704,460	1.200

Provide the State of NC with a highly reliable, scalable, secure, and cost effective data warehousing shared service platform that includes integrated and feature rich tools that State agencies can use to capture, store and leverage information for monitoring, measuring, and optimizing current agency/program performance with the goal of delivering enhanced services and value to the citizens of NC.	\$133,651	2.040
Provide a highly reliable, scalable, secure, and cost effective Software Quality Assurance (SQA) shared service platform that will be leveraged by State agency IT organizations to support and execute functional and performance related software testing tasks for agency IT business applications in a comprehensive and consistent manner. Improve the quality of software applications while reducing the costs associated with software defects on a post production basis.	\$124,134	.030
Actual Totals	\$5,391,327	31.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Calendar accounts provided	9,041	10,236	11,094
E-mail accounts provided	26,276	29,578	30,711
Credit Card transactions processed	916,217	1,192,155	1,482,092
Pre-authorized debits transactions processed	723,455	1,012,321	1,332,044

Fund 74660-7230 Security and Business Recovery — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,693,863	\$1,801,424	\$2,600,789	\$0	\$2,600,789	\$0	\$2,600,789
Receipts	\$1,693,861	\$2,633,118	\$2,633,118	\$0	\$2,633,118	\$0	\$2,633,118
Chng Fund Bal	(\$2)	\$831,694	\$32,329	\$0	\$32,329	\$0	\$32,329
Positions	9.000	9.000	9.000	-	9.000	-	9.000

Fund description

The purpose of the ITS Information Security fund is to safeguard the State's information technology infrastructure against unauthorized use, disclosure, modification, or loss. This fund is used to help identify, mitigate, and manage risks to support the secure and sustainable delivery of IT services to help agencies meet the needs of our citizens. It oversees the information protection of the State's telecommunications, networking, computing, and enterprise business applications.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Oversee strategic planning and policy development for the security of the State's information technology infrastructure to coordinate the deployment of security technology to benefit from economies of scale, improve agency security, and protect citizen's data.	\$308,327	2.000
Preserve the security of the State's IT infrastructure by providing an in-depth, multi-layered security approach, including vulnerability management, external and internal policy compliance scans, network intrusion prevention/detection support, risk-based asset security management, and expert analysis with metrics and reports.	\$1,385,536	7.000
Actual Totals	\$1,693,863	9.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of infrastructure security incidents and requests resolved within targeted timeframe	-	-	89 %
Percentage of Change Tasks resolved within targeted timeframe	-	-	93 %

Fund 74660-7240 Oracle ULA — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$0	\$0	\$9,049,995	\$0	\$9,049,995	\$0	\$9,049,995
Receipts	\$0	\$0	\$9,049,995	\$0	\$9,049,995	\$0	\$9,049,995
Chng Fund Bal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

Provide centralized, cost-effective universal software licensing for the full range of Oracle database and other products used by state agencies. Individual agency licensing and software maintenance agreements have been consolidated into one state agreement, and agencies have the ability to consume an unlimited amount of software license for covered products thru June 2009.

Fund 74660-7250 Desktop Support Services — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$41,858	\$27,762	\$1,344,050	\$0	\$1,344,050	\$0	\$1,344,050
Receipts	\$77,656	\$0	\$118,324	\$0	\$118,324	\$0	\$118,324
Chng Fund Bal	\$35,798	(\$27,762)	(\$1,225,726)	\$0	(\$1,225,726)	\$0	(\$1,225,726)
Positions	6.000	-	6.000	-	6.000	-	6.000

Fund description

This fund is used to provide the State of NC with a managed environment for client desktop computing services. This service provides statewide procurement, delivery, installation, configuration, break/fix and technical support, equipment life cycle support, asset retirement, and response to customer moves/additions/changes of desktop support. Also, this fund provides the client with desktop security protections and common standard software applications. Note: This is a new fund that was established near the end of the 2006 fiscal year (May). ITS plans to fully implement the new service on July 1, 2007.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide the client with desktop computing equipment that includes equipment lifecycle support, procurement, delivery / installation, configuration, break / fix and technical support, asset retirement, response to customer moves, adds, and changes (MAC) requests.	\$31,393	4.500
Provide the State of NC with desktop security protections: Anti-Virus, Malware/Spyware, Security configuration, Personal Firewall, and User ID administration. Provide the State of NC with common desktop standard software: office productivity suite, compact discs (CD) authoring tools, e-mail client, calendar client, 3270 terminal emulation.	\$10,465	1.500
Actual Totals	\$41,858	6.000

Measures for the fund

Managed desktop seats ¹

¹New service that will be offered starting July 1, 2007.

2003-04

-

2004-05

-

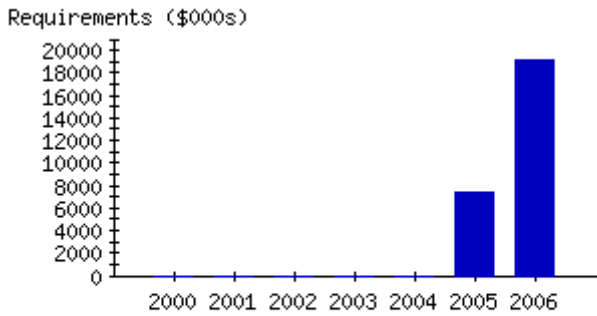
2005-06

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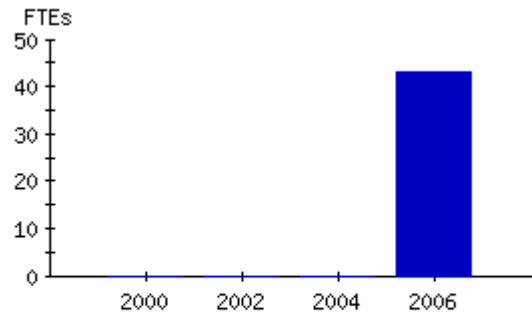
Base Budget and Results-Based Information

Budget Code 24667 Information Technology Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



IT Fund established in June of 2004, with first expenditures starting in 2005.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$19,053,223	\$14,189,314	\$14,189,314	\$0	\$14,189,314	\$0	\$14,189,314
Receipts	\$16,131,695	\$10,898,826	\$10,898,826	\$0	\$10,898,826	\$0	\$10,898,826
Chng Fund Bal	(\$2,921,528)	(\$3,290,488)	(\$3,290,488)	\$0	(\$3,290,488)	\$0	(\$3,290,488)
Positions	43.000	48.000	47.000	-	47.000	-	47.000

Budget Code 24667 Information Technology Fund

Fund 24667-2700 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$10,105,415	\$1,708,674	\$1,487,538	\$0	\$1,487,538	\$0	\$1,487,538
Receipts	\$8,398,864	\$10,898,826	\$10,898,826	\$0	\$10,898,826	\$0	\$10,898,826
Chng Fund Bal	(\$1,706,551)	\$9,190,152	\$9,411,288	\$0	\$9,411,288	\$0	\$9,411,288
Positions	7.000	8.000	7.000	-	7.000	-	7.000

Fund description

The purpose of Administrative Services for the Information Technology (IT) Fund is to provide oversight, from State Chief Information Officer (CIO) and Deputy CIO, and supporting ITS staff, to the enterprise services and initiatives supported by this fund, including the Enterprise Project Management Office, Strategic Initiatives, Enterprise Technology Services, the State Portal, and Enterprise Identity Management.

Services for the fund

Provide administrative oversight by both the State Chief Information Officer (CIO) and Deputy CIO for all ITS (includes salary, support cost, and some large IT maintenance agreement payments).

<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
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\$2,522,814	7.000
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Executed a one-time transfer from the agency's Internal Service Fund, to support the start-up of Enterprise Project Management Office, Strategic Initiatives, Enterprise Technology Services, the State Portal, and Enterprise Identity Management (Funds were transferred to other funds in this budget code).

\$7,582,601	-
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Actual Totals

\$10,105,415	7.000
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Fund 24667-2710 Business Infrastructure — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$16,660	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$16,629	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	(\$31)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This fund was established to support the Statewide IT Consolidation Program by transforming the way the State conducts business by modernizing and standardizing key business processes.

Services for the fund

Training and advisory services for assisting ITS in scoping and providing architecture services for a future data warehousing shared service.

<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
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\$16,660	-
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Actual Totals

\$16,660	-
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Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of feasibility studies that led to additional funding	0.0 %	0.0 %	100 %

Fund 24667-2720 Security Remediation — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,692,710	\$1,924,006	\$1,951,891	\$0	\$1,951,891	\$0	\$1,951,891
Receipts	\$477,762	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	(\$1,214,948)	(\$1,924,006)	(\$1,951,891)	\$0	(\$1,951,891)	\$0	(\$1,951,891)
Positions	6.000	6.000	6.000	-	6.000	-	6.000

Fund description

Provide leadership in the development, delivery, and maintenance of an information security program that safeguards the State's information assets and the supporting infrastructure against unauthorized use, disclosure, modification, damage, or loss.

Services for the fund

Oversee the statewide security program to improve agency security posture by setting security standards, increasing security awareness through training, strategic planning, project review, and expert advisory support.

<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
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\$1,069,871 3.000

Manage information security risks to help agencies to identify cyber security threats and to enable rapid responses and recovery from cyber security incidents by providing expert advisory and forensic support.

\$622,839 3.000

Actual Totals

\$1,692,710 6.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of information security consulting and support services incidents and requests resolved within target time frame	-	-	95 %
Percentage of information security cyber security incidents/cases and requests resolved within target time frame	-	-	85 %

Fund 24667-2730 Strategic Initiatives — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,666,781	\$2,457,943	\$2,497,171	\$0	\$2,497,171	\$0	\$2,497,171
Receipts	\$1,666,779	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	(\$2)	(\$2,457,943)	(\$2,497,171)	\$0	(\$2,497,171)	\$0	(\$2,497,171)
Positions	10.000	10.000	10.000	-	10.000	-	10.000

Fund description

The purpose of the Strategic Initiatives group is to assist the State CIO to improve the management of IT in state government through statewide implementation projects and ongoing advisory activities. The focus is to provide the education, training, tools, and consulting help to the agencies in the areas of investment, project, and applications portfolio management; disaster recovery/business continuity (DR/BC); and infrastructure asset management. The intent is to improve the planning, budgeting, and management of IT at the agency and statewide levels by providing knowledge and tools and assisting in obtaining required data.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide a portfolio management tool and employ the concepts and best practices of this discipline to assist agencies in identifying the best IT investments, implementing projects successfully, and managing applications to optimize costs/benefits over their useful lives.	\$916,730	5.500
Offer training, advisory services, and tools for assisting agencies to perform business impact analyses (BIAs) and preparing annual disaster recovery and business continuity plans and reviewing these plans.	\$666,712	4.000
Procure an asset management system to assist agencies in managing infrastructure assets (PCs, servers, network devices, software, etc.) and conducting service management initiatives (e.g., ITIL) through a Configuration Management Database.	\$83,339	.500
Actual Totals	\$1,666,781	10.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Disaster recovery/business continuity plans reviewed	20	27	28
Portfolio management system users ¹	0	0	150

¹The project portfolio management system currently contains over 70 active major projects, over 50 smaller (registered) projects, and over 1,200 applications.

Fund 24667-2740 Project Management — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$1,425,669	\$1,262,418	\$1,309,731	\$0	\$1,309,731	\$0	\$1,309,731
Receipts	\$1,425,671	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$2	(\$1,262,418)	(\$1,309,731)	\$0	(\$1,309,731)	\$0	(\$1,309,731)
Positions	10.000	13.000	13.000	-	13.000	-	13.000

Fund description

To provide leadership for the improvement and expansion of project management throughout the enterprise through coordination/communication, standardization/measurement and mentoring/coaching/consulting.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Coordination/Communication	\$413,781	3.000
Standardization/Measurement	\$551,707	4.000
Mentoring/Coaching/Consulting	\$460,181	3.000
Actual Totals	\$1,425,669	10.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of projects that need the state Chief Information Officer's attention	4.00 %	0.0 %	7.30 %
Percentage of projects that need agency attention	6.00 %	6.20 %	12.20 %
Percentage of Project Management Professionals (PMP) Certification Pass Rate	0.0 %	100.00 %	93.00 %

Fund 24667-2750 Enterprise Technology Strategies — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$862,027	\$984,063	\$1,005,943	\$0	\$1,005,943	\$0	\$1,005,943
Receipts	\$862,028	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$1	(\$984,063)	(\$1,005,943)	\$0	(\$1,005,943)	\$0	(\$1,005,943)
Positions	5.000	6.000	5.000	-	5.000	-	5.000

Fund description

The Office of Enterprise Technology Strategies has 3 principal objectives: 1) Develop, publish and maintain the State's Technical Architecture, which guides the development and deployment of state IT resources; 2) Perform oversight functions on state agency IT projects from planning to procurement to deployment; and 3) Develop IT strategies in conjunction with the state's IT planning agenda.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Develop, Maintain and Publish the Statewide Technical Architecture	\$394,811	2.000
Perform Project Oversight on Agency IT Projects	\$269,654	2.000
Develop IT strategies in conjunction with the state's IT planning agenda	\$197,562	1.000
Actual Totals	\$862,027	5.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of Statewide Technical Architecture (STA) updated once each quarter to reflect changes in architecture	25.00 %	50.00 %	75.00 %
Percentage of project reviews completed within 7 working days of receipt	75.00 %	80.00 %	90.00 %

Fund 24667-2760 State Portal — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$274,525	\$808,734	\$808,734	\$0	\$808,734	\$0	\$808,734
Receipts	\$274,527	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$2	(\$808,734)	(\$808,734)	\$0	(\$808,734)	\$0	(\$808,734)
Positions	1.000	1.000	1.000	-	1.000	-	1.000

Fund description

ITS is statutorily required to own and maintain the state portal. The purpose of this fund is to support ITS efforts to maintain and enhance www.ncgov.com and to manage its governance mechanism.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Provide easy citizen, business, and state employee access to relevant state government information.	\$274,525	1.000
Actual Totals	\$274,525	1.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
E-mail comments on the portal	3,120	3,120	3,120
State Portal Council meetings attended	8	25	20

Fund 24667-2770 Enterprise Identity Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,009,436	\$2,865,391	\$2,895,040	\$0	\$2,895,040	\$0	\$2,895,040
Receipts	\$3,009,435	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	(\$1)	(\$2,865,391)	(\$2,895,040)	\$0	(\$2,895,040)	\$0	(\$2,895,040)
Positions	4.000	4.000	4.000	-	4.000	-	4.000

Fund description

This fund is used to provide an enterprise Identity Management solution for NC government agencies (State and local) that provides a consistent, reliable, and highly available means for user authentication and authorization to services and resources. This service is founded on proven industry technologies that secure the identity information and maximize system availability through multiple points of redundancy in the systems.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Maintain the enterprise-wide identity management services (NCID) for government agencies (State and local). Provide a reliable and secure means for authenticating users and managing resource authorizations.	\$2,914,353	3.000
Develop enhanced capabilities for the enterprise-wide NCID services based on recommendations from the TPG identity management steering committee.	\$95,083	1.000
Actual Totals	\$3,009,436	4.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of reliance on third-party support for service development and maintenance	50.00 %	35.00 %	20.00 %
Percentage of Priority 1, 2 and 3 incidents resolved in target timeframe	65.00 %	70.00 %	75.00 %
Simultaneous users that can be tested on the system	0	500	3,000

Fund 24667-2780 IT Fund for Enterprise Licensing — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$1,101,100	\$1,101,100	\$0	\$1,101,100	\$0	\$1,101,100
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$0	(\$1,101,100)	(\$1,101,100)	\$0	(\$1,101,100)	\$0	(\$1,101,100)
Positions	-	-	-	-	-	-	-

Fund description

(Fund established July 1, 2006) Provide centralized licensing and maintenance for Environmental Systems Research Institute (ESRI) GIS software used by many state agencies and divisions. The agreement with ESRI enables covered state agencies to consume unlimited amount of licenses for covered software for a five-year period, and provides discounted pricing for 3rd party software. Agreement expires in July 2010.

Fund 24667-2790 IT Consolidation — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$1,076,985	\$1,132,166	\$0	\$1,132,166	\$0	\$1,132,166
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$0	(\$1,076,985)	(\$1,132,166)	\$0	(\$1,132,166)	\$0	(\$1,132,166)
Positions	-	-	1.000	-	1.000	-	1.000

Fund description

(Fund established July 1, 2006) The purpose of the IT Consolidation Fund is to provide funding for the project resources time (labor hours), material (hardware and software) and licensing. The purpose of IT Consolidation is to improve information technology investments by focusing on the consolidation of IT infrastructure equipment and services, allowing agencies to focus on applications to meet business and citizen needs.

Office of the Lieutenant Governor

Mission

The mission of the Lieutenant Governor's office is to perform the duties as set forth in the North Carolina State Constitution as well as other duties/responsibilities assigned by the Governor and the General Assembly that support North Carolina's top imperatives: Healthy Children and Families, Quality Education for All, A High Performance Workforce, A Prosperous Economy, A Sustainable Environment, 21st Century Infrastructure, Safe and Vibrant Communities, and Active Citizenship/Accountable Government.

Goals

Stay abreast of emerging issues and current trends and actively engage in discussions and various forums to support the Lieutenant Governor in fulfilling the duties and responsibilities of the Office.

Develop and advocate for emerging and needed policies that address the state's imperatives, including growing North Carolina's military economy, improving the health and wellness of our citizens, supporting education efforts from preschool to higher education to ensure a vibrant and prosperous economy and a healthy and educated population.

Assist constituents, in a timely and professional manner, with various concerns and needs to resolve their problems, answer their questions, and provide information.

Governor's Recommended Adjustments to Base Budget

Office of the Lieutenant Governor (13100)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$931,294	\$932,281
Receipts	=	=
Appropriation	\$931,294	\$932,281
Adjustments		
Requirements	\$6,810	\$6,810
Receipts	=	=
Appropriation	\$6,810	\$6,810
Total		
Requirements	\$938,104	\$939,091
Receipts	=	=
Recommended Appropriation	<u>\$938,104</u>	<u>\$939,091</u>
<hr/>		
Positions		
Base Budget Positions	11.900	11.900
Reductions	-	-
Expansion	<u>.100</u>	<u>.100</u>
Recommended Positions	<u>12.000</u>	<u>12.000</u>

Appropriation Items -- Recommended Adjustments

Expansion

2007-08 2008-09

Administration

1. Additional Office Assistant Hours

Funds are recommended to increase the work hours for the Office Assistant position from 16 hours to 20 hours per week.

Appropriation	\$4,019	\$4,019
Positions	.100	.100

2. Operating Budget Increase

Funds are recommended to increase the operating budget, including membership dues and subscriptions, for the Office of the Lieutenant Governor.

Appropriation	\$2,791	\$2,791
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Total Recommended Expansion

2007-08 2008-09

Recurring

Requirements	\$6,810	\$6,810
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Receipts	-	-
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Appropriation	\$6,810	\$6,810
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Positions	.100	.100
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Nonrecurring

Requirements	-	-
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Receipts	-	-
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Appropriation	-	-
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Positions	-	-
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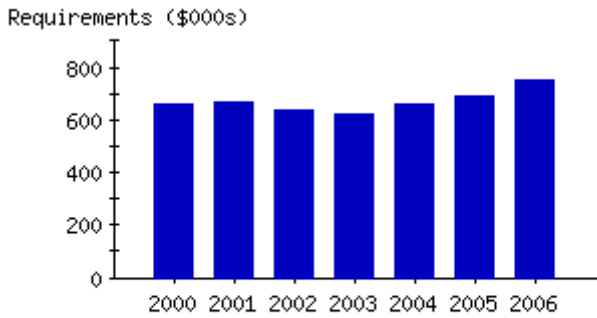
**Total Recommended Adjustments for
Office of the Lieutenant Governor (13100)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$6,810	\$6,810
Receipts	-	-
	\$6,810	\$6,810
Appropriation	\$6,810	\$6,810
Positions	.100	.100
Nonrecurring		
Requirements	-	-
Receipts	-	-
	-	-
Appropriation	-	-
Positions	-	-
Total Appropriation Adjustments	\$6,810	\$6,810
Total Position Adjustments	.100	.100

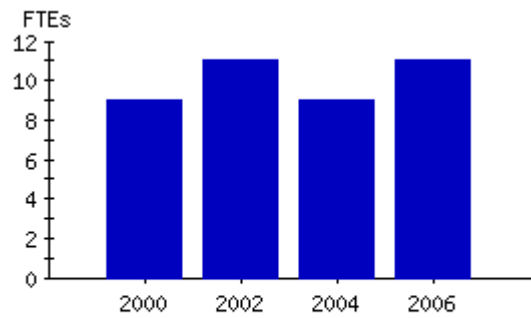
Base Budget and Results-Based Information

Budget Code 13100 Office of the Lieutenant Governor - General Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$752,467	\$905,034	\$905,034	\$26,260	\$931,294	\$27,247	\$932,281
Receipts	\$1,939	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$750,528	\$905,034	\$905,034	\$26,260	\$931,294	\$27,247	\$932,281
Positions	10.900	11.900	11.900	-	11.900	-	11.900

Budget Code 13100 Office of the Lieutenant Governor - General Fund

Fund 13100-1110 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$752,467	\$905,034	\$905,034	\$26,260	\$931,294	\$27,247	\$932,281
Receipts	\$1,939	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$750,528	\$905,034	\$905,034	\$26,260	\$931,294	\$27,247	\$932,281
Positions	10.900	11.900	11.900	-	11.900	-	11.900

Fund description

The purpose of the office of Administration is to provide support to enable the Lieutenant Governor to fulfill her duties as set forth by law, including serving as President of the State Senate and a member of Council of State, chairing the Health and Wellness Trust Fund Commission, and serving on the NC Economic Development Board, The State Board of Education, the NC Rural Center Board, and the State Board of Community Colleges, and Business and Education Technology Alliance.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Research and develop policy for the State of North Carolina to address the state's most pressing issues.	\$110,696	2.000
Receive and reply to constituent communications, needs and concerns.	\$50,798	1.000
Represent the Lieutenant Governor's Office and the State of North Carolina at national state and local level events and programs.	\$179,733	2.000
Support the Lieutenant Governor with the constitutional responsibility of presiding over the Senate and as a member of the Council of State including reviewing agenda items, briefing on sensitive items, and providing relevant information.	\$163,620	1.500
Support the Lieutenant Governor's responsibilities regarding appointments from the Governor and the General Assembly for boards and commissions. Receive all invitations and requests and consults with the Lieutenant Governor for acceptance or decline. Plan and coordinate the Lieutenant Governor's schedule, including all travel and meetings.	\$99,548	2.000
Prepare communications for release to the press and public at large.	\$87,313	1.000
Provide administrative services, manage personnel, and work with other agencies.	\$60,759	1.400
Actual Totals	\$752,467	10.900

Measures for the fund

	2003-04	2004-05	2005-06
Average number of weeks to respond to constituent problems and concerns	2.5	2.5	2.0
Percentage of policy initiatives written that are implemented	25 %	35 %	50 %

Department of Secretary of State

Mission

To serve and protect citizens, the business community, and governmental agencies by facilitating business activities, by providing accurate and timely information, and by preserving documents and records.

Goals

Facilitate the formation of capital and investment in North Carolina by maintaining a state of the art system of business document filings that allows the public to access these documents in real-time online, 24 hours per day and seven days per week.

Protect the integrity of business and personal transaction documents by ensuring the reliability of the signatures on those documents.

Build public confidence in state government and its policy decisions through the regulation of lobbying and related activities and by bringing increased disclosure and transparency to those activities.

Protect the investing and charitable giving public, as well as intellectual property owners, from misrepresentation and fraud through enforcement of the state's civil and criminal laws.

Lead the charge in developing new ways to cut governmental red tape and speed the delivery of e-government services to the public.

Bolster North Carolina's image in the international community by assisting other North Carolina governmental agencies in their efforts to promote international relations.

Governor's Recommended Adjustments to Base Budget

Department of Secretary of State (13200)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$11,068,848	\$11,154,514
Receipts	<u>\$468,431</u>	<u>\$468,431</u>
Appropriation	\$10,600,417	\$10,686,083
Adjustments		
Requirements	\$104,516	\$90,701
Receipts	-	-
Appropriation	\$104,516	\$90,701
Total		
Requirements	\$11,173,364	\$11,245,215
Receipts	<u>\$468,431</u>	<u>\$468,431</u>
Recommended Appropriation	<u>\$10,704,933</u>	<u>\$10,776,784</u>
<hr/>		
Positions		
Base Budget Positions	185.000	185.000
Reductions	-	-
Expansion	<u>2.000</u>	<u>2.000</u>
Recommended Positions	<u>187.000</u>	<u>187.000</u>

Appropriation Items -- Recommended Adjustments

Expansion	<u>2007-08</u>	<u>2008-09</u>
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Lobbyist Registration

1. Staff Expansion

Funding is recommended to establish an administrative position for the Lobbyist Registration Division to assist staff, scan received filings, answer telephones, and process mail to ensure the complete and timely review of reports required by lobbying laws.

	Appropriation	\$33,743	\$33,743
	Appropriation - Nonrecurring	\$6,700	-
	Positions	1.000	1.000

Securities Registration

1. Staff Expansion

The Governor recommends funding to establish a Securities Examiner I position to serve as a field auditor for broker-dealer firms and investment advisor firms to ensure compliance with the NC Investment Advisor Act and Securities Act.

	Appropriation	\$56,958	\$56,958
	Appropriation - Nonrecurring	\$7,115	-
	Positions	1.000	1.000

Total Recommended Expansion

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$90,701	\$90,701
Receipts	-	-
	\$90,701	\$90,701
Appropriation	2.000	2.000
Positions		
Nonrecurring		
Requirements	\$13,815	-
Receipts	-	-
	\$13,815	-
Appropriation	-	-
Positions	-	-

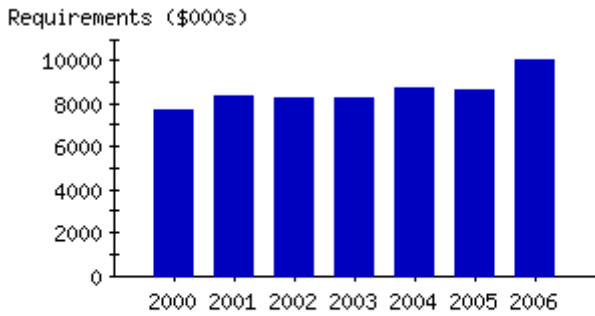
**Total Recommended Adjustments for
Department of Secretary of State (13200)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$90,701	\$90,701
Receipts	-	-
	\$90,701	\$90,701
Appropriation	\$90,701	\$90,701
Positions	2.000	2.000
Nonrecurring		
Requirements	\$13,815	-
Receipts	-	-
	\$13,815	-
Appropriation	\$13,815	-
Positions	-	-
Total Appropriation Adjustments	\$104,516	\$90,701
Total Position Adjustments	2.000	2.000

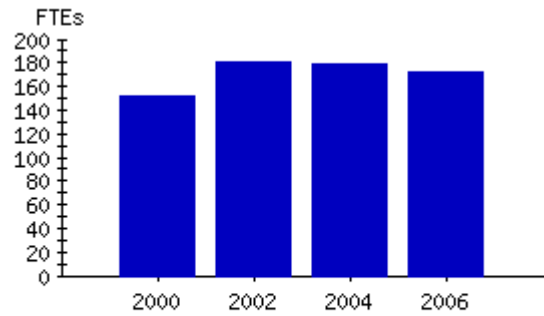
Base Budget and Results-Based Information

Budget Code 13200 Secretary of State - General Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$9,989,751	\$11,166,835	\$11,166,835	(\$97,987)	\$11,068,848	(\$12,321)	\$11,154,514
Receipts	\$940,051	\$468,344	\$468,344	\$87	\$468,431	\$87	\$468,431
Appropriation	\$9,049,700	\$10,698,491	\$10,698,491	(\$98,074)	\$10,600,417	(\$12,408)	\$10,686,083
Positions	171.750	185.000	185.000	-	185.000	-	185.000

Budget Code 13200 Secretary of State - General Fund

Fund 13200-1110 General Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,123,610	\$2,273,823	\$2,283,393	(\$4,916)	\$2,278,477	(\$2,362)	\$2,281,031
Receipts	\$101,155	\$1,000	\$1,000	\$0	\$1,000	\$0	\$1,000
Appropriation	\$2,022,455	\$2,272,823	\$2,282,393	(\$4,916)	\$2,277,477	(\$2,362)	\$2,280,031
Positions	26.870	28.870	28.870	-	28.870	-	28.870

Fund description

The purpose of General Administration is to provide managerial support for the department. In addition to overall department management, General Administration includes information technology functions, support for all IT infrastructure, applications, and web services. Also, departmental accounting, budgeting, purchasing, payroll, legislative liaison, facilities services, EEO, and training and HR administration functions are included in this category.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Administer statutory mandates and legislative initiatives for the Department of the Secretary of State.	\$395,165	5.000
Maintain fiscal activities for the department and monitor accounting functions to ensure compliance with applicable rules and regulations including receipts, daily deposits, collections, accounts receivable and payroll.	\$355,649	4.500
Manage human resources initiatives and infrastructure for the department, including workforce needs, policy administration, training, position management and compensation, benefits, performance management, and employee safety and health.	\$276,616	3.500
Provide applications development services to the department. Provide desktop support, network support, and facilitate electronic commerce and customer support for IT related needs.	\$395,165	5.000
Trademark Registration and Enforcement Register: Renew and record trademarks and service marks in North Carolina through examination of initial applications, affidavits, renewals, and assignments submitted by the public. Detect, investigate and arrest those identified as committing criminal trademark violations in order to protect intellectual property rights and the public from sub-standard or fraudulent merchandise. Located in the Corporations Division.	\$305,858	3.870
Authentications: Issue authentications or apostilles for a variety of NC documents that will be used in foreign countries. Serve as a knowledgeable point of contact for questions or problems concerning document certifications. This function is located organizationally within the Corporations Division. Operations are overseen by the Director of the Corporations Division.	\$158,066	2.000
Answer questions to customer inquiries by phone, fax, email and mail. Resolve complex issues related to filing documents.	\$158,066	2.000
Mail, materials and logistics: Coordinate mail routing, supplies and materials, including time sensitive items that are delivered and picked up by overnight services. Maintain, distribute and control expendable supplies for the department. This function is located organizationally within the Publications Division. Operations are overseen by the Director of the Publications Division.	\$79,025	1.000
Actual Totals	\$2,123,610	26.870

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
IT "help tickets" satisfactorily executed ¹	796	3,078	2,833
Web visits to Department of Secretary of State website	21,000,000	26,000,000	32,000,000
Percentage of Human Resources transactions that needed revision	9 %	13 %	10 %

¹The IT help ticket system was implemented in 2004; therefore, the count was only a partial year's worth of data for 2003-04. In 2005, there was a disk crash and the estimate is over 4,000 help tickets for 2005-06.

Fund 13200-1120 Publications Division — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$352,333	\$317,166	\$325,935	\$1,356	\$327,291	\$48,699	\$374,634
Receipts	\$46,455	\$21,700	\$21,700	\$0	\$21,700	\$0	\$21,700
Appropriation	\$305,878	\$295,466	\$304,235	\$1,356	\$305,591	\$48,699	\$352,934
Positions	4.000	4.000	4.000	-	4.000	-	4.000

Fund description

The purpose of the Publications Division is to assist the public in developing a better knowledge and understanding of state government through the preparation and distribution of publications and other media releases and informational efforts. The division also serves as custodian of public documents and records filed with the Secretary of State in accordance with General Statutes. These responsibilities are fulfilled through the publication and distribution of books and documents, including the North Carolina Manual and the Directory of State and County Officials of North Carolina.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Major Publications: Research, write, edit, and publish the North Carolina Manual every two years and the Directory of State and County Officials each year for use by North Carolina's colleges, universities, and libraries.	\$162,954	1.850
Other publications: Create, edit and print brochures for distribution to the department's target audience including investors, students, and businesses seeking to incorporate in North Carolina.	\$79,275	.900
Media/public information: Answer questions about departmental activities from the media and public of North Carolina, as well as conduct proactive outreach to inform North Carolina citizens about the functions of the department.	\$88,083	1.000
Mail, materials and logistics: Managerial and supervisory time is supplied by this fund code to support mail routing, supplies, materials and time sensitive items handled by overnight services funded under the General Administration Fund Code. Supervise the supply distribution for the department.	\$13,212	.150
North Carolina Kids Page: Edit and maintain the Kids Page on the departmental website for use as a major resource for children and young people who are looking for North Carolina themed historical and governmental information.	\$8,809	.100
Actual Totals	\$352,333	4.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Median rank on a scale of 1-5 (5=Very Useful; 1=Not Useful at All) of the perceived usefulness of the Department's Directory of State and County Officials of North Carolina by a sampling of end users	4.50	4.50	4.42

Fund 13200-1150 Lobbyist Registration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$150,044	\$562,157	\$562,157	(\$95,533)	\$466,624	(\$95,533)	\$466,624
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$150,044	\$562,157	\$562,157	(\$95,533)	\$466,624	(\$95,533)	\$466,624
Positions	-	8.000	8.000	-	8.000	-	8.000

Fund description

The purpose of the Lobbyist Compliance Division is to provide transparency in the governmental process and to enhance confidence in state government by administering a lobbyist registration and reporting program that requires lobbyists, principals, and solicitors to disclose their lobbying activities in state government.

Services for the fund

Communicate information via the web and other means regarding lobbyists, principals, solicitors, and other stakeholders regarding lobbying activities in North Carolina. Maintain the records and filings of the Lobbyist Division in order to provide documents to the public, state agencies, and stakeholders. This is a new fund and a new initiative in preparation for a January 1, 2007 startup.

Contracts for services to create software and purchase hardware systems to facilitate Lobbyist Division start-up scheduled for January 1, 2007.

Actual Totals

Actual Requirements 2005-06	Actual FTEs 2005-06
\$0	-
\$150,044	-
\$150,044	-

Measures for the fund

Percentage of the registrations for lobbyists, principals, and solicitors that need correction or amendment ¹

Percentage of reports submitted by Lobbyists and Principals that are indexed and Verified within one week of receipt ¹

Percentage of complaints to total number of reports filed ¹

2003-04	2004-05	2005-06
-	-	-
-	-	-
-	-	-

¹This is a new program. Data will be reported beginning in 2007.

Fund 13200-1210 Corporations Division — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,086,183	\$2,431,833	\$2,424,556	(\$8,462)	\$2,416,094	(\$6,830)	\$2,417,726
Receipts	\$2,500	\$2,100	\$2,100	\$0	\$2,100	\$0	\$2,100
Appropriation	\$2,083,683	\$2,429,733	\$2,422,456	(\$8,462)	\$2,413,994	(\$6,830)	\$2,415,626
Positions	46.750	50.000	50.000	-	50.000	-	50.000

Fund description

The purpose of this fund is to maintain a positive business climate by providing prompt filing, registration, and authentication of documents, providing information and technical assistance to the public and by acting as agent for corporations as needed. The division's responsibilities include review of corporate, trademark/service mark, authentication, and service of process filings for compliance with appropriate statutes and registering or recording the information as required for public record.

Services for the fund	<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
Document Examination: Provide accurate and timely filing of documents that allow formation of business entities. Documents examined to ensure uniform compliance with North Carolina requirements.	\$1,070,976	24.000
Research and Filing: Maintain all filings received by the division in order to provide historical and legal research on those files when requested by the public.	\$223,120	5.000
Order Processing/Customer Service: Process specific document orders either custom or generic in nature when requested by the public and respond to questions regarding corporations or other business entities registered in North Carolina.	\$421,697	9.450
Trademark registration and enforcement: Managerial and supervisory time is supplied by this fund code to support trademark registration and enforcement funded under the General Administration Fund Code.	\$6,694	.150
Service of Process: Provide service of process (legal notice of a court or administrative body's exercise of its jurisdiction over a person or entity) to business entities that have registered with the Office of the Secretary of State to do business in North Carolina. Support the Secretary of State law enforcement agents by maintaining case documentation and required law enforcement certification information and serve as the computerized criminal history terminal agency coordinator.	\$44,624	1.000
Authentications: Managerial and supervisory time is supplied by this fund code to support Authentications activities funded under the General Administration Fund Code.	\$6,694	.150
Process incoming UCC (Uniform Commercial Code Revised Article 9) related documents and payments, index the information and convert to electronic form for public inspection of UCC and Federal Tax Lien documents (front counter support).	\$44,624	1.000
Provide fiscal/budget support to the department including purchasing and accounts payable.	\$89,248	2.000
Support the department's IT mission and provide applications development services to the department. Provide desktop support, network support and facilitate electronic commerce and customer support for IT related needs.	\$89,248	2.000
Provide administrative and managerial support to the department including senior management, legal counsel, and general administration in the Secretary's office. Administer statutory mandates and legislative initiatives for the Department of the Secretary of State.	\$89,258	2.000
Actual Totals	\$2,086,183	46.750

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of regular corporate documents received, reviewed and committed via the departments KB data system within 24 hours of receipt	14 %	14 %	16 %
Percentage of regular corporate documents received, reviewed and committed via the departments KB data system within 5 days of receipt	-	-	80 %
Percentage of customer service calls answered to those presented to the division ¹	82 %	83 %	84 %

¹Presented means the number of calls coming into the call center queue.

Fund 13200-1220 Uniform Commercial Code — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,739,183	\$2,901,849	\$2,883,152	(\$9,604)	\$2,873,548	\$16,719	\$2,899,871
Receipts	\$62,319	\$34,825	\$34,825	\$0	\$34,825	\$0	\$34,825
Appropriation	\$2,676,864	\$2,867,024	\$2,848,327	(\$9,604)	\$2,838,723	\$16,719	\$2,865,046
Positions	55.000	55.000	55.000	-	55.000	-	55.000

Fund description

The Uniform Commercial Code Section (UCC) works to speed and increase access to financial capital and reduce transactional risk to both businesses and individuals by providing a public index of secured (i.e., collateralized) transactions involving commercial, agricultural and personal property. The section maintains this public database of financing statements and federal tax liens that may be both filed or researched either by paper filings or over the Internet. The section trains notary instructors who teach notary law in the Community Colleges.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Process incoming UCC documents and payments, index the information and convert to electronic form for public inspection of UCC and Federal Tax Lien documents.	\$946,257	19.000
Process rejected UCC documents. Respond to written customer requests.	\$547,833	11.000
Answer questions to customer inquiries by phone, fax, e-mail and mail. Resolve complex issues related to filing documents.	\$498,030	10.000
Provide a secure space for the conservation and storage of Certification and Filing Division documents. Provide document retrieval when needed for research.	\$448,227	9.000
Provide staff to the Budget Division to perform collection and accounts receivable activities for the entire department	\$99,606	2.000
Staff and manage human resources initiatives and infrastructure for the department, including workforce needs, policy administration, training, position management and compensation, benefits, performance management, and employee safety and health.	\$49,803	1.000
Staff applications development services to the department, provide desktop support, network support and facilitate electronic commerce and customer support for IT related needs.	\$99,606	2.000
Media/public information: Answer questions about departmental activities by the media and public of North Carolina, as well as conduct proactive outreach to inform North Carolina citizens about the functions and changes to those functions of the department.	\$49,821	1.000
Actual Totals	\$2,739,183	55.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Uniform Commercial Codes filed	130,766	121,476	118,754
Percentage of Uniform Commercial Codes rejected	9.00 %	6.85 %	6.28 %

Fund 13200-1230 Securities Division — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,682,915	\$1,771,454	\$1,790,405	\$17,793	\$1,808,198	\$25,607	\$1,816,012
Receipts	\$35,574	\$2,000	\$2,000	\$0	\$2,000	\$0	\$2,000
Appropriation	\$1,647,341	\$1,769,454	\$1,788,405	\$17,793	\$1,806,198	\$25,607	\$1,814,012
Positions	24.000	24.000	24.000	-	24.000	-	24.000

Fund description

The Securities Division protects the investing public and our capital markets by preventing fraud in the sale of securities. The division reviews applications for registration of securities, regulates individuals licensed as security dealers, securities sales representatives, investment advisers and investment advisor representatives through investigation and prosecution of violations, investigates and resolves violations of securities laws by negotiation, administrative hearings or criminal prosecution, and provides investor education materials and programs.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Analyze investment related complaints received from the public or other sources, establish jurisdiction, respond to inquiries and make referrals. Conduct investigations and initiate enforcement actions appropriate to protect investors from fraudulent securities activities.	\$1,051,815	15.000
Register securities dealers and salesmen and investment advisers and investment adviser representatives, provide information on compliance requirements, and make registration information available to the investing public, the business community, and other enforcement agencies.	\$140,242	2.000
Audit investment adviser firms headquartered in NC and advise on for compliance with NC laws and regulations established for the protection of investors.	\$91,157	1.300
Analyze, assist with, and approve filings for proposed securities offerings ensuring compliance with laws and regulations to prevent fraud and ensure fair dealing with investors.	\$154,266	2.200
Administer qualified business tax credit program, including review and evaluation of applications, consultations with applicants for registration, and certification of qualified businesses to enable investors in certain types of businesses to receive a tax credit from the NC Department of Revenue.	\$35,061	.500
Provide applications development services to the department. Provide desktop support, network support, and facilitate electronic commerce and customer support for IT related needs.	\$140,242	2.000
Administer statutory mandates and legislative initiatives for the Department of The Secretary of State.	\$70,132	1.000
Actual Totals	\$1,682,915	24.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Applications for registration as securities firms, stockbrokers, and investment advisers reviewed by the division (thousands)	124,932	132,596	138,044

Fund 13200-1300 Notary Public Commission — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$307,462	\$352,187	\$340,871	\$648	\$341,519	\$648	\$341,519
Receipts	\$16,690	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$290,772	\$352,187	\$340,871	\$648	\$341,519	\$648	\$341,519
Positions	6.000	6.000	6.000	-	6.000	-	6.000

Fund description

The Notary Public Section educates, commissions and regulates the over 164,000 notaries public in North Carolina, who as quasi-judicial public officers, reduce risk in transactions by authenticating individuals, administering oaths and verifying (or "proving") documents.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Process incoming notary documents and payments, index the information and convert to electronic form.	\$51,244	1.000
Process rejected documents. Respond to written customer requests. Process notary seal returns and resignations.	\$51,244	1.000
Answer questions to customer inquiries by phone, fax, e-mail and mail. Resolve complex issues related to filing documents.	\$51,244	1.000
Receive complaints against notaries for misconduct. Investigate and resolve complaints. Prosecute notaries found in violation of G.S. 10B.	\$102,488	2.000
Provide a secure records management environment for the conservation and storage of Certification and Filing Division documents. Provide effective document retrieval services to the public as needed for research.	\$51,242	1.000
Actual Totals	\$307,462	6.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Initial notary applicants commissioned	13,048	13,938	14,503
Reappointment applicants commissioned	20,961	21,659	19,562

Fund 13200-1400 Land Records Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$141,540	\$149,647	\$149,647	\$644	\$150,291	\$644	\$150,291
Receipts	\$5,645	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$135,895	\$149,647	\$149,647	\$644	\$150,291	\$644	\$150,291
Positions	2.000	2.000	2.000	-	2.000	-	2.000

Fund description

The Land Records Management Division urges the creation and improvement of large-scale county maps and the improvement of record keeping procedures with an emphasis on computerization when feasible and provides technical and financial assistance to local governments wishing to modernize and standardize local land records.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Process incoming Land Records documents and payments, index the information and convert to electronic form for public inspection of Land Records documents.	\$35,385	.500
Maintain the municipal annexation maps and ordinances, municipal charter amendments and county boundary maps that are required to be filed with the department.	\$35,385	.500
Provide technical assistance and consultation for mapping schools and local governments in the following areas: base mapping, cadastral mapping, parcel identifiers, automation of land records, uniform indexing of land records, uniform recording and indexing for maps, plats and condominiums and the security and reproduction of land records.	\$31,847	.450
Provide training for mapping schools, review officers, registers of deeds and the NC Property Mappers Association. Provide training on Real Property Indexing standards, Recording Standards and Notary Law.	\$31,847	.450
Complete Register of Deeds salary study once every five years.	\$7,076	.100
Actual Totals	\$141,540	2.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Property mapper certifications issued	11	54	110
Annexations filed	7,557	3,322	949

Fund 13200-1600 Charitable Fund Raising Licensure — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$406,481	\$406,719	\$406,719	\$87	\$406,806	\$87	\$406,806
Receipts	\$669,713	\$406,719	\$406,719	\$87	\$406,806	\$87	\$406,806
Appropriation	(\$263,232)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	7.130	7.130	7.130	-	7.130	-	7.130

Fund description

The purpose of this fund is to protect the public by requiring organizations who solicit contributions in North Carolina to disclose the purpose for which the contributions are being solicited and how those contributions will be used. It is the intent of G.S. 131F to prohibit deception, fraud, and misrepresentation in the solicitation and reporting of contributions.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
License organizations that solicit contributions from the citizens of North Carolina and businesses operating in North Carolina as well as those entities (solicitors and fund-raising consultants) which the organizations compensate to assist them directly or indirectly in fund raising activities.	\$259,396	4.550
Investigate and enforce violations of the Charitable Solicitation Act (G.S. 131F).	\$108,319	1.900

Educate the public by providing them with information on the licensing and disclosure requirements of organizations that solicit charitable contributions in North Carolina, and the production of an annual report that lists all of the organizations eligible to solicit contributions from the citizens of North Carolina as well as the percentage of contributions the charity received from a fund-raising campaign conducted by a paid solicitor.	\$27,365	.480
Educate the non-profit community of its obligations under the Charitable Solicitation Act (G.S. 131F).	\$11,401	.200
Actual Totals	\$406,481	7.130

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of investigations that close by June 30	-	-	70 %
Percentage of investigations that result in an enforcement action (i.e., letter of warning, probation, fine, revocation of license, cease and desist order, etc.)	-	-	17 %

Office of the State Auditor

Mission

To provide assurance to interested parties that state resources are properly accounted for and managed and to improve the performance and accountability of state government through the independent examination of the state's financial affairs and program services.

Goals

Conduct and coordinate timely audits of state government and state funded programs as required as part of the statutory duties of the State Auditor and to comply with requirements of the Federal Government.

Investigate and report on allegations of improper government activities that may be initiated by anonymous calls, by agency personnel, or from requests from legislators.

Implement initiatives to proactively strengthen management of state resources.

Governor's Recommended Adjustments to Base Budget

Office of the State Auditor (13300)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$15,778,902	\$15,792,824
Receipts	<u>\$3,056,362</u>	<u>\$3,056,831</u>
Appropriation	\$12,722,540	\$12,735,993
Adjustments		
Requirements	\$180,486	\$180,486
Receipts	-	-
Appropriation	\$180,486	\$180,486
Total		
Requirements	\$15,959,388	\$15,973,310
Receipts	<u>\$3,056,362</u>	<u>\$3,056,831</u>
Recommended Appropriation	<u>\$12,903,026</u>	<u>\$12,916,479</u>
<hr/>		
Positions		
Base Budget Positions	192.000	192.000
Reductions	-	-
Expansion	<u>-</u>	<u>-</u>
Recommended Positions	<u>192.000</u>	<u>192.000</u>

Appropriation Items -- Recommended Adjustments

Expansion

2007-08 2008-09

Field Audit Division

1. Database for Non-Governmental Organizations (NGOs)

The Governor recommends funding to implement a real-time data base to house grant compliance and reporting information for NGOs receiving state funds.

Appropriation \$80,000 \$80,000

2. Data Mining/Business Intelligence

Funding is recommended for operating support to train staff to ensure critical systems are in place regarding business intelligence and analysis as state government moves to the shared IT infrastructure and for assisting ITS in developing data warehousing and shared data services for state government.

Appropriation \$40,000 \$40,000

3. Microsoft Enterprise Agreement

Funding is recommended for a Microsoft (MS) enterprise agreement to include all MS operating systems, office applications, and servers to improve security, mitigate risks of aging technology, and improve operations inherent in server technologies. These funds are to be placed in a reserve account.

Appropriation \$60,486 \$60,486

Total Recommended Expansion

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$180,486	\$180,486
Receipts	-	-
Appropriation	\$180,486	\$180,486
Positions	-	-
Nonrecurring		
Requirements	-	-
Receipts	-	-
Appropriation	-	-
Positions	-	-

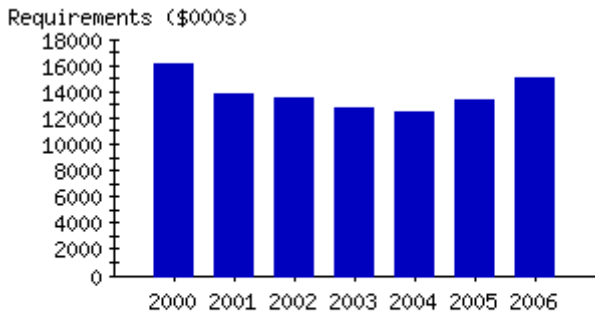
**Total Recommended Adjustments for
Office of the State Auditor (13300)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$180,486	\$180,486
Receipts	-	-
	\$180,486	\$180,486
Appropriation	\$180,486	\$180,486
Positions	-	-
Nonrecurring		
Requirements	-	-
Receipts	-	-
	-	-
Appropriation	-	-
Positions	-	-
Total Appropriation Adjustments	\$180,486	\$180,486
Total Position Adjustments	-	-

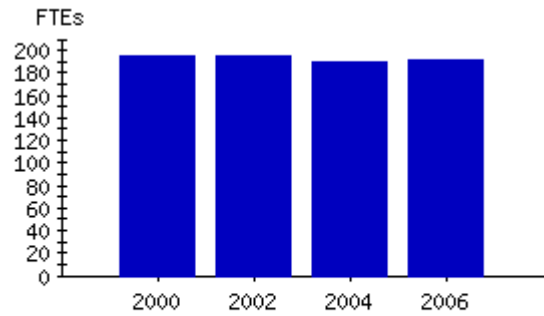
Base Budget and Results-Based Information

Budget Code 13300 Office of the State Auditor - General Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$15,014,313	\$15,547,283	\$15,585,243	\$193,659	\$15,778,902	\$207,581	\$15,792,824
Receipts	\$3,724,781	\$3,008,145	\$3,046,105	\$10,257	\$3,056,362	\$10,726	\$3,056,831
Appropriation	\$11,289,532	\$12,539,138	\$12,539,138	\$183,402	\$12,722,540	\$196,855	\$12,735,993
Positions	192.000	192.000	192.000	-	192.000	-	192.000

Budget Code 13300 Office of the State Auditor - General Fund

Services for the budget code	<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
Conduct and coordinate timely financial and financial-related audits of state government and state funded programs as required as part of the statutory duties of the State Auditor and to comply with requirements of the Federal Government to ensure accurate financial accounting and reporting; compliance with finance-related laws, regulations and provisions of contracts or grant agreements; and prudent financial management practices.	\$2,899,992	119.000
Investigate and report on allegations of fraud, waste and abuse or other improper government activities which may be initiated by anonymous calls to the telephone hotline, by e-mail, by agency personnel, or from requests from legislators; conduct investigations of such allegations; develop recommendations for corrective actions; and report to interested parties.	\$1,152,400	7.000
Assist the audit staff in retrieving financial and statistical data for analysis within their respective audits, to provide technical expertise on the auditee's electronic data processing systems, to perform audits on selected state entity's computer's general and applications controls (controls that that protect an agency's data) and to perform intrusion testing at selected entities at the request of the audit staff, or entity.	\$3,129,616	17.000
Conduct and coordinate performance audits selected through mandates from the General Assembly, Governor, members of the General Assembly, department/agency heads, or private citizens and areas of concerns identified in other audits performed by the State Auditor and to examine evidence for the purpose of providing an independent assessment of the performance of a government organization, program, activity, or function in order to provide information to improve public accountability.	\$2,469,172	14.000
Assess State grantee compliance with State grant reporting requirements by reviewing submitted reports and to subsequently report results identified, to monitor grantor agency responsibilities and grantees' use of State and Federal pass-through grant funds through investigations and reviews of grants, to provide grantee specific training and best practices data to State agencies and grantees, and to identify and implement proactive methods of improving State agency services to the public.	\$1,127,755	7.000
Provide staff training needed to maintain compliance with professional standards and to allow staff to efficiently and effectively carry out direct services.	\$389,115	2.000
Provide technology support for the Office of State Auditor (OSA) auditors, to provide oversight of Senate Bill 991 compliance, to provide Enterprise Technology planning and implementation and to provide for automating OSA's critical business functions to increase productivity by conducting test cases, interviewing staff and resource personnel and reacting to the feedback of both the audit and administrative staff.	\$1,138,551	7.000
Provide administrative support to the financial and administrative staffs through the services of the Budget and Accounting Office, Personnel Office, Support Division, Administrative Staff and General Counsel.	\$2,707,712	19.000
Actual Totals	\$15,014,313	192.000

Measures for the budget code	2003-04	2004-05	2005-06
Total financial or financial-related audits performed each year ¹	224	185	165
Performance audit reports issued	2	6	5
Investigative audit cases closed during the year	152	172	170
Average age of investigative audit cases (days)	416	315	226
Information Systems Audit Reports and Management letters issued for general and application control reviews, intrusion tests, and strategic audits (Excludes assistance to all financial work listed in Measure 1)	65	17	28
Noncompliant grantees recorded by the Management Services and Nongovernmental Compliance Division ²	-	-	437
Agency and grantee monitoring and compliance reviews completed by the Management Services and Nongovernmental Compliance Division ²	-	-	5

¹Includes State of North Carolina's Comprehensive Annual Financial Report, State of North Carolina's Single Audit Report, University Financial Statement Audits, Community College Financial Statement Audits, Smart Start Partnership Financial Statement Audits, Miscellaneous Financial Statement Audits, Financial-related Audits

²These services began in 2005-06.

Fund 13300-1110 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$631,270	\$719,556	\$719,556	\$4,611	\$724,167	\$4,672	\$724,228
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$631,270	\$719,556	\$719,556	\$4,611	\$724,167	\$4,672	\$724,228
Positions	8.000	8.000	8.000	-	8.000	-	8.000

Fund description

The Administration and Budget Division provides the administrative support and direction necessary to assure the efficient performance of all statutory responsibilities of the Office of the State Auditor. To carry out this responsibility, the division 1) maintains all departmental records in accordance with generally accepted accounting principles, 2) prepares and submits to the Office of State Budget and Management the annual and biennial budget requests for the department, 3) assures departmental compliance with the rules and regulations of the Offices of State Personnel and State Budget and Management as well as other central regulatory offices, and 4) approves agency contracts for audit services which impact the state's Comprehensive Annual Financial Report.

Fund 13300-1120 Support Services — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$348,641	\$340,720	\$340,720	\$0	\$340,720	\$0	\$340,720
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$348,641	\$340,720	\$340,720	\$0	\$340,720	\$0	\$340,720
Positions	-	-	-	-	-	-	-

Fund description

The Support Services Division is established solely to account for general expenditures of the department. To carry out this responsibility, this division is used to account for expenditures that cannot be readily designated to a specific fund.

Fund 13300-1210 Field Audit Division — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$14,034,402	\$14,487,007	\$14,524,967	\$189,048	\$14,714,015	\$202,909	\$14,727,876
Receipts	\$3,724,781	\$3,008,145	\$3,046,105	\$10,257	\$3,056,362	\$10,726	\$3,056,831
Appropriation	\$10,309,621	\$11,478,862	\$11,478,862	\$178,791	\$11,657,653	\$192,183	\$11,671,045
Positions	184.000	184.000	184.000	-	184.000	-	184.000

Fund description

The Field Audit Division performs and coordinates all audits of governmental organizations, programs, activities, and functions funded wholly or in part with state funds. To carry out this responsibility, the division conducts the following activities: 1) annual audit of the state's Comprehensive Annual Financial Report, 2) annual audit of federal programs administered by the state as required by the federal Single Audit Act, 3) annual or biennial financial statement audits of universities, community colleges, Smart Start organizations, and certain state authorities, 4) on a periodic basis, fiscal control audits of clerks of superior court and general government agencies, 5) performance audits of selected state programs and activities, 6) information systems audits of computer services centers and applications, 7) investigative audits of alleged fraud, waste, and abuse, 8) oversight responsibilities for the reporting requirements of nongovernmental entities receiving state funds, and 9) quality control and continuing professional education program for audit staff.

Department of State Treasurer

Mission

To serve as the state's banker and chief investment officer, to administer the public employee retirement systems and other employee benefit plans for public employees assigned to the department, to assist units of local government in the state in maintaining strong fiscal health, and to administer the escheat and abandoned property program.

Goals

Safeguard the state's financial resources by serving as the state's banker and chief investment officer.

Provide sound fiscal counsel to local governmental units by assisting them in the sale of local government obligations and in maintaining good budgeting, accounting, reporting, and other fiscal procedures.

Provide the security of a guaranteed retirement benefit by administering the public employee retirement systems and other fringe benefit programs assigned to the department in an effective and efficient manner.

Maximize the return of escheated and abandoned property to rightful owners by administering an Unclaimed Property Program in an effective and efficient manner.

Governor's Recommended Adjustments to Base Budget

Department of State Treasurer (13410)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$37,714,733	\$37,753,939
Receipts	<u>\$28,496,361</u>	<u>\$28,526,507</u>
Appropriation	\$9,218,372	\$9,227,432
Adjustments		
Requirements	\$1,265,024	\$2,409,420
Receipts	<u>\$1,042,266</u>	<u>\$2,198,662</u>
Appropriation	\$222,758	\$210,758
Total		
Requirements	\$38,979,757	\$40,163,359
Receipts	<u>\$29,538,627</u>	<u>\$30,725,169</u>
Recommended Appropriation	<u>\$9,441,130</u>	<u>\$9,438,190</u>
<hr/>		
Positions		
Base Budget Positions	345.000	345.000
Reductions	-	-
Expansion	<u>3.000</u>	<u>3.000</u>
Recommended Positions	<u>348.000</u>	<u>348.000</u>

Appropriation Items -- Recommended Adjustments

Expansion

2007-08

2008-09

Retirement Systems Division

1. Online Retirement Benefits through Integrated Technology (ORBIT)

Nonrecurring funding is recommended for the next two years of the multi-year ORBIT project. The General Assembly provided funds for the first three years of the project.

Requirements - Nonrecurring	\$658,731	\$1,815,127
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Receipts - Nonrecurring	\$658,731	\$1,815,127
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Appropriation - Nonrecurring	-	-
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2. Enhanced Annual Statements

Funding is recommended to enhance the annual statements to members as required by the IRS. The new retirement statements will be mailed and include the employee's 401 (k), 457 (b), social security and state retirement system account information on one statement.

Requirements	\$383,535	\$383,535
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Receipts	\$383,535	\$383,535
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Appropriation	-	-
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Investment Management Division

1. Staff Expansion

Funding is recommended to establish three Investment Analyst positions in the Investment Management Division for the Alternatives, Real Estate and Public Equity fund asset classes.

Appropriation	\$210,758	\$210,758
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Appropriation - Nonrecurring	\$12,000	-
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Positions	3.000	3.000
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Total Recommended Expansion

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$594,293	\$594,293
Receipts	383,535	383,535
	<hr/>	<hr/>
Appropriation	\$210,758	\$210,758
Positions	3.000	3.000
Nonrecurring		
Requirements	\$670,731	\$1,815,127
Receipts	658,731	1,815,127
	<hr/>	<hr/>
Appropriation	\$12,000	-
Positions	-	-

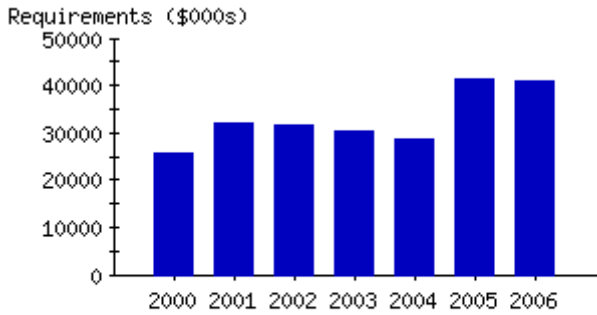
**Total Recommended Adjustments for
Department of State Treasurer (13410)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$594,293	\$594,293
Receipts	383,535	383,535
	<hr/>	<hr/>
Appropriation	\$210,758	\$210,758
Positions	3.000	3.000
Nonrecurring		
Requirements	\$670,731	\$1,815,127
Receipts	658,731	1,815,127
	<hr/>	<hr/>
Appropriation	\$12,000	-
Positions	-	-
Total Appropriation Adjustments	\$222,758	\$210,758
Total Position Adjustments	3.000	3.000

Base Budget and Results-Based Information

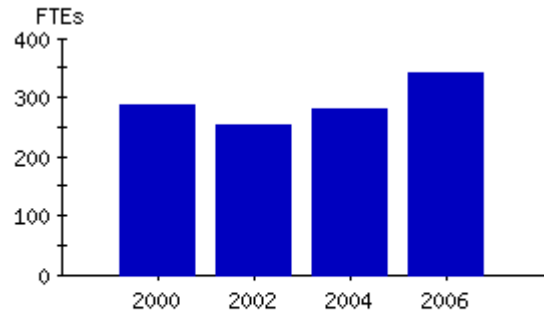
Budget Code 13410 Office of State Treasurer - General Fund

**Actual Expenditures
by Fiscal Year**



2005 increase due to implementation of Retirement Systems Division's information technology project.

**Actual Positions
by Fiscal Year**



Position increases largely due to new positions in the Retirement Systems Division.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$40,818,192	\$40,769,167	\$41,846,369	(\$4,131,636)	\$37,714,733	(\$4,092,430)	\$37,753,939
Receipts	\$32,606,575	\$31,595,431	\$32,672,633	(\$4,176,272)	\$28,496,361	(\$4,146,126)	\$28,526,507
Appropriation	\$8,211,617	\$9,173,736	\$9,173,736	\$44,636	\$9,218,372	\$53,696	\$9,227,432
Positions	342.000	334.000	350.870	(5.870)	345.000	(5.870)	345.000

Budget Code 13410 Office of State Treasurer - General Fund

Fund 13410-1110 General Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,170,369	\$1,257,370	\$1,341,673	\$2,150	\$1,343,823	\$2,914	\$1,344,587
Receipts	\$1,170,366	\$1,257,370	\$1,341,673	\$2,150	\$1,343,823	\$2,914	\$1,344,587
Appropriation	\$3	\$0	\$0	\$0	\$0	\$0	\$0
Positions	16.390	15.000	16.000	.390	16.390	.390	16.390

Fund description

The purpose of the General Administration Division is to provide executive leadership and management to the State Treasurer and the program divisions within the department. This division also supports the Human Resources Office and provides mail services and supplies department wide.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide executive management for departmental activities.	\$550,000	9.390
Provide human resource services on a department-wide basis.	\$350,000	5.000
Provide supply room, mail, and courier services on a department wide basis.	\$270,369	2.000
Actual Totals	\$1,170,369	16.390

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Personnel actions processed during the year	718	208	583

Fund 13410-1130 Escheat Fund Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,281,984	\$2,629,124	\$2,812,342	\$2,548	\$2,814,890	\$5,127	\$2,817,469
Receipts	\$2,281,984	\$2,629,124	\$2,812,342	\$2,548	\$2,814,890	\$5,127	\$2,817,469
Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	26.690	30.000	30.000	(.300)	29.700	(.300)	29.700

Fund description

The purpose of the Unclaimed Property Division is to collect escheated and abandoned property, refund the property to its owner when found, and provide the interest earnings for student loans and financial aid.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Obtain reporting compliance and payment of abandoned and unclaimed property belonging to North Carolina citizens.	\$854,675	10.000
Attempt to locate owners of unclaimed property and return to those owners upon their claim the value of escheated and abandoned property previously remitted.	\$1,170,905	13.690
Provide administrative management and support for the Unclaimed Property Program.	\$256,404	3.000
Actual Totals	\$2,281,984	26.690

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Funds transferred to the State Educational Assistance Authority to make loans and provide financial aid to needy and worthy students (\$ million)	\$36,356	\$27,255	\$27,726
Refunds to rightful owners (\$ million)	\$25,371	\$40,507	\$24,045

Fund 13410-1150 Information Services — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$5,946,406	\$5,941,881	\$6,194,888	\$10,947	\$6,205,835	\$14,444	\$6,209,332
Receipts	\$5,946,404	\$5,941,881	\$6,194,888	\$10,947	\$6,205,835	\$14,444	\$6,209,332
Appropriation	\$2	\$0	\$0	\$0	\$0	\$0	\$0
Positions	43.820	36.000	44.000	(.180)	43.820	(.180)	43.820

Fund description

The primary purposes of the Information Technology Division of the Department of the State Treasurer are to plan, develop, implement, enhance, and support the automated systems that meet the programmatic requirements of the department and to ensure that the information resources are utilized in the most efficient and cost effective manner.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Provide network, mainframe, hardware, and software support for the department in an efficient and timely manner while ensuring full compliance with the NC Statewide Technical Architecture.	\$2,579,491	19.000
Create, maintain, and develop technical solutions to support applications development of dynamic technology for departmental projects.	\$2,823,865	20.820
Provide disaster recovery/business continuity, network security, technology procurement, and budgeting for the department, as well as, administrative management of the Information Technology division	\$543,051	4.000
Actual Totals	\$5,946,406	43.820

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
IT Help Desk tickets issued	3,571	3,518	3,079

Fund 13410-1210 Investment Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,887,302	\$3,089,695	\$3,089,695	\$59,342	\$3,149,037	\$63,864	\$3,153,559
Receipts	\$114,623	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$2,772,679	\$3,089,695	\$3,089,695	\$59,342	\$3,149,037	\$63,864	\$3,153,559
Positions	19.000	19.000	19.000	-	19.000	-	19.000

Fund description

The purpose of the fund is to protect the assets of the North Carolina Retirement System (NCRS), to maintain reasonable costs relating to managing the investments of NCRS, and to ensure retirement contributions are prudently invested in accordance with North Carolina General Statutes and Department of State Treasurer policies and guidelines.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Oversee the department's investment funds and manage the Investment Division. Also, monitor investment activity for compliance with policy and develop operating budgets. As of June 30, 2006, investments managed had a total market value over \$77.8 billion compared to \$74.4 billion at the end of the prior fiscal year.	\$837,318	5.500
Ensure UNC Hospital contributions in equity portfolios are traded and processed (UNC Hospital investments' market value was over \$150 million on June 30, 2006). Ensure Escheats contributions in long term investment portfolio are traded and processed (Escheats investment market value was over \$480 million on June 30, 2006).	\$86,619	.500
Identify multiple public equity strategies, select the external managers to implement these strategies and monitor those managers on an ongoing basis to ensure that the \$38 billion managed by 16 firms produce consistently strong annual returns.	\$461,968	3.000
Manage Long Term Investment Portfolio internally with more than 1,300 securities totaling more than \$25.8 billion, including determining asset allocation, judging relative value, performing credit analysis, and trading in government, corporate and mortgage debt.	\$692,953	4.500
Manage Short Term Investment Portfolio internally with more than 160 securities totaling over \$10 billion as of June 30, 2006. Portfolio management includes determining asset allocation, judging relative value, performing credit analysis, and trading in government and corporate debt	\$230,984	1.500
Identify multiple real estate strategies, select the external managers to implement these strategies and monitor those managers on an ongoing basis to ensure the more than \$2.5 billion managed by 34 firms produce consistently strong annual returns.	\$288,730	2.000
Identify multiple alternative investment strategies, select external managers to implement these strategies and monitor those managers on an ongoing basis to ensure the more than \$1.5 billion managed by 44 firms produce consistently strong annual returns.	\$288,730	2.000
Actual Totals	\$2,887,302	19.000

Measures for the fund	2003-04	2004-05	2005-06
Percentage of returns on investments achieving benchmarks established by the State Treasurer (Actual/Benchmark)	96.9 %	97.1 %	106.0 %
Total benefits paid to participants (\$ million) ¹	\$2,673.2	\$3,114.8	\$3,121.9
Percentage of risk on investments compared to benchmarks established by the State Treasurer (Actual/Benchmark) ²	100.2 %	109.4 %	112.3 %

¹It is necessary to structure the portfolio in a manner that sufficient cash flow exists to pay these obligations as they become due, without the requirement for unplanned liquidation of securities.

²Risk is measured by the way our fund performs in up and down markets as compared to assigned benchmarks. The portfolio is structured in a manner to maintain low volatility as it relates to price fluctuations.

Fund 13410-1310 Local Government Operations — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,754,254	\$3,824,865	\$4,001,210	(\$17,477)	\$3,983,733	(\$14,033)	\$3,987,177
Receipts	\$1,012,489	\$740,300	\$916,645	\$275	\$916,920	\$275	\$916,920
Appropriation	\$2,741,765	\$3,084,565	\$3,084,565	(\$17,752)	\$3,066,813	(\$14,308)	\$3,070,257
Positions	37.000	35.000	37.000	-	37.000	-	37.000

Fund description

Local Government Operations provides for the approval and sale of local government bonds, and assistance to local governments in improving their fiscal policies and financial positions as provided in the Local Government Budget and Fiscal Control Act (G.S. Chapter 159); Also provides approval and sale of tax-exempt financing through the N.C. Capital Facilities Finance Agency pursuant to G.S. 159D and the planning and sale of state bonds.

Services for the fund

	Actual Requirements 2005-06	Actual FTEs 2005-06
Counsels and assists local governments in determining the feasibility of a project, the size of the financing, and the most expedient form of financing. Conducts the sale and delivery of local government debt and monitors its repayment. Also, issues and monitors all state debt, conducts the debt affordability analysis, and develops recommendations to executive and legislative branches. Processes local government financing applications for approval by Local Government Commission.	\$1,826,394	18.000
Monitors the fiscal health of local governments and public authorities in North Carolina by review of each unit's annual audit and other financial reports; provides consultative services on fiscal management, accounting, reporting, and compliance issues and ensures the integrity of local government and public authority financial operations by proactive oversight.	\$1,724,928	17.000
Conducts activities of the North Carolina Capital Facilities Finance Agency in accordance with G.S. 159D including providing tax-exempt conduit financing for eligible entities within the State.	\$202,932	2.000
Actual Totals	\$3,754,254	37.000

Measures for the fund	2003-04	2004-05	2005-06
Total state and local government debt issues (\$ million)	\$6,800	\$7,500	\$5,530
Local government audits reviewed	1,213	1,214	1,218
Debt issues approved by the NC Capital Facilities Finance Agency (\$ million)	\$222.4	\$535.6	\$129.6

Fund 13410-1320 State Bond Issuance — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$593,490	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$593,490	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This fund is used to account for the cost of issuing state debt, i.e., bonds. All bond issuance costs are recorded in this fund. Interest earnings on bond proceeds are transferred in to cover the costs.

Fund 13410-1410 Retirement Operations — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$19,993,237	\$19,469,275	\$19,988,383	(\$4,192,036)	\$15,796,347	(\$4,170,121)	\$15,818,262
Receipts	\$19,993,238	\$19,469,275	\$19,988,383	(\$4,192,036)	\$15,796,347	(\$4,170,121)	\$15,818,262
Appropriation	(\$1)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	163.090	162.000	167.870	(4.770)	163.100	(4.770)	163.100

Fund description

The consolidated Retirement Systems administer the several public pension plans for the State of North Carolina and Local Governmental entities; the division also administers the State's Long Term Disability program. The many processes performed by the agency include benefit payments to approximately 200,000 recipients, system enrollment, refund payments, cost estimates, service purchases, and member contact and counseling for the systems approximately 750,000 members.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Provide accurate and efficient financial data and benefit payroll services in a customer driven environment.	\$1,931,900	24.000
Deliver prompt contribution refunds, disability and death benefits, to employees, retirees, and their beneficiaries in an effective and efficient manner.	\$1,690,413	21.000
Deliver customer focused service to public employees and employers by providing accurate, efficient, and timely information and education through call center operations, email, correspondence, visitor appointments and public meetings.	\$4,185,784	52.090
Ensure timely and accurate processing, internal distribution, storage, and protection of personal member information for the purpose of paying retirement and retirement related benefits.	\$2,012,396	25.000

Deliver prompt retirement benefits to employees and retirees in an efficient manner through the accurate and timely processing of retirement benefit estimates and final retirement benefit calculations, and deliver support to employees and retirees by processing requests to purchase service and other related calculations.	\$3,300,329	41.000
Online Retirement Benefits Through Integrated Technology (ORBIT) is the General Assembly approved IT system that will replace six mainframe applications with an integrated information technology system. ORBIT will be a web-based pension administration system that enables members to access and maintain account information and provides staff with a new operations platform.	\$6,872,415	-
Actual Totals	\$19,993,237	163.090

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Total benefits paid out (\$ million)	\$2,840	\$3,060	\$3,255
Total retirement systems membership	702,000	728,000	756,000
Budget expenditure per member compared to the peer average of approximately \$70 per member (dollars)	\$16.27	\$16.13	\$17.36

Fund 13410-1510 Financial Operations Division — Base Budget

	<u>2005-06</u> Actual	<u>2006-07</u> Certified	<u>2006-07</u> Authorized	<u>2007-08</u> Adjustments	<u>2007-08</u> Total	<u>2008-09</u> Adjustments	<u>2008-09</u> Total
Requirements	\$4,191,150	\$4,556,957	\$4,418,178	\$2,890	\$4,421,068	\$5,375	\$4,423,553
Receipts	\$1,493,981	\$1,557,481	\$1,418,702	(\$156)	\$1,418,546	\$1,235	\$1,419,937
Appropriation	\$2,697,169	\$2,999,476	\$2,999,476	\$3,046	\$3,002,522	\$4,140	\$3,003,616
Positions	36.000	37.000	37.000	(1.000)	36.000	(1.000)	36.000

Fund description

The purpose of the Financial Operations is to provide financial oversight and accounting control over all State funds for which the State Treasurer serves as banker and investment officer.

Services for the fund

	<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
Provide department-wide accounting support including budget administration, accounts payable, payroll, and purchasing. Also administers debt services.	\$467,816	7.500
Monitor and audit the departments' custodial financial activity to ensure accurate and timely financial reporting and compliance with statutory requirements.	\$692,349	8.500
Provide banking services to state departments, agencies, institutions, local school units, community colleges, and universities including managing funds belonging to the General Fund, the Highway Fund, and various pension and trust funds and performing cash management functions relating to the receipt and disbursement of funds.	\$3,030,985	20.000
Actual Totals	\$4,191,150	36.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Debt Service wire transfer payments processed	50	53	54
Total Investment assets at year end at market value (\$ million)	\$69,390	\$74,332	\$77,821
Total transaction amount processed by banking (\$ million)	\$23,511	\$24,381	\$24,721

Governor's Recommended Adjustments to Base Budget

State Treasurer - Retirement for Fire and Rescue Squad Workers and Line of Duty Death Benefits (13412)

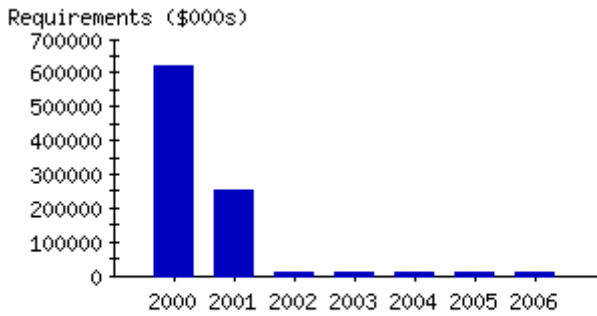
Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$9,165,457	\$9,165,457
Receipts	-	-
Appropriation	\$9,165,457	\$9,165,457
Adjustments		
Requirements	-	-
Receipts	-	-
Appropriation	-	-
Total		
Requirements	\$9,165,457	\$9,165,457
Receipts	-	-
Recommended Appropriation	<u>\$9,165,457</u>	<u>\$9,165,457</u>
<hr/>		
Positions		
Base Budget Positions	-	-
Reductions	-	-
Expansion	<u>-</u>	<u>-</u>
Recommended Positions	<u>-</u>	<u>-</u>

Base Budget and Results-Based Information

Budget Code 13412 State Treasurer - Transfer Retirement System

**Actual Expenditures
by Fiscal Year**



Data for 2000 and 2001 reflect one-time legal settlements.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$8,251,457	\$9,165,457	\$9,165,457	\$0	\$9,165,457	\$0	\$9,165,457
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$8,251,457	\$9,165,457	\$9,165,457	\$0	\$9,165,457	\$0	\$9,165,457
Positions	-	-	-	-	-	-	-

Budget Code 13412 State Treasurer - Transfer Retirement System

Fund 13412-1412 General Fund Contribution to Fire Pension — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$6,823,550	\$7,337,550	\$7,337,550	\$0	\$7,337,550	\$0	\$7,337,550
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$6,823,550	\$7,337,550	\$7,337,550	\$0	\$7,337,550	\$0	\$7,337,550
Positions	-	-	-	-	-	-	-

Fund description

This fund accounts for the General Fund appropriation in support of the Firemen's Pension Fund. These funds are transferred to Budget Code 63434, where the pension benefits are recorded. The payment of these pension benefits are made pursuant to G.S. 58-86.

Fund 13412-1413 General Fund Contribution to Rescue Squad — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,102,907	\$1,102,907	\$1,102,907	\$0	\$1,102,907	\$0	\$1,102,907
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$1,102,907	\$1,102,907	\$1,102,907	\$0	\$1,102,907	\$0	\$1,102,907
Positions	-	-	-	-	-	-	-

Fund description

This fund accounts for the General Fund appropriation in support of the Rescue Squad Workers' Pension Fund. These funds are transferred to Budget Code 63435, where the pension benefits are recorded. The payment of these pension benefits are made pursuant to G.S. 58-86.

Fund 13412-1432 Line of Duty Death Benefits — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$325,000	\$725,000	\$725,000	\$0	\$725,000	\$0	\$725,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$325,000	\$725,000	\$725,000	\$0	\$725,000	\$0	\$725,000
Positions	-	-	-	-	-	-	-

Fund description

This fund accounts for the General Fund appropriation to pay benefits provided to families of certain public servants who die in the line of duty. The payment of these death benefits are made pursuant to G.S. 143-12A.

Department of Insurance

Mission

To protect and educate North Carolina citizens with respect to their insurance purchases and dealings with other specified activities and industries. This is accomplished by assuring, through effective and efficient regulation, an optimum marketplace in which consumers can readily purchase fairly-priced insurance products and products of other industries regulated by the department, from fiscally sound, responsive entities. The mission is also to educate the public in loss prevention and safety awareness, and develop and maintain life safety standards. This is accomplished by safety training of more than 45,000 fire and rescue personnel, volunteers, delivery agents and governments at every level, as well as operation of various statewide programs and funds and operations of and awarding \$4.5 million annually in fire department grants statewide.

Goals

Ensure that consumers' investments in insurance products and other products regulated by the department are protected, both in completing the desired transaction and in receiving the future benefits or services promised under a policy or contract; through licensure, solvency surveillance and rate and form regulations to assure that products offered meet appropriate state and federal laws and industry standards and are priced fairly but sufficiently to support a sustainable business for the insurers offering them.

Protect the well-being of citizens and visitors to North Carolina through the creation and maintenance of safety building codes, training of fire and rescue personnel, inspections and ratings of fire departments, and the promotion of injury prevention education.

Assist consumers who have questions about or are having difficulty with insurance products, other products regulated by the department, or Medicare and Medicare-related products not subject to state regulation.

Protect state agencies and local governments and their capital investments by insuring all state-owned property, placing coverage for other types of insurance for state agencies and universities, providing risk management consulting for government entities, inspecting all state-owned facilities for fire and life safety, electrical code compliance in new state facilities, and providing interpretations of state electrical code.

Protect North Carolina consumers from fraud, illegal behavior and improper treatment by ensuring that insurance companies, other entities, and individuals are properly authorized to conduct business in North Carolina. Service and accurately administer insurance policies and ensure that insurance products and services regulated by the department are fairly marketed by the companies that offer them and the agents that sell them.

Educate and inform the public, policyholders and purchasers of other products regulated by the department and regulated entities about matters that are appropriate to assist them in their respective roles.

Deliver services through a well-managed, fiscally-responsible organization staffed by knowledgeable, courteous, and professional employees.

Create and maintain a regulatory regime that employs balanced policies and efficient processes for the benefit of North Carolina citizens and to promote an attractive business climate for the insurance companies, insurance agents, and other entities and individuals regulated by the department, who are needed to serve our citizens.

Governor's Recommended Adjustments to Base Budget

Department of Insurance (13900)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$35,651,157	\$35,689,728
Receipts	<u>\$4,809,298</u>	<u>\$4,809,298</u>
Appropriation	\$30,841,859	\$30,880,430
Adjustments		
Requirements	\$1,162,086	\$1,078,286
Receipts	-	-
Appropriation	\$1,162,086	\$1,078,286
Total		
Requirements	\$36,813,243	\$36,768,014
Receipts	<u>\$4,809,298</u>	<u>\$4,809,298</u>
Recommended Appropriation	<u>\$32,003,945</u>	<u>\$31,958,716</u>
<hr/>		
Positions		
Base Budget Positions	404.700	404.700
Reductions	-	-
Expansion	<u>15.000</u>	<u>15.000</u>
Recommended Positions	<u>419.700</u>	<u>419.700</u>

Appropriation Items -- Recommended Adjustments

Expansion

2007-08 2008-09

Public Services Group

1. Staff Expansion

Funding is recommended for six positions in the Public Services Group to improve services to consumers, licensees, business entities, and insurance companies as well as to increase regulatory oversight and consumer protection.

Appropriation	\$259,169	\$259,169
Appropriation - Nonrecurring	\$29,800	-
Positions	6.000	6.000

Company Services Group

1. Staff Expansion

The Governor recommends funds to establish one Insurance Company Examiner III position in the Company Services Group to oversee recoveries, provide litigation support and financial oversight, and recover amounts due from reinsurers for delinquency proceedings as required by statute.

Appropriation	\$89,731	\$89,731
Appropriation - Nonrecurring	\$6,000	-
Positions	1.000	1.000

Office of the State Fire Marshal

1. Staff Expansion

Funding is recommended for eight positions for State Building Construction Code Review, Inspection and Enforcement to achieve targeted review times, implement new services and provide training activities for owner agencies and designers. Recommendations for these positions were included in the Legislative Study Commission on State Construction Inspections Report.

Appropriation	\$729,386	\$729,386
Appropriation - Nonrecurring	\$48,000	-
Positions	8.000	8.000

Total Recommended Expansion

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$1,078,286	\$1,078,286
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$1,078,286	\$1,078,286
Positions	15.000	15.000
Nonrecurring		
Requirements	\$83,800	-
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$83,800	-
Positions	-	-

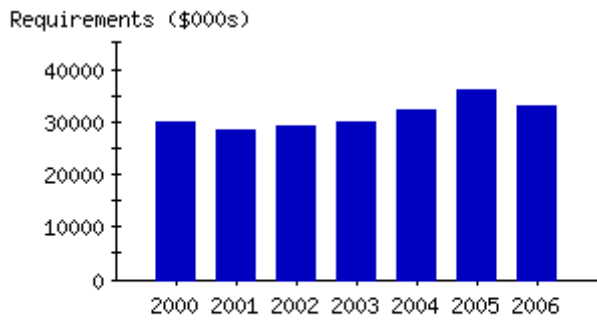
**Total Recommended Adjustments for
Department of Insurance (13900)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$1,078,286	\$1,078,286
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$1,078,286	\$1,078,286
Positions	15.000	15.000
Nonrecurring		
Requirements	\$83,800	-
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$83,800	-
Positions	-	-
Total Appropriation Adjustments	\$1,162,086	\$1,078,286
Total Position Adjustments	15.000	15.000

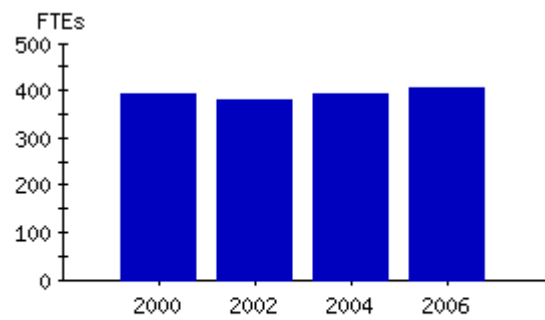
Base Budget and Results-Based Information

Budget Code 13900 Insurance - General Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$33,140,520	\$35,076,607	\$35,411,084	\$240,073	\$35,651,157	\$278,644	\$35,689,728
Receipts	\$6,756,547	\$4,424,821	\$4,759,298	\$50,000	\$4,809,298	\$50,000	\$4,809,298
Appropriation	\$26,383,973	\$30,651,786	\$30,651,786	\$190,073	\$30,841,859	\$228,644	\$30,880,430
Positions	402.700	403.550	404.700	-	404.700	-	404.700

Budget Code 13900 Insurance - General Fund

Fund 13900-1100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,309,923	\$3,435,890	\$3,629,840	\$95,746	\$3,725,586	\$114,937	\$3,744,777
Receipts	\$52,955	\$48,495	\$104,898	\$0	\$104,898	\$0	\$104,898
Appropriation	\$3,256,968	\$3,387,395	\$3,524,942	\$95,746	\$3,620,688	\$114,937	\$3,639,879
Positions	40.490	36.490	40.490	-	40.490	-	40.490

Fund description

The purpose of Administration is to provide executive management and administrative support for the department, including accounting, budget, payroll, facility services, EEO, personnel, purchasing, public information and legal services.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide management direction for the entire department, EEO, legal services, and public information.	\$2,129,815	19.170
Manage agency-wide personnel activities and perform all financial services and budget functions, including payroll, purchasing, accounts payable, and cash management.	\$1,180,108	21.320
Actual Totals	\$3,309,923	40.490

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of deposits entered in NCAS within 24 hours of receipt	100 %	100 %	100 %
Annual payroll processed per 1.0 FTE in payroll staff (dollars)	\$22,236,749	\$23,366,483	\$24,100,296
Employee turnover rates ¹	7.20 %	9.30 %	8.44 %

¹State government turnover rates average around 11 plus %

Fund 13900-1200 Company Services Group — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$7,692,879	\$8,548,392	\$8,757,878	(\$3,502)	\$8,754,376	\$6,335	\$8,764,213
Receipts	\$38,760	\$162,516	\$162,516	\$0	\$162,516	\$0	\$162,516
Appropriation	\$7,654,119	\$8,385,876	\$8,595,362	(\$3,502)	\$8,591,860	\$6,335	\$8,601,697
Positions	94.320	92.320	94.320	-	94.320	-	94.320

Fund description

The Company Services Group protects insurance consumers in North Carolina through the operation of a solvency surveillance program used to regulate insurance companies and other entities under the department's purview, for the purpose of effectively and efficiently minimizing the risk of loss to insurance consumers in the state. This is accomplished by ensuring compliance with state laws, conducting early detection of insurers with potential financial trouble, and, when necessary, executing appropriate regulatory action on a timely basis. These activities are performed in accordance with applicable professional standards and guidelines established by the Department of Insurance, the National Association of Insurance Commissioners (NAIC) and North Carolina law. The fund also provides actuarial support for all of the department's rate making and rate review activities.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide actuarial analysis of rate filings, financial statements, actuarial reports and proposed legislation.	\$1,064,890	10.000
Analyze company license filings (i.e. applications) to determine if company complies with North Carolina requirements for admission to do business.	\$112,591	2.247
Analyze annual, quarterly and special filings of insurance companies to ensure compliance with North Carolina laws and department and National Association of Insurance Commissioners standards.	\$1,013,320	20.223
Perform financial condition audits of insurance companies.	\$1,294,797	25.840
Evaluate other insurance-related entities [Multiple Employer Welfare Arrangements (MEWA), Third Party Administrators (TPAs) servicing Life & Health (L&H) business, Professional Employer Organizations (PEOs), Self-Funded Workers Comp plans (SFWC), and Risk Retention Group (RRG)] to ensure financial health and statutory compliance with North Carolina laws.	\$394,069	7.860
Supervise troubled insurance companies and related entities; administer insurance receiverships.	\$2,411,401	11.100
Provide, maintain and support the network infrastructure consisting of servers, switches, virus walls, intrusion prevention appliances, wiring, UPS units, etc. Provide technical support for desktops, laptops and office applications for approximately 400 department users to ensure that problems are resolved promptly.	\$700,906	8.000
Develop, maintain and support the department's enterprise application that currently provides tracking and work flow management for seven divisions with another division under development.	\$700,905	9.050
Actual Totals	\$7,692,879	94.320

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Aggregate premium dollars saved North Carolina insurance consumers as a result of Actuarial Services Division review of rate filings for personal auto, homeowners, workers compensation and other insurance products (\$ million)	\$540.3	\$611.1	\$489.2
Aggregate number of insurance company filings and reviews performed (i.e. quarterly statements plus other ad hoc filings required because company transactions or changes) and completed by the Financial Analysis Section	6,059	6,408	6,385
Aggregate number of insurer applications and nontraditional applications and filings reviewed by the Special Entities Section	776	805	970
Percentage of domestic companies classified as "troubled" attaining an improved financial condition as a result of the actions of the Regulatory Actions Division and, consequently, no longer being considered a troubled entity	12.00 %	0.0 %	17.00 %

Fund 13900-1300 Technical Services Group — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$6,695,763	\$6,932,517	\$6,378,021	\$937	\$6,378,958	\$6,553	\$6,384,574
Receipts	\$1,501,373	\$379,386	\$379,386	\$0	\$379,386	\$0	\$379,386
Appropriation	\$5,194,390	\$6,553,131	\$5,998,635	\$937	\$5,999,572	\$6,553	\$6,005,188
Positions	77.400	90.250	79.400	-	79.400	-	79.400

Fund description

The Technical Services Group protects insurance consumers through regulation of insurance products and premiums, the licensing and registration of selected insurance-related entities, and surveillance of insurers' regulatory compliance and conduct in the marketplace. This group also provides direct assistance, counseling and education to insured's denied coverage under their health insurance policy and to senior citizens and others regarding Medicare, Medicare alternatives and Medicare-related insurance products and long-term care insurance. Enrollment services are also provided for certain Medicare alternatives and Medicare-related services. In reviewing the marketplace through these numerous activities, recommendations are made for legislative reforms needed to protect consumers. The fund also collects and reviews premium tax filings submitted on behalf of surplus lines (i.e., non-admitted) insurers doing business in North Carolina.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Review and approve filings for rates, rules and policy forms of Life and Health and Property and Casualty insurers and form provider contracts for health plan networks.	\$1,434,258	20.000
Assist consumers whose health plan has denied coverage for medical services, through counseling on insurer appeals and arranging for external review by medical professionals.	\$418,705	4.000
Assist persons on Medicare and other consumers with Medicare, Medicare-related insurance and long-term care insurance through direct counseling, maintaining a volunteer force, educational materials and outreach activities.	\$1,766,243	18.000
Monitor and regulate insurance companies of all kinds to enforce compliance with State law through activities such as data analysis and examinations.	\$2,805,557	30.000
License and register Third Party Administrators, Multiple Employer Welfare Associations, Health Maintenance Organizations and viatical settlement providers.	\$221,000	4.000
Collect taxes on policies sold by surplus lines (non-admitted) insurers.	\$50,000	1.400
Actual Totals	\$6,695,763	77.400

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of approved life and health and property and casualty filings for which review was conducted within 20 days or less ¹	92.7 %	91.4 %	88.8 %
Consumers receiving assistance via toll-free line for the Senior's Health Insurance Information Program (SHIIP)	27,893	31,615	78,138
Dollar value of previously-denied medical claims by insurers as a result of external review (dollars)	\$622,785	\$443,038	\$1,422,041

¹Compare to National Association of Insurance Commissioners' goal of 50%.

Fund 13900-1400 Public Services — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$6,535,651	\$6,601,699	\$6,845,984	\$68,951	\$6,914,935	\$72,878	\$6,918,862
Receipts	\$1,250,692	\$1,274,783	\$1,274,783	\$50,000	\$1,324,783	\$50,000	\$1,324,783
Appropriation	\$5,284,959	\$5,326,916	\$5,571,201	\$18,951	\$5,590,152	\$22,878	\$5,594,079
Positions	89.050	85.050	89.050	-	89.050	-	89.050

Fund description

The Public Services Group protects and assists consumers with insurance matters. The group accomplishes this task by: responding to consumer complaints and inquires relating to insurance matters regulated by the Public Services Group; assuring that individuals engaged in the selling of insurance possess and maintain licensing and continuing education statutory requirements; and investigating and prosecuting of matters involving insurance fraud. In addition to these duties, the group performs similar functions for the bail bonding, premium finance, motor club, and collection agency industries.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide law enforcement assistance to the citizens and businesses of North Carolina and other state and federal government agencies relative to insurance fraud; perform similar duties collection agencies, bail bondsmen, motor clubs and premium finance companies.	\$1,740,794	23.025
Promptly acknowledge, investigate and respond to consumers having questions and concerns about insurance matters; perform the same for consumers with questions/concerns relative to non-insurance matters regulated by the group; scrutinize potential unauthorized insurers and take action as appropriate.	\$2,182,847	38.000
Assure that individuals and entities engaged in the solicitation and negotiation of insurance meet and maintain statutory requirements and are properly licensed and appointed to represent insurance companies; perform similar functions for the bail bondsmen, premium finance, motor clubs and collection agency industries.	\$2,612,010	28.025
Actual Totals	\$6,535,651	89.050

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Monetary recoveries for citizens and businesses in North Carolina resulting from prosecution of fraud cases (\$ million)	\$8	\$28	\$18
Complaints investigated (all licensees)	13,117	12,963	10,202
Monetary recoveries resulting from complaint investigations (dollars)	\$9,247,960	\$10,096,568	\$5,090,630
Responses to telephone inquiries from consumers and agents	217,264	189,292	193,661

Fund 13900-1500 Office of the State Fire Marshal — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$8,421,304	\$9,073,109	\$9,314,361	\$77,941	\$9,392,302	\$77,941	\$9,392,302
Receipts	\$3,912,767	\$2,559,641	\$2,837,715	\$0	\$2,837,715	\$0	\$2,837,715
Appropriation	\$4,508,537	\$6,513,468	\$6,476,646	\$77,941	\$6,554,587	\$77,941	\$6,554,587
Positions	101.430	99.430	101.430	-	101.430	-	101.430

Fund description

The Office of State Fire Marshal prepares, establishes and provides programs and policies in the area of codes, building standards, fire and rescue training, fire department inspections, injury prevention, code inspections in an effort to protect the health, safety, and welfare of the citizens of North Carolina. This is one of two funds (budget 23901 fund 2556) that support the Manufactured Building Division.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide training programs emergency services, hospital personnel, health personnel and community groups or members that promote the safety of citizens of NC through injury prevention initiatives.	\$612,754	6.000
Promulgate and interpret the building codes for accuracy and consistency statewide; provide code-related training; perform plan reviews for state, county and city owned properties and larger commercial properties; certify and maintain the proficiency of NC code officials; serve as staff for two governor-appointed regulatory boards; oversee building code book sales and respond as technical experts in emergencies.	\$2,313,858	27.300
Provide for the general welfare and safety of manufactured building purchasers to ensure manufactured building construction standards are maintained by the manufacturers. Ensure compliance with the NC Warranty Statute for manufactured buildings by on-site inspections. Serve as staff to the NC Manufactured Housing Board.	\$944,164	13.000
Certify, train, and provide customer service to more than 45,000 fire and rescue personnel, volunteers, and delivery agencies including representatives of federal, state and local governments using the National Qualification Standards. Provide education, resources, technical knowledge and customer service to assist in the full participation in US Fire Administration, National Fire Incident Reporting System (USFA, NFIRS) program. This service includes Fire and Rescue Commission and training.	\$2,560,341	31.000
Administer the State Property Fire Insurance Fund to pay for property losses to the State's buildings, structures, and business personal property and procure from private insurance companies various insurance policies needed by state agencies and universities. Perform fire and life safety inspections on state buildings and perform electrical inspections on all new electrical installations in state buildings.	\$1,990,187	24.130
Actual Totals	\$8,421,304	101.430

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Fire departments inspected	250	275	335
Percentage of students that passed the training qualifications classes	90 %	92 %	95 %
Percentage of fire and life safety facilities inspections conducted on schedule	96 %	95 %	94 %
Percentage of electrical inspections conducted on schedule	90 %	94 %	97 %

Fund 13900-1900 Reserves and Transfers — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$485,000	\$485,000	\$485,000	\$0	\$485,000	\$0	\$485,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$485,000	\$485,000	\$485,000	\$0	\$485,000	\$0	\$485,000
Positions	-	-	-	-	-	-	-

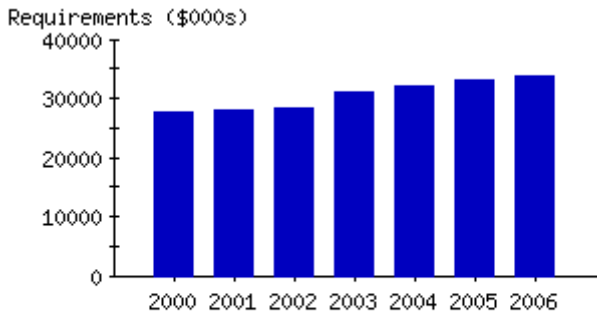
Fund description

This fund is used as a clearing account for budgeting reserves that are later distributed to support operational programs and for recording non-operational transfers.

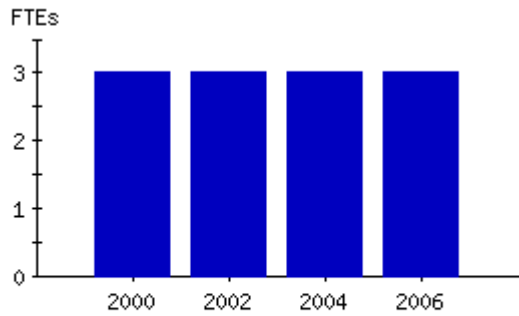
Base Budget and Results-Based Information

Budget Code 23900 Insurance - Special Fund - Interest Bearing

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$33,764,456	\$26,842,434	\$26,842,434	\$2,047,551	\$28,889,985	\$2,047,551	\$28,889,985
Receipts	\$35,321,393	\$27,611,914	\$27,611,914	\$2,047,551	\$29,659,465	\$2,047,551	\$29,659,465
Chng Fund Bal	\$1,556,937	\$769,480	\$769,480	\$0	\$769,480	\$0	\$769,480
Positions	3.300	3.400	3.300	-	3.300	-	3.300

Budget Code 23900 Insurance - Special Fund - Interest Bearing

Fund 23900-2000 The Insurance Regulatory Fund — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$27,273,658	\$23,514,618	\$23,514,618	\$0	\$23,514,618	\$0	\$23,514,618
Receipts	\$28,688,800	\$24,284,098	\$24,284,098	\$0	\$24,284,098	\$0	\$24,284,098
Chng Fund Bal	\$1,415,142	\$769,480	\$769,480	\$0	\$769,480	\$0	\$769,480
Positions	-	-	-	-	-	-	-

Fund description

Established in statute (G.S. 58-6-25) by the 1991 General Assembly as an interest bearing account used to collect regulatory charges on insurance company premium taxes (1.9%) and other fees collected under G.S. 58-69 through 58-71 and G.S. 143-9 and 143-9C such as receipts collected for continuing education, manufactured housing, and building code book sales. Funds are used to reimburse the General Fund for money appropriated to the DOI to pay for expenses incurred in regulating the insurance industry. Reimbursement to the state's General Fund is made by deposits to DOI budget code 19951 for repayment of DOI's actual expenses plus interest.

Fund 23900-2001 Consumer Protection Fund — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$880,022	\$485,000	\$485,000	\$0	\$485,000	\$0	\$485,000
Receipts	\$499,475	\$485,000	\$485,000	\$0	\$485,000	\$0	\$485,000
Chng Fund Bal	(\$380,547)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	3.300	3.400	3.300	-	3.300	-	3.300

Fund description

The Consumer Protection Fund pays for outside actuaries, economists, attorneys, consultants, court reporters and others to work in support of highly technical and complex insurance rate review and rate litigation, other insurance regulatory work, asset recovery in connection with insurance company delinquency proceedings, and the defense of civil litigation brought against the Commissioner and his deputies. Monies are appropriated from the State's General Fund and are refunded by DOI Regulatory Surcharge Fund. G.S. 58-2-215.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide technical, legal and other support necessary to conduct effective rate review and rate litigation and to make sure that insurance rates or loss costs are not excessive, inadequate or unfairly discriminatory.	\$765,619	2.871
Provide technical, legal and other support for other insurance regulatory work to ensure that the insurance laws are properly enforced and that the public is protected from insurance law violations.	\$105,603	.396
Provide services, when appropriate, for asset recovery in connection with insurance company delinquency proceedings and provide technical, legal and other support for a zealous defense in civil litigation against the Commissioner and his deputies.	\$8,800	.033
Actual Totals	\$880,022	3.300

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Dollar savings resulting from requested industry rate increases less increases allowed by the Commissioner (dollars)	\$723,559,680	\$493,544,799	\$467,037,892

Fund 23900-2123 Volunteer Rescue/EMS Fund — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$1,548,264	\$1,019,758	\$1,019,758	\$0	\$1,019,758	\$0	\$1,019,758
Receipts	\$1,420,209	\$1,019,758	\$1,019,758	\$0	\$1,019,758	\$0	\$1,019,758
Chng Fund Bal	(\$128,055)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The Volunteer Rescue/EMS Fund is established in statute (G.S. 58-87-5) as an interest bearing account. A portion of the proceeds collected from the Division Motor Vehicle (DMV) vehicle inspection program (G.S. 20-183.7) are deposited into the fund to support programmatic and administrative expenses. The fund provides matching grants of up to \$25,000 and non-matching grants of up to \$3,000 to volunteer rescue/emergency medical service squads to purchase equipment and make capital improvements. As allowed per statute, DOI retains 2% of funds for administration and 4% for expenses of the North Carolina Fire and Rescue Commission (G.S. 58-88-1 through 58-88-30).

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide grants to volunteer rescue and/or EMS units providing rescue or emergency medical services to purchase equipment and to make capital improvements.	\$1,548,264	-
Actual Totals	\$1,548,264	-

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Grant applications received from rescue and EMS units	172	141	145
Percentage of grant applications received that were awarded	92 %	48 %	92 %

Fund 23900-2133 Volunteer Fire Department Fund — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$4,062,512	\$1,823,058	\$1,823,058	\$2,047,551	\$3,870,609	\$2,047,551	\$3,870,609
Receipts	\$4,712,909	\$1,823,058	\$1,823,058	\$2,047,551	\$3,870,609	\$2,047,551	\$3,870,609
Chng Fund Bal	\$650,397	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The Volunteer Fire Department Fund is established in statute (G.S. 58-87-1) to provide matching grants of up to \$20,000 to volunteer fire departments. Grants may be used to purchase equipment, pay the highway use tax on those purchases or make capital improvements or capital expenditures necessary to provide fire protection services. Funding is received from a portion of insurance company premium taxes collected pursuant to G.S. 105-228.5. As allowed by statute, DOI retains 2% of funds for administration expenses.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide matching grants to volunteer fire departments to purchase equipment and make capital improvements.	\$4,062,512	-
Actual Totals	\$4,062,512	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Grant applications received from volunteer fire departments	563	567	568
Percentage of grant applications received that were awarded	94 %	88 %	87 %

Governor's Recommended Adjustments to Base Budget

Insurance - General Fund Direct (13901)

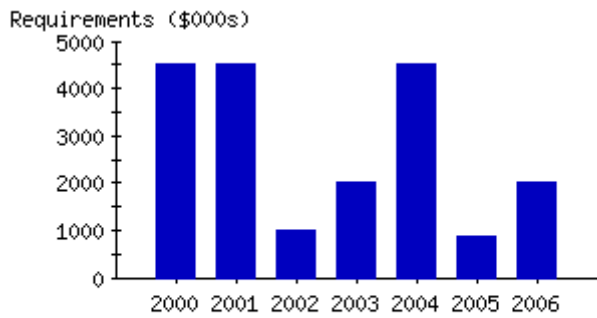
Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$4,500,000	\$4,500,000
Receipts	=	=
Appropriation	\$4,500,000	\$4,500,000
Adjustments		
Requirements	-	-
Receipts	=	=
Appropriation	-	-
Total		
Requirements	\$4,500,000	\$4,500,000
Receipts	=	=
Recommended Appropriation	<u>\$4,500,000</u>	<u>\$4,500,000</u>
<hr/>		
Positions		
Base Budget Positions	-	-
Reductions	-	-
Expansion	<u>-</u>	<u>-</u>
Recommended Positions	<u><u>-</u></u>	<u><u>-</u></u>

Base Budget and Results-Based Information

Budget Code 13901 Insurance - General Fund Direct

**Actual Expenditures
by Fiscal Year**



Data for 2002, 2003, 2005, and 2006 include non-recurring reductions in appropriations for Volunteer Safety Workers' Compensation Fund.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,000,000	\$4,500,000	\$4,500,000	\$0	\$4,500,000	\$0	\$4,500,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$2,000,000	\$4,500,000	\$4,500,000	\$0	\$4,500,000	\$0	\$4,500,000
Positions	-	-	-	-	-	-	-

Budget Code 13901 Insurance - General Fund Direct

Fund 13901-1900 Reserves and Transfers — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,000,000	\$4,500,000	\$4,500,000	\$0	\$4,500,000	\$0	\$4,500,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$2,000,000	\$4,500,000	\$4,500,000	\$0	\$4,500,000	\$0	\$4,500,000
Positions	-	-	-	-	-	-	-

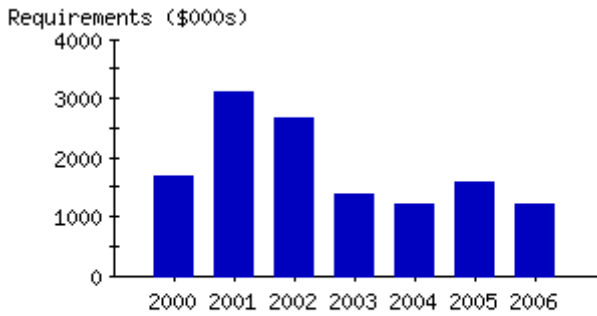
Fund description

Accounting fund to transfer \$4.5 million annual appropriations authorized by G.S. 58-87-10, starting September 1, 1997, to support the operating costs of the Volunteer Safety Workers Compensation Fund (Budget Code 63902/Fund 6000).

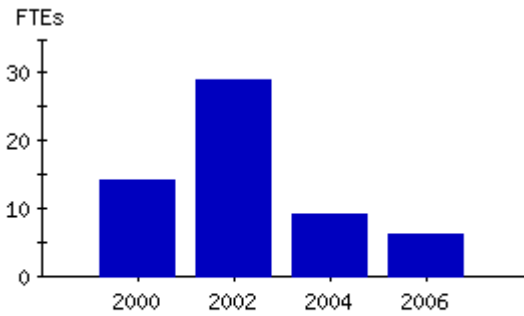
Base Budget and Results-Based Information

Budget Code 23901 Insurance - Special Fund - Non-Interest Bearing

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Decrease in expenditures and positions largely due to reduced license receipts from the manufactured housing industry.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,210,369	\$1,017,126	\$1,075,925	\$165,058	\$1,240,983	\$165,058	\$1,240,983
Receipts	\$1,384,823	\$1,017,126	\$1,075,925	\$165,058	\$1,240,983	\$165,058	\$1,240,983
Chng Fund Bal	\$174,454	\$0	\$0	\$0	\$0	\$0	\$0
Positions	6.000	5.000	6.000	-	6.000	-	6.000

Budget Code 23901 Insurance - Special Fund - Non-Interest Bearing

Fund 23901-2122 Rescue Squad Worker's Relief — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$898,916	\$644,838	\$644,838	\$155,334	\$800,172	\$155,334	\$800,172
Receipts	\$898,916	\$644,838	\$644,838	\$0	\$644,838	\$0	\$644,838
Chng Fund Bal	\$0	\$0	\$0	(\$155,334)	(\$155,334)	(\$155,334)	(\$155,334)
Positions	-	-	-	-	-	-	-

Fund description

The Rescue Squad Workers' Relief Fund is created in statute (G.S. 58-88-5) for the following purposes: 1) to safeguard any rescue or EMS worker in active service from financial loss, occasioned by sickness contracted or injury received while in the performance of his or her duties as a rescue or EMS worker, 2) to provide a reasonable support for the dependents of any rescue or EMS worker who may lose his or her life in the provision of service, 3) to award educational scholarships to children of members, deceased members or retired members in good standing, 4) to pay death benefits to dependents of any member killed in the line of duty, or 5) to pay additional benefits approved by the Board of Trustees of the fund to rescue and EMS workers who are eligible pursuant to G.S. 58-88-10 and who are members of the association. The fund consists of revenue credited to it from a portion of the vehicle inspection fee collected under G.S. 20-183.7(c). As allowed by statute, DOI transfers 2% into its operating code (fund code 1500) for the administration of the fund and the North Carolina Association of Rescue and Emergency Medical Services, Inc. can retain 10% for the administration of the fund (G.S. 58-88-30).

Services for the fund

Transfers into operating code budget for administrative expenses.

Actual Totals

<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
\$898,916	-
\$898,916	-

Fund 23901-2552 Home Inspector Licensure — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$227,294	\$201,563	\$260,362	\$9,724	\$270,086	\$9,724	\$270,086
Receipts	\$361,512	\$201,563	\$260,362	\$165,058	\$425,420	\$165,058	\$425,420
Chng Fund Bal	\$134,218	\$0	\$0	\$155,334	\$155,334	\$155,334	\$155,334
Positions	4.000	3.000	4.000	-	4.000	-	4.000

Fund description

The Home Inspector Licensure Fund safeguards the health, safety, and protects the public from being harmed by unqualified persons by regulating the use of the title "Licensed Home Inspector" by providing for the licensure and regulation of those who perform home inspections for compensation. Funding is provided by initial and renewal of licenses fees (G.S. 143-151).

Services for the fund

Responsible for administering the Licensing Program (home inspector and associate inspector licenses), administering the education program and investigating complaints.

Actual Totals

<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
\$227,294	4.000
\$227,294	4.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Home inspectors licenses issued	239	309	408
Home inspector complaints investigations	44	39	46

Fund 23901-2556 Manufactured Building Division-Federal Receipt Supported — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$84,159	\$170,725	\$170,725	\$0	\$170,725	\$0	\$170,725
Receipts	\$124,395	\$170,725	\$170,725	\$0	\$170,725	\$0	\$170,725
Chng Fund Bal	\$40,236	\$0	\$0	\$0	\$0	\$0	\$0
Positions	2.000	2.000	2.000	-	2.000	-	2.000

Fund description

The Manufactured Building Division provides for the general welfare and safety of manufactured building purchasers to ensure manufactured building construction standards are maintained and comply with the NC Warranty Statute for manufactured buildings. Serve as staff to the NC Manufactured Housing Board. This is one of two funds (budget 13900, fund 1500) that support the Manufactured Building Division.

Services for the fund

Ensure compliance with the manufactured building construction standards as adopted by the U.S. Housing and Urban Development. Ensure compliance with the regulations for manufactured home installation.

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Actual Totals	\$84,159	2.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Licenses issued to manufacturers, dealers, salesmen, and contractors that set up manufactured homes as required by statute (thousands)	3,357	3,897	3,119

Department of Administration

Mission

To provide high quality services effectively, efficiently, and economically for our customers who are the citizens, agencies, and communities of our state.

Goals

Assure cost-effective oversight of construction and renovation of state-owned buildings.

Acquire and develop properties and facilities and maintain a safe and suitable work environment.

Develop and maintain an efficient system for the purchase and disposition of goods and services to meet the needs of government agencies.

Achieve fair and equitable opportunities and representation for various segments of the population that have special needs.

Provide administrative support to independent state government agencies, including the State Ethics Commission, Commission on State Property, the License to Give Trust Fund Commission, the Office of State Personnel, the Office of the Lieutenant Governor, and the State Board of Elections.

Provide management and administrative support to the divisions within the department to maximize efficiencies.

Provide quality service for citizens, public agencies, and cable affiliates through interactive teleconferencing, media productions, and live programming.

Governor's Recommended Adjustments to Base Budget

Department of Administration (14100)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$99,949,288	\$100,781,556
Receipts	<u>\$34,025,726</u>	<u>\$34,323,690</u>
Appropriation	\$65,923,562	\$66,457,866
Adjustments		
Requirements	\$2,584,982	\$2,552,182
Receipts	-	-
Appropriation	\$2,584,982	\$2,552,182
Total		
Requirements	\$102,534,270	\$103,333,738
Receipts	<u>\$34,025,726</u>	<u>\$34,323,690</u>
Recommended Appropriation	<u>\$68,508,544</u>	<u>\$69,010,048</u>
<hr/>		
Positions		
Base Budget Positions	728.100	728.100
Reductions	-	-
Expansion	<u>23.000</u>	<u>23.000</u>
Recommended Positions	<u>751.100</u>	<u>751.100</u>

Appropriation Items -- Recommended Adjustments

Expansion

	<u>2007-08</u>	<u>2008-09</u>
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Office of State Personnel

1. Leadership Development Institute

Funds are recommended to establish a Leadership Development Institute. The Institute will teach participants the latest and most efficient ways to increase government results and accountability. Initially, the Institute will be tailored to managers and supervisors, and will emphasize special projects that enhance on-the-job training programs, career development, and leadership.

Appropriation	\$100,000	\$100,000
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2. HR Associate Position for Diversity Projects

Funds are recommended for a HR Associate to assist the Diversity Projects Coordinator in diversity efforts. The position will aid in all support and technical functions that are required in managing and coordinating several major special emphasis projects.

Appropriation	\$54,517	\$54,517
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Appropriation - Nonrecurring	\$4,500	-
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Positions	1.000	1.000
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3. HR Associate for Local Governments Programs

Funds are recommended to hire a HR Associate to work with local government programs in the areas of applicant qualifications, annual pay plan submission, program review, training, and decentralization.

Appropriation	\$54,517	\$54,517
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Appropriation - Nonrecurring	\$4,500	-
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Positions	1.000	1.000
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State Energy Office

1. State Energy Office Operations

Funds are recommended to transfer the Utility Savings Initiative (USI) from receipt to appropriation support. USI aims to reduce energy consumption in state agencies by 20% for the five-year period ending in 2008. The State Energy Office is currently funded through Department of Energy (DOE) formula grants, Petroleum Violation Escrow (PVE) Funds, and other DOE grants. The PVE funds are all either obligated for grants and contracts or expended necessitating appropriation support to continue State Energy Office operations.

Appropriation	\$1,300,000	\$1,300,000
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Positions	8.000	8.000
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Office of State Construction

1. Design Review Team Addition

Funds are recommended for four new positions to establish an additional Design Review Team. A new team would accelerate the review process and allow construction to begin more quickly.

Appropriation	\$318,287	\$318,287
Appropriation - Nonrecurring	\$16,000	-
Positions	4.000	4.000

State Capital Police

1. Additional Public Safety Officers

Funds are recommended to hire four additional Public Safety Officers to respond to calls for law enforcement services from state agencies in the greater Raleigh/Wake County area. The positions are needed to provide adequate law enforcement services to agencies that have located beyond the normal coverage areas and the downtown state government complex.

Appropriation	\$186,069	\$186,069
Positions	4.000	4.000

Council for Women and Domestic Violence

1. Additional Positions

Funds are recommended to establish three new positions for the Council for Women and Domestic Violence. One position is for an Office Assistant III for a Regional Director; the two other positions are Community Development Specialists needed to help the council comply with state rules and regulations regarding the monitoring of state grant funds.

Appropriation	\$138,022	\$138,022
Appropriation - Nonrecurring	\$1,600	-
Positions	3.000	3.000

Commission of Indian Affairs

1. Additional Positions

Funds are recommended to hire an Assistant Director and a Processing Assistant III. These positions will enhance the commission's capacity to implement its 2010 strategic plan by preparing, managing, and overseeing grants; conducting trainings; processing reports; and providing clerical assistance.

Appropriation	\$114,701	\$114,701
Appropriation - Nonrecurring	\$6,200	-
Positions	2.000	2.000

2. Economic Development Initiative

Funds are recommended to continue the work of the North Carolina Indian Economic Development Initiative.

Appropriation - Nonrecurring	\$100,000	\$100,000
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Facilities Management Division

1. Additional Funding for Janitorial Agreements

Funds are recommended to update janitorial services agreements and pay overtime. This increase in funding will help the division pay contracts that can provide improved housekeeping services for state buildings.

Appropriation \$186,069 \$186,069

Total Recommended Expansion

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$2,452,182	\$2,452,182
Receipts	-	-
Appropriation	\$2,452,182	\$2,452,182
Positions	23.000	23.000
Nonrecurring		
Requirements	\$132,800	\$100,000
Receipts	-	-
Appropriation	\$132,800	\$100,000
Positions	-	-

**Total Recommended Adjustments for
Department of Administration (14100)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$2,452,182	\$2,452,182
Receipts	-	-
	\$2,452,182	\$2,452,182
Appropriation		
Positions	23.000	23.000
Nonrecurring		
Requirements	\$132,800	\$100,000
Receipts	-	-
	\$132,800	\$100,000
Appropriation		
Positions	-	-
Total Appropriation Adjustments	\$2,584,982	\$2,552,182
Total Position Adjustments	23.000	23.000

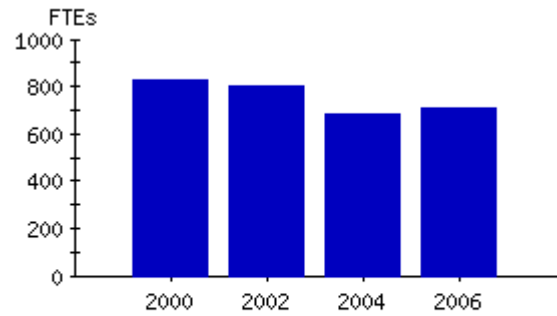
Base Budget and Results-Based Information

Budget Code 14100 Department of Administration - General

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Funding increases due, in part, to increases in APT receipts, Veteran Scholarships. Increases also for HUB and Domestic Violence.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$97,147,547	\$94,032,434	\$97,983,633	\$1,965,655	\$99,949,288	\$2,797,923	\$100,781,556
Receipts	\$35,235,428	\$27,935,160	\$31,885,891	\$2,139,835	\$34,025,726	\$2,437,799	\$34,323,690
Appropriation	\$61,912,119	\$66,097,274	\$66,097,742	(\$174,180)	\$65,923,562	\$360,124	\$66,457,866
Positions	709.300	734.630	734.380	(6.280)	728.100	(6.280)	728.100

Budget Code 14100 Department of Administration - General

Fund 14100-1111 Office of the Secretary — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,162,095	\$1,250,816	\$1,236,499	\$100	\$1,236,599	\$2,175	\$1,238,674
Receipts	\$69,089	\$66,538	\$66,538	\$799	\$67,337	\$799	\$67,337
Appropriation	\$1,093,006	\$1,184,278	\$1,169,961	(\$699)	\$1,169,262	\$1,376	\$1,171,337
Positions	14.000	27.000	14.000	-	14.000	-	14.000

Fund description

The purpose of the Office of the Secretary is to set policy and to supervise departmental operations and services to assure that programs serve the needs of State agencies and institutions and the people of North Carolina. The Secretary's Office provides leadership for effective management; efficient and economical operations; and the fair and equitable conduct of State Government agencies to assist their efforts to render services to the public. It also provides management oversight and support for advocacy efforts on behalf of underrepresented citizens. The Secretary's Office also provides administrative and management oversight for the upkeep, security, maintenance, and repair of state government facilities in the Downtown Government Complex.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide for continuous operations of the business functions of state government in construction, real property, and purchasing of goods and services through setting policy, managing personnel, employing information technology, and providing administration and oversight.	\$325,387	3.200
Oversee the department's advocacy efforts of underrepresented citizens of North Carolina through participation in the work of the various boards and commissions dedicated to advocacy work.	\$313,766	3.200
Provide coordinated project reviews required by the North Carolina and National Environmental Policy Acts.	\$232,419	2.950
Provide legal consultation and advice to agencies, principals, and executive officers of the department, using state and federal statutes, codes, and administrative rules to ensure departmental compliance with applicable state and federal statutes, thus minimizing legal risk to the department.	\$151,072	2.450
Provide coordinated communications for the department through news releases and other publications to meet the communication mission and function for divisions within the department to ensure consistent, current, and accurate content for internal and external audiences.	\$139,451	2.200
Actual Totals	\$1,162,095	14.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Environmental contract and grant applications reviewed	267	283	385

Fund 14100-1121 Department of Administration Fiscal Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,286,740	\$1,435,659	\$1,442,746	(\$6,308)	\$1,436,438	(\$3,045)	\$1,439,701
Receipts	\$306,113	\$346,776	\$359,549	(\$437)	\$359,112	(\$70)	\$359,479
Appropriation	\$980,627	\$1,088,883	\$1,083,197	(\$5,871)	\$1,077,326	(\$2,975)	\$1,080,222
Positions	24.000	24.000	24.000	-	24.000	-	24.000

Fund description

The purpose of Fiscal Management is to administer the budgeting, accounting, payroll, and purchasing functions for the Department of Administration. The office provides the same services for the Lieutenant Governor, State Ethics Commission, Office of State Personnel, State Board of Elections, Commission on State Property, and the License to Give Trust Fund Commission. These services involve accounting for all fiscal activities for the aforementioned agencies in accordance with requirements of the Office of State Budget and Management, Office of State Controller, the Department of State Auditor, Federal Agencies, Administrative Codes, and applicable General Statutes as set forth by the North Carolina Legislature. The office files timely financial reports; invoices for central receipt-supported services; purchases and pays for goods and services; prepares budgets; and recommends and administers fiscal policy within the Department of Administration.

Services for the fund

	Actual Requirements 2005-06	Actual FTEs 2005-06
Administer payroll functions including monthly temporary, part-time, premium, longevity, law allowances, and garnishments.	\$128,674	2.200
Devise techniques and procedures in accordance with the statewide cash management policy for the receipt, deposit, and disbursement of moneys coming into the control and custody of the four agencies, which are designed to maximize interest-bearing investment of cash and to minimize idle and nonproductive cash balances.	\$77,204	1.300
Direct the acquisition of goods and services based on sound competitive purchasing procedures in accordance with state law, rules, and regulations.	\$180,144	3.300
Budget and allocate funds to expense categories necessary to meet program operations and objectives. Formulate and present the continuation, expansion, and capital budgets to the Office of State Budget and Management and the General Assembly.	\$167,276	3.100
Process payments to vendors and to employees in a timely manner and deposit all receipts daily in accordance with the Office of State Controller Cash Management Policy.	\$617,635	12.300
Process data for Fixed Asset Inventory Data System	\$25,735	.300
Prepare all annual financial statements and special projects as they arrive on daily basis in accordance with generally accepted accounting principles.	\$90,072	1.500
Actual Totals	\$1,286,740	24.000

Measures for the fund

	2003-04	2004-05	2005-06
Purchase orders issued	1,314	1,462	1,856
Percentage of month-end budgetary reports prepared and sent to agencies	100 %	100 %	100 %
Percentage of payments to vendors and employees made on time	99.9 %	99.9 %	98.0 %

Fund 14100-1122 Department of Administration Personnel — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$633,078	\$691,582	\$707,793	\$4,105	\$711,898	\$4,105	\$711,898
Receipts	\$6,024	\$900	\$400	\$0	\$400	\$0	\$400
Appropriation	\$627,054	\$690,682	\$707,393	\$4,105	\$711,498	\$4,105	\$711,498
Positions	11.000	10.750	11.000	-	11.000	-	11.000

Fund description

The Human Resources Management (HRM) Office provides a range of services for the Department of Administration and the Office of Lieutenant Governor. These services encompass all major areas of personnel administration in accordance with the requirements of the N.C.G.S. 126, State Personnel Act. The HRM Office is responsible for employee recruitment and selection, position management, salary administration, training and development, employee and management relations, EEO / affirmative action, safety and health, and health benefits administration.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Responds to questions and inquiries by researching problems, explaining procedures and informing parties of deadlines.	\$348,193	6.000
Creates and delivers mandatory and customized training in the Americans with Disabilities Act (ADA), Drug Free Workplace, Merit Based Recruitment, Performance Management System, and Unlawful Workplace Harassment.	\$94,962	3.000
Processes personnel action forms.	\$189,923	2.000
Actual Totals	\$633,078	11.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of new employees receiving Americans with Disability Act training	61 %	83 %	45 %
Percentage of new employees receiving Drug Free Workplace training	86 %	100 %	95 %
Percentage of new employees receiving Unlawful Workplace Harassment training	98 %	71 %	75 %

Fund 14100-1123 Office for Historically Underutilized Businesses — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,119,316	\$992,411	\$1,032,367	\$1,655	\$1,034,022	\$2,741	\$1,035,108
Receipts	\$9,940	\$1,000	\$1,000	\$0	\$1,000	\$0	\$1,000
Appropriation	\$1,109,376	\$991,411	\$1,031,367	\$1,655	\$1,033,022	\$2,741	\$1,034,108
Positions	14.000	1.000	14.000	-	14.000	-	14.000

Fund description

The Office for Historically Underutilized Businesses (HUB) serves as an advocate to increase opportunities for minority, women and persons with disabilities in state government procurement and contracting. The HUB Office works to increase the amount of goods and services acquired by state agencies from HUB vendors; works to eliminate barriers that limit HUB participation; promotes the State's online vendor registration and HUB certification; provides training to purchasers and HUB vendors; and encourages state purchasing officials to identify and utilize HUB vendors.

Services for the fund	<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
Provide certification to businesses seeking to become certified as Historically Underutilized Businesses.	\$79,903	1.000
Provide training, assistance, and outreach to HUB vendors, including conducting and/or participating in "How to do Business" sessions, vendor fairs, exhibits, business opportunity conferences, etc.	\$121,444	2.000
Provide assistance to state reporting entities on how to use the HUBSCO construction reporting system, and how to enter information. Review and compile these reports and generate comprehensive HUB reports to be submitted to the Secretary of Administration and the Governor's Office.	\$74,039	2.500
Provide training to state purchasing entities on the state's HUB program, legislation, and policies. Assist state and other public entities with identifying HUB vendors for prospective bid and contracts, and with interpreting rules and procedures. Review state entities for compliance. Research and develop policy and serve as a clearinghouse on HUB resources.	\$603,959	4.500
Assist state entities' construction managers with outreach for construction projects. Attend construction projects pre-bids and information sessions to promote HUB and good faith effort initiatives.	\$26,802	.500
Advocate for legislation and policies that promote utilization of historically underutilized businesses and eliminate barriers and constraints that prevent HUB firms from bidding and participating in state government contracting.	\$48,273	1.000
Receive and reply to communications, needs and concerns of historically underutilized businesses participating or seeking to participate in state government purchasing and contracting. Receive and reply to constituent communications, needs and concerns on behalf of the Governor or Secretary of Administration.	\$31,714	.500
Coordinate and facilitate meetings of Minority Business Capital Projects Advisory Board. Implement recommendations and suggestions of board, approved by Secretary of Administration. Coordinate and facilitate meetings of Purchasers Roundtable, comprised of state agency and university purchasers.	\$20,445	.500
Provide administrative services; manage personnel, office management and administration.	\$79,447	1.000
Develop and implement programs and initiatives to assist historically underutilized businesses. Partner with other advocacy and resource organizations to promote HUB firms and utilization of these firms in public and private sector contracting.	\$33,290	.500
Actual Totals	\$1,119,316	14.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Historically Underutilized Businesses (HUB) certifications	2,900	3,000	2,400
Training sessions offered to HUB vendors and purchasing entities	86	54	99
Training sessions to state agencies on HUBSCO Construction Reporting System	564	119	125

Fund 14100-1230 Non-Public Education — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$260,208	\$318,753	\$329,959	\$1,086	\$331,045	\$1,086	\$331,045
Receipts	\$1	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$260,207	\$318,753	\$329,959	\$1,086	\$331,045	\$1,086	\$331,045
Positions	5.000	5.000	5.000	-	5.000	-	5.000

Fund description

The NC Division of Non-Public Education is a state government monitoring agency that continually determines that non-public schools are meeting the statutory requirements of G.S. 115C-39. This is accomplished through annual on-site school inspection visits; and, by utilizing the US Postal Service, telephone and the internet.

Services for the fund

	Actual Requirements 2005-06	Actual FTEs 2005-06
Responds to questions and requests for information, provides limited school statistical data and investigates complaints about non-public schools.	\$81,676	1.750
Receives and acknowledges receipt of Notices of Intent to initially open a new school or notifications of school termination.	\$75,905	1.500
Meets annually with school administrators to determine their school's legal compliance.	\$41,542	.750
Fulfills requests from non-public school administrators for student driving eligibility certificates and processes their recommended revocations of student driving privileges.	\$38,085	.500
Maintains a division Web site with vital informational tools for local compulsory attendance enforcement and answers to over 100 of the most frequently asked non-public school related questions.	\$23,000	.500
Actual Totals	\$260,208	5.000

Measures for the fund

	2003-04	2004-05	2005-06
Schools receiving oversight by Non-Public Education	29,398	32,176	34,350
Incoming business phone calls received	22,903	24,708	25,401
Incoming parcels of business mail handled	17,504	24,836	31,578

Fund 14100-1241 Management Information Systems — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$826,624	\$895,727	\$902,622	\$341,082	\$1,243,704	\$313,672	\$1,216,294
Receipts	\$199,691	\$147,415	\$147,415	\$685	\$148,100	\$1,506	\$148,921
Appropriation	\$626,933	\$748,312	\$755,207	\$340,397	\$1,095,604	\$312,166	\$1,067,373
Positions	15.000	11.000	12.000	-	12.000	-	12.000

Fund description

The Management Information Systems division designs, develops, and implements automated solutions for all divisions within DOA. To carry out this responsibility, this division (1) researches the latest application development technology, (2) conducts feasibility studies, (3) develops, with the client, business requirements, (4) designs new business workflows, incorporating creative solutions, (5) develops and writes computer systems/programs to implement business requirements, (6) maintains the computer systems/applications, and (7) trains clients in the utilization of newly implemented technology and systems. It also designs, develops and implements Web pages for all divisions within DOA. To carry out this responsibility, this division (1) researches the latest Web presentation technology, (2) develops, with the client, page content, and (3) designs and implements Web pages in the standardized format.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Designs, builds, and maintains applications that enable the businesses within DOA to efficiently perform their functions. Performs train the trainer upon initial implementation of new systems.	\$771,516	14.000
Designs, builds and maintains Web pages that enable business within DOA to effectively share information internally and with the citizens of North Carolina.	\$55,108	1.000
Actual Totals	\$826,624	15.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
New or rewritten applications developed for the business operations of DOA	1	8	6
Applications maintained and/or supported by the division	22	20	20
Service calls received and addressed	160	160	134

Fund 14100-1264 Telecommunications Office — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$7,038,615	\$4,113,224	\$4,575,598	\$1,454,011	\$6,029,609	\$1,456,707	\$6,032,305
Receipts	\$6,530,503	\$3,520,298	\$3,957,298	\$1,455,075	\$5,412,373	\$1,455,100	\$5,412,398
Appropriation	\$508,112	\$592,926	\$618,300	(\$1,064)	\$617,236	\$1,607	\$619,907
Positions	11.960	12.000	12.000	-	12.000	-	12.000

Fund description

The mission of the Agency for Public Telecommunications (APT) is to increase public participation in government, to promote public access to government services, and to improve government efficiency through the use of telecommunications. APT fulfills that mission in three ways: (1) by producing live, public affairs, call-in programs on the Open Public Events Network (OPEN) and distributing them via satellite to North Carolina cable systems, which carry the programs as a service to their subscribers; (2) by serving as the central media production facility for state government through a full range of audio/video and Internet production services and advertising via television, radio, print, billboard, newspaper, and magazines for clients; and (3) by providing audio and video conferencing services for other public agencies to improve their efficiency and productivity in public outreach, staff development, and training.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Produce weekly, live call-in programs designed to link citizens with policy-makers for an exchange of ideas and information. Also, produce hour-long call-in programs or series of call-in programs for individual public agencies as part of their public outreach efforts (OPEN/net).	\$70,449	2.000
Provide full-motion video teleconferencing to receive sites at educational institutions and other sites across North Carolina and in other states, including network development and studio production. Also, provide conferencing by phone and fiber optic cable (Teleconferences).	\$74,678	2.000
Provide public agencies with access to state-of-the-art production services for both audio and video projects including creative development, research and script writing, location or studio taping, digital nonlinear editing, and media duplication. Also, coordinate with media outlets on behalf of clients to find the best possible placement and maximization of targeted audiences (Media Services).	\$6,634,886	2.960
Operate and maintain APT's television facility. Manage the Agency's KU-Band uplink and C-Band downlink facilities, the microwave links between APT and various Triangle locations, and the connection points between APT and several fiber optic nodes in the State Government Complex in Raleigh (Engineering).	\$258,602	5.000
Actual Totals	\$7,038,615	11.960

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
OPEN/net programs	104	108	108
Households reached	1,700,000	1,700,000	2,200,000
Audio/video productions completed	78	87	92

Fund 14100-1311 Office of State Personnel — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$7,523,757	\$8,461,730	\$8,495,707	\$205,221	\$8,700,928	\$198,737	\$8,694,444
Receipts	\$518,749	\$201,891	\$235,868	\$318	\$236,186	\$318	\$236,186
Appropriation	\$7,005,008	\$8,259,839	\$8,259,839	\$204,903	\$8,464,742	\$198,419	\$8,458,258
Positions	88.390	91.400	91.400	-	91.400	-	91.400

Fund description

The purpose of the Office of State Personnel (OSP) General Fund is to establish and maintain a modern system of human resources (HR) administration, including recruitment and selection; classification; compensation; and employee/employer relations for the state of North Carolina, under the direction of the Governor. OSP provides leadership and supports agencies and universities in creating and sustaining dynamic human resource systems to attract, retain, develop, and motivate a diverse and competent workforce. The system is based on accepted and successful principles of human resources administration used in government and industry.

Services for the fund	<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
Provide consulting services to agency and university HR offices and employees.	\$2,605,600	35.000
Monitor agency and university HR functions for compliance with applicable laws, rules, and policies.	\$1,196,961	14.000
Maintain Human Resource Information System (HRIS) database of all SPA employees.	\$1,560,000	10.000
Provide administrative, operational, and training services for OSP.	\$1,161,196	19.390
Develop and implement HR programs such as career-banding.	\$1,000,000	10.000
Actual Totals	\$7,523,757	88.390

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Employee turnover rate for state agencies	11.2 %	11.8 %	12.0 %
Percentage of agency HR actions monitored	0.0 %	28.7 %	9.5 %
Percentage of HR actions monitored that contain errors	0.0 %	6.8 %	9.4 %

Fund 14100-1411 State Construction Office — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,872,271	\$4,758,136	\$4,698,881	(\$352,521)	\$4,346,360	(\$346,275)	\$4,352,606
Receipts	\$6,487	\$950	\$950	\$0	\$950	\$0	\$950
Appropriation	\$3,865,784	\$4,757,186	\$4,697,931	(\$352,521)	\$4,345,410	(\$346,275)	\$4,351,656
Positions	52.000	53.000	53.000	-	53.000	-	53.000

Fund description

The purpose of the State Construction Office is to provide professional architectural and engineering services, management, and leadership to state agencies.

Services for the fund	<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
Manage the state's capital improvement program by setting policy, planning programs, and providing oversight to State Construction staff. Also, provide staff support to the State Building Commission.	\$332,209	6.000
Provide in-house design services and projects, monitor all project construction in the Raleigh downtown complex, and provide consulting services to other state agencies.	\$805,839	10.000
Process cost estimates and contracts relating to construction or renovation of state buildings.	\$99,639	1.500
Review and approve all plans and specifications for the construction or renovation of state buildings.	\$1,082,518	13.750
Supervise the letting of all contracts for the design, construction, or renovation of state buildings.	\$231,039	3.500
Inspect and accept all work completed and materials used in the construction or renovation of state buildings.	\$831,254	10.750
Conduct assessments of state facilities to identify deficiencies.	\$489,774	6.500
Actual Totals	\$3,872,271	52.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Capital improvement projects completed	188	172	215
Projects completed within budget	167	138	173
State buildings assessed (over 3,000 square feet in size)	826	600	627

Fund 14100-1412 State Property Office — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,967,695	\$2,259,337	\$2,314,300	(\$394,892)	\$1,919,408	(\$390,100)	\$1,924,200
Receipts	\$778,429	\$617,328	\$656,390	\$523	\$656,913	\$4,080	\$660,470
Appropriation	\$1,189,266	\$1,642,009	\$1,657,910	(\$395,415)	\$1,262,495	(\$394,180)	\$1,263,730
Positions	33.000	27.520	27.040	-	27.040	-	27.040

Fund description

The purpose of the State Property Office is to acquire and dispose of state property on behalf of state agencies by deed, lease, easement, license, or otherwise; to manage the state's unappropriated and submerged lands; and to maintain a complete and accurate inventory of state owned lands, buildings, and space in buildings for use by state agencies in managing their allocated properties in an efficient and effective matter.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Act as the real estate broker for real property transactions, including all acquisitions and disposals, for most state agencies and the university system. Evaluate the property and the agency's need for the property and negotiate the purchase.	\$876,276	14.000
Maintain a complete and accurate inventory of the state's real estate holdings.	\$421,527	5.000
Acquire conservation easements for the restoration and enhancement of streams and waterways and to mitigate environmental impact to the state's wetlands due to DOT road projects and other impacts.	\$264,917	8.000
Manage real estate leases, including processing and evaluating bids and negotiating the terms of leases. Determine space needs of state agencies.	\$404,975	6.000
Actual Totals	\$1,967,695	33.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Administrative cost as a percent of total dollar volume of acquisition and disposition transactions	1.8 %	1.7 %	2.1 %
Percentage of state land inventory updated (annual number of updates to inventory database compared to total inventory records)	8.0 %	9.0 %	9.1 %
Acres acquired for the establishment or expansion of State Parks, including natural areas	3,471	5,049	7,712

Fund 14100-1413 Commission of State Property — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$127,519	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$111,666	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$15,853	\$0	\$0	\$0	\$0	\$0	\$0
Positions	1.000	-	-	-	-	-	-

Fund description

The purpose of the Commission on State Property is to identify state-owned real property that is surplus and suitable for sale on the private market or suitable for sale and leaseback and to make recommendations concerning the disposition of that property. The commission shall consult with real estate salespersons and brokers, real estate appraisers, and other knowledgeable persons in determining its recommendations.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide administrative support (staff, services, supplies, and equipment) for the commission.	\$114,404	1.000
Conduct meetings of the commission.	\$13,115	-
Actual Totals	\$127,519	1.000

Fund 14100-1416 State Building Commission — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$8,296	\$7,373	\$8,110	\$92	\$8,202	\$92	\$8,202
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$8,296	\$7,373	\$8,110	\$92	\$8,202	\$92	\$8,202
Positions	-	-	-	-	-	-	-

Fund description

The purpose of the State Building Commission is to establish standard procedures for designer selection; coordinate plan review and approval; post occupancy evaluations, designer, and contractor evaluations; and to study and recommend ways to improve the effectiveness and efficiency of the State's capital improvement program.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide reimbursement to commission members for travel associated with conducting monthly or bi-monthly commission meetings to approve designer selections and review and improve procedures utilized in the capital improvement program.	\$8,296	-
Actual Totals	\$8,296	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Design contracts awarded by the State Building Commission	109	233	184

Fund 14100-1421 Facilities Management Division — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$24,039,685	\$25,207,762	\$25,653,824	\$487,606	\$26,141,430	\$516,107	\$26,169,931
Receipts	\$3,953,129	\$3,353,646	\$3,732,646	(\$541)	\$3,732,105	(\$541)	\$3,732,105
Appropriation	\$20,086,556	\$21,854,116	\$21,921,178	\$488,147	\$22,409,325	\$516,648	\$22,437,826
Positions	179.000	186.000	185.000	-	185.000	-	185.000

Fund description

The purpose of the Facilities Management Division is to provide a safe and healthful work environment for employees and the public in a cost effective an energy efficient manner by performing routine, preventive, and emergency maintenance to state facilities owned by and allocated to the Department of Administration. The Facilities Management Division also provides alteration services for renovations and other requests as a billed service to state agencies. This purpose is accomplished by five functional areas: Administration/Operations, Building Services, Building Systems, Construction Services, and Landscape Services.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide preventive maintenance programs and respond to routine and emergency work requests from state agencies in assigned state facilities for carpentry, electrical, elevator, fire inspection, housekeeping, HVAC, landscape, moving, pest control, plumbing, recycling, security systems, sign, warehouse, and welding trade shops.	\$6,839,134	97.000
Process alteration requests from state agencies using general construction and painting contractors in combination with in-house services.	\$141,239	4.000
Provide facility security by administering key control, card access, and alarm monitoring systems in assigned state facilities.	\$391,662	9.000
Maintain grounds and landscape areas.	\$1,259,274	28.000
Provide administrative support, vehicle maintenance, computer hardware, computer software, uniforms, safety equipment, and warehouse operations in support of division responsibilities.	\$921,860	10.000
Provide funds for pass-through utility costs for energy and related utilities (electricity, gas, #2 fuel oil, water, and sewer).	\$11,107,564	-
Provide in-house janitorial services and administer janitorial and waste management contracts for state agencies.	\$3,378,952	31.000
Actual Totals	\$24,039,685	179.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of scheduled building systems equipment items completed in the preventative maintenance program	91 %	90 %	86 %
Routine and emergency service requests received from state agencies and processed	14,634	15,428	14,308
Total cost of energy and related utilities for managed state facilities in dollars per square foot (dollars)	\$1.68	\$1.90	\$2.15

Fund 14100-1511 Purchasing and Contract — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$4,029,944	\$3,949,539	\$3,966,861	\$7,569	\$3,974,430	\$13,046	\$3,979,907
Receipts	\$401,193	\$13,429	\$13,429	\$0	\$13,429	\$0	\$13,429
Appropriation	\$3,628,751	\$3,936,110	\$3,953,432	\$7,569	\$3,961,001	\$13,046	\$3,966,478
Positions	55.000	55.000	55.000	-	55.000	-	55.000

Fund description

The purpose of this fund is to carry out the responsibility of G.S. 143-49 to : (1) canvas all sources of supply, and to purchase or contract for the purchase, lease and lease-purchase of all supplies, materials, equipment, and other tangible personal property required by the State government, or any of its departments, institutions or agencies; (2) purchase or contract for, by sealed, competitive bidding or other suitable means, all contractual services of the State government, or any of its departments, institutions, or agencies; or to authorize any department, institution or agency to purchase or contract for such services; (3) establish and enforce procurement specifications; (4) conduct compliance reviews on procurement practices at all agencies; and (5) establish and maintain a procurement card program for use by State agencies, community colleges, non-exempt constituent institutions of The University of North Carolina, and local school administrative units.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide cost effective and efficient acquisition of goods and services for state agencies, community colleges, non-exempt universities, and local administrative units in compliance with all state purchasing laws, rules and regulations.	\$2,955,180	40.400
Provide educational training sessions and conduct compliance reviews of state agencies, community colleges, non-exempt universities, and local administrative units to ensure compliance with all state purchasing laws, rules and regulations.	\$578,367	7.900
Inspect equipment for compliance with specifications upon request and as required by state purchasing laws, rules and regulations.	\$200,870	2.700
Create and maintain standard specifications and qualified products lists for state agencies, community colleges, non-exempt universities, and local administrative units.	\$295,527	4.000
Actual Totals	\$4,029,944	55.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Estimated cost savings for cost avoidance and average market savings (dollars)	\$25,073,224	\$16,993,841	\$32,663,327
Product inspections performed	445	479	505
Purchasers and vendors participating in training sessions	548	1,067	2,890

Fund 14100-1623 State Capital Police — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,413,571	\$3,368,192	\$3,345,529	\$60,923	\$3,406,452	\$63,818	\$3,409,347
Receipts	\$503,275	\$574,828	\$574,828	\$21,548	\$596,376	\$21,827	\$596,655
Appropriation	\$2,910,296	\$2,793,364	\$2,770,701	\$39,375	\$2,810,076	\$41,991	\$2,812,692
Positions	67.000	77.000	77.000	-	77.000	-	77.000

Fund description

The purpose of the State Capital Police is to provide law enforcement services to the State Government Complex. Funding provides law enforcement and support staff personnel, uniform equipment, protective law enforcement equipment, weapons, ammunition, emergency radios and communication equipment, police patrol vehicles and emergency lighting equipment, administrative office equipment, training hours, training aids, computers, and other necessary items.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Patrol state property within the defined jurisdiction through law enforcement and security officer foot and vehicular patrols to ensure safety and prevent criminal activity.	\$1,368,304	20.000
Conduct visitor and state employee security screenings at state facilities. Check visitor identification cards to confirm authenticity. Provide law enforcement and security services for special and recurring state government events. Respond to calls for services from state employees and visitors to state facilities.	\$1,547,615	38.000
Manage a 24-hour emergency communications center to effectively receive and dispatch emergency and non-emergency calls to law enforcement, fire, and rescue personnel throughout the state.	\$347,653	5.000
Provide education and awareness seminars to state employees to ensure their safety and well being while on state-owned property.	\$75,000	2.000
Conduct threat assessments at state facilities and make security enhancement recommendations to ensure the safety and security of state facilities.	\$75,000	2.000
Actual Totals	\$3,413,571	67.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Calls for service answered	10,771	15,543	16,615
Burglaries on state property per quarter	1	0	2
Arrests including DWI and other traffic violations as well as incident arrests	155	131	151

Fund 14100-1731 NC Council for Women and Domestic Violence Commission — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$823,810	\$683,088	\$697,352	(\$1,592)	\$695,760	(\$1,592)	\$695,760
Receipts	\$506	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$823,304	\$683,088	\$697,352	(\$1,592)	\$695,760	(\$1,592)	\$695,760
Positions	10.000	11.000	11.000	-	11.000	-	11.000

Fund description

The North Carolina Council for Women/Domestic Violence Commission (CFW/DVC) identifies and assesses the needs of women in North Carolina, distributes state funding for Domestic Violence, Sexual Assault, and Displaced Homemaker community-based programs across the state and provides training and technical assistance to those programs. This fund is one of five operating funds (funds 1731, 1732, 1734, 1781, and 1782) for the North Carolina Council for Women/Domestic Violence Commission.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Distribute state funding for Domestic Violence, Sexual Assault, and Displaced Homemaker community-based programs across North Carolina through grant appropriations to provide services to victims and survivors throughout the state.	\$404,762	2.200
Provide field staff personnel to monitor and assist all programs funded by the CFW/DVC to increase efficiency and effectiveness of programs and to enhance service delivery for victims/clients across the state.	\$261,904	4.500
Analyze issues and develop recommendations for the Governor, the General Assembly, and other policy-making groups on ways to improve funding for local service providers and improve the services provided to victims/clients across the state.	\$52,380	1.100
Provide information and education to the public and funded programs on issues related to domestic violence, sexual assault, displaced homemakers, and other women's issues.	\$52,380	1.100
Staff the Domestic Violence Commission by developing agenda, scheduling presenters, arranging for meeting space, recording minutes of the meeting, and attending subcommittee meetings.	\$26,192	.550
Staff the Council for Women by developing agenda, scheduling presenters, arranging for meeting space, recording minutes of the meeting, and attending subcommittee meetings.	\$26,192	.550
Actual Totals	\$823,810	10.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Domestic Violence, Sexual Assault, and Displaced Homemaker Programs funded	206	202	200
Domestic Violence and Sexual Assault victims, and Displaced Homemaker clients served	57,617	63,422	62,439
Total state appropriation for Domestic Violence, Sexual Assault, and Displaced Homemaker programs (dollars)	\$4,114,995	\$6,114,995	\$6,114,995

Fund 14100-1732 Displaced Homemakers — Base Budget

	<u>2005-06</u> <u>Actual</u>	<u>2006-07</u> <u>Certified</u>	<u>2006-07</u> <u>Authorized</u>	<u>2007-08</u> <u>Adjustments</u>	<u>2007-08</u> <u>Total</u>	<u>2008-09</u> <u>Adjustments</u>	<u>2008-09</u> <u>Total</u>
Requirements	\$1,946,074	\$1,114,694	\$1,114,693	(\$489)	\$1,114,204	(\$489)	\$1,114,204
Receipts	\$1,708,963	\$800,000	\$800,000	\$0	\$800,000	\$0	\$800,000
Appropriation	\$237,111	\$314,694	\$314,693	(\$489)	\$314,204	(\$489)	\$314,204
Positions	-	-	-	-	-	-	-

Fund description

The purpose of the Displaced Homemaker fund is to provide state grants, training and technical assistance to community-based displaced homemaker programs across the state. The displaced homemaker programs provide training and support for displaced homemakers, preparing them for the labor market. This fund is one of five operating funds (funds 1731, 1732, 1734, 1781, and 1782) for the North Carolina Council for Women/Domestic Violence Commission.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Distribute state funding for Displaced Homemaker programs across North Carolina through grant appropriations to provide services to displaced homemaker clients throughout the state.	\$1,814,117	-
Provide administrative fiscal support to monitor and assist Displaced Homemaker programs funded by the CFW/DVC to increase efficiency and effectiveness of programs and to enhance service delivery for victims/clients across the state.	\$131,957	-
Actual Totals	\$1,946,074	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Displaced Homemaker programs funded	31	27	25
Displaced Homemaker clients served	4,609	4,132	5,545

Fund 14100-1734 Rape Crisis Program — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,132,534	\$1,246,390	\$1,242,916	(\$100,785)	\$1,142,131	(\$100,785)	\$1,142,131
Receipts	\$0	\$200	\$200	\$0	\$200	\$0	\$200
Appropriation	\$1,132,534	\$1,246,190	\$1,242,716	(\$100,785)	\$1,141,931	(\$100,785)	\$1,141,931
Positions	.360	.360	.360	-	.360	-	.360

Fund description

The purpose of the Sexual Assault Program is to provide state grants, training, and technical assistance to community-based sexual assault programs that provide services for women, men, and child victims of sexual assault. This fund is one of five operating funds (funds 1731, 1732, 1734, 1781, and 1782) for the North Carolina Council for Women/Domestic Violence Commission.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Distribute state funding for Sexual Assault programs across North Carolina through grant appropriations to provide services to victims and survivors of Sexual Assault.	\$1,117,500	-
Provide field staff personnel to monitor and assist all Sexual Assault programs funded by the CFW/DVC to increase efficiency and effectiveness of programs and to enhance service delivery for victims/clients across the state.	\$15,034	.360
Actual Totals	\$1,132,534	.360

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Sexual assault programs funded in the fiscal year	73	73	73
Sexual assault victims served in the fiscal year	7,265	8,564	8,721

Fund 14100-1741 Human Relations Commission — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$615,132	\$685,757	\$670,029	(\$2,751)	\$667,278	(\$2,382)	\$667,647
Receipts	\$4	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$615,128	\$685,757	\$670,029	(\$2,751)	\$667,278	(\$2,382)	\$667,647
Positions	10.680	10.680	10.680	-	10.680	-	10.680

Fund description

The purpose of the Human Relations Commission is to provide services and programs aimed at improving relationships among all citizens of the State, while seeking to ensure equal opportunity in the areas of housing, public accommodations, education, justice, government services, and employment. Its target population includes all people whose civil rights have been violated or are perceived to have been violated. To execute these responsibilities, this division: (1) uses persuasion and legal action to enforce the State Fair Housing Act (G.S. 41A); (2) increases awareness of the State Fair Housing Act through outreach presentations conducted throughout the State; (3) promotes understanding and respect through training in diversity appreciation to governmental agencies, their staff, local human relations commissions, community-based organizations, and statewide social service and law enforcement associations; (4) detects potentially disruptive situations which could lead to group violence and effectively intervenes to prevent escalation; (5) supports and works with local autonomous human relations commissions throughout the State; and (6) serves as a clearinghouse to disseminate information concerning governmental agencies that assist in ensuring equal employment.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Enforce the North Carolina State Fair Housing Act, participate in writing and implementing the Fair Housing goals for the Comprehensive Housing Affordability Strategy (CHAS) and the Consolidated Housing Plan, and serve as a resource to Community Development Block Grant recipients in helping them develop adequate Fair Housing plans.	\$522,863	9.180
Provide staff support to North Carolina Human Relations Commission and North Carolina Martin Luther King Jr. Commission. Support and work with 57 local autonomous human relations commissions throughout the state. Serve as a clearinghouse to disseminate information concerning North Carolina's employment law to citizens.	\$92,269	1.500
Actual Totals	\$615,132	10.680

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Presentations given to local Martin Luther King Jr. Commissions and non-profit civic groups	219	202	290
Decrease in the number of hate crimes reported to local and state law enforcement agencies	243	267	160

Fund 14100-1742 Martin Luther King Commission — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$44,753	\$69,055	\$69,055	\$30	\$69,085	\$30	\$69,085
Receipts	\$259	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$44,494	\$69,055	\$69,055	\$30	\$69,085	\$30	\$69,085
Positions	-	-	-	-	-	-	-

Fund description

The purpose of the Martin Luther King Commission is to provide funds for support of the activities of the Martin Luther King Commission and to promote the agenda and philosophy of the late Dr. Martin Luther King, Jr. This commission provides grants for local Martin Luther King Commissions, nonprofit organizations, and other organizations operating under the auspices of local governments that further its cause of goodwill and equality among all citizens.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Provide funds for support of the activities of the Martin Luther King Commission and to carry out its responsibilities of promoting the agenda and philosophy of the late Dr. Martin Luther King, Jr.	\$44,753	-
Actual Totals	\$44,753	-

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Grants to nonprofits and other governmental entities	29	26	7

Fund 14100-1761 Youth Involvement Office — Base Budget

	<u>2005-06</u> <u>Actual</u>	<u>2006-07</u> <u>Certified</u>	<u>2006-07</u> <u>Authorized</u>	<u>2007-08</u> <u>Adjustments</u>	<u>2007-08</u> <u>Total</u>	<u>2008-09</u> <u>Adjustments</u>	<u>2008-09</u> <u>Total</u>
Requirements	\$776,577	\$925,223	\$919,044	\$5,168	\$924,212	\$5,492	\$924,536
Receipts	\$8,002	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$768,575	\$925,223	\$919,044	\$5,168	\$924,212	\$5,492	\$924,536
Positions	10.000	10.000	10.000	-	10.000	-	10.000

Fund description

The purpose of the Youth Advocacy and Involvement Office (YAIO) is: to promote positive programs for youth; to provide college and law students with state government internship experiences; to act as an advocate for children and youth in state and local government; to identify unmet needs of children and youth and recommend new programs or improvements in existing programs required by law; and to provide administrative and staff support for the Students Against Destructive Decisions (SADD) program and four councils: State Youth Council, Youth Advisory Council, North Carolina Internship Council, and the Governor's Advocacy Council on Children and Youth. (G.S. 143B-385-388 and G.S. 143B-414-419).

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Administer the State Government Internship Program that provides 100 paid summer internships to college and law students in state government agencies across North Carolina.	\$100,956	1.300
Act as an advocate for NC's two million children and youth in state and local government and recommend new programs and improvements to existing programs.	\$155,315	2.000
Develop and administer statewide programs and funds that benefit high school age youth through participation in community service programs.	\$62,126	.800
Enhance youth involvement in current issues by conducting an annual mock legislature, the Youth Legislative Assembly.	\$85,423	1.100
Promote statewide prevention activities that educate teens about destructive decisions, i.e., smoking, drug use, drinking and driving, teen pregnancy, youth violence, and youth suicide.	\$139,785	1.800
Cooperate and collaborate with other children and youth agencies and organizations to avoid duplication of services and to improve client services.	\$232,972	3.000
Actual Totals	\$776,577	10.000

Measures for the fund	2003-04	2004-05	2005-06
Percentage of internship participants who are "extremely satisfied" with their internship experience	90 %	92 %	93 %
Individual child and advocacy cases completed with satisfactory resolution	177	112	150
Youth exposed to positive community service experience and anti-destructive teen decision education	11,000	11,450	12,000

Fund 14100-1771 Veterans Affairs - Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$12,912,126	\$11,926,799	\$11,871,910	\$881,773	\$12,753,683	\$1,268,968	\$13,140,878
Receipts	\$4,501,882	\$5,721,335	\$5,721,335	\$660,411	\$6,381,746	\$952,742	\$6,674,077
Appropriation	\$8,410,244	\$6,205,464	\$6,150,575	\$221,362	\$6,371,937	\$316,226	\$6,466,801
Positions	86.000	89.000	89.000	-	89.000	-	89.000

Fund description

The purpose of the North Carolina Division of Veterans Affairs is to oversee all veterans service activities, to ensure full participation in all benefits programs by eligible clientele, to effectively administer the state program of scholarships for children of veterans as provided for in G.S. 165-4, and to operate three State Veterans Cemeteries. To accomplish these responsibilities, this Division administers a statewide network of offices to deal with requests for assistance related to the full range of veterans' benefits.

Services for the fund

	Actual Requirements 2005-06	Actual FTEs 2005-06
Manage activities of the State Veterans Affairs programs by formulating and administering agency policies; providing support and assistance to State veterans organizations; furnishing administrative support to the NC Veterans Affairs Commission; and monitoring veterans' issues brought before the General Assembly.	\$2,710,828	3.000
Administer the State Veterans Scholarship Program by receiving applications, determining eligibility, performing duties prescribed by law and rule, and processing awards and payments to schools.	\$6,201,525	2.000
Deliver assistance to veterans, their dependents, and survivors through District and County Veteran Service Officers and a statewide network of field offices. Provide training for County and District Service Officers.	\$2,782,991	54.000
Act as liaison between the U.S. Department of Veterans Affairs and the North Carolina Division of Veterans Affairs.	\$441,362	11.000
Provide appropriate burial services for deceased veterans and their dependents and maintain perpetual care for their burial plots, including maintenance of facilities and grounds.	\$775,420	16.000
Actual Totals	\$12,912,126	86.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Requests for assistance received by district offices from veterans, their dependents, and survivors	214,493	149,488	164,937
Claims from all field offices processed by State Service Office	48,630	48,986	48,864
Burials conducted	717	724	773

Fund 14100-1772 State Veterans' Home Program — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$13,846,213	\$11,127,341	\$14,163,987	\$1,454	\$14,165,441	\$2,038	\$14,166,025
Receipts	\$13,846,214	\$11,127,341	\$14,163,987	\$1,454	\$14,165,441	\$2,038	\$14,166,025
Appropriation	(\$1)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	4.000	4.000	4.000	-	4.000	-	4.000

Fund description

The purpose of the State Veterans' Home Program is to provide quality health care services in a professional and ethical manner, insuring the trust, confidence, and respect of the people and communities we serve; promote, advertise and publish documentation for dissemination for the North Carolina State Veterans Homes through public and organizational meetings; and administer the federal grants projects in order to offer better services to our veteran residents.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Direct, administer, and manage the statewide veteran's home program for the North Carolina Division of Veterans Affairs. Provide leadership for the development and management of the Homes' strategic plan for service delivery, including participation in policy development for the care and improvement of the lives of veterans.	\$60,928	.500
Coordinate and oversee the establishment, construction, and management of North Carolina's Veterans Homes. Work with the Federal Government and other state agencies in acquiring and monitoring grants for the construction and renovation of State Veterans' Homes.	\$13,590,314	1.500
Manage federal grants, repair and renovation projects, and miscellaneous construction projects to maintain the services and facilities; prepare budget documentation; procure equipment and supplies; seek quotes and other related information for E-Procurement purchases; request checks for services and purchases for the State Veterans Homes; and deposit all funds collected.	\$121,857	1.500
Provide services to veterans, their dependents, and survivors of veterans seeking information and assistance on claims for federal, state and local veterans' benefits and admission to the North Carolina State Veterans' Nursing Home.	\$73,114	.500
Actual Totals	\$13,846,213	4.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Repair and renovation projects completed	4	6	6
Veterans served in two existing State Veterans Nursing Homes	201	253	357

Fund 14100-1781 Domestic Violence Program — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,751,896	\$2,979,875	\$2,978,443	\$653	\$2,979,096	\$653	\$2,979,096
Receipts	\$0	\$8,500	\$8,500	\$0	\$8,500	\$0	\$8,500
Appropriation	\$2,751,896	\$2,971,375	\$2,969,943	\$653	\$2,970,596	\$653	\$2,970,596
Positions	2.640	7.640	7.640	-	7.640	-	7.640

Fund description

The purpose of the Domestic Violence Program is to provide state grants, training, and technical assistance to community-based domestic violence programs. Through this program, there are domestic violence programs for men, women, and children in all 100 counties of our state. This fund is one of five operating funds (funds 1731, 1732, 1734, 1781, and 1782) for the North Carolina Council for Women/Domestic Violence Commission.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Distribute state funding for Domestic Violence programs across North Carolina through grant appropriations to provide services to victims and survivors of domestic violence.	\$2,688,947	.500
Provide field staff personnel to monitor and assist all Domestic Violence programs funded by the CFW/DVC to increase efficiency and effectiveness of programs and to enhance service delivery for victims of Domestic Violence across the state.	\$14,532	.900
Analyze issues and develop recommendations for the Governor, the General Assembly, and other policy-making groups on ways to improve funding for local Domestic Violence service providers and improve services provided to the victims/survivors of Domestic Violence across the state.	\$14,532	.400
Provide information and education through research to the public and funded programs on issues related to domestic violence.	\$14,532	.400
Staff the Domestic Violence Commission by developing agenda, scheduling presenters, arranging for meeting space, recording minutes of the meeting, and attending subcommittee meetings.	\$14,532	.400
Oversee approval of abuser treatment programs, which must be attended and completed by domestic violence offenders as a condition of probation.	\$4,821	.040
Actual Totals	\$2,751,896	2.640

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Domestic violence programs funded	102	102	102
Domestic violence victims served	45,743	50,726	48,173

Fund 14100-1782 Domestic Violence Center — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,334,235	\$3,700,000	\$3,700,000	\$0	\$3,700,000	\$0	\$3,700,000
Receipts	\$1,345,309	\$1,350,000	\$1,350,000	\$0	\$1,350,000	\$0	\$1,350,000
Appropriation	\$1,988,926	\$2,350,000	\$2,350,000	\$0	\$2,350,000	\$0	\$2,350,000
Positions	-	-	-	-	-	-	-

Fund description

The Domestic Violence Center Fund is established in statute (G.S. 50B-9) to make grants to centers for victims of domestic violence and to The North Carolina Coalition Against Domestic Violence, Inc. As directed by statute (G.S. 161-11.2), a portion of each fee collected by a register of deeds for issuance of a marriage license is deposited into the fund. The other source of funding for domestic violence grants comes from General Fund appropriations. This fund is one of five operating funds (funds 1731, 1732, 1734, 1781, and 1782) for the North Carolina Council for Women/Domestic Violence Commission.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Distribute state appropriated funds and marriage license fee collections as grant funds to community-based domestic violence programs to operate hotlines, transportation services, community education programs, daytime services, and call forwarding services during the night.	\$3,334,235	-
Actual Totals	\$3,334,235	-

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Domestic violence funding from marriage license fees (dollars)	\$1,278,160	\$1,304,740	\$1,337,870
Domestic violence centers receiving funds	103	107	103

Fund 14100-1810 State Ethics Commission — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$204,805	\$790,927	\$772,313	(\$31,703)	\$740,610	(\$31,703)	\$740,610
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$204,805	\$790,927	\$772,313	(\$31,703)	\$740,610	(\$31,703)	\$740,610
Positions	3.000	9.000	9.000	-	9.000	-	9.000

Fund description

The State Ethics Commission is established in G.S. 138A-2 (effective October 1, 2006) as part of the State Government Ethics Act (S.L. 2006-201). The commission's purpose is to implement, administer, and enforce North Carolina's ethics and lobbying laws by providing education; issuing advisory opinions; receiving, investigating, and resolving complaints; and receiving, reviewing, and evaluating statements of economic interest (SEIs). The commission was not appointed until January 2007. Most provisions of the law did not take effect until January 1, 2007.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Develop and disseminate statements of economic interest that conform to the provisions outlined in G.S. 138A-24.	\$0	-
Evaluate statements of economic interest by comparing disclosures to official duties and notify appropriate officials on findings of (a) potential conflict of interest, (b) actual conflict of interest, or (c) no conflict of interest.	\$0	-
Develop ethics and lobbying educational materials to disseminate electronically and through personal presentation.	\$0	-
Develop a collection of relevant State laws, rules, procedures, and other information under G.S. 120C-103.	\$0	-

Develop and implement procedures to investigate and resolve complaints.	\$0	-
Develop and implement procedures to issue confidential advisory opinions.	\$0	-
Create and publish appropriate rules to implement the Ethics Act and Lobby Law.	\$0	-
Activities of the State Board of Ethics that preceded the State Ethics Commission.	\$204,805	3.000
Actual Totals	\$204,805	3.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of statements received by the annual March 15 deadline ¹			
Education seminars conducted ¹			
Formal and informal advisory opinions received and issued ¹			

¹Measures to be reported beginning in FY 2007-08.

Fund 14100-1811 Persons with Disabilities — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$357,415	\$443,729	\$439,793	(\$439,793)	\$0	(\$439,793)	\$0
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$357,415	\$443,729	\$439,793	(\$439,793)	\$0	(\$439,793)	\$0
Positions	6.280	6.280	6.280	(6.280)	-	(6.280)	-

Fund description

Governor's Advocacy Council for Persons with Disabilities (GACPD) advocates for the protection and rights of disabled citizens of North Carolina through the fiscal, administrative and programmatic support of seven annually funded Federal Grants. This fund provides administrative support for seven (7) funds supported with Federal Grant Funds (2832, 2833, 2834, 2835, 2836, 2837, and 2839).

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide protection and advocacy for individuals with traumatic brain injury.	\$5,122	.090
Provide protection and advocacy for individuals with developmental disabilities.	\$147,974	2.600
Provide protection and advocacy for individual rights.	\$59,758	1.050
Provide protection and advocacy for assistive technology.	\$7,967	.140
Provide protection and advocacy for voting accessibility.	\$569	.010
Provide protection and advocacy for individuals with mental illness.	\$126,915	2.230
Provide protection and advocacy for beneficiaries of social security.	\$9,110	.160
Actual Totals	\$357,415	6.280

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Value of all federal grant awards disbursed by and employing GACPD administrative supervision (dollars)	\$1,835,447	\$2,626,903	\$3,313,964
Federal grants received employing GACPD administrative support	7	7	7
Federal agencies providing funding	3	3	3

Fund 14100-1851 Pension - Surviving Spouse — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$12,000	\$12,000	\$12,000	\$0	\$12,000	\$0	\$12,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$12,000	\$12,000	\$12,000	\$0	\$12,000	\$0	\$12,000
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this fund is to provide a monthly pension of \$1,000 for each surviving spouse of a former Governor of North Carolina.

Fund 14100-1861 Commission on Indian Affairs — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$699,932	\$499,760	\$490,974	(\$116,039)	\$374,935	(\$115,380)	\$375,594
Receipts	\$27,007	\$2,000	\$2,000	\$0	\$2,000	\$0	\$2,000
Appropriation	\$672,925	\$497,760	\$488,974	(\$116,039)	\$372,935	(\$115,380)	\$373,594
Positions	5.990	6.000	5.980	-	5.980	-	5.980

Fund description

The purpose of the Commission of Indian Affairs is to advocate for the advancement of American Indians, Indian tribes, Indian organizations, and Indian communities located in the state of North Carolina. The division accomplishes its legislative mandate by bringing local, state, and federal resources into the state. The division administers and implements programs to address employment and training; housing; education; substance abuse and prevention; economic development; and health of American Indians and Indian communities. The division also addresses issues related to the state recognition procedures. The division aims to prevent undue hardships; assists Indian communities in social and economic development; and promotes unity among American Indians and Indian communities. The division also promotes cultural diversity in state government and the rights of American Indians to pursue cultural and religious traditions considered by them to be sacred and meaningful (G.S. 143B 404-422).

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Study, consider, accumulate, compile, assemble, and disseminate information on any aspect of North Carolina Indian Affairs.	\$116,850	1.000
Investigate relief needs of American Indians in North Carolina and provide technical assistance in the preparation of plans for the alleviation of needs.	\$116,850	1.000
Confer with appropriate officials of local, state, and federal governments and agencies of these governments, and with such congressional committees that may be concerned with Indian Affairs, to encourage and implement the coordination of applicable resources to meet the needs of North Carolina Indians.	\$175,275	1.500

Cooperate with and secure the assistance of local, state and federal governments or other agency to develop or coordinate programs designed to meet the needs of North Carolina's American Indian population.	\$58,425	.500
Act as trustee for any interest in real property that may be transferred to the commission for the benefit of state-recognized Indian tribes in accordance with a trust agreement approved by the commission.	\$29,213	.250
Review all proposed or pending state legislation and amendments to existing state legislation affecting North Carolina Indians. Conduct public hearings on matters relating to Indian Affairs and to subpoena any information or documents deemed necessary by the commission.	\$116,851	1.000
Study the existing status of recognition of all Indian groups, tribes, and communities presently existing in North Carolina. Establish procedures to provide for legal recognition for unrecognized groups by the state and initiate procedures for recognition of unrecognized groups by the federal government.	\$86,468	.740
Actual Totals	\$699,932	5.990

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
American Indian citizens who benefit from advocacy services	99,551	109,509	120,457
Percentage of commission members attending quarterly commission meetings	95 %	97 %	98 %
Percentage of management staff participating in the Annual Indian Unity Conference	50 %	55 %	60 %

Fund 14100-1881 Transition Team — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$0	\$0	\$0	\$0	\$170,000	\$170,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$0	\$0	\$0	\$0	\$0	\$170,000	\$170,000
Positions	-	-	-	-	-	-	-

Fund description

The purpose of the Transition Team fund is to account for all fiscal activities within the department associated with the transition of the Office of the Governor.

Fund 14100-1882 Governor's Inauguration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000
Positions	-	-	-	-	-	-	-

Fund description

The purpose of the Governor's Inauguration fund is to account for all fiscal activities within the department associated with the Governor's Inauguration.

Fund 14100-1900 Reserves and Transfers — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$380,631	\$117,555	\$130,328	(\$40,000)	\$90,328	(\$40,000)	\$90,328
Receipts	\$402,993	\$80,785	\$93,558	\$0	\$93,558	\$0	\$93,558
Appropriation	(\$22,362)	\$36,770	\$36,770	(\$40,000)	(\$3,230)	(\$40,000)	(\$3,230)
Positions	-	-	-	-	-	-	-

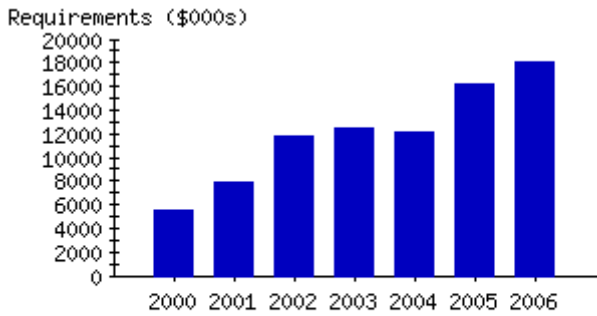
Fund description

The purpose of the Reserves and Transfers fund is to budget and transfer specific amounts of money for distribution to certain inter and intra agencies such as indirect cost, State Employee Incentive Bonus Program, etc.

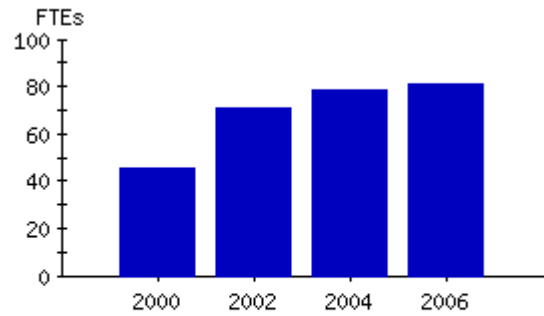
Base Budget and Results-Based Information

Budget Code 24100 Department of Administration - Special Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



State Energy Office moved from Commerce to DOA in 2001. Other growth due to increases in NC Flex program, State Energy Office, and Protection and Advocacy services.

Position increase largely due to movement of State Energy Office from Commerce to DOA in 2001.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$18,020,263	\$11,636,881	\$12,965,033	(\$1,522,888)	\$11,442,145	(\$1,522,888)	\$11,442,145
Receipts	\$18,171,973	\$11,640,738	\$12,486,531	(\$1,044,386)	\$11,442,145	(\$1,044,386)	\$11,442,145
Chng Fund Bal	\$151,710	\$3,857	(\$478,502)	\$478,502	\$0	\$478,502	\$0
Positions	80.290	75.140	76.140	(30.390)	45.750	(30.390)	45.750

Budget Code 24100 Department of Administration - Special Fund

Fund 24100-2313 Office of State Personnel Computer Lab — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$240,473	\$250,133	\$250,133	\$0	\$250,133	\$0	\$250,133
Receipts	\$244,645	\$250,133	\$250,133	\$0	\$250,133	\$0	\$250,133
Chng Fund Bal	\$4,172	\$0	\$0	\$0	\$0	\$0	\$0
Positions	2.500	2.000	2.000	-	2.000	-	2.000

Fund description

The purpose of the Office of State Personnel Computer Lab is to provide extensive computer skills training classes for state employees to enhance their ability to perform their job task. The receipt-supported fund is comprised of registration fees and related publication sales.

Services for the fund	<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
Provide Microsoft training classes to state agency employees.	\$120,180	1.250
Provide administrative services for registrations, instructors and training locations.	\$120,293	1.250
Actual Totals	\$240,473	2.500

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Participants in computer skills training sessions	4,057	3,857	3,833

Fund 24100-2314 Office of State Personnel-Supervisory Training Program — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$47,726	\$103,307	\$103,307	\$0	\$103,307	\$0	\$103,307
Receipts	\$81,429	\$103,307	\$103,307	\$0	\$103,307	\$0	\$103,307
Chng Fund Bal	\$33,703	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	.500	.500	-	.500	-	.500

Fund description

The purpose of this receipts based fund is for administration the fundamental management-training program provided to supervisors and managers. The receipt supported fund is comprised of registration fees and sale of publications related to the management training program.

Services for the fund	<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
Provide administrative services for registrations, instructors and training locations.	\$13,500	-
Contract to provide supervisory training classes to state agency employees.	\$34,226	-
Actual Totals	\$47,726	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Participants in supervisory training programs	1,262	5,915	7,125

Fund 24100-2317 Personnel Development Center User Fee — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$11,417	\$12,000	\$12,000	\$0	\$12,000	\$0	\$12,000
Receipts	\$17,096	\$12,000	\$12,000	\$0	\$12,000	\$0	\$12,000
Chng Fund Bal	\$5,679	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This center serves as a pass through account. Funds are used to pay the Department of Administration for client parking at the Personnel Development Center (PDC).

Fund 24100-2318 Professional Development and Training — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,143	\$26,886	\$26,886	\$0	\$26,886	\$0	\$26,886
Receipts	\$33,497	\$26,886	\$26,886	\$0	\$26,886	\$0	\$26,886
Chng Fund Bal	\$31,354	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this center is to pay for state employees professional development and critical skills training provided through contract. This center is supported by registration fees and related sales of publications.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Pay registration fees for professional development and critical skills training to state employees.	\$2,143	-
Actual Totals	\$2,143	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Employees trained	900	1,061	1,300

Fund 24100-2325 State Employee Incentive Bonus Program — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$47,646	\$115,525	\$119,379	\$0	\$119,379	\$0	\$119,379
Receipts	\$2,379	\$115,525	\$140,440	(\$21,061)	\$119,379	(\$21,061)	\$119,379
Chng Fund Bal	(\$45,267)	\$0	\$21,061	(\$21,061)	\$0	(\$21,061)	\$0
Positions	2.000	2.000	2.000	-	2.000	-	2.000

Fund description

The purpose of the receipts based State Employee Incentive Bonus Program (SEIBP) operating fund is for the administrative cost of coordinating the incentive bonus program. SEIBP provides financial bonuses to state employees who make suggestions/ improve processes that increase the efficiency in state government. The receipts that support the administration of SEIBP comes the savings gained from implementing approved suggestions.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Review agency approved suggestions for award purposes.	\$40,000	1.000
Market program services to state agencies and employees.	\$7,646	1.000
Actual Totals	\$47,646	2.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Suggestions approved with monetary savings	9	9	6
Total savings from approved suggestions (dollars)	\$217,216	\$1,000,864	\$141,116

Fund 24100-2326 State Employee Incentive Bonus Program-Education/Training — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$20,193	\$20,193	\$0	\$20,193	\$0	\$20,193
Receipts	\$2,379	\$20,193	\$20,193	\$0	\$20,193	\$0	\$20,193
Chng Fund Bal	\$2,379	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this center is to provide training to supervisors on effective and efficient methods of administering employee programs. The source of funds to support the training comes from the savings gained from implementing approved SEIBP suggestions.

Fund 24100-2327 NC Flex Program — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,109,678	\$1,241,013	\$2,061,891	\$0	\$2,061,891	\$0	\$2,061,891
Receipts	\$2,015,493	\$1,241,013	\$2,061,891	\$0	\$2,061,891	\$0	\$2,061,891
Chng Fund Bal	(\$94,185)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	4.000	4.000	4.000	-	4.000	-	4.000

Fund description

The purpose of the receipts based NCFlex Program operating fund is to pay for administrative cost of pre-tax benefits programs for state employees. Funds are derived from FICA savings derived from pre-tax premiums for benefit products and spending accounts.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administer program and develop benefits plans and request for proposals for plan products.	\$1,049,678	3.000
Administer and monitor third party contracts for service providers.	\$60,000	1.000
Monitor and analyze spending account activity and pay the bills. Submit invoices to state account for reimbursement.	\$1,000,000	-
Actual Totals	\$2,109,678	4.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Program participants	101,646	130,541	146,233
Total FICA savings (dollars)	\$2,961,531	\$3,704,211	\$4,094,524

Fund 24100-2328 NC Flex Contingency Fund — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$127,026	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	(\$127,026)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This is a revenue accounting fund to maintain unused employee premiums from a dormant dental plan account that was previously used under the NCFlex program.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Decrease the cost of future dental benefit plan administrative cost by paying a portion of provider administrative costs thereby lowering employee premiums.	\$127,026	-
Actual Totals	\$127,026	-

Fund 24100-2466 State Energy Program — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$6,500,466	\$3,929,105	\$3,929,105	\$0	\$3,929,105	\$0	\$3,929,105
Receipts	\$6,791,857	\$3,929,105	\$3,929,105	\$0	\$3,929,105	\$0	\$3,929,105
Chng Fund Bal	\$291,391	\$0	\$0	\$0	\$0	\$0	\$0
Positions	16.000	16.000	16.000	-	16.000	-	16.000

Fund description

The purpose of this fund is to deploy energy efficiency, renewable energy and alternative fuel programs in state government, local government, residential, industrial and commercial sectors that will address the problems and concerns of potential energy shortages, environmental pollution and the need for economic development; to develop, recommend and implement state energy policies for the effective management and use of present and future sources of energy through programs, services, and demonstrations relating to energy efficiency; to deploy energy conservation and renewable energy technologies within businesses as an economic development initiative aimed at improving the competitiveness of the business; to develop and deliver projects designed to promote technology transfer through workshops, on-site surveys and demonstrations of commercially available sustainable technologies; and to provide technical assistance to deploy energy saving capital improvements in government and education buildings.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Direct North Carolina's energy programs and services and serve as the official source for energy information and assistance for consumers, businesses, government agencies, community colleges and schools and the residential, commercial and industrial sectors.	\$1,371,040	5.000
Execute and monitor energy efficiency, renewable energy and energy conservation programs with internal and third party contracts to reduce energy usage, save energy dollars, reduce environmental pollution and promote economic development. Funding for the energy programs are distributed through aid and public assistance grant award process.	\$5,129,426	11.000
Actual Totals	\$6,500,466	16.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Energy costs avoided in state facilities with the implementation of the Utility Savings Initiative Program (\$ thousand)	\$15,234,000	\$14,156,000	\$18,705,000
Percentage reduction in gallons of gasoline used by state fleets since start of Petroleum Reduction Plan and expansion of alternative fuels usage (baseline year 2004-05)	-	0.0 %	6.47 %
Percentage reduction in annual energy costs per home when constructed as an energy efficient home under the Residential Energy Program	30 %	40 %	50 %
Energy dollars saved from industrial and commercial programs (dollars)	\$4,313,000	\$5,756,000	\$7,984,000

Fund 24100-2467 State Energy Program-Stripper Well Fees-Special Funds — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,328	\$51,505	\$51,505	\$0	\$51,505	\$0	\$51,505
Receipts	\$3,328	\$51,505	\$51,505	\$0	\$51,505	\$0	\$51,505
Chng Fund Bal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this fund is to deploy energy efficiency, renewable energy and alternative fuel programs in state government, local government, residential, industrial, commercial, and transportation sectors that operate outside of the State Energy Program formula grant. These programs will address the problems and concerns of potential energy shortages, environmental pollution, and the need for economic development.

Services for the fund

Execute and monitor energy efficiency, renewable energy and energy conservation programs with internal and third party contracts to reduce energy usage, save energy dollars, reduce environmental pollution, and promote economic development through funding for energy programs distributed through aid and public assistance grant award process. The funding for this center is provided from Federal Petroleum Violation Escrow (PVE) funds known as Stripper Well.

<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
\$3,328	-
\$3,328	-

Fund 24100-2468 State Energy Program-Revolving Loans-Special Grants — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$219,493	\$40,780	\$40,780	\$0	\$40,780	\$0	\$40,780
Receipts	\$225,246	\$40,780	\$40,780	\$0	\$40,780	\$0	\$40,780
Chng Fund Bal	\$5,753	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this fund is to offer low-interest loans to industry, commercial businesses, local government units and nonprofit organizations to install energy cost-saving capital improvements in buildings and industrial manufacturing processes, install renewable energy technologies, and provide technical assistance to deploy these improvements in local government and education agency buildings.

Services for the fund

Provide low interest loans, secured by bank letters of credit for eligible energy conservation measures for industry, commercial businesses, local governments, community colleges, K-12 school systems and non-profit organizations through the Energy Improvement Loan Program (ELP).

<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
\$219,493	-
\$219,493	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Loans executed	0	0	2
Energy costs saved over the life of the loans (\$ thousand)	\$0	\$0	\$217,230

Fund 24100-2469 DOE - Special Grants — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,037,343	\$429,196	\$429,196	\$0	\$429,196	\$0	\$429,196
Receipts	\$1,037,317	\$429,196	\$429,196	\$0	\$429,196	\$0	\$429,196
Chng Fund Bal	(\$26)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	1.000	-	-	-	-	-	-

Fund description

The purpose of this fund is to implement specific US DOE Office of Energy Efficiency and Renewable Energy deployment activities and initiatives as special projects under the State Energy Program. In North Carolina, the State Energy Office (SEO) is the only agency eligible to receive these funds, although collaborations with different state agencies and nonstate partners occur in most of these special projects. Implemented projects and activities relate to a number of programmatic areas such as building energy codes and standards, alternative fuels, industrial energy efficiency, building efficiency, and renewable energy technology. This fund is allocated to the State Energy Office on a yearly basis through a national competitive process.

Services for the fund

Apply for and secure US DOE grant funding for proposals that address specified programmatic areas. Award individual grants and employ a time limited Energy Conservation Representative II in the western North Carolina office to provide technical assistance and monitor grants awards.

Actual Totals

<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
\$1,037,343	1.000
\$1,037,343	1.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Special project grants received	11	5	6
Special grants dollars awarded to NC to fund energy programs (dollars)	\$642,771	\$360,000	\$330,697

Fund 24100-2470 Energy Special Projects — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$5,875	\$5,875	\$0	\$5,875	\$0	\$5,875
Receipts	\$0	\$5,875	\$5,875	\$0	\$5,875	\$0	\$5,875
Chng Fund Bal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this fund to deploy sustainability and energy efficiency projects which operate outside of the State Energy Program formula grant. The two projects previously funded were the NC Climate Wise project and the Solar Charging Center. The State Energy Office collaborated with the US Environmental Protection Agency (EPA) on the NC Climate Wise project and with the Department of Environmental and Natural Resources on the Solar Charging Center. Both of these projects were completed in 2005 and this funding account is no longer active.

Fund 24100-2471 State Energy Program - Old Special Project — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$24,768	\$24,768	\$0	\$24,768	\$0	\$24,768
Receipts	\$0	\$24,768	\$24,768	\$0	\$24,768	\$0	\$24,768
Chng Fund Bal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this fund was for the implementation of three specific Special Projects under the State Energy Program that were implemented before the current State Energy Program Formula grant. These projects are Rebuild America, Motor Challenge and Clean Cities. The Rebuild America project accelerated energy efficiency improvements for existing commercial, institutional, and multifamily residential buildings through private-public partnerships. The Motor Challenge project provided a training tool to facilitate energy conservation to a target audience in promoting efficient alternating current electric motors. The Clean Cities project promoted and introduced the use of alternative transportation fuels to the public and private fleet management sectors of the Triangle. This center is no longer active.

Fund 24100-2745 Fair Housing Assistance — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$341,557	\$446,323	\$446,323	\$0	\$446,323	\$0	\$446,323
Receipts	\$0	\$446,323	\$446,323	\$0	\$446,323	\$0	\$446,323
Chng Fund Bal	(\$341,557)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	7.320	5.000	5.000	-	5.000	-	5.000

Fund description

The purpose of the Fair Housing Assistance fund is to provide education and services relative to fair housing. To carry out this responsibility, this division provides training for the staff of Human Relations Commission in the enforcement of the State Fair Housing Act (G.S. Ch 41A) by sending them to annual HUD Fair Housing workshops and enforces the act through litigation and administration. Fair Housing Investigators, administrative staff and attorneys provide oversight and guidance ensuring adherence to the State and Federal Fair Housing Act.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide education and services relative to fair housing to civic organizations, real estate, and property management groups.	\$213,969	5.320
Litigate cases of fair housing discrimination.	\$127,588	2.000
Actual Totals	\$341,557	7.320

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Presentations to staff of Human Relations Commission	53	31	23
Cases closed	51	50	63
Cases waived	23	11	25

Fund 24100-2764 NC Youth Legislative Assembly Fund — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$68,822	\$81,263	\$81,263	\$0	\$81,263	\$0	\$81,263
Receipts	\$59,688	\$85,120	\$85,120	(\$3,857)	\$81,263	(\$3,857)	\$81,263
Chng Fund Bal	(\$9,134)	\$3,857	\$3,857	(\$3,857)	\$0	(\$3,857)	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of this special and non-reverting fund is to collect and distribute conference registration fees, gifts, donations, grants, or contributions to or for the NC Youth Legislative Assembly (YLA) and the NC Students Against Destructive Decisions (SADD) program. The Fund shall be used solely to support planning and execution of the YLA and SADD programs.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administer the annual Youth Legislative Assembly and SADD conference.	\$68,822	-
Actual Totals	\$68,822	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Grants, gifts, and contributions raised to support SADD & YLA conference (dollars)	\$26,764	\$24,500	\$28,850
Students and advisors participating in Youth Legislative Assembly and SADD conference	370	331	424

Fund 24100-2791 License to Give Trust Fund Commission — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,804	\$0	\$460,459	\$0	\$460,459	\$0	\$460,459
Receipts	\$464,263	\$0	\$0	\$460,459	\$460,459	\$460,459	\$460,459
Chng Fund Bal	\$460,459	\$0	(\$460,459)	\$460,459	\$0	\$460,459	\$0
Positions	-	-	-	-	-	-	-

Fund description

Established in 2004 and effective in November 2004, funds in the License to Give Trust (G.S. 20-7.4) are authorized to be used for the following purposes: (1) As grants-in-aid for initiatives that educate about and promote organ and tissue donation and health care decision making at life's end, and (2) Expenses of the License to Give Trust Fund Commission as authorized in G.S. 20-7.5.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Convene the commission's first meeting in January 2006 and establish grant criteria and guidelines for the distribution of grants-in-aid to nonprofit entities to conduct education and awareness activities on organ and tissue donation and advance care planning. Provide administrative service to support the commission.	\$3,804	-
Actual Totals	\$3,804	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Grants Awarded (\$ thousand) ¹	-	-	-
Percentage of driver's licenses with donor hearts	41.2 %	42.1 %	43.7 %
Non-living donors providing organs	194	244	256

¹The License to Give Trust Fund Commission held its first meeting in January 2006. They will begin distributing grants in 2007.

Fund 24100-2832 Traumatic Brain Injury Program — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$44,487	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$43,214	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	(\$1,273)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	.570	-	-	-	-	-	-

Fund description

Provide for statewide federally-authorized protection and advocacy system for disabled North Carolina residents as result of a traumatic brain injury (TBI). The TBI program: (1) provides case advocacy services that investigate complaints of and pursue remedies on behalf of persons with disabilities or parents of children with disabilities; (2) advocates for administrative, procedural and policy changes that impact positively on public awareness of the issues regarding persons with disabilities; and, (3) provide disability-based support, technical assistance and information and referral services.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Recommend appropriate levels of treatment, supports and affordable choice of providers for persons who have disabilities and who are insured, uninsured, regardless of whether or not they have Medicaid or Medicare and to protect them from exploitation.	\$7,804	.100
Investigate issues and, where appropriate, represent individuals with disabilities, including those with traumatic brain injury, who have lost public funding which permits them to live at home or in the least restrictive environment.	\$10,146	.130
Collaborate, with individuals with TBI and organizations, such as the Brain Injury Association of NC (BIANC) to identify and develop solutions to community integration barriers encountered by persons with TBI.	\$18,733	.240
Research conditions and trends of suspensions and homebound services that inhibit students with disabilities from receiving a free appropriate public education and to develop a report with recommendations to share with advocacy organizations, school based agencies, the Department of Juvenile Justice and other law enforcement agencies.	\$7,804	.100
Actual Totals	\$44,487	.570

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Non-case services: Information and referral services provided	2	34	-
Case services: Individuals served and cases closed due to mediation and litigation	19	80	-
Complaints under investigation at year end (including abuse, custody/parental rights, education, employment, financial benefits, guardianship, healthcare, housing, neglect, rehabilitation and transportation)	7	46	-

Fund 24100-2833 Protection & Advocacy-Individuals with Dev. Disabilities — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,296,527	\$926,394	\$926,394	(\$926,394)	\$0	(\$926,394)	\$0
Receipts	\$1,369,355	\$926,394	\$926,394	(\$926,394)	\$0	(\$926,394)	\$0
Chng Fund Bal	\$72,828	\$0	\$0	\$0	\$0	\$0	\$0
Positions	14.380	14.890	14.890	(14.890)	-	(14.890)	-

Fund description

The Protection and Advocacy for Persons with Developmental Disabilities (PADD) program: (1) provides case and advocacy services which investigate complaints of and pursue remedies on behalf of persons with disabilities or parents of children with disabilities; (2) advocates for administrative, procedural and policy changes which impact positively on persons with disabilities and improve the quality of service they receive; (3) conducts activities to increase the public awareness of the issues regarding persons with disabilities; and (4) provide disability-based support, technical assistance and information and referral services.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Participate in the development of rules for mental health facilities and long term care facilities and advocate for changes to strengthen client rights.	\$90,161	1.000
Review and track trends based on deaths reported from mental health facilities and long term health care facilities to ensure that meaningful recommendations are made and implemented.	\$90,161	1.000
Review and/or investigate incidents of deaths reported to the agency by the federally-based Center for Medicare/Medicaid Services (CMS) and the NC Division of Facility Services (DFS), and issue death investigation reports in select cases.	\$90,161	1.000
Investigate allegations of violations of the new seclusion and restraint law in public schools.	\$90,161	1.000
Advocate for a legislative and administrative change to expand the use of temporary management as described in G.S. 131E-234.	\$34,270	.380
Monitor and enforce NC DHHS implementation of the Early and Periodic Screening, Diagnosis, and Treatment Program (EPSDT), including any necessary litigation.	\$90,161	1.000
Recommend appropriate levels of treatment, supports and affordable choice of providers for persons who have disabilities and who are insured, uninsured or underinsured, regardless of whether or not they have Medicaid or Medicare and to protect them from exploitation.	\$180,322	2.000
Develop and expand a system of volunteer facility monitors to enhance rights, protections and accountability with community-based facilities.	\$135,243	1.500

Investigate issues and provide representation to those who have been denied Medicaid and/or CAP services, which permits them to live at home or in the least restrictive environment.	\$90,161	1.000
Research conditions and trends of suspensions and homebound services that inhibit students with disabilities from receiving a free appropriate public education and to develop a report with recommendations that will be shared with all appropriate advocacy organizations, school based agencies, the Department of Juvenile Justice and other law enforcement agencies.	\$180,322	2.000
Collaborate with all the law schools located in North Carolina to educate law students regarding special education laws, issues and procedures, with the ultimate goal of developing present and future attorneys to whom special education cases can be referred.	\$90,161	1.000
Investigate issues and, where appropriate, to represent individuals with disabilities who have lost public funding which permits them to live at home or in the least restrictive environment.	\$135,243	1.500
Actual Totals	\$1,296,527	14.380

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Non-case services: Information and referral services provided	1203	916	-
Case Services: Individuals served and cases closed due to mediation and litigation	245	419	-
Complaints and problem areas under investigation at year end ¹	168	360	-

¹Includes abuse, quality assurance, education, employment, childcare, guardianship, healthcare, housing, and transportation.

Fund 24100-2834 Protection and Advocacy for Individuals — Base Budget

	2005-06	2006-07	2006-07	2007-08	2007-08	2008-09	2008-09
	Actual	Certified	Authorized	Adjustments	Total	Adjustments	Total
Requirements	\$523,300	\$183,772	\$183,772	(\$183,772)	\$0	(\$183,772)	\$0
Receipts	\$548,429	\$183,772	\$183,772	(\$183,772)	\$0	(\$183,772)	\$0
Chng Fund Bal	\$25,129	\$0	\$0	\$0	\$0	\$0	\$0
Positions	1.860	2.000	2.000	(2.000)	-	(2.000)	-

Fund description

Provide for statewide federally-authorized protection and advocacy system for the assistive technology services and/or support for disabled North Carolina citizens. The Protection and Advocacy for Individuals (PAIR) program: (1) provides case advocacy services which investigate complaints of and pursue remedies on behalf of persons with disabilities or parents of children with disabilities; (2) advocates for administrative, procedural and policy changes which impact positively on persons with disabilities and improve the quality of service they receive; (3) conducts activities to increase the public awareness of the issues regarding persons with disabilities; and, (4) provide disability-based support, technical assistance and information and referral services.

Services for the fund	<u>Actual Requirements</u> 2005-06	<u>Actual FTEs</u> 2005-06
Advocate for more vigorous enforcement of residents rights by the NC Division of Facility Services.	\$53,455	.190
Recommend appropriate levels of treatment, supports and affordable choice of providers for persons who have disabilities and who are insured, uninsured or underinsured, regardless of whether or not they have Medicaid or Medicare and to protect them from exploitation.	\$53,455	.190
Make annual visits to residential facilities for individuals with mental illness, psychiatric units of private hospitals, and large community intermediate care facilities of the mentally retarded to provide annual training on client rights. Develop and expand a system of volunteer facility monitors to enhance rights protections and accountability with community-based facilities.	\$160,365	.570
Conduct quarterly workshops to inform parents about the rights of students with disabilities under federal law and investigate allegations of violations of the new seclusion and restraint law in public schools.	\$106,910	.380
Develop, publish, and dispense a handbook for students with disabilities in North Carolina colleges and universities outlining their rights and responsibilities and investigate and enforce the rights of disabled students who have been denied accommodations or not provided effective accommodations in the NC's colleges and universities.	\$106,910	.380
Investigate and enforce the rights of persons with disabilities who have been denied appropriate accommodations in the community, including electronic accessibility and assistive technology supports and services.	\$42,205	.150
Actual Totals	\$523,300	1.860

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Non-case Services: Information and referral services provided	2,088	1,520	-
Case Services: Individuals served and cases closed due to mediation and litigation	231	233	-
Problem areas/complaints concerning abuse, architectural accessibility, education, employment, program access, government and non-government services, healthcare, housing, and transportation under investigation at year end	218	218	-

Fund 24100-2835 Assistive Technology Project — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$71,874	\$95,259	\$95,259	(\$95,259)	\$0	(\$95,259)	\$0
Receipts	\$67,964	\$95,259	\$95,259	(\$95,259)	\$0	(\$95,259)	\$0
Chng Fund Bal	(\$3,910)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	1.400	2.000	2.000	(2.000)	-	(2.000)	-

Fund description

Provide for statewide federally-authorized protection and advocacy system for the Assistive Technology services and/or support for disabled North Carolina citizens. The Protection and Advocacy for Assistance Technology (PAAT) program: (1) provides case advocacy services which investigate complaints of and pursue remedies on behalf of persons with disabilities or parents of children with disabilities; (2) advocates for administrative, procedural and policy changes which impact positively on public awareness of the issues regarding persons with disabilities; and, (3) provides disability-based support, technical assistance and information and referral services.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Collaborate with the NC Association of the Deaf and others to advocate teaching American Sign Language as a language in public schools and colleges and visit and dispense agency brochures to grassroots groups in rural counties.	\$7,701	.150
Research conditions and trends of suspensions and homebound services that inhibit students with disabilities from receiving a free appropriate public education and to develop a report with recommendations to keep children who have been suspended from school and referred to the criminal justice system, in school by addressing their special education needs.	\$15,401	.300
Increase the provision of and the prompt delivery of assistive technology for students with disabilities and serve as a resource to parents by providing information and guidance on the inclusion of assistive technology in the individualized education plan.	\$12,835	.250
Investigate and enforce the rights of students and other persons with disabilities who have been denied appropriate accommodations in the community, including electronic accessibility and assistive technology supports and services.	\$23,102	.450
Provide technical assistance to persons with disabilities who allege discrimination in employment, both in hiring and in termination, including the need for electronic accessibility and assistive technology supports and services.	\$12,835	.250
Actual Totals	\$71,874	1.400

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Non-case services: Information and referral services provided	-	236	-
Case services: Individuals served and below noted cases closed due to mediation and litigation	-	37	-
Case Services: Problem areas/complaints concerning abuse, architectural accessibility, education, employment, program access, government and non-government services, healthcare, assistive technology devices/service, and transportation under investigation at year end	-	31	-

Fund 24100-2836 Protection and Advocacy Program for Voting Accessibility — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,939	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$3,040	\$0	\$0	\$0	\$0	\$0	\$0
Chng Fund Bal	\$101	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The Protection and Advocacy Program for Voting Accessibility (PAVA) monitors the state's compliance with the federal Help America Vote Act (HAVA) to ensure that individuals are able to vote both independently and privately. PAVA tracks accessibility of all phases of the voting process, including voting machines that can be used by all voting eligible persons with disabilities.

Fund 24100-2837 Protection and Advocacy for Mentally Ill — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,112,647	\$236,479	\$236,479	(\$236,479)	\$0	(\$236,479)	\$0
Receipts	\$1,122,879	\$236,479	\$236,479	(\$236,479)	\$0	(\$236,479)	\$0
Chng Fund Bal	\$10,232	\$0	\$0	\$0	\$0	\$0	\$0
Positions	11.500	10.500	10.500	(10.500)	-	(10.500)	-

Fund description

Provide for statewide federally-authorized protection and advocacy system for North Carolina citizens with mental illness. The Protection and Advocacy for the Mentally Ill program: (1) provides case advocacy services which investigate complaints of and pursue remedies on behalf of persons with disabilities or parents of children with disabilities; (2) advocates for administrative, procedural and policy changes which impact positively on persons with disabilities and improve the quality of service they receive; (3) conducts activities to increase the public awareness of the issues regarding persons with disabilities; and, (4) provide disability-based support, technical assistance and information and referral services.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Participate in the development of regulations of all Rules in G.S. 122-C and G.S. 131-D and to advocate that any changes will not reduce client rights, but strengthen them.	\$49,310	.500
Review and track trends based on deaths reported from G.S. 122-C (Mental Health Facilities) and G.S. 131-D (Long Term Health Care) facilities to ensure that meaningful recommendations are made and implemented.	\$48,334	.500
Review and/or investigate incidents of deaths reported to the agency by the federally-based Center for Medicare/Medicaid Services (CMS) and the NC Division of Facility Services (DFS), and issue death investigation reports in select cases and ensure that our recommendations are implemented.	\$96,667	1.000
Review client safety incident reports submitted by psychiatric residential treatment facilities to insure they are complying with the reporting requirements for serious occurrences, i.e. all deaths, serious injuries and suicide attempts, specified in 42 CFR 483.374.	\$96,667	1.000
Ensure that the LME's/area mental health programs are participating in an effective discharge planning process from the state psychiatric hospitals as specified in 10 NCAC 28 D. 0105.	\$96,667	1.000
Monitor and enforce NC DHHS implementation of the Early and Periodic Screening, Diagnosis, and Treatment Program (EPSDT), including any necessary litigation.	\$96,667	1.000
Advocate for and facilitate the development of legislation concerning the humane treatment of persons with mental illness when being transported by law enforcement officials and others during commitment and discharge procedures.	\$96,667	1.000
Continue to monitor the implementation of the terms of the deaf/mentally ill settlement agreement.	\$96,667	1.000
Recommend appropriate levels of treatment, supports and affordable choice of providers for persons who have disabilities and who are insured, uninsured or underinsured, regardless of whether or not they have Medicaid or Medicare and to protect them from exploitation.	\$96,667	1.000

Conduct a jail study identifying the experiences of persons with a mental illness or developmental disability in the North Carolina county jails, including their special needs, challenges/impediments and successes, when incarcerated.	\$145,000	1.500
Make annual visits to residential facilities for individuals with mental illness, psychiatric units of private hospitals, and large community ICF/MR facilities to ensure that protection and advocacy (P&A) posters are displayed, that the residents have been informed about the P&A's services, and that there is evidence of an active clients' rights committee.	\$193,334	2.000
Actual Totals	\$1,112,647	11.500

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Non-case services: Information and referral services provided	396	928	-
Case Services: Individual served and cases closed due to mediation and litigation	362	184	-
Case Services: Problem areas/complaints for abuse, alleged neglect and alleged violations of rights under investigation at year end	268	112	-

Fund 24100-2839 Rehab./Employment - Protection/Advocacy SS Beneficiaries — Base Budget

	<u>2005-06</u> Actual	<u>2006-07</u> Certified	<u>2006-07</u> Authorized	<u>2007-08</u> Adjustments	<u>2007-08</u> Total	<u>2008-09</u> Adjustments	<u>2008-09</u> Total
Requirements	\$82,190	\$80,984	\$80,984	(\$80,984)	\$0	(\$80,984)	\$0
Receipts	\$88,629	\$80,984	\$80,984	(\$80,984)	\$0	(\$80,984)	\$0
Chng Fund Bal	\$6,439	\$0	\$0	\$0	\$0	\$0	\$0
Positions	2.000	1.000	1.000	(1.000)	-	(1.000)	-

Fund description

To assist individuals with disabilities who are beneficiaries of social security and desire employment under the Ticket-to-Work Act.

Services for the fund	<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
Provide information and referrals to of Supplemental Security Income (SSI) and Social Security Disability Income (SSDI) beneficiaries with disabilities about work incentives and employment.	\$10,273	.250
Investigate and review complaints of improper or inadequate services provided to a beneficiary with a disability by a service provider, employer or other entity.	\$51,369	1.250
Provide consultation to and legal representation on behalf of beneficiaries with disabilities when such services become necessary to protect the rights of the beneficiary.	\$20,548	.500
Actual Totals	\$82,190	2.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Non-case Services: Information and referral services provided	-	20	-
Case Services: Individuals served and cases closed due to mediation and litigation	-	21	-
Case Services: Problem areas/complaints for discrimination in hiring, reasonable accommodation, service provider issues, SSDI overpayment and work incentives, and rehabilitation services under investigation at year end	-	9	-

Fund 24100-2865 Indian Talent Search — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$303,613	\$92,742	\$92,742	\$0	\$92,742	\$0	\$92,742
Receipts	\$304,820	\$92,742	\$92,742	\$0	\$92,742	\$0	\$92,742
Chng Fund Bal	\$1,207	\$0	\$0	\$0	\$0	\$0	\$0
Positions	4.500	5.000	5.000	-	5.000	-	5.000

Fund description

The Educational Talent Search Program provides counseling, financial aid assistance and post-secondary placement assistance to approximately 650 youth in order to increase their educational attainment level.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide workshops on the development of study skills and test-taking skills, time management, career exploration, and academic and career decision-making. Also, provide tutorial services for middle school students.	\$94,458	1.400
Provide academic, financial, career, and personal counseling including advice on entry or re-entry to secondary or postsecondary programs, assistance in registering and preparing for college entrance examinations and completing college admissions and financial aid applications, and campus and career site visits and cultural enrichment opportunities.	\$145,060	2.150
Provide specialized workshops such as a two-day High School Survival Skills workshop to rising 9th grader participants, a four-day College Survival Skills workshop to graduating participants, and financial aid workshops for students and parents.	\$64,095	.950
Actual Totals	\$303,613	4.500

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Student receiving at least two Educational Talent Search (ETS) program services	655	659	674
Percentage of high school senior ETS participants that graduate from secondary school during budget period	98 %	90 %	90 %
Percentage of college-ready participants that enroll in a program of postsecondary education during budget period	91 %	80 %	85 %

Fund 24100-2868 HUD Section 8 Voucher Program — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,630,484	\$2,994,978	\$3,037,939	\$0	\$3,037,939	\$0	\$3,037,939
Receipts	\$3,458,548	\$2,994,978	\$2,994,978	\$42,961	\$3,037,939	\$42,961	\$3,037,939
Chng Fund Bal	(\$171,936)	\$0	(\$42,961)	\$42,961	\$0	\$42,961	\$0
Positions	8.000	7.000	8.000	-	8.000	-	8.000

Fund description

The Section 8 Voucher Housing Assistance Program will provide rental assistance and utility assistance for 936 low-income families in the counties of Columbus, Granville, Halifax, Hoke, Person, Sampson and Warren and the program will be administered in accordance with DOA and HUD regulations.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Process rental assistance contract payments monthly with funding through an Annual Contribution Contracts with the US Department of Housing and Urban Development (HUD).	\$3,134,573	.250
Process utility assistance payments monthly for low-income families in Columbus, Granville, Halifax, Hoke, Person, Sampson and Warren counties.	\$80,946	.250
Perform annual re-certifications of eligibility, screen new applicants to determine eligibility, maintain a waiting list of eligible applicants, execute rental contracts and recruit prospective landlords.	\$266,764	5.000
Conduct an annual inspection of 936 privately owned rental units to determine if they meet HUD Housing Quality Standards.	\$148,201	2.500
Actual Totals	\$3,630,484	8.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Housing rental vouchers processed for payment annually	11,175	10,825	10,960
Administrative fees earned annually (dollars)	\$482,544	\$468,096	\$444,208
Housing assistance payments annually (dollars)	\$3,054,786	\$3,052,577	\$3,215,520

Fund 24100-2884 Workforce Investment Act Program - Indian Affairs — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$191,280	\$248,401	\$248,401	\$0	\$248,401	\$0	\$248,401
Receipts	\$186,478	\$248,401	\$248,401	\$0	\$248,401	\$0	\$248,401
Chng Fund Bal	(\$4,802)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	3.260	3.250	3.250	-	3.250	-	3.250

Fund description

The American Indian Workforce Development program authorized by Section 166 of the Workforce Investment Act provides job training and employment opportunities for low income, unemployed, and underemployed American Indians; and assures that training and other services lead to maximum employment opportunities to enhance self-sufficiency.

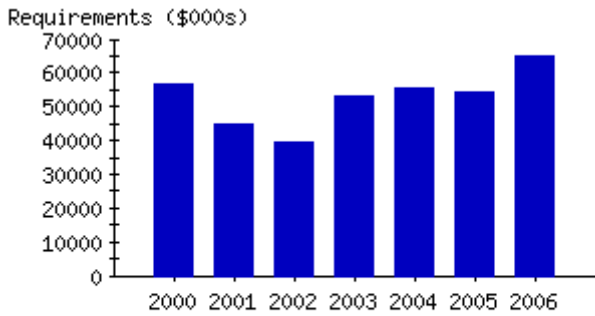
Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide vocational and basic skills training assistance to American Indians with the objective of obtaining marketable skills and the necessary credentials to compete in the workforce.	\$78,624	1.340
Provide subsidized work experience for low-income American Indian adults with objectives of increasing job performance ability and providing gainful employment.	\$29,925	.510
Provide job search and placement assistance services for unemployed American Indians.	\$44,006	.750
Provide general employment and training advocacy for North Carolina's American Indian tribes and population through a process of networking, collaborating with Job Link Career Centers, other nationally administered workforce development programs, and local services providers (public and private).	\$38,725	.660
Actual Totals	\$191,280	3.260

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of program participants placed in jobs (US Department of Labor's Entered Employment Rate performance measure for the Section 166 Indian WIA Program)	80.8 %	63.2 %	69.7 %
Percentage of program participants experiencing positive outcomes as defined by the US Department of Labor, including job placements (US Department of Labor's Positive Termination Rate for Section 166 Indian WIA Program)	92.3 %	84.2 %	90.9 %
Percentage of program participants whose academic and occupational skill levels improved as defined by attaining 1 or more of 5 predefined employability enhancements (US Department of Labor's Employment Enhancement Rate for Section 166 Indian WIA Program)	34.6 %	52.6 %	39.4 %

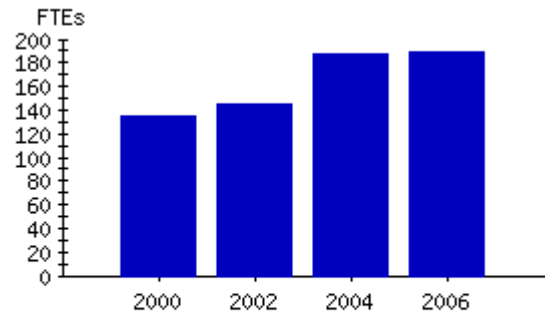
Base Budget and Results-Based Information

Budget Code 74100 Department of Administration - Internal

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Increase largely due to the creation of the Mail Service Center.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$64,677,509	\$58,800,495	\$60,086,159	\$37,646	\$60,123,805	\$50,969	\$60,137,128
Receipts	\$58,854,114	\$58,801,835	\$60,087,499	\$36,306	\$60,123,805	\$49,629	\$60,137,128
Chng Fund Bal	(\$5,823,395)	\$1,340	\$1,340	(\$1,340)	\$0	(\$1,340)	\$0
Positions	188.750	191.250	192.250	-	192.250	-	192.250

Budget Code 74100 Department of Administration - Internal

Fund 74100-7211 Motor Fleet Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$48,859,733	\$41,878,962	\$43,135,100	\$6,902	\$43,142,002	\$10,643	\$43,145,743
Receipts	\$43,424,019	\$41,878,962	\$43,135,100	\$6,902	\$43,142,002	\$10,643	\$43,145,743
Chng Fund Bal	(\$5,435,714)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	48.000	46.000	46.000	-	46.000	-	46.000

Fund description

The Motor Fleet Management Division serves North Carolina state employees by acquiring, maintaining, storing, repairing, replacing, and supplying passenger vehicular transportation needed for the performance of official duties, in the most efficient and cost effective way. Motor Fleet Management develops, coordinates, and enforces state policy regarding the use of state-owned vehicles.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Supply state agencies and universities with vehicular transportation for temporary, agency, and permanent assignments. Assign, process, monitor, and reconcile vehicle travel logs, fleet fueling cards and card purchases. Maintain database for mileage depreciation and gas usage cost.	\$1,139,552	6.000
Acquire replacement vehicles as dictated per depreciation (vehicle driven at least 100,000 plus miles) and available funding via awarded state purchase contracts. Initiate process of order quantities followed by purchase requisitions for approval. Process delivery, sales taxes, tags and fees, insurance and exchange of replacement vehicles to temporary, agency, and permanent assignments. Initiate notification to State Surplus Property of available vehicles for disposal.	\$29,767,492	4.000
Perform regular preventive maintenance on state temporary vehicles while authorizing preventive maintenance statewide for other assigned vehicles. Authorize, monitor, and reconcile billing for repair to fleet vehicles statewide. Maintain cleanliness of vehicles, provide secure storage and maintain fuel storage for refueling. Prepare depreciated vehicles for transfer to State Surplus Property for disposal.	\$17,952,689	38.000
Actual Totals	\$48,859,733	48.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of annual repair cost to total operating cost	9 %	9 %	7 %
Percentage of annual gasoline cost to total operating cost	17 %	25 %	25 %
Percentage of permanently assigned vehicles used annually	91 %	92 %	93 %

Fund 74100-7215 State Surplus Property — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,768,403	\$1,612,620	\$1,642,146	\$1,354	\$1,643,500	\$4,080	\$1,646,226
Receipts	\$1,589,924	\$1,612,620	\$1,642,146	\$1,354	\$1,643,500	\$4,080	\$1,646,226
Chng Fund Bal	(\$178,479)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	29.500	29.750	30.750	-	30.750	-	30.750

Fund description

State Surplus Property is responsible for the sale and disposition of all vehicles, supplies, materials, and equipment owned by the state and declared as surplus. Facilitation of the process requires collection, storage, management, and government of property owned by state agencies to be made available to other state agencies. Access to available property is granted to political subdivisions and qualifying non profit organizations, first and second respectively, prior to general public access. Programs supported within the agency include, State Surplus Recycling (7215-2151), Computer Recycling (7215-2152), Outside Store Sales (7215-2153) and Drug Seizure (7215-2154).

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administer all services associated with the disposal of property declared surplus including marketing and fiscal policies; comply with state policies on the transfer, title, disposal, and recycling; and train staff in policies and procedures.	\$426,860	6.500
Provide services to facilitate the transportation and storage of property seized by the NC DOR that is pending final decisions by NC Judicial system authorizing sale or return of property.	\$304,896	5.000
Provide services to accommodate the disposal of computers and computer related equipment declared surplus and prepare for usage or disposal in accordance to federal, state, local, and county technology guidelines.	\$182,938	3.000
Facilitate access and acquisition of property, with a market value less than \$100 declared surplus, by the public when the needs of state agencies have been fulfilled.	\$182,938	3.000
Facilitate access to property declared surplus to nonprofit agencies, political subdivisions, and the public when the needs of state agencies have been satisfied. Operate a retail store in Raleigh, NC, and five other authorized retail stores in universities across the state to sell items such as office furnishings, kitchen equipment, and automotive parts.	\$365,875	6.000
Facilitate access to motorized vehicles declared surplus for nonprofit organizations, counties, and municipalities prior to granting access to the public to maximize returns to state agencies and upholding NC DOT guidelines.	\$182,938	3.000
Facilitate access to outside vendor services supporting the disposal of non-biodegradable products through environmentally safe and economically efficient means in compliance with federal, state, local, or county recycle guidelines.	\$121,958	3.000
Actual Totals	\$1,768,403	29.500

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of vehicle disposals to all vehicles declared as surplus	59 %	63 %	57 %
Percentage of miscellaneous property disposals to all miscellaneous property declared as surplus (excluding vehicles and computers)	41 %	27 %	43 %
Percentage of State Surplus accepted bids declined by bidder after acceptance to total bids by State Surplus	-	-	15 %

Fund 74100-7218 Mail Service Center — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,832,533	\$4,274,750	\$4,274,750	\$12,055	\$4,286,805	\$15,562	\$4,290,312
Receipts	\$3,770,034	\$4,274,750	\$4,274,750	\$12,055	\$4,286,805	\$15,562	\$4,290,312
Chng Fund Bal	(\$62,499)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	84.000	85.500	85.500	-	85.500	-	85.500

Fund description

The Mail Service Center provides a full range of postal needs to and from all state agencies, providing the highest quality service in the most cost efficient manner and with the highest degree of customer satisfaction.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Transport odd size freight, which would have been rejected by USPS, FedEx, and UPS, thereby insuring state agencies abilities to perform their required functions.	\$198,142	8.000
Provide protection against the receipt of explosive material and other terrorist threats by screening all incoming USPS, FedEx, and UPS mail before effecting delivery to state agencies.	\$49,056	2.000
Provide discounts to USPS rates on all first class correspondence by consolidating each agency outgoing mail and processing it on the JetStar sorter.	\$148,702	6.000
Provide each state agency a 50-65% savings on all processing and delivery service from and to each state agency by eliminating the need of USPS for these services.	\$1,963,406	38.000
Utilize the unique zip code established by USPS for all state agencies through mail center consolidation to reduce the state's need for staffing, equipment, and floor space, thereby reducing the cost related to these resources.	\$1,473,227	30.000
Actual Totals	\$3,832,533	84.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Annual pieces processed per FTE	79,725	93,813	78,815
Percentage of total mail processed that is sorted for discount ¹	76.6 %	74.6 %	74.5 %

¹Mail sorted for discount is sorted by the JetStar sorter, and is metered not stamped. This allows mail to be sent for \$0.308, not \$0.390, per item.

Fund 74100-7251 State Parking System — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,380,311	\$1,605,389	\$1,605,389	\$9,905	\$1,615,294	\$13,029	\$1,618,418
Receipts	\$1,378,768	\$1,605,388	\$1,605,388	\$9,906	\$1,615,294	\$13,030	\$1,618,418
Chng Fund Bal	(\$1,543)	(\$1)	(\$1)	\$1	\$0	\$1	\$0
Positions	12.750	13.750	13.750	-	13.750	-	13.750

Fund description

The purpose of the State Parking System is to provide cost effective automobile parking in designated areas to meet the needs of state employees, elected state government officials, and general visitors. State Parking maintains accurate accountability of an ongoing computerized system of 8,700+ parking spaces in accordance with state law G.S. 143-340(18) and (19) and state rules and regulations. The State Parking System monitors visitor lots and assures good public relations with visitors and volunteers to the State Government Complex.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administer, monitor, and control existing parking spaces for state agencies.	\$531,132	2.250
Maintain database of space assignments, revenue, and payables.	\$63,899	1.250
Administer, monitor, and control visitor parking spaces including staffing of ticket booths, collecting and securing parking fees, accounting for and preparing submittal for deposit process by DOA Fiscal Management.	\$404,184	8.500
Coordinate inspections, maintenance, and repairs to all parking lots and decks.	\$381,096	.750
Actual Totals	\$1,380,311	12.750

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of parking spaces pro-rated and allotted to state agencies	-	-	96 %
Percentage of parking spaces out of service or not allotted	-	-	4 %
Percentage of rented visitor spaces to total visitor space capacity ¹	-	-	44 %

¹Actual receipts compared to potential receipts were 44% due in part to the magnitude of requests for validated parking.

Fund 74100-7310 Federal Surplus Property — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$492,908	\$656,953	\$656,953	\$3,271	\$660,224	\$3,496	\$660,449
Receipts	\$328,627	\$658,294	\$658,294	\$1,930	\$660,224	\$2,155	\$660,449
Chng Fund Bal	(\$164,281)	\$1,341	\$1,341	(\$1,341)	\$0	(\$1,341)	\$0
Positions	8.500	9.250	9.250	-	9.250	-	9.250

Fund description

Federal Surplus Property is responsible for the distribution of federal surplus property to eligible North Carolina public agencies, including state, county, and local governments, non-profit educational and public health institutions, and Small Business Administration (SBA) contractors. Distribution requires identification and relocation of property using various resources to identify property available and understand customer needs. The agency also facilitates the relocation, storage, and preparation of property to fulfill the service needs of eligible "donees". Programs (RCC) supported within the program include Federal Surplus Administration (7310-3101), Federal Surplus Warehouse (7310-3102) and Federal Surplus Transportation (7310-3103).

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Administer General Services Administration (GSA) federal property disposal program including screening of applicants, declaring needs of property as an economical resource for customers deemed "eligible donee" by federal surplus guidelines, and ensuring ongoing compliance with the usage and retention of property.	\$219,072	3.500
Provide resources to store, maintain, and physically restore property to operable status after disposition by federal government and prior to transfer to "donee".	\$109,534	2.000
Travel to designated locations to review and transport property declared surplus and relocate that property to holding site prior to disposal to eligible "donee".	\$164,302	3.000
Actual Totals	\$492,908	8.500

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of eligible donees responding to compliance letters who verify eligibility within the identified guidelines	100 %	100 %	100 %
Percentage of donee or agency responses to compliance letters returned within 30 days of mailing by Federal Surplus Property that verify eligibility and remain in compliance	95 %	95 %	95 %

Fund 74100-7511 Temporary Solutions Program — Base Budget

	<u>2005-06</u> <u>Actual</u>	<u>2006-07</u> <u>Certified</u>	<u>2006-07</u> <u>Authorized</u>	<u>2007-08</u> <u>Adjustments</u>	<u>2007-08</u> <u>Total</u>	<u>2008-09</u> <u>Adjustments</u>	<u>2008-09</u> <u>Total</u>
Requirements	\$8,343,621	\$8,771,821	\$8,771,821	\$4,159	\$8,775,980	\$4,159	\$8,775,980
Receipts	\$8,362,742	\$8,771,821	\$8,771,821	\$4,159	\$8,775,980	\$4,159	\$8,775,980
Chng Fund Bal	\$19,121	\$0	\$0	\$0	\$0	\$0	\$0
Positions	6.000	7.000	7.000	-	7.000	-	7.000

Fund description

The purpose of the receipts based Temporary Solutions Fund is to provide temporary staffing services to state agencies. Temporary Solutions does this through providing a fee-based service that connects qualified temporary employees to state agencies in need of assistance.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Maintain database of temporary employee applications.	\$443,621	3.000
Provide administrative services for assigning temporaries to agencies to fulfill agency time-limited needs including payment of temporary salaries.	\$7,900,000	3.000
Actual Totals	\$8,343,621	6.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of job requests filled	98 %	98 %	97 %

Office of the State Controller

Mission

It is the mission of the Office of the State Controller to: Ensure proper financial reporting and accounting for all state agencies and institutions by providing leadership, guidance, and consulting in all accounting matters. Maximize the cash availability and ensure compliance with all applicable state and federal requirements by providing an effective statewide cash management system. Ensure that all state employees are accurately paid on a timely basis by providing an effective central payroll system and leadership, and guidance and support to all payroll functions in state government. Encourage an enterprise approach to the business systems of state government, including the use of electronic commerce, where practical. Promote best business practices in the management of state resources.

Goals

Insure that Generally Accepted Accounting Principles (GAAP) and GASB standards are met through the full implementation and continuous operation of the comprehensive North Carolina Accounting System.

Fulfill our statutory responsibilities to insure that State appropriations are expended, accounted for, and reported consistently with policies adopted by the Governmental Accounting Standards Board (GASB) and without influence from external sources.

Implement and expand the state's electronic commerce program specifically as it pertains to payments in an effort to shift away from a paper-based environment, for both outbound and inbound payments.

Implement risk mitigation statewide, including Foreign Nationals program.

Modernize and standardize key business processes through the implementation of BEACON (Building Enterprise Access for NC's Core Operation Needs) to better manage our human, financial, and information resources.

Governor's Recommended Adjustments to Base Budget

Office of the State Controller (14160)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$20,724,163	\$20,747,670
Receipts	<u>\$77,680</u>	<u>\$77,680</u>
Appropriation	\$20,646,483	\$20,669,990
Adjustments		
Requirements	\$171,043	\$165,043
Receipts	-	-
Appropriation	\$171,043	\$165,043
Total		
Requirements	\$20,895,206	\$20,912,713
Receipts	<u>\$77,680</u>	<u>\$77,680</u>
Recommended Appropriation	<u>\$20,817,526</u>	<u>\$20,835,033</u>
<hr/>		
Positions		
Base Budget Positions	140.500	140.500
Reductions	-	-
Expansion	<u>2.000</u>	<u>2.000</u>
Recommended Positions	<u>142.500</u>	<u>142.500</u>

Appropriation Items -- Recommended Adjustments

Expansion

2007-08 2008-09

Office of the State Controller - General

1. Statewide Internal Control Compliance Program

Funding is recommended for two State Management Analysts in Risk Mitigation Services to perform internal control compliance reviews in accordance with statutory provisions. Funding will include operating support for professional education and specialized training.

Appropriation	\$165,043	\$165,043
Appropriation - Nonrecurring	\$6,000	-
Positions	2.000	2.000

Total Recommended Expansion

2007-08 2008-09

Recurring

Requirements	\$165,043	\$165,043
Receipts	-	-
<hr/>		
Appropriation	\$165,043	\$165,043
Positions	2.000	2.000

Nonrecurring

Requirements	\$6,000	-
Receipts	-	-
<hr/>		
Appropriation	\$6,000	-
Positions	-	-

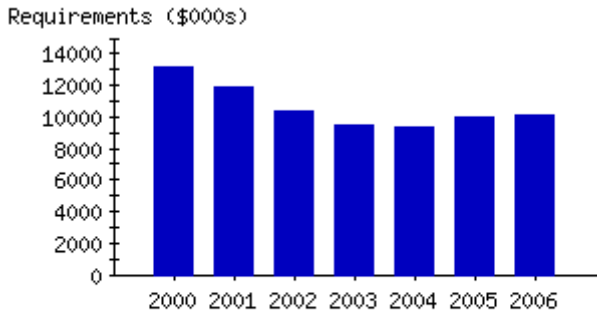
**Total Recommended Adjustments for
Office of the State Controller (14160)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$165,043	\$165,043
Receipts	-	-
	\$165,043	\$165,043
Appropriation	\$165,043	\$165,043
Positions	2.000	2.000
Nonrecurring		
Requirements	\$6,000	-
Receipts	-	-
	\$6,000	-
Appropriation	\$6,000	-
Positions	-	-
Total Appropriation Adjustments	\$171,043	\$165,043
Total Position Adjustments	2.000	2.000

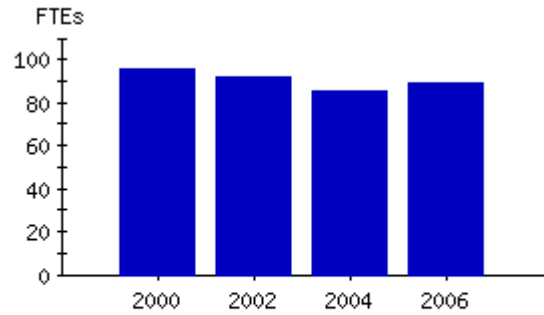
Base Budget and Results-Based Information

Budget Code 14160 Office of State Controller - General Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Decreases largely due to budget reductions by General Assembly.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$10,141,373	\$20,795,414	\$20,666,109	\$58,054	\$20,724,163	\$81,561	\$20,747,670
Receipts	\$285,407	\$206,985	\$77,680	\$0	\$77,680	\$0	\$77,680
Appropriation	\$9,855,966	\$20,588,429	\$20,588,429	\$58,054	\$20,646,483	\$81,561	\$20,669,990
Positions	88.750	136.500	140.500	-	140.500	-	140.500

Budget Code 14160 Office of State Controller - General Fund

Services for the budget code	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Design and implement business processes for the North Carolina Accounting System (NCAS). Develop and prescribe financial management policies and procedures for agency use with the NCAS system. Provide client (agency) support for using the NCAS system, including training. Provide technical and functional system administration of the NCAS system and information access.	\$5,183,269	42.000
Maintain accounting control and uniform statewide financial data. Provide timely and consistent financial reporting. Provide leadership and consulting in accounting matters, conduct research, and ensure compliance. Provide cash management (statewide appropriation and allotment control) and timely and consistent disbursement of state funds through agency disbursing agreements.	\$1,993,451	26.000
Provide personnel, fiscal and purchasing services for the Office of the State Controller and public information about the office operations and services. Provide risk mitigation services including administration of the Statewide Internal Control Program, Payment Card Industry security compliance, continuity of operations planning and testing, and various reviews and special investigations. Provide policy and tools for statewide e-commerce implementation.	\$2,174,207	12.750
Maintain existing Central Payroll System operations.	\$790,446	8.000
Actual Totals	\$10,141,373	88.750

Measures for the budget code	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
State Auditor Clean Opinion (Yes = 1, No = 2)	1	1	1
Government Finance Officers Association's Certificate of Achievement (Yes = 1, No = 2)	1	1	1
Percentage of agencies meeting prescribed guidelines for month-end closeout and timely reporting	65 %	68 %	61 %
Percentage of agency Cash Management Plans submitted and approved	85 %	85 %	92 %
Agencies implemented on Windstar (Foreign Nationals) program	8	48	330
Transactions using e-commerce: Merchant Card Services	2,078,000	2,842,000	3,673,000
Transactions using e-commerce: ACH payments	5,600,000	5,725,000	6,000,000

Fund 14160-1000 Office of State Controller — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$10,141,373	\$20,795,414	\$20,666,109	\$58,054	\$20,724,163	\$81,561	\$20,747,670
Receipts	\$285,407	\$206,985	\$77,680	\$0	\$77,680	\$0	\$77,680
Appropriation	\$9,855,966	\$20,588,429	\$20,588,429	\$58,054	\$20,646,483	\$81,561	\$20,669,990
Positions	88.750	136.500	140.500	-	140.500	-	140.500

Fund description

The purpose of the Office of the State Controller with respect to the subprogram of financial management is to properly safeguard the state's assets and ensure that financial information is timely, consistent, fully integrated, easily accessible, and accurate. To that end, OSC prescribes and maintains the North Carolina Accounting System along with its functional management reports, enforces the manner in which disbursements are made, operates the state's central payroll system, and provides reliable periodic financial reports, including the state's Comprehensive Annual Financial Report. Special efforts will be concentrated on maintaining the Certificate of Achievement for Excellence in financial reporting, and implementation of e-commerce initiatives, risk mitigation services, and the BEACON program.

Department of Revenue

Mission

Administer the tax laws and collect the taxes due the state in an impartial, uniform, and efficient manner.

Goals

Improve constituent services by expanding e-business services to taxpayers and other stakeholders thereby making it easier for North Carolina citizens to comply with tax laws and conduct business with the Department of Revenue.

Improve agency efficiency and effectiveness through the use of technology to improve business processes within the Department of Revenue.

Maximize tax law compliance and revenue collection by viewing its relationship with taxpayers as a partnership in which Department of Revenue staff and taxpayers work together to resolve tax problems at the earliest point possible.

Governor's Recommended Adjustments to Base Budget

Department of Revenue (14700)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$110,908,562	\$111,020,105
Receipts	<u>\$23,289,316</u>	<u>\$23,308,479</u>
Appropriation	\$87,619,246	\$87,711,626
Adjustments		
Requirements	-	-
Receipts	-	-
Appropriation	-	-
Total		
Requirements	\$110,908,562	\$111,020,105
Receipts	<u>\$23,289,316</u>	<u>\$23,308,479</u>
Recommended Appropriation	<u>\$87,619,246</u>	<u>\$87,711,626</u>
<hr/>		
Positions		
Base Budget Positions	1,523.500	1,523.500
Reductions	-	-
Expansion	-	-
Recommended Positions	<u>1,523.500</u>	<u>1,523.500</u>

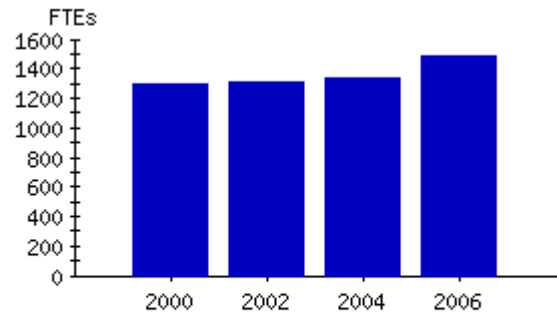
Base Budget and Results-Based Information

Budget Code 14700 Revenue - General

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$100,454,936	\$110,178,567	\$110,593,625	\$314,937	\$110,908,562	\$426,480	\$111,020,105
Receipts	\$19,129,989	\$22,840,277	\$23,255,335	\$33,981	\$23,289,316	\$53,144	\$23,308,479
Appropriation	\$81,324,947	\$87,338,290	\$87,338,290	\$280,956	\$87,619,246	\$373,336	\$87,711,626
Positions	1,485.250	1,520.500	1,523.500	-	1,523.500	-	1,523.500

Budget Code 14700 Revenue - General

Fund 14700-1600 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,853,226	\$1,751,517	\$1,966,042	\$33,223	\$1,999,265	\$36,312	\$2,002,354
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$1,853,226	\$1,751,517	\$1,966,042	\$33,223	\$1,999,265	\$36,312	\$2,002,354
Positions	23.000	20.000	23.000	-	23.000	-	23.000

Fund description

The purpose of Administration is to establish departmental policies, to provide direction in the administration of all tax laws, and to oversee departmental operations in order to ensure compliance with the revenue laws of North Carolina. Additional functions provided, include internal audit, oversight and delivery of employee training, hearing of tax matters, enterprise project management, strategic planning with department personnel and communications with the media.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Set agency policies and departmental direction in administering the revenue laws of North Carolina and operating the agency.	\$483,451	6.000
Conduct administrative tax hearings for taxpayers protesting tax liability determination.	\$145,035	1.800
Perform administrative support functions for senior executives.	\$257,840	3.200
Communicate with citizens and the media regarding important issues and tax information.	\$161,150	2.000
Conduct internal reviews of departmental operations to encourage efficiency and adherence to statutory and departmental duties, policies, and responsibilities.	\$161,150	2.000
Provide training to department employees that enhances their ability to perform assigned duties.	\$402,875	5.000
Provide program management for agency initiatives to ensure timely completion and cost containment for enterprise projects.	\$241,725	3.000
Actual Totals	\$1,853,226	23.000

Measures for the fund

	2003-04	2004-05	2005-06
Percentage of administrative hearings held within statutorily mandated period	100 %	100 %	100 %
Level of employee satisfaction with agency-led training classes (a score of 5 indicates that attendees "strongly agree" that training needs were met)	4.85	4.81	4.71

Fund 14700-1602 Security — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,488,189	\$1,084,475	\$1,181,592	(\$23,431)	\$1,158,161	(\$23,088)	\$1,158,504
Receipts	\$7,823	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$1,480,366	\$1,084,475	\$1,181,592	(\$23,431)	\$1,158,161	(\$23,088)	\$1,158,504
Positions	18.000	18.000	19.000	-	19.000	-	19.000

Fund description

The purpose of Security is to develop and maintain an integrated program for the physical protection of all agency personnel and information technology systems from unauthorized access, modification, disclosure and intentional or unintentional loss or destruction.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administer new hire activities for the department by conducting background checks, providing information session on disclosure and security, giving employees access to secure areas in the building (badge access), and developing, evaluating and enforcing security policies and procedures.	\$141,732	2.000
Investigate security incidents, criminal acts, internal and external digital and physical threats against the department.	\$106,299	1.500
Conduct product assessments to determine security of proposed software, hardware and equipment purchases.	\$35,433	.500
Manage the department's intrusion detection systems by proactively protecting the integrity, confidentiality, and availability of information in the custody of or processed by the department.	\$106,299	1.500
Ensures compliance with federal and state statutory and regulatory requirements through training of personnel; assisting application developers during programming; and working with IT personnel research, evaluate, design, test, and recommend new or improved physical security hardware, software, or devices.	\$35,433	.500
Provide around-the-clock physical security support for department personnel in the department's headquarters. Monitor alarms in departmental facilities statewide.	\$1,062,993	12.000
Actual Totals	\$1,488,189	18.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of outside attacks against the department's web servers that were diverted or stopped without damage to the systems	-	100 %	100 %
Percentage of viruses and spyware that attacked departmental systems and were stopped or resolved without damage to the system	80 %	95 %	100 %
Percentage of down-time by department's internal network due to outside threats	5 %	0.0 %	0.0 %

Fund 14700-1603 Human Resources — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$589,605	\$561,680	\$615,302	\$55,187	\$670,489	\$56,454	\$671,756
Receipts	\$3,345	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$586,260	\$561,680	\$615,302	\$55,187	\$670,489	\$56,454	\$671,756
Positions	10.000	9.000	10.000	-	10.000	-	10.000

Fund description

The purpose of Human Resources is to provide assistance related to pay, benefits, job opportunities, employee assistance programs, and workplace policies to all departmental employees. Human Resources also provides consultation to managers and supervisors, including administrative and technical support in recruitment, salary administration, employee relations, benefits, classification, and policy, in order to achieve a competent and highly motivated workforce.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administer a variety of benefits programs for all department employees.	\$99,757	2.000
Administer a recruitment program to ensure staffing needs are met throughout the department for both permanent and temporary workforce needs. Services include assisting managers in defining recruitment needs, advertising vacancies, receiving and screening employment applications, attending recruitment/job fairs, and providing management consultation on all related policies and procedures.	\$97,150	2.000
Administer an employee relations program for departmental managers and employees (1,520 total staffing), including consultation, review, and approval for employee disciplinary actions; administration of applicable procedures; guidance to employees regarding grievance rights and procedures; and maintenance of departmental HR policies/Employee Handbook.	\$117,863	1.500
Provide consultation and policy interpretation to managers and employees on a variety of departmental, state, and/or federal human resources laws, policies and procedures.	\$114,927	1.500
Administer a classification and salary administration program for all managers and employees in the department. Complete all employment transactions including reviewing and approval for initial pay and pay initiatives, ensuring adherence to policies and procedures, and consulting with management on problematic or unusual salary administration issues.	\$159,908	3.000
Actual Totals	\$589,605	10.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Voluntary turnover of all employees annually	5.9 %	6.8 %	5.7 %
Permanent full-time agency staff to each person on HR staff	139	132	143

Fund 14700-1605 Information Technology — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$14,299,568	\$16,479,060	\$16,389,470	(\$657,886)	\$15,731,584	(\$651,461)	\$15,738,009
Receipts	\$62,681	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$14,236,887	\$16,479,060	\$16,389,470	(\$657,886)	\$15,731,584	(\$651,461)	\$15,738,009
Positions	83.250	98.500	97.500	-	97.500	-	97.500

Fund description

The purpose of Information Technology (IT) is to promote and provide quality information services and technology to the Department of Revenue to facilitate the administration of tax laws and the collection of taxes due the State. IT achieves this goal by implementing technology that allows the Department to efficiently capture and utilize data to support state, department, and public needs and by providing all employees with powerful work management and office automation tools to improve employee productivity.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Design, develop, implement, maintain, and support both custom and off-the-shelf software applications for the department. This service area assists divisions in applying software applications to meet business needs and facilitates the improvement and automation of business processes in order to improve efficiency and streamline service delivery.	\$3,111,610	29.250
Deploy and maintain desktop PCs, infrastructure hardware and software support for the Raleigh headquarters, local field offices, and interstate and intrastate telework sites to ensure efficiency in performance of new and existing applications.	\$2,428,997	18.000
Operate and maximize the processing effectiveness of the Integrated Tax Administration System (ITAS) mainframe, UNIX servers, and Windows servers to minimize downtime and improve employee productivity.	\$7,557,690	21.000
Provide the agency with timely, reliable, and efficient access to agency database information and quality customer support. Dispense knowledge and skills in the efficient use of database technology.	\$458,593	5.000
Respond to service requests for system and application development efforts by working with subject matter experts throughout the agency to analyze and define functional requirements and to ensure that technology supports business operations and goals.	\$506,719	5.000
Develop and oversee an incident management process that ensures that reported technical problems and requests for service by department employees are addressed and that the IT services provided can continue and/or improve employee productivity.	\$235,959	5.000
Actual Totals	\$14,299,568	83.250

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of ITAS and CICS transaction responses completed in less than one second	-	99.6 %	99.5 %
Percentage of service desk (help) tickets closed per month	-	94.8 %	92.4 %

Fund 14700-1607 Policy Analysis and Statistics — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$543,861	\$814,909	\$601,427	(\$4,752)	\$596,675	(\$2,971)	\$598,456
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$543,861	\$814,909	\$601,427	(\$4,752)	\$596,675	(\$2,971)	\$598,456
Positions	10.000	15.000	10.000	-	10.000	-	10.000

Fund description

The purpose of Policy Analysis and Statistics is to conduct analyses and provide statistical reports to support the development of a tax system for North Carolina taxpayers that is understandable, easy to comply with, and responsive to economic and demographic conditions. The analyses include estimates of the fiscal impact of current and proposed tax policies. Information is also provided to other states, the federal government, local governments, and the public in order to improve understanding of the North Carolina tax system.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Assist the General Assembly and Executive Branch by preparing analyses of the fiscal impact of current and proposed tax policies and undertaking research on tax policy options.	\$357,493	7.500
Produce statistical reports, tax guides, statutorily-mandated tax credit disclosure lists, and other documents to help policy-makers, other governments, and the public better understand the North Carolina state and local tax system.	\$167,242	2.250
Assist the Office of the State Controller with the management of State funds by producing estimates of accrued revenues and liabilities.	\$19,126	.250
Actual Totals	\$543,861	10.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Revenue impact estimates and statistical reports prepared at the request of the General Assembly, Governor, and Lt. Governor	-	49	30
Statutorily mandated reports issued	11	11	13
Statistical reports, law summaries, and methodology explanations prepared at the request of other states	14	32	39

Fund 14700-1609 Criminal Investigations — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$910,595	\$1,023,762	\$1,043,155	\$13,431	\$1,056,586	\$16,260	\$1,059,415
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$910,595	\$1,023,762	\$1,043,155	\$13,431	\$1,056,586	\$16,260	\$1,059,415
Positions	13.000	13.000	13.000	-	13.000	-	13.000

Fund description

The purpose of Criminal Investigations is to enforce the criminal provisions of the revenue laws of North Carolina in order to encourage and achieve the highest degree of voluntary compliance with the State's tax statutes and deter tax evasion, thereby enhancing voluntary compliance and increasing tax collections. This includes investigating suspected criminal tax violations, making prosecution recommendations, assisting the North Carolina Attorney General in the prosecution of these violations, and supporting the department in the civil resolution of these cases.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Identify taxpayers suspected of intentionally violating the revenue laws.	\$70,045	1.000
Investigate businesses for possible criminal violations of the revenue laws.	\$385,252	5.500
Investigate individuals for possible criminal violations of the revenue laws.	\$385,252	5.500
Assist the Attorney General and act as the state's chief witness in the prosecution of criminal taxes.	\$35,023	.500
Support the department in the civil resolution of criminal investigation cases.	\$35,023	.500
Actual Totals	\$910,595	13.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of completed cases that received media coverage	87 %	86 %	83 %
Percentage of successful prosecutions (taxpayer found or plead guilty)	100 %	100 %	98 %

Fund 14700-1621 Corporate, Excise and Insurance Tax — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$923,459	\$905,322	\$975,710	\$42,268	\$1,017,978	\$44,611	\$1,020,321
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$923,459	\$905,322	\$975,710	\$42,268	\$1,017,978	\$44,611	\$1,020,321
Positions	13.000	12.000	13.000	-	13.000	-	13.000

Fund description

The purpose of Corporate, Excise, and Insurance Tax is to formulate tax policy, respond to technical questions, and resolve tax issues in order to administer corporate income, franchise, insurance premiums, privilege license, alcoholic beverage, and tobacco taxes. The division also evaluates proposed tax legislation and educates taxpayers concerning application of the revenue laws of North Carolina. The objective is to maximize tax compliance through these activities.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Interpret tax statutes and respond to request from department personnel, legislators and their staffs, and taxpayers and their representatives seeking information regarding application of tax statutes.	\$312,029	4.500
Serve as first level of administrative appeal in protested tax assessments or refund denials to resolve issues without the need for formal hearing before the Secretary of Revenue.	\$258,183	3.500
Research specific tax issues and prepare briefs in defense of the department's position before the Hearings Officer and provide technical support to the Revenue Section of the Attorney General's office for cases in litigation.	\$139,869	2.000
Monitor current trends in state taxation in order to recommend statutory modifications to keep North Carolina's tax policy up-to-date.	\$64,575	1.000
Track proposed legislation to determine likely effects of law changes on taxpayers and Department of Revenue personnel.	\$148,803	2.000
Actual Totals	\$923,459	13.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of appeals cases resolved without formal hearing	98 %	100 %	99 %
Percentage of legislative recommendations passed into law	100 %	67 %	87 %
Policy questions answered by division personnel	-	4,654	2,741

Fund 14700-1623 Personal Taxes — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$593,814	\$669,244	\$678,345	(\$986)	\$677,359	(\$986)	\$677,359
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$593,814	\$669,244	\$678,345	(\$986)	\$677,359	(\$986)	\$677,359
Positions	8.000	9.000	9.000	-	9.000	-	9.000

Fund description

The purpose of Personal Taxes is to administer individual income, gift, and estate tax laws by formulating tax policy, resolving disputed tax cases, and designing tax forms and instructions to facilitate simplicity and enhance compliance by taxpayers and practitioners. Personal Taxes also provides technical expertise to agency employees, the public, and practitioners via rules, regulations, publications, and educational opportunities and technical direction to the General Assembly.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Conduct informal conferences with taxpayers and their representatives on protested tax cases to facilitate mutual resolutions.	\$237,526	3.000
Design tax forms and instructions that are easy for taxpayers and professional preparers to understand in order to minimize errors and to maximize compliance.	\$118,763	3.000
Suggest proposals to the General Assembly to amend or enact laws that promote tax simplification and fairness to North Carolina citizens.	\$59,381	.500
Participate in seminars and focus groups with the accounting community to foster relationships with practitioners and to improve compliance.	\$59,381	.500
Administer programs and collect information from taxpayers to ensure that only eligible taxpayers claim credits or receive certain tax benefits.	\$118,763	1.000
Actual Totals	\$593,814	8.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of protested cases resolved without an administrative hearing	92 %	95 %	94 %
Percentage of Qualified Business Tax Credit Applications denied	8 %	6 %	6 %
Percentage of suggested legislative proposals enacted by the General Assembly	10 %	30 %	100 %

Fund 14700-1627 Sales and Use Taxes — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$876,666	\$955,444	\$929,244	(\$1,469)	\$927,775	(\$797)	\$928,447
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$876,666	\$955,444	\$929,244	(\$1,469)	\$927,775	(\$797)	\$928,447
Positions	13.000	13.000	13.000	-	13.000	-	13.000

Fund description

The purpose of Sales and Use Tax is to formulate state and local sales and use tax policy, provide technical direction and assistance in the administration of Revenue laws, and educate taxpayer groups about law changes in order to provide accurate tax documentation and information and to maximize compliance with tax laws. Sales and Use Tax also responsible for resolving taxpayer protests and representing the department in administrative hearings.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Resolve taxpayer protests to assessments of tax and denials of refunds of tax.	\$245,466	4.000
Respond in writing to written requests for information from taxpayers.	\$131,500	2.500
Respond to requests for information via the telephone from taxpayers and other department personnel.	\$131,500	2.000
Publish notices, directives, bulletins, and other written information and conduct educational forums on meaningful topics and law changes to taxpayers and to other department personnel.	\$105,200	1.500
Interact with members of the General Assembly and their staff in formulating tax laws and providing information on the effect of enacted legislation.	\$122,733	1.500
Develop and update returns and other forms to encourage compliance.	\$52,600	.500
Participate in national projects promoting tax uniformity and simplification such as the Streamlines Sales Tax Project.	\$87,667	1.000
Actual Totals	\$876,666	13.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of taxpayers' protests resolved in six months	-	77 %	69 %
Taxpayers' protests resolved	135	192	182
Telephone calls received	14,032	21,692	20,691

Fund 14700-1629 Property Tax — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,158,604	\$1,335,413	\$1,344,782	\$4,255	\$1,349,037	\$6,361	\$1,351,143
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$1,158,604	\$1,335,413	\$1,344,782	\$4,255	\$1,349,037	\$6,361	\$1,351,143
Positions	17.000	17.000	17.000	-	17.000	-	17.000

Fund description

The purpose of Property Tax is to supervise the valuation and taxation of property by taxing units to assure fair and uniform assessment of property throughout the State. The division also serves as staff to the North Carolina Property Tax Commission.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide day-to-day technical and legal assistance to local units of government, taxpayers and tax practitioners concerning listing property; appraisal and assessment of property; and property tax policies and collection.	\$307,029	4.500
Process, investigate, resolve and schedule appeals filed with the North Carolina Property Tax Commission.	\$391,031	5.750
Appraise all public service companies and certify the assessed values to the local units of government throughout North Carolina, and conduct yearly sales ratio studies in all 100 counties.	\$228,824	3.500
Maintain a certification program that complies with the legal requirements for county assessors and appraisers. The program includes providing education, maintaining a database of certified assessors and appraisers, and conducting yearly compliance reviews.	\$86,895	1.250
Develop and publish guidelines and manuals used by county tax offices in appraising and assessing property throughout the State.	\$75,309	1.000
Represent the department in various committee meetings of the General Assembly. Assist in the development of fiscal estimates and provide assistance in the drafting of proposed bills by General Assembly staff.	\$69,516	1.000
Actual Totals	\$1,158,604	17.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Requests processed for assistance from taxpayers, local governmental units, and tax practitioners	-	17,259	18,187
Percentage of courses and seminars taught by department personnel that received an overall "above average" or "excellent" rating from class participants	100 %	100 %	100 %
Percentage of property tax appeals investigated and resolved without a hearing before the Property Tax Commission	95 %	93 %	95 %

Fund 14700-1643 Taxpayer Assistance — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$8,804,073	\$9,375,846	\$9,505,864	\$156,724	\$9,662,588	\$171,609	\$9,677,473
Receipts	\$165,559	\$245,050	\$245,050	\$1,815	\$246,865	\$1,815	\$246,865
Appropriation	\$8,638,514	\$9,130,796	\$9,260,814	\$154,909	\$9,415,723	\$169,794	\$9,430,608
Positions	186.000	182.000	184.000	-	184.000	-	184.000

Fund description

The purpose of Taxpayer Assistance is to provide assistance for taxpayers by resolving tax problems, explaining and interpreting tax law, completing tax forms and returns, conducting outreach and education programs, and responding to taxpayer inquiries. These efforts increase taxpayer compliance by providing citizens with the services that they need in order to comply with the revenue laws of North Carolina.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Respond to taxpayers' correspondence by letter or telephone to answer questions, provide information, or resolve tax problems.	\$3,502,696	74.000
Provide tax assistance over the telephone on account resolution, tax filing requirements, tax questions, refund inquiries, and other services that assist taxpayers with complying with the tax laws.	\$4,402,037	93.000
Assist walk-in taxpayers at 11 service centers throughout the State by completing registrations, answering tax questions, filing returns and reports, accepting payments, assisting with proposed and final assessments, and providing tax forms.	\$804,673	17.000
Perform public outreach and taxpayer education by participating in workshops, seminars, and tax programs on television and radio and responding to requests for speakers for various groups and entities.	\$94,667	2.000
Actual Totals	\$8,804,073	186.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of taxpayers' telephone calls answered (Calls not answered were abandoned by taxpayer)	-	95.4 %	94.9 %
Average time (measured in days) that correspondence from taxpayers is worked from date of receipt	-	3.5	4.1
Average time (in seconds) that telephone calls waited in queue before being answered by an agent	-	33	35

Fund 14700-1660 Examination and Collection — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$27,888,949	\$29,267,782	\$28,814,537	\$12,290	\$28,826,827	\$52,190	\$28,866,727
Receipts	\$3,704,208	\$4,170,698	\$4,250,732	(\$51,669)	\$4,199,063	(\$45,327)	\$4,205,405
Appropriation	\$24,184,741	\$25,097,084	\$24,563,805	\$63,959	\$24,627,764	\$97,517	\$24,661,322
Positions	467.000	444.000	436.000	-	436.000	-	436.000

Fund description

The purpose of Examination and Collection is to administer the tax laws, to determine the correct tax liability through audits, and to collect taxes from delinquent taxpayers and those who failed to file taxes. All examination and collection activities center around increasing compliance with state tax laws and collecting the full amount of taxes due to the State. Examinations are conducted on individuals, businesses, and governmental entities by employing professional audit methods, standards, and procedures and collecting taxes through a variety of methods, including voluntary payment, tax account reviews/liability adjustments, forced collection procedures, legal action in accordance with Federal bankruptcy statutes, and offers-in-compromise.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Identify areas of non-compliance with State tax laws.	\$7,698,022	117.000
Conduct audits of individuals, businesses, and governmental entities for compliance with State tax laws.	\$14,296,327	219.000
Collect past due taxes in the most efficient manner.	\$1,768,380	39.000
Account for and administer the collection of General Fund tax receivables.	\$2,063,110	46.000
Identify and secure non-filed business tax returns.	\$1,768,380	39.000
Perform special collection related activities such as bankruptcy processing, offers-in-compromise, liability transfers, etc.	\$294,730	7.000
Actual Totals	\$27,888,949	467.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Field and office audits completed	161,004	137,520	184,946
Net dollar of assessments from field and office audits (dollars)	\$440,371,101	\$546,031,476	\$458,445,443
Total of past-due accounts receivables collected (dollars)	\$229,000,000	\$305,000,000	\$364,000,000
Percentage of increase in (net) accounts receivables	0.0 %	14 %	6 %
Amount of revenue from the collection assistance fee (dollars)	\$8,700,000	\$10,100,000	\$12,700,000

Fund 14700-1661 Project Collect Tax — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$2,435,983	\$2,766,311	\$2,816,885	\$46,195	\$2,863,080	\$48,700	\$2,865,585
Receipts	\$2,435,983	\$2,766,311	\$2,816,885	\$46,195	\$2,863,080	\$48,700	\$2,865,585
Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	48.000	48.000	48.000	-	48.000	-	48.000

Fund description

The purpose of Project Collect Tax is to enhance the delinquent tax collection program for the department. In 2001, the General Assembly enacted a 20% collection assistance fee designed to shift the cost of collecting delinquent taxes to those taxpayers who failed to pay. The proceeds of the 20% fee are used to resolve delinquent tax cases. The division resolves these cases through a variety of methods, including voluntary payment, tax account reviews/liability adjustments, forced collection procedures, installment payment plans, legal action in accordance with Federal bankruptcy statutes, and offers-in-compromise.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Collect past due taxes in the most efficient manner.	\$730,795	14.000
Account for and administer the collection of General Fund tax receivables.	\$852,594	18.000
Identify and secure non-filed business tax returns.	\$730,795	14.000
Perform special collection related activities such as bankruptcy processing, offers-in-compromise, liability transfers, etc.	\$121,799	2.000
Actual Totals	\$2,435,983	48.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Total of past-due accounts receivables collected (dollars)	\$53,770,000	\$71,630,000	\$85,310,000
Percentage of increase in (net) accounts receivables	0.0 %	14 %	6 %
Revenue from the collection assistance fee (dollars)	\$2,100,000	\$2,400,000	\$3,000,000

Fund 14700-1662 Taxpayer Call Center — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,714,605	\$6,121,062	\$6,227,449	(\$97,054)	\$6,130,395	(\$97,054)	\$6,130,395
Receipts	\$3,333,026	\$6,074,216	\$6,227,449	(\$97,054)	\$6,130,395	(\$97,054)	\$6,130,395
Appropriation	\$381,579	\$46,846	\$0	\$0	\$0	\$0	\$0
Positions	63.000	109.000	109.000	-	109.000	-	109.000

Fund description

The purpose of the Taxpayer Assistance and Collection Center (TACC) is to serve as the main gateway for interaction between taxpayers and Department of Revenue employees. The TACC focuses on increasing tax collection and compliance by collecting taxes due the state and assisting taxpayers with tax related questions via the telephone.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Collect taxes due by having call agents submit current and delinquent payments via the web or persuading taxpayers to send by mail.	\$1,857,302	31.500
Assist taxpayers with tax and/or account related questions over the telephone as quickly as possible.	\$1,857,303	31.500
Actual Totals	\$3,714,605	63.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Delinquent and past due cases filed and/or collected by the Taxpayer Assistance Call Center staff	126,992	200,037	197,392
Average wait time (in seconds) to speak to a call agent	67	142	96

Fund 14700-1663 Project Compliance — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$5,401,481	\$6,287,223	\$5,670,264	\$33,851	\$5,704,115	\$38,319	\$5,708,583
Receipts	\$75,000	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$5,326,481	\$6,287,223	\$5,670,264	\$33,851	\$5,704,115	\$38,319	\$5,708,583
Positions	87.000	86.000	87.000	-	87.000	-	87.000

Fund description

The purpose of Project Compliance as enacted by the 2003 General Assembly is to increase the examination of individuals, partnerships, corporations, estates, and trusts to increase compliance with state tax laws.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Identify areas of non-compliance with State tax laws.	\$1,890,518	30.000
Conduct audits of individuals, businesses, and governmental entities for compliance with State tax laws.	\$3,510,963	57.000
Actual Totals	\$5,401,481	87.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Field and office audits completed	15,923	34,379	46,237
Net dollar of assessments from field and office audits (dollars)	\$43,553,186	\$136,507,869	\$114,611,361
Direct audit hours expended	17,815	47,334	54,606

Fund 14700-1664 Guest Worker — Base Budget

	<u>2005-06</u> <u>Actual</u>	<u>2006-07</u> <u>Certified</u>	<u>2006-07</u> <u>Authorized</u>	<u>2007-08</u> <u>Adjustments</u>	<u>2007-08</u> <u>Total</u>	<u>2008-09</u> <u>Adjustments</u>	<u>2008-09</u> <u>Total</u>
Requirements	\$0	\$0	\$500,000	\$0	\$500,000	\$0	\$500,000
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$0	\$0	\$500,000	\$0	\$500,000	\$0	\$500,000
Positions	-	-	-	-	-	-	-

Fund description

The purpose of the Guest Worker Compliance Project is to improve compliance among the North Carolina's growing immigrant population. North Carolina is the fastest growing state with respect to Hispanic immigrants. This wave of immigration is having a large public policy impact on the State. The Guest Worker Compliance Project is a multi-faceted compliance program that is focused on immigration, including illegal immigrant tax compliance. (This fund was established in FY 2006-07 to account for the Guest Worker Compliance Program. Prior to FY 2006-07, the FTEs associated with administering this program with assigned to various divisions.)

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Assess the proper amount of tax liability for guest workers earning income in North Carolina.	\$0	-
Collect all tax due to the State from guest workers.	\$0	-
Provide community outreach and education to the guest worker community.	\$0	-
Actual Totals	\$0	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Assessments against guest workers	-	-	13,037
Outreach and education events for guest workers	1	22	20
Tax collections from guest workers (dollars)	-	-	\$2,031,959

Fund 14700-1670 Unauthorized Substance Tax — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$1,299,223	\$1,574,526	\$1,581,529	(\$12,310)	\$1,569,219	(\$10,299)	\$1,571,230
Receipts	\$35,524	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$1,263,699	\$1,574,526	\$1,581,529	(\$12,310)	\$1,569,219	(\$10,299)	\$1,571,230
Positions	23.000	23.000	24.000	-	24.000	-	24.000

Fund description

The purpose of Unauthorized Substances is to administer an excise tax to generate revenue for state and local law enforcement agencies and the General Fund. The excise tax is levied on controlled substances possessed, either actually or constructively, by dealers at rates set by the revenue laws. Seventy-five percent of tax collections are returned to state or local law enforcement agencies whose investigation led to the assessment. The remaining twenty-five percent is paid to the General Fund.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Assess and collect the State's excise tax on illicit drugs and alcohol.	\$960,295	17.000
Resolve disputed tax assessments.	\$282,440	5.000
Distribute unencumbered tax proceeds to law enforcement agencies and the General Fund.	\$28,244	.500
Educate state and local law enforcement agencies to increase program efficiency.	\$28,244	.500
Actual Totals	\$1,299,223	23.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Average tax assessment (dollars)	\$13,341	\$19,522	\$17,260
Average number of assessments per enforcement agent	510	524	502

Fund 14700-1681 Administrative Services — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$8,039,937	\$7,957,120	\$7,980,037	\$249,878	\$8,229,915	\$252,543	\$8,232,580
Receipts	\$200,148	\$47,155	\$47,155	\$0	\$47,155	\$0	\$47,155
Appropriation	\$7,839,789	\$7,909,965	\$7,932,882	\$249,878	\$8,182,760	\$252,543	\$8,185,425
Positions	27.000	26.000	26.000	-	26.000	-	26.000

Fund description

The purpose of Administrative Services is to provide purchasing, graphic design, printing, overall repairs and renovations to the building, shipping and receiving, monitoring of IT fixed asset management, and mailing operations for the department. The division provides these services in order to facilitate tax processing, compliance and to support the department's goals.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Purchase supplies and services through the state E-Procurement System and reconcile all invoices for payment.	\$3,653,675	4.000
Sort and distribute all incoming departmental mail; process outgoing mail and apply appropriate postage.	\$2,523,824	7.000
Ship, receive, store, and distribute office supplies and equipment for all divisions.	\$775,239	5.500
Manage all maintenance agreements for copiers and building equipment, label and account for all non-IT fixed assets from purchasing to surplus of the equipment, and provide graphic support and printing for the department.	\$1,087,200	10.500
Actual Totals	\$8,039,937	27.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Incoming mail processed	8,122,589	8,334,624	7,986,688
Outgoing mail processed	8,922,981	8,687,346	9,206,342
Supply and equipment requests processed	2,060	2,290	2,355

Fund 14700-1683 Financial Services — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$707,502	\$791,522	\$807,657	(\$841)	\$806,816	(\$431)	\$807,226
Receipts	\$1,244	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$706,258	\$791,522	\$807,657	(\$841)	\$806,816	(\$431)	\$807,226
Positions	15.000	15.000	15.000	-	15.000	-	15.000

Fund description

The purpose of Financial Services is to properly account and report all tax and budgetary financial transactions of the Department of Revenue. Tax collection and disbursements data is made available electronically to internal customers and to agencies and organizations external to the department. Taxes collected are critical to the budgetary recommendations by the Office of the Governor and to the allocation of funds by the General Assembly.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Interact with the Office of State Budget and the General Assembly to provide relevant tax data and to provide specific departmental data to support budgetary requests. Prepare annual financial statements of all revenues and disbursements as required by the Office of State Controller.	\$195,374	3.000
Account for and report tax collections and disbursements accurately to allow for budget analysis and changes in tax laws.	\$104,945	2.000

Review and process vendor invoices and employee reimbursements to ensure timely payment, proper accounting and adherence to state and departmental policies. Account for and report all operating and special fund expenditures and revenues, including fixed assets.	\$167,339	4.000
Process the department's payroll to ensure accurate and timely payment to all employees in compliance with state and federal regulations. Serve as technical resource for the agency with questions related to payroll and leave issues.	\$110,613	3.000
Process taxpayer refunds and transfer statutorily required funds to local governments and state agencies using the state accounting system.	\$129,231	3.000
Actual Totals	\$707,502	15.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of total tax deposits that are electronic	67 %	60 %	66 %
Percentage of total individual income tax refunds processed that are direct deposit	21 %	25 %	29 %
Ratio of electronic vendor payments to vendor payments made by paper check mailed through the US Postal Service	11 %	20 %	24 %

Fund 14700-1685 Documents and Payments Processing — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$10,734,353	\$11,461,434	\$11,839,515	\$328,227	\$12,167,742	\$343,695	\$12,183,210
Receipts	\$914,212	\$716,037	\$717,350	(\$3,443)	\$713,907	(\$1,503)	\$715,847
Appropriation	\$9,820,141	\$10,745,397	\$11,122,165	\$331,670	\$11,453,835	\$345,198	\$11,467,363
Positions	247.000	244.000	250.000	-	250.000	-	250.000

Fund description

The purpose of Documents and Payments Processing is to ensure that all taxpayer tax returns and payments are processed timely and accurately. This includes extracting and fine-sorting incoming mail, preparing taxpayer documents and payments for processing, depositing taxpayer payments with various banks, capturing taxpayer data from returns and payments, processing exception returns and payments, registering new taxpayers, and managing the department's inactive taxpayer records.

Additional duties performed by this division include preparing the distribution of many local taxes including the local sales and use taxes, tax on piped natural gas, franchise tax on electric power, sales tax on telecommunication services, scrap tire disposal tax, white goods disposal tax, and beer and wine excise tax collected. The division is also responsible for the Setoff Debt Collection program and the Federal Offset Programs, the development of tax forms, including developing and administering specific guidelines for software developer forms and approval of software developer forms. This division also develops, processes, reviews, and tests data for preparation software and online web applications and assists taxpayers with e-services applications.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Provide organizational support to division personnel such as timekeeping, personnel actions, and customer service activities in order to ensure accurate and timely divisional reporting requirements.	\$304,212	7.000
Extract and fine-sort departmental incoming mail via an automated and manual process in order to process all documents and payments.	\$608,425	14.000
Perform document preparation process for all taxpayer documents and payments in order to ensure timely and accurate processing.	\$2,346,782	54.000
Deposit taxpayer payments into banks and capture taxpayer data from returns and payments via electronic, automated, and manual processes in order to ensure timely and accurate processing.	\$1,477,603	34.000
Process exception returns and payments timely and accurately, which includes resolving document discrepancies, payments/ returns received without taxpayer documents, and suspended transactions and registering new taxpayers.	\$4,563,187	105.000
Manage the department's inactive taxpayer records in order to provide them to agency representatives and to outside agencies that submit subpoena and court order requests.	\$347,671	8.000
Calculate and prepare various taxes to local governments. Administer the Setoff Debt Collection program and the Federal Offset program in order to distribute funds from these programs timely and accurately.	\$304,212	7.000
Develop and provide guidelines for replication of state tax forms to software developer companies.	\$260,754	6.000
Develop, process, review, and test data for tax preparation software and online web applications in a timely and accurate manner and to accurately assist taxpayers who use the e-services applications.	\$521,507	12.000
Actual Totals	\$10,734,353	247.000

Measures for the fund	2003-04	2004-05	2005-06
Tax returns processed as defined by agency management	9,725,620	9,947,817	10,437,669
Tax payments processed as defined by agency management	5,686,072	6,363,902	6,683,384

Fund 14700-1700 Motor Fuels — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$4,977,834	\$5,172,380	\$5,286,822	\$118,245	\$5,405,067	\$125,761	\$5,412,583
Receipts	\$4,977,831	\$5,172,380	\$5,286,822	\$118,245	\$5,405,067	\$125,761	\$5,412,583
Appropriation	\$3	\$0	\$0	\$0	\$0	\$0	\$0
Positions	69.000	68.000	69.000	-	69.000	-	69.000

Fund description

The purpose of Motor Fuels fund is to administer the motor fuels (gasoline and diesel), alternative fuels, motor carrier, and inspection tax laws. The motor fuels excise tax and motor carrier road use tax are collected and transferred to the Department of Transportation (DOT) for road construction and maintenance. Fuel suppliers, distributors, and trucking companies operating and based in North Carolina pay these taxes.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Administer and collect motor fuel taxes and inspection fees.	\$2,240,025	3.000
Examine tax returns for compliance with state tax laws.	\$746,675	12.000
Perform audits of motor fuels and motor carrier tax returns.	\$995,566	40.000
Issue licenses and registrations to motor carriers and motor fuels taxpayers.	\$248,892	5.000
Approve and monitor bonds to cover motor fuels tax liability.	\$248,892	2.000
Assist taxpayers with their tax related questions and issues.	\$248,892	5.000
Enforce collections and provide assistance in collection of taxes.	\$248,892	2.000
Actual Totals	\$4,977,834	69.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Audits completed	660	772	622
Net dollar of assessments (dollars)	\$2,080,000	\$18,444,000	\$3,163,000
Tax returns processed	44,000	44,000	44,000

Fund 14700-1702 Federal Grant - Motor Fuels - Fuel Tax Evasion — Base Budget

	<u>2005-06</u> <u>Actual</u>	<u>2006-07</u> <u>Certified</u>	<u>2006-07</u> <u>Authorized</u>	<u>2007-08</u> <u>Adjustments</u>	<u>2007-08</u> <u>Total</u>	<u>2008-09</u> <u>Adjustments</u>	<u>2008-09</u> <u>Total</u>
Requirements	\$5,767	\$189,768	\$189,768	\$0	\$189,768	\$0	\$189,768
Receipts	\$5,766	\$189,768	\$189,768	\$0	\$189,768	\$0	\$189,768
Appropriation	\$1	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of the Federal Grant - Motor Fuels - Fuel Tax Evasion fund is to promote cooperation between the IRS and other states to reduce fuel tax evasion at the state and federal level.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Reimburse travel to regional and national meetings to partner with other states and federal government to address motor fuels non-compliance issues.	\$5,767	-
Actual Totals	\$5,767	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Joint task force meetings attended	2	3	3
Workshops attended	2	2	2

Fund 14700-1708 International Registration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$322,415	\$344,688	\$364,761	\$8,733	\$373,494	\$9,260	\$374,021
Receipts	\$322,415	\$344,688	\$364,761	\$8,733	\$373,494	\$9,260	\$374,021
Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	6.000	6.000	6.000	-	6.000	-	6.000

Fund description

The purpose of the International Registration Plan (IRP) is to administer the IRP audit functions required to meet the jurisdictional membership responsibilities of the Plan. IRP is a vehicle (qualified motor vehicle) registration program designed to allow motor carriers to operate internationally. Audits are conducted on IRP registrants to ensure registration fees are paid to coincide with miles traveled in all affected jurisdictions.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Perform audits of International Registration Plan (IRP) participants.	\$322,415	6.000
Actual Totals	\$322,415	6.000

Measures for the fund

	2003-04	2004-05	2005-06
Audits completed	-	325	315
Net dollar of assessments (dollars)	\$0	\$15,000	\$30,000

Fund 14700-1710 Fuel Tax Compliance — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,810,035	\$1,559,589	\$1,553,965	\$5,799	\$1,559,764	\$6,132	\$1,560,097
Receipts	\$1,810,033	\$1,559,589	\$1,553,965	\$5,799	\$1,559,764	\$6,132	\$1,560,097
Appropriation	\$2	\$0	\$0	\$0	\$0	\$0	\$0
Positions	19.000	19.000	19.000	-	19.000	-	19.000

Fund description

The purpose of Fuel Tax Compliance is to engage in projects and initiatives to combat motor fuels tax evasion and promote increased motor fuels tax compliance. This is accomplished through taxpayer education, joint projects with other agencies, and audit and investigative activities.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Develop fuel tax compliance programs within the state and with other states and the IRS.	\$452,508	4.750
Initiate projects and programs to address motor fuels non-compliance.	\$1,357,527	14.250
Actual Totals	\$1,810,035	19.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Investigation inspections completed	-	-	1,734
Assessments completed	-	-	92

Fund 14700-1800 White Goods Disposal Tax — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$224,092	\$225,000	\$225,000	\$0	\$225,000	\$0	\$225,000
Receipts	\$224,093	\$225,000	\$225,000	\$0	\$225,000	\$0	\$225,000
Appropriation	(\$1)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	5.000	5.000	5.000	-	5.000	-	5.000

Fund description

The purpose of White Goods Disposal Tax is to process all white goods tax returns and payments timely and accurately. This includes extracting and sorting incoming white goods mail, preparing white goods taxpayer documents and payments for entry into the department's Data Capture system, depositing white goods tax payments into various banks, capturing white goods taxpayer data from returns and payments, processing exception white goods returns and payments, registering new white goods taxpayers, managing the department's inactive white goods taxpayer records, and calculating the distribution of the white goods disposal tax after reviewing the returns. By statute (G.S. 105-187.24), the department is allowed to retain \$225,000 a year to administer the program.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Extract and sort incoming white goods mail via an automated and manual process in order to provide all white goods documents and payments to be processed timely.	\$22,409	.500
Prep and deposit white goods taxpayer payments into banks and capture taxpayer data from returns and payments via automated and manual processes in order to ensure timely and accurate processing.	\$67,228	1.500
Process exception white goods returns and payments timely and accurately, which includes resolving document discrepancies, payments/returns received without taxpayer documents, and suspended transactions and registering new white goods taxpayers.	\$89,637	2.000
Manage the department's inactive white goods taxpayer records in order to provide them in a timely manner to agency representatives and outside agencies that submit subpoena and court order requests.	\$22,409	.500
Distribute white goods disposal taxes to local municipalities.	\$22,409	.500
Actual Totals	\$224,092	5.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Payments processed (dollars)	\$4,531,663	\$4,777,814	\$4,926,720

Fund 14700-1820 Scrap Tire Disposal Tax — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$210,784	\$225,000	\$225,000	\$0	\$225,000	\$0	\$225,000
Receipts	\$210,782	\$225,000	\$225,000	\$0	\$225,000	\$0	\$225,000
Appropriation	\$2	\$0	\$0	\$0	\$0	\$0	\$0
Positions	5.000	5.000	5.000	-	5.000	-	5.000

Fund description

The purpose of Scrap Tire Disposal Tax is to process all scrap tire taxpayer returns and payments timely and accurately. This includes extracting and sorting incoming scrap tire mail, preparing scrap tire taxpayer documents and payments for entry into the department's Data Capture system, depositing scrap tire tax payments into various banks used by the department, capturing scrap tire taxpayer data from returns and payments, processing exception scrap tire returns and payments, registering new scrap tire taxpayers, managing the department's inactive scrap tire taxpayer records, and calculating the distribution of the scrap tire disposal taxes to local municipalities after reviewing the returns. By statute (G.S. 105-187.19), the department is allowed to retain \$225,000 a year to administer the program.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Extract and sort incoming scrap tire mail via an automated and manual process in order to provide all scrap tire documents and payments to be processed timely.	\$21,078	.500
Prep and deposit scrap tire tax payments into banks and capture taxpayer data from returns and payments via automated and manual processes in order to ensure timely and accurate processing.	\$63,235	1.500
Process exception scrap tire returns and payments timely and accurately, which includes resolving document discrepancies, payments/returns without taxpayer documents, and suspended transactions and registering new scrap tire taxpayers.	\$84,315	2.000
Manage the department's inactive scrap tire taxpayer records in order to provide them in a timely manner to agency representatives and outside agencies that submit subpoena and court order requests.	\$21,078	.500
Distribute scrap tire disposal tax to local municipalities.	\$21,078	.500
Actual Totals	\$210,784	5.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Payments processed (dollars)	\$11,820,979	\$12,259,625	\$13,142,841

Fund 14700-1830 Public Transit Tax — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$427,448	\$574,818	\$578,456	\$5,360	\$583,816	\$5,360	\$583,816
Receipts	\$427,448	\$574,818	\$578,456	\$5,360	\$583,816	\$5,360	\$583,816
Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	6.000	7.000	7.000	-	7.000	-	7.000

Fund description

The purpose of Public Transit is to process all public transit collections on sales and use tax returns timely and accurately. This includes extracting and sorting incoming public transit mail, preparing sales and use tax returns with public transit tax information included on the documents for entry into the department's Data Capture system, depositing sales and use tax collections including the public transit tax collections into various banks used by the department, and capturing public transit taxpayer data from sales and use returns and payments.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Extract and sort all departmental incoming public transit mail via an automated and manual process in order to provide all public transit tax information timely.	\$71,241	1.000
Prep and deposit sales and use tax returns including the public transit collection information from taxpayer payments into banks and capture public transit tax data from sales and use returns and payments via electronic, automated and manual processes in a timely manner in order to distribute the public transit tax collections to the appropriate local government agency.	\$142,483	2.000
Process exception sales and use returns containing public transit information timely and accurately, which includes resolving document discrepancies, payments/returns received without taxpayer documents, and suspended transactions.	\$178,103	2.500
Manage the department's inactive public transit taxpayer records in order to provide them in a timely manner to agency representatives and outside agencies that submit subpoena and court order requests.	\$35,621	.500
Actual Totals	\$427,448	6.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Taxpayers remitting the Public Transportation Tax ¹	23,046	24,417	25,164

¹This tax is paid by businesses that either sell or deliver items into Mecklenburg County and is used to fund the county's rail system.

Fund 14700-1840 Dry Cleaning Solvent Tax — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$26,508	\$125,000	\$125,000	\$0	\$125,000	\$0	\$125,000
Receipts	\$26,508	\$125,000	\$125,000	\$0	\$125,000	\$0	\$125,000
Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The purpose of the Dry Cleaning Solvent Tax program is to ensure that all dry cleaning taxpayer payments are processed timely and accurately. By statute (G.S. 105-187.34), the department is allowed to retain \$125,000 a year as reimbursement to the Department. (The FTE's associated with administering this program are assigned to Documents Payments and Processing.)

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Extract and sort incoming dry cleaning solvent mail via an automated and manual process to ensure all dry cleaning solvent documents and payments are processed timely.	\$13,254	-
Perform document preparation process for all dry cleaning solvent taxpayer documents and payments in order to ensure timely and accurate processing.	\$13,254	-
Actual Totals	\$26,508	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Dry-Cleaning Solvent Tax collected (dollars)	\$891,044	\$895,453	\$815,822

Fund 14700-1850 Lee Tax Credits — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$186,360	\$576,047	\$576,047	\$0	\$576,047	\$0	\$576,047
Receipts	\$186,360	\$401,942	\$401,942	\$0	\$401,942	\$0	\$401,942
Appropriation	\$0	\$174,105	\$174,105	\$0	\$174,105	\$0	\$174,105
Positions	4.000	9.000	9.000	-	9.000	-	9.000

Fund description

The purpose of the William S. Lee Tax Credits Program is to administer the compliance requirements in state tax laws with respect to tax incentives for new and expanding businesses provided under the William S. Lee Act. Audits are conducted to determine eligibility and allowable tax credits as prescribed in the law. Reports are prepared annually as required by law to analyze Lee Act credit activity.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Identify areas of non-compliance with regards to the Bill Lee Act tax credits.	\$93,180	2.000
Conduct audits of individuals, corporations, estates, trusts, and insurance companies for compliance with State tax laws with regards to the Bill Lee Act tax credits.	\$46,590	1.000
Publish mandated annual lists of tax credit recipients, conduct analyses of tax credit use, and identify tax returns with questionable credit claims.	\$46,590	1.000
Actual Totals	\$186,360	4.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Field and office audits completed	802	656	314
Reduction in taxes owed due to tax credit claims (dollars)	\$17,935,361	\$15,020,392	\$1,978,445
Reduction in future installments of tax credits (dollars)	\$46,020,799	\$139,066,219	\$13,024,198

Fund 14700-1860 Utilities Franchise — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$0	\$2,625	\$0	\$0	\$0	\$0	\$0
Receipts	\$0	\$2,625	\$0	\$0	\$0	\$0	\$0
Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This fund was inactivated on July 1, 2006 with the approval of the 2006 General Assembly because the accounting for two positions were more easily identified in the divisions where they physically reside, Examination and Collection (1660) and Documents and Payments Processing (1685). All salary and related benefits were transferred to the appropriate accounts in the respective funds.

Department of Cultural Resources

Mission

To enrich the cultural, educational, and economic well-being of citizens and visitors to North Carolina through the preservation, development, presentation, promotion, and dissemination of artistic, historical, and information resources.

Goals

Make our cultural assets available to all citizens of the State, regardless of where they live, through our facilities, through touring performances, through digital or web based access or through any other means where cultural resources can be disseminated to many people.

Manage and make available the state's historic resources on behalf of present and future generations.

Acquire, preserve, and exhibit works of art for the education and enjoyment of the people of the state.

Enrich the cultural life of the state by nurturing and supporting excellence in the arts through monetary grants, residencies, and fellowships.

Foster musical awareness, enjoyment, and education by performing both major orchestral and educational concerts for the citizens of the state.

Provide public library services, give professional consultation to all libraries, and distribute funds to our state's local libraries as well as furnishing books, tapes, and videotapes to the disabled.

Manage the state's network and distribution of library and archival resources.

Acquire, preserve, and exhibit material culture from the state's history.

Governor's Recommended Adjustments to Base Budget

Department of Cultural Resources (14800)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$76,451,296	\$77,344,873
Receipts	<u>\$7,778,855</u>	<u>\$7,783,190</u>
Appropriation	\$68,672,441	\$69,561,683
Adjustments		
Requirements	\$1,791,050	\$1,791,050
Receipts	-	-
Appropriation	\$1,791,050	\$1,791,050
Total		
Requirements	\$78,242,346	\$79,135,923
Receipts	<u>\$7,778,855</u>	<u>\$7,783,190</u>
Recommended Appropriation	<u>\$70,463,491</u>	<u>\$71,352,733</u>
<hr/>		
Positions		
Base Budget Positions	762.160	777.160
Reductions	-	-
Expansion	<u>8.000</u>	<u>8.000</u>
Recommended Positions	<u>770.160</u>	<u>785.160</u>

Appropriation Items -- Recommended Adjustments

Expansion

2007-08 2008-09

Office of the Secretary

1. Cultural Caring and Sharing

Funds are recommended to expand the Cultural Caring and Sharing pilot program to all 100 counties. The Cultural Caring and Sharing program seeks to enhance the teaching and learning of history, arts, and culture in North Carolina by providing theater, opera, and ballet programs in elementary schools and improving history education through additional training, in-school programs, and online resources.

Appropriation	\$1,250,000	\$1,250,000
Positions	4.000	4.000

North Carolina Symphony

1. Additional Positions and Operating Support

Funds are recommended to hire a Director of Volunteer Services and a Special Events Manager for the North Carolina Symphony, and to provide operating support for the NC Symphony.

Appropriation	\$191,050	\$191,050
Positions	2.000	2.000

Office of State Archaeology

1. Queen Anne's Revenge Archaeology Project

Funds are recommended to increase operational support for the Queen Anne's Revenge archaeological project. These funds will sustain major recovery efforts, conservation, and analysis of artifacts and images from the 18th century shipwreck.

Appropriation	\$150,000	\$150,000
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Statewide Programs and Grants

1. North Carolina Exploring Cultural Heritage Online Program

Funds are recommended to support the North Carolina Exploring Cultural Heritage Online (NC ECHO) Program. NC ECHO is a comprehensive, statewide program of technical assistance, training, information sharing, and grants aimed to help the state's cultural heritage institutions use digital technologies and the Internet to make their collections available to audiences in North Carolina and beyond.

Appropriation	\$200,000	\$200,000
Positions	2.000	2.000

Total Recommended Expansion

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$1,791,050	\$1,791,050
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$1,791,050	\$1,791,050
Positions	8.000	8.000
Nonrecurring		
Requirements	-	-
Receipts	-	-
	<hr/>	<hr/>
Appropriation	-	-
Positions	-	-

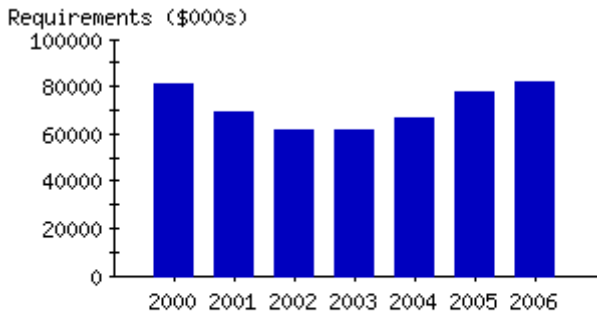
**Total Recommended Adjustments for
Department of Cultural Resources (14800)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$1,791,050	\$1,791,050
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$1,791,050	\$1,791,050
Positions	8.000	8.000
Nonrecurring		
Requirements	-	-
Receipts	-	-
	<hr/>	<hr/>
Appropriation	-	-
Positions	-	-
Total Appropriation Adjustments	\$1,791,050	\$1,791,050
Total Position Adjustments	8.000	8.000

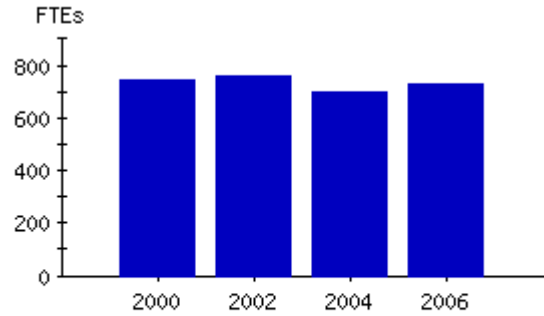
Base Budget and Results-Based Information

Budget Code 14800 Cultural Resources - General Fund

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$81,794,835	\$78,653,199	\$78,759,049	(\$2,307,753)	\$76,451,296	(\$1,414,176)	\$77,344,873
Receipts	\$8,020,181	\$7,490,559	\$7,596,409	\$182,446	\$7,778,855	\$186,781	\$7,783,190
Appropriation	\$73,774,654	\$71,162,640	\$71,162,640	(\$2,490,199)	\$68,672,441	(\$1,600,957)	\$69,561,683
Positions	729.230	757.780	748.160	14.000	762.160	29.000	777.160

Budget Code 14800 Cultural Resources - General Fund

Fund 14800-1110 Office of the Secretary — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,548,088	\$1,881,496	\$1,776,071	\$3,010	\$1,779,081	\$5,074	\$1,781,145
Receipts	\$37,683	\$37,110	\$15,150	\$0	\$15,150	\$0	\$15,150
Appropriation	\$1,510,405	\$1,844,386	\$1,760,921	\$3,010	\$1,763,931	\$5,074	\$1,765,995
Positions	20.000	20.010	22.000	-	22.000	-	22.000

Fund description

The purpose of the Office of the Secretary is to set policy and to supervise operations and public information activities of the department to assure departmental programs serve the cultural needs of the people of North Carolina. The Office of the Secretary also administers the North Carolina Awards program, the highest honor the state can bestow on a citizen. This office supervises the operation of the public information office, the human resources office, information technology services, and oversees the state boards and commissions.

Services for the fund

Preserve, develop, promote, and share the state's artistic, historic, and informational treasures in order to increase cultural awareness and enrich citizens and visitors. These services are carried out through setting policy, planning programs, managing personnel, employing information technology, and providing administrative and oversight operations.

<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
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\$1,431,689	17.350
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Recognize outstanding citizen contributors to the state's cultural resources through awards that promote cultural resources.

\$79,738	.500
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Oversee state boards and commissions to coordinate all efforts that foster cultural enrichment for visitors to the state's cultural resources.

\$36,661	2.150
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Actual Totals

\$1,548,088	20.000
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Measures for the fund

Attendees at annual North Carolina awards banquet

<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
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465	529	478
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Fund 14800-1120 Administrative Services — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,662,431	\$1,833,841	\$1,784,256	\$11,838	\$1,796,094	\$12,409	\$1,796,665
Receipts	\$22,333	\$21,233	\$21,233	\$293	\$21,526	\$293	\$21,526
Appropriation	\$1,640,098	\$1,812,608	\$1,763,023	\$11,545	\$1,774,568	\$12,116	\$1,775,139
Positions	20.750	22.990	21.990	-	21.990	-	21.990

Fund description

The purpose of Administrative Services is to provide budgeting, accounting, purchasing, and payroll services to all divisions within the department, and to assure the fiscal and audit accountability of all state, federal, and private funds entrusted to the department.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide budgeting, accounting, purchasing, and payroll services to all divisions within the department.	\$1,286,553	15.000
Assure the fiscal and audit accountability of all state, federal, and private funds entrusted to the department.	\$375,878	5.750
Actual Totals	\$1,662,431	20.750

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Payments processed either through issuance of written checks or electronic funds transfers	10,678	11,073	10,277
Purchase orders issued through E-Procurement system	1,660	2,022	2,723

Fund 14800-1210 Archives and History - Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,272,469	\$1,808,934	\$1,606,664	(\$748,217)	\$858,447	(\$748,186)	\$858,478
Receipts	\$9,079	\$1,700	\$60,653	\$0	\$60,653	\$0	\$60,653
Appropriation	\$1,263,390	\$1,807,234	\$1,546,011	(\$748,217)	\$797,794	(\$748,186)	\$797,825
Positions	12.000	16.000	12.000	-	12.000	-	12.000

Fund description

The fund supports the operational and personnel costs of the Administrative Office of the Office of Archives and History. The Administration Office renders overall management and support, including planning, budgeting, and reporting, to the three divisions of the Office of Archives and History in their work to collect, preserve, and utilize the state's historic resources so that present and future residents of the state may better understand their history. The three divisions supported and managed are 1) the Division of Historical Resources that includes state programs for archives and records, archaeology, historic preservation, and historical publications, 2) the Division of State Historic Sites and Properties that maintains important state historic sites and landmarks, and 3) the Division of State History Museums that collects, preserves, and displays artifacts to educate the public about the state's past. The fund also supports the Administration Office's research and educational services that in turn assist and complement the research and educational work of the three divisions of the Office of Archives and History, and the educational initiatives of the Department of Cultural Resources.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide management and support to the public history programs of the Office of Archives and History through overall direction and coordination of planning, budgeting, and reporting activities.	\$805,311	4.000
Provide research services to all professional level staff of the Office of Archives and History, other state agencies, and the public by preparing in-depth reports, memoranda, websites, and manuscript reviews. Also, administer the State Highway Historical Marker Program in conjunction with a professional advisory committee and the Department of Transportation.	\$313,555	6.000
Promote the teaching and learning of history through National History Day in North Carolina by recruiting teachers and students to participate. Provide advisory and technical services to North Carolina's non-profit local historical associations. Assist with department-wide public education programs.	\$153,603	2.000
Actual Totals	\$1,272,469	12.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Students entering National History Day projects at the state competition	274	242	348
Public requests for historical information answered	920	940	960
Historical markers erected	28	25	23

Fund 14800-1220 Historical Publications — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$631,502	\$668,096	\$672,005	\$14,870	\$686,875	\$9,470	\$681,475
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$631,502	\$668,096	\$672,005	\$14,870	\$686,875	\$9,470	\$681,475
Positions	12.500	12.500	12.500	-	12.500	-	12.500

Fund description

The purpose of the Historical Publications Section, as mandated under G.S. 121-4 (4), is to foster, promote, and encourage the study and appreciation of North Carolina history by editing, publishing, marketing, and selling material related to North Carolina history. Receipts are generated through orders placed by global consumers, which earn revenue for the reprinting of selected publications and the publication of new ones.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Review, select, edit, and proofread manuscripts for publication, either as books or articles, to a high scholarly standard in order to provide fresh analyses or new information about a specific aspect of North Carolina history.	\$219,192	4.330
Publish, through typesetting, printing, and binding, edited manuscripts on topics pertinent to North Carolina history, such as county histories, governors' papers, colonial records, and Civil War rosters in order to provide resources for historians and genealogists.	\$275,508	5.840

Market and distribute books, documentaries, posters, maps, and facsimile documents about North Carolina history through exhibits, an online store, a printed catalog, and printed bookmarks to a global audience.	\$82,903	1.330
Sell publications to a global customer base by taking and processing orders, preparing invoices, and packing and shipping orders to generate revenue for reprinting publications and publishing new ones.	\$53,899	1.000
Actual Totals	\$631,502	12.500

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of accepted manuscripts in production as books or articles	48 %	45 %	38 %
Percentage of orders placed via the online store	11 %	25 %	33 %
Percentage of customer comments rating the online store as excellent	92 %	70 %	82 %
Total annual receipts (dollars)	\$188,983	\$143,362	\$172,736

Fund 14800-1230 Archives and Records — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$4,022,129	\$3,819,590	\$3,872,255	\$10,708	\$3,882,963	\$14,874	\$3,887,129
Receipts	\$289,899	\$229,453	\$229,453	\$0	\$229,453	\$0	\$229,453
Appropriation	\$3,732,230	\$3,590,137	\$3,642,802	\$10,708	\$3,653,510	\$14,874	\$3,657,676
Positions	72.750	70.760	70.760	-	70.760	-	70.760

Fund description

The purpose of the Archives and Records Section as mandated by G.S. 121 and G.S. 132 is to promote and safeguard the documentary heritage of North Carolina, particularly as it pertains to public records. This mission is accomplished by managing and collecting the records of state and local governments and providing comprehensive records management services to agencies, including public universities, in administering their records. The section also collects and maintains private papers and non-textual records that document the history of the state. Archives and Records provides assistance to citizens and government entities in accessing and using information in the State Archives and preserves those records of enduring value to the highest archival standards. The section administers the Outer Banks History Center, a regional archives and research facility, located in Manteo.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide access to, preserve, and duplicate historical and public records of enduring value. These responsibilities are accomplished through multiple points of access to records for citizens and public inquiries. Additional archival services include collecting archival records; accessioning, arranging, and describing holdings; preparing finding aids; digitizing records; and preserving archival records as a resource for the citizens of North Carolina and for researchers worldwide.	\$2,051,286	38.250
Assist state and local governments, community colleges, and universities in recordkeeping activities by performing consultations pertaining to the management of public records; producing records retention and disposition schedules; operating storage facilities for semi-current records; performing retrieval services; issuing guidelines; creating web-based publications; and holding training and best practices workshops.	\$1,970,843	34.500
Actual Totals	\$4,022,129	72.750

Measures for the fund	2003-04	2004-05	2005-06
Postal and e-mail research inquiries handled by State Archives	17,886	18,567	19,878
Researchers using archival records in the State Archives and the Outer Banks History Center	11,109	10,061	10,483
Records management consultations with state and local agencies and universities	1,001	1,363	1,325

Fund 14800-1241 State Historic Sites — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$8,279,233	\$8,386,714	\$8,546,434	\$92,692	\$8,639,126	\$111,790	\$8,658,224
Receipts	\$246,751	\$111,794	\$111,944	\$700	\$112,644	\$1,850	\$113,794
Appropriation	\$8,032,482	\$8,274,920	\$8,434,490	\$91,992	\$8,526,482	\$109,940	\$8,544,430
Positions	141.000	146.000	146.000	-	146.000	-	146.000

Fund description

The purpose of the Division of State Historic Sites and Properties is to preserve, develop, interpret, operate, and maintain for public benefit historic properties and attendant historic resources significant to the state's overall history. The Division of State Historic Sites and Properties provides educational programs about the history of North Carolina through its 27 state historic sites. The 23 historic attractions that are budgeted in fund 1241 are Alamance Battleground, Aycock Birthplace, Historic Bath, Bennett Place, Bentonville Battleground, Brunswick Town, Charlotte Hawkins Brown Museum, CSS Neuse/Richard Caswell Memorial, Duke Homestead, Historic Edenton, Fort Dobbs, Fort Fisher, Historic Halifax, Horne Creek Farm, House in the Horseshoe, North Carolina Transportation Museum, Polk Memorial, Reed Gold Mine, Somerset Place, Historic Stagville, Town Creek Indian Mound, Vance Birthplace, and Thomas Wolfe Memorial. The state historic sites are the foundation of North Carolina's heritage tourism industry, and historic sites serve as tourism anchors for each region of the state. The Division is comprised of 4 funds: 1241, 1242 (Tryon Palace), 1243 (State Capitol), and 1584 (Roanoke Island Commission).

Services for the fund

	Actual Requirements 2005-06	Actual FTEs 2005-06
Present the state's historic sites and informational treasures in order to increase the historical awareness of citizens and visitors by keeping the 23 historic sites in this fund open to the public up to six days per week.	\$6,672,364	113.000
Preserve the state's historic sites and informational treasures by maintaining historic structures and planning the long term care of structures to ensure their continuing availability to the public.	\$399,317	7.000
Promote historic sites and informational treasures in order to increase the historical awareness of citizens and visitors. These services are carried out through timely media notices and articles, maintaining web pages, and keeping publications up to date.	\$49,652	1.000
Interpret the state's historic sites and informational treasures in order to increase the historical awareness of citizens and visitors through the design, preparation and maintenance of exhibits and publications at the 23 historic sites.	\$154,005	4.000
Provide curatorial services, including the creation of research tools and catalogs made available to the public via the world wide web.	\$329,890	5.000
Provide support, including equipment maintenance and IT services, for all 23 historic sites.	\$120,268	2.000

Provide professional administrative and fiscal support to all historic sites in fund 1241, their support groups and the public.	\$235,195	6.000
Provide special programs in coordination with NC Public Schools and educational facilities that directly assist in the teaching of North Carolina History.	\$318,542	3.000
Actual Totals	\$8,279,233	141.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of hours all sites are open to the public with programs available relative to total possible opening hours assuming a seven day a week, seven hours a day schedule	79 %	81 %	83 %

Fund 14800-1242 Tryon Palace Historic Sites and Gardens — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,563,413	\$3,049,721	\$3,075,965	\$81,313	\$3,157,278	\$128,521	\$3,204,486
Receipts	\$424,081	\$459,924	\$480,851	\$1,595	\$482,446	\$6,595	\$487,446
Appropriation	\$2,139,332	\$2,589,797	\$2,595,114	\$79,718	\$2,674,832	\$121,926	\$2,717,040
Positions	51.490	56.510	55.770	-	55.770	-	55.770

Fund description

The purpose of Tryon Palace Historic Sites & Gardens is to engage present and future generations in the history of North Carolina from early settlement and development of statehood through the mid-twentieth century by collecting, interpreting and preserving objects, buildings, landscapes and events that enrich understanding of the making of our state and nation.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Collect, conserve and protect historic objects, such as paintings, furniture, textiles, and ceramics, in order to increase cultural awareness and enrichment of citizens and visitors to the site. These services are carried out through setting policy, planning, object acquisition, physical object conservation and security, managing personnel, and providing administrative and oversight operations.	\$452,149	8.000
Preserve and protect historic buildings and properties contributing to the overall visitor experience. These services are carried out through setting policy, planning, physical preservation of buildings and security, managing personnel, and providing administrative and oversight operations.	\$381,279	6.000
Engage and educate present and future generations in the history of North Carolina through research, historical interpretation and demonstrations, interactive programming, and events.	\$705,178	13.490
Develop and cultivate gardens and landscapes appropriate and integral to the historical interpretation of Tryon Palace Historic Sites and Gardens and North Carolina history. These services are carried out through setting policy, planning, physical garden maintenance, managing personnel, and providing administrative and oversight operations.	\$367,771	9.000
Protect state historical resources and assets, human resources, the public and visitors by providing physical security of Tryon Palace Historic Sites and Gardens on a continuous basis, 24 hours per day, 365 days per year, to provide a functional, safe, and accessible environment.	\$281,469	9.000

Advertise and market Tryon Palace Historic Sites and Gardens to diverse audiences in order to increase visitation through press releases, brochures, print advertising, publications, billboards, and radio and television.	\$375,567	6.000
Actual Totals	\$2,563,413	51.490

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of objects from overall collection requiring conservation within one year	16 %	16 %	14 %
Percentage of visitor surveys ranking their Tryon Palace Historic Sites and Gardens experience as Excellent	78 %	67 %	81 %
Percentage of annual goal visitation (goal is 100,000 visitors) achieved through daily tours, events and programs	81 %	96 %	92 %

Fund 14800-1243 State Capitol — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$230,609	\$434,410	\$423,659	\$1,042	\$424,701	\$1,042	\$424,701
Receipts	\$1,980	\$100	\$100	\$0	\$100	\$0	\$100
Appropriation	\$228,629	\$434,310	\$423,559	\$1,042	\$424,601	\$1,042	\$424,601
Positions	7.970	9.000	8.980	-	8.980	-	8.980

Fund description

The purpose of the State Capitol branch of the Museum and Visitor Services Section (Division of State Historic Sites) is to preserve, interpret and administer the State Capitol Building, its monuments, the historic furnishings and works of art, and its historical setting. To carry out this mission, the Capitol staff strives to enhance visitor knowledge of North Carolina history, the founding of Raleigh as the state's capital city, the evolution of North Carolina government and the building's role in those functions. The Capitol's historical significance is highlighted by the production of a series of educational programs and special events annually, and by conducting an extensive educational outreach program for schools, government, community, and civic organizations. This fund is one of four that comprised the Division of State Historic Sites: 1241 (State Historic Sites), 1242 (Tryon Palace), 1243 (State Capitol), and 1584 (Roanoke Island Commission).

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Share the state's historic sites and informational treasures in order to increase the historical awareness of citizens and visitors by keeping the historic State Capital open and in good order to the public up to six days per week on a regularly schedule basis.	\$188,637	6.970
Provide ad hoc Living History Programs and focused programs on the history associated with five annually scheduled special events: July 4th; Veteran's Day; the Governor's Tree Lighting; the Holiday Open House; and Memorial Day.	\$41,972	1.000
Actual Totals	\$230,609	7.970

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Average number of students per week taking part in school tours at the State Capitol	625	675	700
Special Events held as part of the State Capitol's mission	-	70	73
"Walk-In" visitors to the State Capitol	-	28,151	34,934

Fund 14800-1245 NC Maritime Museum — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,189,210	\$1,215,043	\$1,218,913	\$4,986	\$1,223,899	\$5,235	\$1,224,148
Receipts	\$956,421	\$10,150	\$10,150	\$0	\$10,150	\$0	\$10,150
Appropriation	\$1,232,789	\$1,204,893	\$1,208,763	\$4,986	\$1,213,749	\$5,235	\$1,213,998
Positions	19.000	21.000	21.000	-	21.000	-	21.000

Fund description

This fund supports the NC Maritime Museums in Beaufort, Southport, and Manteo. These museums provide interpretive exhibits, conferences, seminars, field trips, and classes focused on the natural, cultural, and maritime history of North Carolina for the educational benefit of citizens and visitors to North Carolina. The Maritime Museum preserves and displays boating vessels and conducts classes in traditional boatbuilding as practiced in North Carolina. This is one of two funds that support the Division of State History Museums. The other is Fund 1500, which supports the NC Museum of History and its three regional branches.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Collect and preserve artifacts and natural specimens for use in exhibits and study collections for the education and enjoyment of museum visitors.	\$312,938	2.000
Plan, research, design, fabricate, and install exhibits and present educational programming that complements and enhances the museum experience for visitors and participants.	\$1,232,193	15.000
Administer and support the programming operations of the division's museums.	\$644,079	2.000
Actual Totals	\$2,189,210	19.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Total visitation	211,018	257,639	239,054
Public programs presented	118	659	492
Media programs loaned	9	13	5

Fund 14800-1250 Historic Preservation — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,759,775	\$1,564,142	\$1,673,906	\$152,566	\$1,826,472	\$155,857	\$1,829,763
Receipts	\$836,008	\$641,591	\$688,944	\$134,124	\$823,068	\$134,124	\$823,068
Appropriation	\$923,767	\$922,551	\$984,962	\$18,442	\$1,003,404	\$21,733	\$1,006,695
Positions	30.160	26.910	28.010	-	28.010	-	28.010

Fund description

The Historic Preservation Office identifies, protects, and enhances the state's historic buildings and sites through a coordinated program of assistance, education, technical information, and project review to state and federal agencies, local governments, non-profit organizations, property developers, and private citizens. In addition, the fund administers federal and state historic preservation tax credit programs that provide significant incentives for preserving and renovating historic properties through the work of private developers, resulting in substantial economic development and revitalization in the state's historic downtowns and neighborhoods.

Services for the fund	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administer the statewide architectural survey and National Register programs, through comprehensive surveys of counties and municipalities, and review and processing of nominations of properties determined eligible for the National Register.	\$602,879	10.250
Perform environmental reviews of all development projects that are funded, licensed, permitted, or assisted by state or federal agencies to determine their effect on the state's historic properties, to ensure that due consideration is given to historic properties in the project planning and construction process as directed by state and federal laws.	\$439,946	7.910
Administer federal and state historic preservation tax credit programs and provide technical assistance to promote the preservation and rehabilitation of historic buildings and private residences listed on the National Register or located in historic districts across the state.	\$602,881	10.250
Provide technical services and training to all of the state's local historic preservation commissions and administer the federal Certified Local Government program, including National Park Service grants for architectural surveys and National Register nominations, with the goal of ensuring that historic preservation is an integral part of the local planning process.	\$114,069	1.750
Actual Totals	\$1,759,775	30.160

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
National Register Nominations reviewed by staff and approved by the National Register Advisory Committee (includes historic districts)	58	80	58
Environmental Review Project review comments provided	3,744	3,152	3,499
Federal and State Historic Preservation tax credit projects reviewed and completed ¹	196	178	182

¹Total value of projects statewide by year: 2004 - \$109,897,063; 2005 - \$100,097,574; 2006 - \$207,603,650.

Fund 14800-1260 Office of State Archaeology — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$771,511	\$1,129,963	\$1,166,234	(\$239,527)	\$926,707	(\$238,797)	\$927,437
Receipts	\$12,896	\$1,150	\$1,150	\$0	\$1,150	\$0	\$1,150
Appropriation	\$758,615	\$1,128,813	\$1,165,084	(\$239,527)	\$925,557	(\$238,797)	\$926,287
Positions	13.000	17.000	17.000	-	17.000	-	17.000

Fund description

The Office of State Archaeology (OSA) serves the department's statewide interests in prehistoric, historic, and underwater archaeology, and is a vital link among local, state, and federal agencies for all aspects of regulatory compliance, public education, and archaeological research in North Carolina. Underwater archaeology, including the Queen Anne's Revenge project, is a major OSA program. OSA helps protect endangered archaeological sites on private or public lands through enforcement of the North Carolina and federal archaeology laws, and maintains a statewide inventory of archaeological sites and the maps, photographs, and artifact collections that support the inventory. OSA records significant archaeological sites listed in the National Register of Historic Places. Staff archaeologists give lectures, demonstrate archaeological techniques, and prepare publications for school groups, amateur archaeological and historical societies, and government agencies. With the State Historic Preservation Office, OSA reviews permit applications and construction plans receiving state or federal assistance. Staff archaeologists administer grants for archaeological surveys and research, and help museums, universities, and local governments with technical questions on project planning, contract reviews, and archaeological sites protection.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Protect endangered archaeological sites on private or public lands through enforcement of the North Carolina archaeological protection laws. Work with private citizens, local governmental bodies and law enforcement officials, and federal and state agencies to ensure land is protected.	\$28,663	.500
Maintain a statewide inventory of archaeological sites along with maps, photographs, artifact collections and other data sources that support the inventory. Share those resources with agencies, businesses, researchers, landowners and other affected groups. Convert OSA inventories to GIS data layers and maintain GIS system(s).	\$142,905	2.500
Demonstrate archaeological techniques, conduct lectures, and prepare publications on North Carolina archaeology, for school groups, amateur archaeological and historical societies, and government agencies. Share important information on North Carolina through web pages, workshops, symposia, and professional papers at state, regional, and national archaeological meetings.	\$43,109	.750
Maintain records of significant archaeological sites, including sites listed on the National Register of Historic Places (NRHP) and inventoried by OSA. Share that information for purposes of resource protection and scientific research.	\$14,132	.250
Review permit applications and construction plans receiving state or federal assistance (in concert with the State Historic Preservation Office), under pertinent laws or regulations, and make recommendations to agencies, project sponsors, and landowners.	\$363,110	6.000
Administer federal, state, and private grants for archaeological surveys, excavations, and research, working with researchers, local governments, agencies, and private landowners.	\$14,132	.250
Provide museums, universities, and local government agencies with technical assistance on project planning, contract reviews, grant reports, and protection of archaeological sites. Maintain and distribute a list of professional archaeological consultants, and help agencies and businesses prepare and review technical proposals and reports.	\$165,460	2.750
Actual Totals	\$771,511	13.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Archaeological permit applications received, processed with criminal background checks, and subsequently approved or extended	8	9	12
Archaeological site records, reports, images, maps and related sources added to the statewide inventory	4,572	2,386	7,380
New environmental review cases	5,614	2,053	2,765
Programmatic agreements, memoranda of agreement, and data recovery plans created and/or reviewed	35	61	92

Fund 14800-1290 Western Office — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$261,676	\$315,731	\$314,235	\$6,885	\$321,120	\$6,885	\$321,120
Receipts	\$3,717	\$150	\$150	\$0	\$150	\$0	\$150
Appropriation	\$257,959	\$315,581	\$314,085	\$6,885	\$320,970	\$6,885	\$320,970
Positions	5.000	5.000	5.000	-	5.000	-	5.000

Fund description

The Western Office is a regional service branch of the Office of Archives and History, Division of Historical Resources covering the 25 western-most North Carolina counties. The office provides professional expertise in cultural and historic resource management to museums, historic sites, and other historical organizations in the areas of planning, development, interpretation, exhibit design and photography, and administers the West Region National History Day program. In addition, administrative support, and management services are provided to employees stationed in the Western Office from 1) The North Carolina State Historic Preservation Office, 2) The North Carolina Office of State Archaeology, and 3) The North Carolina State Archives.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Represent the Department of Cultural Resources and the Office of Archives and History to promote citizen awareness in Western North Carolina of Departmental programs and services.	\$12,543	.500
Provide staff and organizational development services to local historical organizations in Western North Carolina. Organizational development includes consultations on governance for nonprofits, grants, strategic planning, and ethics. Staff development includes workshops for volunteers and staff of historical organizations in Western North Carolina in the areas of interpretation and visitor services. A major goal is to increase heritage tourism in Western North Carolina.	\$10,725	.500
Serve on Friends of Mountain History Board of Directors and assist with Heritage Matching Grant Program to ensure qualified programs and organizations receive funding.	\$11,573	.250
Provide technical and consultative services concerning curatorial care, archival storage, and handling of material artifacts and iconographic collections to local history agencies so the history of Western North Carolina will be preserved and documented.	\$58,477	.750
Provide photographic services for Western Office staff and county inventory consultants to ensure photographic documentation of National Register and State Study List properties.	\$16,981	.500
Present historical, architectural, and photographic programs to local groups to provide educational opportunities to learn about the history of Western North Carolina.	\$31,684	.500
Provide administrative and technical support to all staff members stationed in the Western Office including two with salaries paid from funds 1250 and 1260.	\$85,835	1.000
Provide customer services to individuals requesting information concerning the Western Office and its attendant programs with a high level of customer satisfaction.	\$14,723	.500
Administer West Region History Day program for all students in grades six through twelve, which promotes interest in history among students.	\$19,135	.500
Actual Totals	\$261,676	5.000

Measures for the fund	2003-04	2004-05	2005-06
Requests for information concerning the Western Office and its attendant programs	189	232	-
Students participating in West Region History Day program	263	185	175

Fund 14800-1320 Museum of Art — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$4,802,742	\$4,892,453	\$4,918,901	(\$174,526)	\$4,744,375	(\$167,992)	\$4,750,909
Receipts	\$206,570	\$197,680	\$198,107	\$2,534	\$200,641	\$2,719	\$200,826
Appropriation	\$4,596,172	\$4,694,773	\$4,720,794	(\$177,060)	\$4,543,734	(\$170,711)	\$4,550,083
Positions	87.480	82.250	86.500	-	86.500	-	86.500

Fund description

The North Carolina Museum of Art acquires, preserves, and exhibits works of art for the education and enjoyment of the people of North Carolina and visitors to the state, and conducts programs of education, research and publication designed to encourage an interest in and an appreciation for art on the part of the people of the state. To carry out these responsibilities, the museum (1) Seeks to increase the quality of the museum's collections through gifts, bequests, and other means; (2) Ensures the preservation and safekeeping of the collection through conservation and security measures; (3) Conducts programs of exhibitions to present works of art; (4) Provides educational opportunities with tours, classes, lectures, concerts, and publications; (5) Provides outreach programs including educational opportunities, workshops, conservation, consultation, and membership opportunities, etc. to individuals and other institutions statewide.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Provide executive leadership, administrative support and organizational infrastructure to the employees of the North Carolina Museum of Art in order to carry out the mission of the art museum.	\$505,978	9.480
Enhance, conserve, research, display and promote the art in the state's collection, supplementing, when appropriate by loans from outside sources, for the enjoyment and education of the people of North Carolina.	\$1,860,173	32.000
Provide art education programming through museum visits, structured classes, community outreach, and the use of technology to all counties in the state of North Carolina.	\$413,807	10.000
Maintain standards of safety, security, and cleanliness throughout the Museum buildings and surrounding park area for the benefit of the art collections, museum staff, and visiting public.	\$2,022,784	36.000
Actual Totals	\$4,802,742	87.480

Measures for the fund	2003-04	2004-05	2005-06
Total annual attendance	182,728	319,166	237,000
Counties served by education department	44	63	60
Education Web Site (ArtNC) users	0	0	10,000

Fund 14800-1330 NC Arts Council — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$8,605,621	\$9,312,857	\$9,348,752	(\$1,608,340)	\$7,740,412	(\$1,608,340)	\$7,740,412
Receipts	\$690,402	\$735,250	\$735,250	\$41,200	\$776,450	\$41,200	\$776,450
Appropriation	\$7,915,219	\$8,577,607	\$8,613,502	(\$1,649,540)	\$6,963,962	(\$1,649,540)	\$6,963,962
Positions	25.250	24.240	25.240	-	25.240	-	25.240

Fund description

The North Carolina Arts Council works to make North Carolina a better state through the arts by building vibrant communities, creating opportunities for citizens to be more creative and productive, and ensuring that the state's culture remains strong and vital. The Arts Council accomplishes this in partnership with artists and arts organizations, other organizations that use the arts to make their communities stronger, and North Carolinians - young and old - who enjoy and participate in the arts.

The Arts Council provides leadership, guidance, planning assistance, information resources, technical support, and funding to artists, arts and civic organizations, learning institutions, government agencies and the public. It promotes excellence in the many forms of artistic expression, supports the exemplary artists and organizations that make up the state's robust arts industry, builds sustainable place-based economic development strategies, enhances student learning by putting artists in the classrooms and in after school programs, works throughout the continuum of lifelong learning, and expands the range of opportunities for North Carolinians to experience the arts.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administration - Provide leadership to create and achieve a statewide vision for the arts by designing goals, policies and programs that make high quality arts experiences available to citizens in all 100 counties. Manage available board, staff, and financial resources so that citizen taxpayers receive maximum return on their investment in the arts.	\$336,388	4.000
Artists and Organizations - Build capacity and encourage development of high quality artistic productions and services by providing funding, resources, and technical support to artists and arts organizations in film, literary, performing, and visual arts. Develop and administer programs, such as the Poet Laureate program, that highlight the state's artistic assets and provide new models for educating the public about different art forms and expressions.	\$2,497,291	3.750
Communities - Integrate arts and living traditions into local and regional planning efforts statewide. Work from the grassroots level up to design and implement initiatives that showcase local arts and cultural resources, strengthen community identity, and support sustainable place-based economic development.	\$3,525,088	5.000
Participation - Create opportunities for citizens to participate in the arts by providing programs and technical and financial resources to arts organizations and learning institutions. Advance life-long learning experiences through arts in education for pre-K through 12, adult learning, accessibility for people with disabilities, and audience development.	\$1,059,438	4.000
Marketing - Market the arts to citizens and visitors. Serve as the primary resource on arts and culture in NC through the development and maintenance of www.ncarts.org, an integrated, free resource on the state's arts industry. Provide citizens and visitors the opportunity to learn about the state's rich arts and cultural assets and encourage participation in the arts by developing and marketing themed driving tours, such as the Blue Ridge Music Trail and the Cherokee Heritage Trail.	\$558,575	6.500

Grants - Manage a comprehensive grants program that annually awards over 1,000 grants to approximately 450 arts organizations, 300 education, civic and community organizations, and 130 artists. Ensure that funded programs are developed and managed consistent with contractual requirements and that all state and federal accounting and reporting requirements are met.	\$119,325	2.000
Line Items - Oversee funding to three theaters designated by the Legislature to receive financial support to stabilize their operations and to make their programs widely available to citizens across the state. Line items exist for The Lost Colony in Manteo, Shakespeare Festival in High Point, and Vagabond School of Drama, dba Flat Rock Theater, in Flat Rock.	\$509,516	-
Actual Totals	\$8,605,621	25.250

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Participants in funded programs ¹	12,500,000	13,000,000	13,000,000
Non-state funds matching each dollar of state grant funds (dollars) ¹	\$20	\$19	\$19
Dollar value of time contributed annually by arts volunteers (dollars)	-	\$13,500,000	-

¹2006 figure is estimated - final data available Feb. 2007.

Fund 14800-1340 NC Symphony — Base Budget

	<u>2005-06</u> Actual	<u>2006-07</u> Certified	<u>2006-07</u> Authorized	<u>2007-08</u> Adjustments	<u>2007-08</u> Total	<u>2008-09</u> Adjustments	<u>2008-09</u> Total
Requirements	\$2,292,148	\$2,565,653	\$2,583,538	(\$321,714)	\$2,261,824	(\$321,714)	\$2,261,824
Receipts	\$356	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$2,291,792	\$2,565,653	\$2,583,538	(\$321,714)	\$2,261,824	(\$321,714)	\$2,261,824
Positions	7.900	8.000	8.000	-	8.000	-	8.000

Fund description

The mission of the North Carolina Symphony is to present an orchestra of the highest artistic standard that enriches, entertains, and educates diverse audiences in a variety of settings and represents North Carolina as a leader in performance and music education. The Symphony has carried out this mission since 1932. It is the first orchestra to receive state funding on a continuing basis. The North Carolina Symphony is singularly unique in its commitment to statewide service and music education. Today, it travels more than 14,000 miles per year and performs more than half of its annual concerts outside the Triangle area. Each season the orchestra performs 45 to 50 full-orchestra music education concerts for fourth and fifth grade students.

Services for the fund

	<u>Actual</u> <u>Requirements</u> <u>2005-06</u>	<u>Actual</u> <u>FTEs</u> <u>2005-06</u>
Provide a grant to the NC Symphony Society to support the performance of more than 175 annual concerts statewide including 45 to 50 full-orchestra music education concerts for fourth and fifth graders.	\$1,882,595	-
Provide administrative support and organizational infrastructure to the employees of the North Carolina North Carolina Symphony in order to carry out the mission of the orchestra.	\$409,553	7.900
Actual Totals	\$2,292,148	7.900

Measures for the fund	2003-04	2004-05	2005-06
Education concerts performed	46	50	49
Children served	66,700	72,500	71,050
Total concerts performed	175	175	179

Fund 14800-1360 Grants-In-Aid to Arts — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$7,329,500	\$0	\$0	\$0	\$0	\$0	\$0
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$7,329,500	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This fund is being deleted, and accounts formerly budgeted here are being redistributed to funds 1320, 1330 and 1340. The Grant-in-Aid to Arts provides support to arts organizations within North Carolina to: (1) foster the development of selected arts organizations, and (2) present a symphony orchestra of the highest artistic standard that enriches, entertains, and educates diverse audiences in a variety of settings and represents North Carolina as a leader in performance and music education. Specifically, the fund supports musicians' salaries as described in the collective bargaining agreement between the North Carolina Symphony and Local 500, allowing the Symphony to perform a vast array of concerts throughout the state, thus fostering musical education, appreciation and awareness for symphonic music through concerts for adults and children in the public schools.

Fund 14800-1410 State Library Services — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$4,503,244	\$5,406,526	\$5,404,942	\$91,732	\$5,496,674	\$123,490	\$5,528,432
Receipts	\$32,249	\$45,015	\$45,015	\$0	\$45,015	\$0	\$45,015
Appropriation	\$4,470,995	\$5,361,511	\$5,359,927	\$91,732	\$5,451,659	\$123,490	\$5,483,417
Positions	86.370	90.000	86.380	-	86.380	-	86.380

Fund description

This fund supports the management of the State Library of North Carolina and provides the organization and delivery of information and library materials to state government, North Carolina citizens (including those with physical and visual handicaps), and libraries across the state. It also serves as the official depository and clearinghouse for North Carolina state government publications, and provides services that improve, stimulate, increase, and equalize library service to all the people of North Carolina. (G.S. 125-1 to 125-11.13). This is one of two funds (1410 and 1480) that provide assistance to libraries statewide.

Services for the fund

	Actual Requirements 2005-06	Actual FTEs 2005-06
Provide library and information resources for North Carolinians through print and digital collections, the State Depository Library System, and specialized research and consultative services.	\$1,807,984	34.000
Provide public library services for persons who cannot use regular printed materials because of a visual or physical disability.	\$1,401,307	29.000

Work directly with local communities in the development of public library services and coordinate activities among all types of libraries to provide the best possible use of library and information programs, resources, and services for the people of North Carolina.	\$749,082	13.000
Provide information technology, budgeting, purchasing, and human resource activities in support of all State Library programs and services.	\$544,871	10.370
Actual Totals	\$4,503,244	86.370

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Library resources used (in-house, checked out to individuals, sent to libraries through interlibrary loan program, and internet database sessions) during the fiscal year	105,638	118,644	108,444
Braille, large print, and recorded books circulated to blind and physically handicapped North Carolinians during the fiscal year	485,962	482,813	486,524
Consultations with staff in libraries across the state (in-office, telephone, and site visits) during the fiscal year	11,372	12,826	12,415

Fund 14800-1480 Statewide Programs and Grants — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$21,810,479	\$23,515,225	\$23,515,225	(\$830,248)	\$22,684,977	(\$830,248)	\$22,684,977
Receipts	\$3,837,698	\$4,756,653	\$4,756,653	\$0	\$4,756,653	\$0	\$4,756,653
Appropriation	\$17,972,781	\$18,758,572	\$18,758,572	(\$830,248)	\$17,928,324	(\$830,248)	\$17,928,324
Positions	5.000	1.000	4.000	-	4.000	-	4.000

Fund description

This fund is used for programs and grants that help local libraries deliver service and assure equal access to information for all the people of North Carolina through improved public library services, cooperation among all types of libraries in the state, and electronic library networks. (G.S. 125.2(10), 7. and 8.; G.S. 153A-261).

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Visitors to NC public libraries	32,798,695	33,994,987	34,033,118
Uses of NC LIVE resources by public library users	600,997	652,490	736,610
Library staff attending continuing education workshops sponsored by the State Library	815	702	796

Fund 14800-1500 Museum of History — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$7,139,699	\$6,654,952	\$6,659,242	\$172,196	\$6,831,438	\$117,060	\$6,776,302
Receipts	\$255,980	\$63,448	\$63,448	\$2,000	\$65,448	\$0	\$63,448
Appropriation	\$6,883,719	\$6,591,504	\$6,595,794	\$170,196	\$6,765,990	\$117,060	\$6,712,854
Positions	111.610	118.610	117.030	-	117.030	-	117.030

Fund description

This fund promotes understanding of the history and material culture of North Carolina for the educational benefit of the people through collections and historical interpretation at the NC Museum of History in Raleigh, the Mountain Gateway Museum in Old Fort, the Museum of the Cape Fear in Fayetteville, and the Museum of the Albemarle in Elizabeth City. These museums develop, produce, and maintain long and short-term exhibits and associated programs, publications, audiovisual service outreach, and distance learning opportunities to schools and community groups throughout the state. The Division collects, conserves, and documents historical objects significant to North Carolina history and provides assistance to local and regional museum and historic sites. This is one of two funds that support the division of State History Museums. The other is Fund 1245, which supports the three locations of the NC Maritime Museum.

Services for the fund	<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
Collect and preserve artifacts and natural specimens for use in exhibits and study collections for the education and enjoyment of museum visitors.	\$1,239,373	25.000
Plan, research, design, fabricate, and install exhibits and present educational programming that complements and enhances the museum experience for visitors and participants.	\$3,732,724	55.610
Administer and support the programming operations of the division's four museums.	\$2,167,602	31.000
Actual Totals	\$7,139,699	111.610

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Total visitation	321,765	251,546	370,874
Public programs presented	152	366	399
Media programs loaned	434	1,012	814

Fund 14800-1991 Indirect Reserve — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$119,356	\$178,158	\$178,158	\$0	\$178,158	\$0	\$178,158
Receipts	\$156,078	\$178,158	\$178,158	\$0	\$178,158	\$0	\$178,158
Appropriation	(\$36,722)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This is an accounting device for holding funds to be transferred to operating programs of the department.

Fund 14800-1992 Continuation Reserve — Base Budget

	<u>2005-06 Actual</u>	<u>2006-07 Certified</u>	<u>2006-07 Authorized</u>	<u>2007-08 Adjustments</u>	<u>2007-08 Total</u>	<u>2008-09 Adjustments</u>	<u>2008-09 Total</u>
Requirements	\$0	\$19,694	\$19,694	\$970,981	\$990,675	\$1,809,394	\$1,829,088
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$0	\$19,694	\$19,694	\$970,981	\$990,675	\$1,809,394	\$1,829,088
Positions	-	10.000	-	14.000	14.000	29.000	29.000

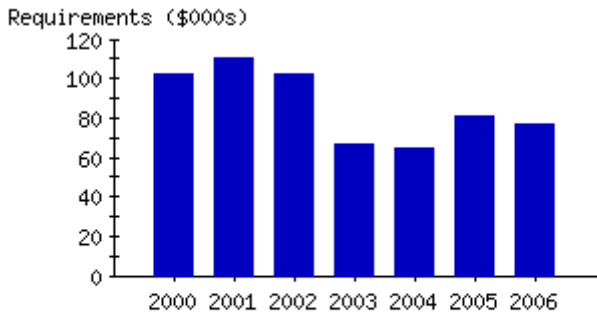
Fund description

This is an accounting device for holding funds for transfer to the operating budgets of the Art Museum, History Museum, and selected Historic Sites.

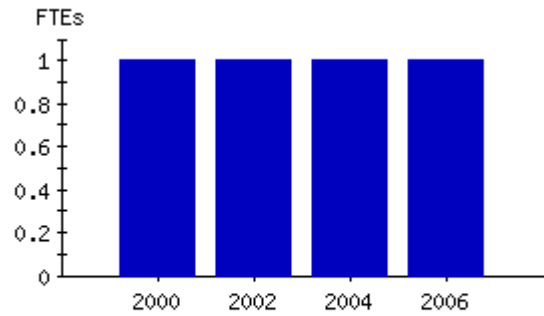
Base Budget and Results-Based Information

Budget Code 54800 Cultural Resources - Enterprise

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$77,184	\$94,032	\$94,032	\$0	\$94,032	\$0	\$94,032
Receipts	\$81,645	\$94,032	\$94,032	\$0	\$94,032	\$0	\$94,032
Chng Fund Bal	\$4,461	\$0	\$0	\$0	\$0	\$0	\$0
Positions	1.000	1.000	1.000	-	1.000	-	1.000

Budget Code 54800 Cultural Resources - Enterprise

Fund 54800-5241 Historic Sites Sales — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$77,184	\$94,032	\$94,032	\$0	\$94,032	\$0	\$94,032
Receipts	\$81,645	\$94,032	\$94,032	\$0	\$94,032	\$0	\$94,032
Chng Fund Bal	\$4,461	\$0	\$0	\$0	\$0	\$0	\$0
Positions	1.000	1.000	1.000	-	1.000	-	1.000

Fund description

The purpose of the North Carolina Historic Sites Enterprise Fund is to operate sales desks at various state historic sites - Alamance Battleground, Historic Halifax, President James K. Polk Memorial, Reed Gold Mine, and Vance Birthplace, for the benefit and education of the public and students about the history of North Carolina. Receipts/Revenues are used to benefit the site (where sales occur), its programs, and exhibits.

Services for the fund

Provide merchandise for the operation of sales desks at several historic sites that is appropriate to the thematic content of the collections and programs of these sites.

Actual Totals

<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
\$77,184	1.000
\$77,184	1.000

Measures for the fund

Ratio of actual sales to goods purchased for resale

<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
61 %	70 %	55 %

Governor's Recommended Adjustments to Base Budget

Roanoke Island Commission (14802)

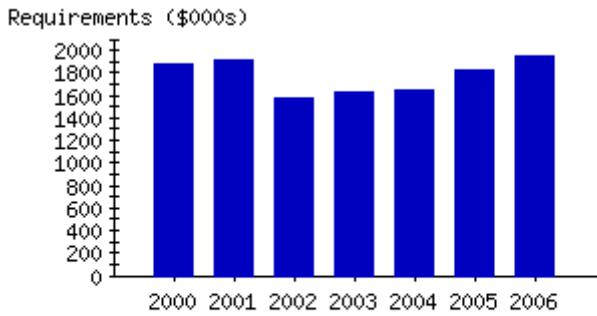
Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$2,020,023	\$2,020,023
Receipts	=	=
Appropriation	\$2,020,023	\$2,020,023
Adjustments		
Requirements	-	-
Receipts	=	=
Appropriation	-	-
Total		
Requirements	\$2,020,023	\$2,020,023
Receipts	=	=
Recommended Appropriation	<u>\$2,020,023</u>	<u>\$2,020,023</u>
<hr/>		
Positions		
Base Budget Positions	-	-
Reductions	-	-
Expansion	<u>-</u>	<u>-</u>
Recommended Positions	<u><u>-</u></u>	<u><u>-</u></u>

Base Budget and Results-Based Information

Budget Code 14802 Cultural Resources - Roanoke Island Commission

**Actual Expenditures
by Fiscal Year**



General funds are appropriated to budget code 14802 and immediately transferred to 24802 where operating costs and positions are budgeted.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,954,666	\$2,020,023	\$2,020,023	\$0	\$2,020,023	\$0	\$2,020,023
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$1,954,666	\$2,020,023	\$2,020,023	\$0	\$2,020,023	\$0	\$2,020,023
Positions	-	-	-	-	-	-	-

Budget Code 14802 Cultural Resources - Roanoke Island Commission

Fund 14802-1584 Roanoke Island Commission — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,954,666	\$2,020,023	\$2,020,023	\$0	\$2,020,023	\$0	\$2,020,023
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$1,954,666	\$2,020,023	\$2,020,023	\$0	\$2,020,023	\$0	\$2,020,023
Positions	-	-	-	-	-	-	-

Fund description

The mission of the Roanoke Island Commission is to involve residents and visitors of all ages in a creative and stimulating exploration of Roanoke Island's historical, cultural, and natural resources. The commission operates and administers the 16th century ship Elizabeth II, the Visitors Center, and all other facilities comprising Roanoke Island Festival Park, which commemorates the Roanoke Voyages of 1584-1587. Appropriations received into this fund are transferred and spent from fund 2584 in budget code 28400. There are a total of 35 FTE's funded in budget code 28400. To carry out these responsibilities the Roanoke Island Commission and staff provide programming, customer service, and historical accounts of Roanoke Island to visitors, colleagues and partners with authenticity and respect. The commission and staff provide innovative, creative, experience-based programming that entertains and educates a diverse audience and aims to be inclusive and appeal to a broad cross section of individuals and interests thereby fostering a community where diverse backgrounds are celebrated.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide educational programming throughout Roanoke Island Festival Park that appeals to the needs and interests of visitors of all ages, attracts new audiences, engages school groups through creative links to North Carolina curriculum, and entertains while educating through interactive, experience-based, and hand-on learning opportunities.	\$742,995	-
Engage artist and audience in dynamic expressions of visual and performing arts, provide visitors and residents of all ages with entertaining programming in dance, drama, music and film in partnership with the North Carolina School of the Arts, attract new audiences with diverse cultural programming from a wide variety of venues, and support school-based curriculum programs in the arts for the benefit of all youth.	\$256,364	-
Protect and preserve the natural resources of Roanoke Island, provide educational opportunities in environmental studies, inspire an appreciation for environmental conservation, and restore, preserve, and enhance all lands, including the Roanoke Voyages Corridor, entrusted to our care for the benefit of residents and visitors of all ages.	\$111,424	-
Maintain professional standards of buildings and watercraft integrity, safety, and cleanliness throughout the facilities for the benefit of residents, staff, and visitors of all ages.	\$468,212	-
Provide leadership, administrative and technical support and operational infrastructure support to employees, partners, the Commission, non-profit Board, and outside business partners to facilitate fulfillment of organizational vision, mission, values and goals.	\$375,670	-
Actual Totals	\$1,954,666	-

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Visitors to Roanoke Island Festival Park	99,805	97,694	105,053
School groups visiting Roanoke Island Festival	436	188	214
Off-site outreach programs conducted	27	38	57
Cultural programs conducted at Roanoke Island Festival Park	95	132	146

State Board of Elections

Mission

To promote confidence among the citizens of North Carolina in the integrity of the free election process through the consistent administration and equal application of all elections and campaign finance laws, rules, and regulations.

Goals

Promote voter registration and participation by all qualified eligible citizens of North Carolina in all elections through training for elections officials and education for voters about the voting process.

Educate and assist the public, candidates and political committee treasurers, county and municipal boards of election and staff of campaign finance disclosure laws.

Ensure fair elections and protect the constitutional rights of voters and candidates through equal application of Federal and State laws, the approval of all voting systems used in NC elections, administration of the Public Campaign Fund and the investigation of complaints.

Facilitate voter registration through the maintenance of a statewide computerized voter registration system and the provision of voter registration information to each county.

Governor's Recommended Adjustments to Base Budget

State Board of Elections (18025)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$9,393,578	\$9,406,143
Receipts	<u>\$3,532,117</u>	<u>\$3,532,117</u>
Appropriation	\$5,861,461	\$5,874,026
Adjustments		
Requirements	\$3,666,960	\$924,121
Receipts	-	-
Appropriation	\$3,666,960	\$924,121
Total		
Requirements	\$13,060,538	\$10,330,264
Receipts	<u>\$3,532,117</u>	<u>\$3,532,117</u>
Recommended Appropriation	<u>\$9,528,421</u>	<u>\$6,798,147</u>
<hr/>		
Positions		
Base Budget Positions	59.000	59.000
Reductions	-	-
Expansion	<u>3.000</u>	-
Recommended Positions	<u>62.000</u>	<u>59.000</u>

Appropriation Items -- Recommended Adjustments

Expansion	<u>2007-08</u>	<u>2008-09</u>
Campaign Reporting		
1. Staff Expansion		
Funding is recommended to provide an additional year for three time-limited Audit Specialists to address the auditing backlog of campaign finance reports.		
Appropriation - Nonrecurring	\$177,339	-
Positions	3.000	
2. Web-based and Regional Training		
Funding is recommended to provide online training, regional seminars and a learning management system to track data for committee treasurers.		
Appropriation	\$55,000	\$55,000
Appropriation - Nonrecurring	\$40,000	-
3. Additional Office Space		
Funding is recommended for additional office space to house the expanded Campaign Finance Division.		
Appropriation	\$75,000	\$77,250
Appropriation - Nonrecurring	\$27,750	-
<hr/>		
Administration		
1. Voting Systems Training		
Funding is recommended to provide the required training for all county boards of elections staff on voting equipment operating procedures.		
Appropriation	\$100,000	\$100,000
2. Election Coding		
Funding is recommended to centralize ballot coding in NC to provide oversight, ensure accuracy of election preparation, and reduce errors with ballot styles.		
Appropriation	\$427,500	\$427,500
3. Election Support		
Funding is recommended to provide twenty additional election technicians across the state to deal with technical problems that arise on election day.		
Appropriation	\$70,000	\$70,000
4. Voting Equipment Maintenance		
Funding is recommended to provide statewide maintenance for voting equipment.		
Appropriation	\$194,371	\$194,371

5. November 2007 Bond Referenda

Funding is recommended for costs associated with a special November referendum.

Appropriation - Nonrecurring \$2,500,000 -

Total Recommended Expansion

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$921,871	\$924,121
Receipts	-	-
	\$921,871	\$924,121
Appropriation	3.000	-
Positions		
Nonrecurring		
Requirements	\$2,745,089	-
Receipts	-	-
	\$2,745,089	-
Appropriation	-	-
Positions	-	-

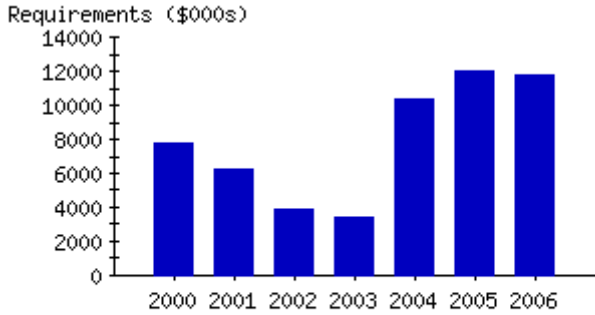
**Total Recommended Adjustments for
State Board of Elections (18025)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$921,871	\$924,121
Receipts	-	-
	\$921,871	\$924,121
Appropriation	3.000	-
Positions		
Nonrecurring		
Requirements	\$2,745,089	-
Receipts	-	-
	\$2,745,089	-
Appropriation	-	-
Positions	-	-
Total Appropriation Adjustments	\$3,666,960	\$924,121
Total Position Adjustments	3.000	-

Base Budget and Results-Based Information

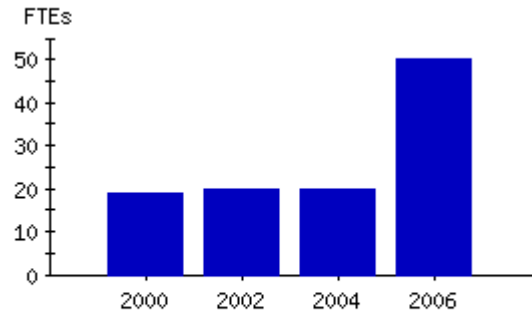
Budget Code 18025 State Board of Elections - General

**Actual Expenditures
by Fiscal Year**



Increase in 2004 due to Help America Vote Act (HAVA) match and maintenance of effort (MOE).

**Actual Positions
by Fiscal Year**



In FY2005-06, 12 positions moved from budget code 28025, and 9 new positions were created with maintenance of effort (MOE) funds.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$11,835,727	\$9,577,120	\$9,577,120	(\$183,542)	\$9,393,578	(\$170,977)	\$9,406,143
Receipts	\$6,842,757	\$3,531,640	\$3,531,640	\$477	\$3,532,117	\$477	\$3,532,117
Appropriation	\$4,992,970	\$6,045,480	\$6,045,480	(\$184,019)	\$5,861,461	(\$171,454)	\$5,874,026
Positions	50.000	33.000	62.000	(3.000)	59.000	(3.000)	59.000

Budget Code 18025 State Board of Elections - General

Services for the budget code	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Oversee all aspects of all elections conducted in NC including, but not limited to, certification of candidate filings, appointment of county election board members and the administration of Help America Vote Act (HAVA) funds.	\$956,307	7.000
Develop rules and regulations for all aspects of NC elections.	\$108,730	1.000
Investigate claims of violation of election laws.	\$92,707	2.000
Audit and provide public access to candidate and political committee reports.	\$372,887	4.000
Investigate claims of violation of campaign finance laws, negligence or other misconduct.	\$69,194	1.000
Administer the Public Campaign Fund.	\$45,165	1.000
Maintain the Statewide Election Information Management System (SEIMS).	\$6,459,251	30.000
Maintain the State Board website with access to voter registration records and campaign report filings.	\$68,475	1.000
Provide computer and technology support to the divisions of the State Board.	\$68,475	1.000
Maintain the Campaign Finance Central and Campaign Finance Remote software.	\$136,950	2.000
Maintain expenditures of the state for activities funded by the payment at a level equal to or greater than the level of such expenditures in State FY 2000 through the HAVA Maintenance of Effort accounting fund.	\$3,457,586	-
Actual Totals	\$11,835,727	50.000

Measures for the budget code	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Percentage of NC registered voters compared to NC voting age population	79.7 %	85.3 %	82.0 %
County elections officials trained to oversee elections and administer election laws ¹	1,902	1,608	3,258
Percentage of counties with verifiable paper trail audit record	45 %	49 %	100 %
Percentage of complaints of election law violations that require in-depth investigation with results forwarded to the District Attorney and/or to law enforcement agencies	35 %	40 %	40 %
Registered political committees that require oversight for compliance with disclosure reports, campaign finance regulations and electioneering communication regulations	4,600	4,800	5,044
Calls handled by the IT Help Desk to provide technical assistance to counties	6,250	5,000	5,000

¹Fewer training sessions are offered in odd-numbered years when only municipal elections are held.

Fund 18025-1100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,157,744	\$4,655,502	\$1,225,011	\$9,692	\$1,234,703	\$14,838	\$1,239,849
Receipts	\$77,584	\$3,494,586	\$37,000	\$0	\$37,000	\$0	\$37,000
Appropriation	\$1,080,160	\$1,160,916	\$1,188,011	\$9,692	\$1,197,703	\$14,838	\$1,202,849
Positions	10.000	15.000	10.000	-	10.000	-	10.000

Fund description

The Administration Division serves the electorate by supervising all elections held in North Carolina. The State Board of Elections appoints, trains, and supervises approximately 400 county and municipal elections officials and supervises the appointment and training of approximately 20,000 local elections officials. It issues voter registration statistics and certifies all elections results. In addition, the State Board investigates, when necessary or advisable, the administration of elections laws and any potential fraud and irregularities in elections (G.S. 163-19).

Fund 18025-1200 Campaign Reporting — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$487,246	\$1,367,713	\$1,394,300	(\$198,722)	\$1,195,578	(\$194,124)	\$1,200,176
Receipts	\$32,020	\$37,054	\$37,054	\$477	\$37,531	\$477	\$37,531
Appropriation	\$455,226	\$1,330,659	\$1,357,246	(\$199,199)	\$1,158,047	(\$194,601)	\$1,162,645
Positions	6.000	17.000	17.000	(3.000)	14.000	(3.000)	14.000

Fund description

The Campaign Finance Division provides the public with campaign disclosures of money spent for political activity, and provides supervision of campaign reporting disclosure in the county boards of elections (G.S. 163-278).

Fund 18025-1300 Voter Registration and Voting Systems — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$6,733,151	\$96,319	\$3,500,223	\$5,488	\$3,505,711	\$8,309	\$3,508,532
Receipts	\$6,733,153	\$0	\$3,457,586	\$0	\$3,457,586	\$0	\$3,457,586
Appropriation	(\$2)	\$96,319	\$42,637	\$5,488	\$48,125	\$8,309	\$50,946
Positions	34.000	1.000	35.000	-	35.000	-	35.000

Fund description

The Voter Registration & Voting Systems Division developed, implemented, and now maintains and supports a statewide computerized voter registration system and provides a central database of voter registration information for the county boards of election.

Fund 18025-1901 HAVA Maintenance of Effort — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$3,457,586	\$3,457,586	\$3,457,586	\$0	\$3,457,586	\$0	\$3,457,586
Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appropriation	\$3,457,586	\$3,457,586	\$3,457,586	\$0	\$3,457,586	\$0	\$3,457,586
Positions	-	-	-	-	-	-	-

Fund description

This is an accounting fund used to certify the state appropriation that provides maintenance of effort (MOE) funds required by the federal Help America Vote Act (HAVA). Funds are subsequently transferred to the Voter Registration & Voting Systems Division (fund code 1300) to pay for qualified HAVA activities/expenditures.

North Carolina Occupational Licensing Boards

Mission

To encourage a positive business climate for businesses, to protect consumers from fraud and injurious practices, and to ensure compliance with the various laws, regulations, and standards of the state.

NC Board of Barber Examiners

Mission

The mission of the State Board of Barber Examiners is to protect the public safety and welfare by adopting sanitary regulations concerning barber schools and shops, conducting inspections of barbershops and schools to ensure compliance with those sanitary regulations, and investigating consumer complaints. The Board also conducts examinations of applicants for certificate of registration as a registered barber, registered apprentice, and barber school instructor, and reviews the barber licensing laws of other states to determine reciprocity to ensure professional barber standards are maintained. The Board also adopts regulations prohibiting the use of commercial chemicals of unknown content by persons registered by the Board.

Goals

Ensure that only licensed individuals engage in the practicing of barbering by inspecting shops on a regular basis.

Protect the public safety and welfare by ensuring the sanitary conditions of barbershops meet the standards of G.S. 86A.

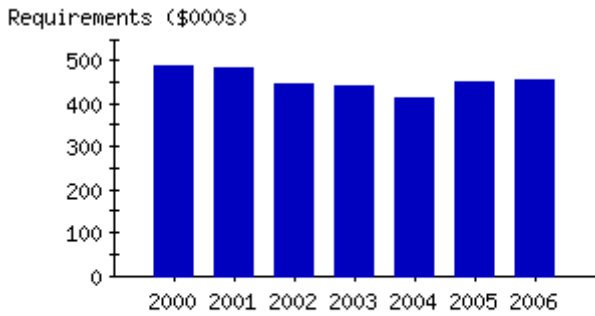
Investigate all valid, written complaints in an effort to eliminate the practice of illegal, unsanitary or unsafe barbering and if necessary, conduct an administrative hearing before the Board.

Conduct barbershop inspections a minimum of twice each year to ensure barber shops and barbers adhere to the standards of the profession.

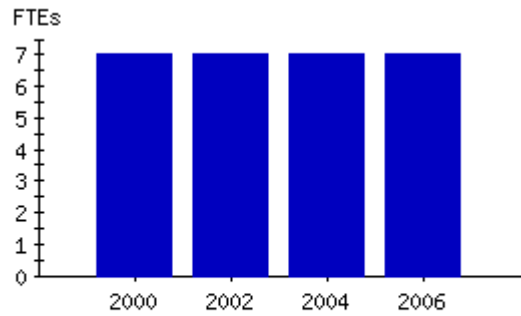
Base Budget and Results-Based Information

Budget Code 28101 North Carolina State Board of Barber Examiners

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$453,164	\$476,291	\$476,291	\$52,506	\$528,797	\$52,506	\$528,797
Receipts	\$498,065	\$458,980	\$458,980	\$84,569	\$543,549	\$84,569	\$543,549
Chng Fund Bal	\$44,901	(\$17,311)	(\$17,311)	\$32,063	\$14,752	\$32,063	\$14,752
Positions	7.000	7.000	7.000	-	7.000	-	7.000

Budget Code 28101 North Carolina State Board of Barber Examiners

Fund 28101-2100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$453,164	\$476,291	\$476,291	\$52,506	\$528,797	\$52,506	\$528,797
Receipts	\$498,065	\$458,980	\$458,980	\$84,569	\$543,549	\$84,569	\$543,549
Chng Fund Bal	\$44,901	(\$17,311)	(\$17,311)	\$32,063	\$14,752	\$32,063	\$14,752
Positions	7.000	7.000	7.000	-	7.000	-	7.000

Fund description

The State Board of Barber Examiners protects the barber student from potential harm due to unethical practices and/or poor academic preparation. The board helps barber schools to adequately and effectively prepare students according to specifications established by the North Carolina General Assembly. Additionally, through its inspectors, the board regularly monitors the performance of practicing apprentice and licensed barbers as well as the shops in which they practice. Inspectors and board members investigate complaints against shops, barbers, schools, and barbering students. If warranted, the board may place on probation, restrict the activities of, and/or revoke the licenses of barbers, schools, and barbershops. The board meets regularly to deal with these issues, to hear from barbering students who have been convicted of committing a felony, to hear complaints about the barber profession, and to do whatever is necessary and proper to pursue the goals of the State Board of Barber Examiners.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Administer the following exams: Instructor's Written Exam (five times/year), Oral Exam (12 times/year), Regular Exam (12 times/year), and Instructor's Practical Exams (five times/year).	\$89,414	1.975
Inspect new barbershops prior to opening, existing barbershops, permanently closing barbershops, and inspecting barber schools twice a year to ensure compliance with sanitary regulations.	\$301,372	4.000
Issue annual permits to barbershops and barber schools and students. Issue annual certificates (licenses) to instructors, apprentices and registered barbers. Investigate complaints against shops, barbers, schools and barbering students.	\$55,908	.025
Prepare agendas and materials for State Board of Examiners meetings and participate in meetings. Conduct a "School Day" once a year for all owners to meet and discuss any concerns as well as ask questions and go over any new changes in the profession.	\$6,470	1.000
Actual Totals	\$453,164	7.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
New shops inspected to obtain a Shop permit	240	201	165
Apprentice certificates issued	810	780	690
New registered barber certificates (licenses) issued	5,926	6,053	5,273
Student permits issued	581	640	578
School permits issued	22	23	18

NC State Board of Cosmetic Art Examiners

Mission

To establish and maintain authorized, sanitary, healthful, and professional standards for the ever-expanding and technologically advancing cosmetic art profession through the development, inspection and enforcement of industry standards to ensure the safety and protection of the public.

Goals

Promote the safety and protection of the public through timely inspection of new and existing cosmetic schools and shops in the industry, to ensure compliance with sanitary standards and monitor new products and services offered in the industry for safety and sanitation standards.

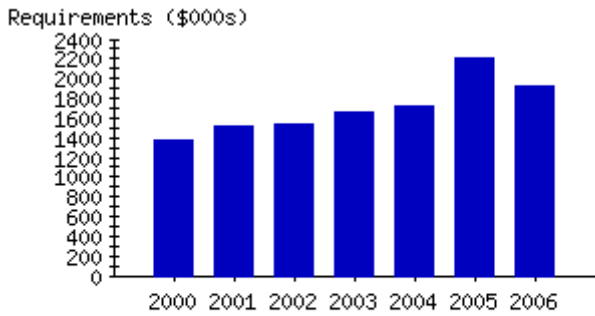
Ensure quality cosmetology training by licensing schools and teachers, providing curriculum, certifying continuing education offerings, and auditing student instruction hours.

Maintain the professional standards of the cosmetic art profession through timely and thorough investigations of complaints by the public and by licensees, the aggressive pursuit of unlicensed individuals and shops, and monitoring the business of cosmetic art education to ensure students are provided minimum training levels.

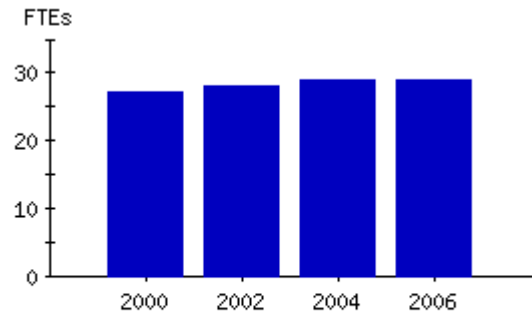
Base Budget and Results-Based Information

Budget Code 28102 North Carolina State Board of Cosmetic Art Examiners

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,930,310	\$2,023,098	\$2,023,098	\$98,996	\$2,122,094	\$104,489	\$2,127,587
Receipts	\$1,331,322	\$2,012,140	\$2,012,140	\$537,066	\$2,549,206	(\$945,929)	\$1,066,211
Chng Fund Bal	(\$598,988)	(\$10,958)	(\$10,958)	\$438,070	\$427,112	(\$1,050,418)	(\$1,061,376)
Positions	29.000	33.000	33.000	-	33.000	-	33.000

Budget Code 28102 North Carolina State Board of Cosmetic Art Examiners

Fund 28102-2100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$1,930,310	\$2,023,098	\$2,023,098	\$98,996	\$2,122,094	\$104,489	\$2,127,587
Receipts	\$1,331,322	\$2,012,140	\$2,012,140	\$537,066	\$2,549,206	(\$945,929)	\$1,066,211
Chng Fund Bal	(\$598,988)	(\$10,958)	(\$10,958)	\$438,070	\$427,112	(\$1,050,418)	(\$1,061,376)
Positions	29.000	33.000	33.000	-	33.000	-	33.000

Fund description

The Administration Section regulates the practice of cosmetology by examining and determining the qualifications of applicants for licensure, licensing teachers, providing curriculum and state law guides, auditing student instruction hours, inspecting and licensing cosmetic art schools and shops, taking action against unlicensed cosmetologists, and performing site visits and inspections to reduce the number of complaints against salons and cosmetologists.

Services for the fund	Actual Requirements 2005-06	Actual FTEs 2005-06
Inspect cosmetic art shops to ensure compliance with all state rules and laws regarding the practice of cosmetology standards and issue permits to operate shops in North Carolina.	\$865,311	13.000
Inspect and issue letters of approval to operate a cosmetic art schools to ensure compliance with space and equipment requirements, curriculum, staff ratios, and financial viability of the school.	\$332,812	5.000
Issue licenses to cosmetologists, estheticians, manicurists and teachers of cosmetic arts to ensure professional standards and understanding of the state sanitation and safety requirements. Determine reciprocity for individuals holding licenses from other states.	\$266,249	4.000
Conduct examinations of students to demonstrate minimum state competency levels consistent with established national minimum standards before being allowed to offer services to the public to ensure the qualifications and fitness of applicants for licensure.	\$133,125	2.000
Monitor development, administration, documentation, and certification of continuing education program requirements.	\$66,562	1.000
Enforce the rules and laws regarding the practice of cosmetology through investigation of complaints made by the public or licensees and taking action against unlicensed individuals and shops.	\$56,564	1.000
Provide management and support services to the Board and staff through administrative, budgeting, accounting, payroll and director functions.	\$209,687	3.000
Actual Totals	\$1,930,310	29.000

Measures for the fund	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
New licenses issued annually to cosmetic practitioners and instructors	5,174	4,571	5,512
Licenses renewed annually to cosmetic practitioners and instructors ¹	9,941	53,193	15,754
Active licenses for individuals, shops and schools	75,007	70,133	87,083
Student exams administered	3,991	3,557	4,639
Shops inspected annually	20,586	17,890	15,858
Schools inspected annually	425	371	463

¹Cosmetic practitioners and instructors licenses are renewed annually except for cosmetologist and teacher licenses, which are renewed every three years and every two years respectively.

NC State Board of Opticians

Mission

The NC State Board of Opticians is charged with oversight of the practice of opticianry, through regulated training, examination, and licensure of opticians, thereby ensuring that the consumers of optical services in North Carolina are protected from injurious business practices and behavior.

Goals

Provide public information regarding licensed opticians, optical places of business, board initiatives and timely updates on items of interest for the optical services consumer.

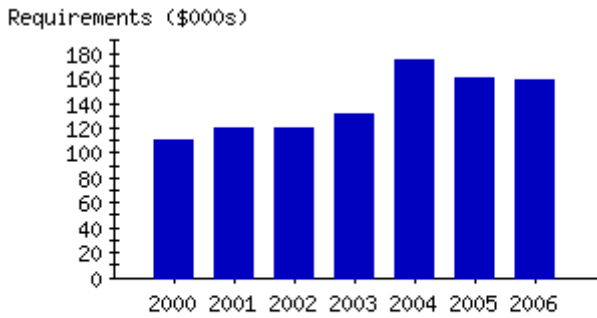
Foster consumer awareness of the roles of opticians, optometrists, ophthalmologists and the services provided and limitations of the opticianry profession, in order to reduce complaints against licensed opticians.

Evaluate education, training and disciplinary authority in other licensed states, amend NC statutes and rules to enhance development of profession, and strengthen regulations for public protection.

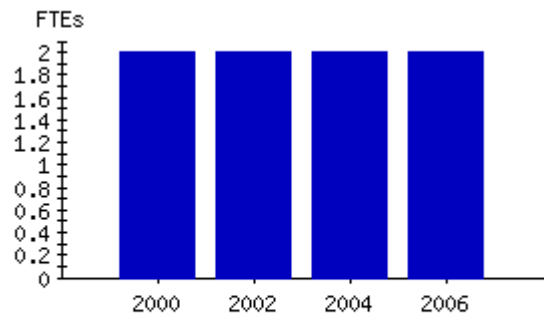
Base Budget and Results-Based Information

Budget Code 28103 North Carolina State Board of Opticians

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$159,118	\$203,795	\$203,795	\$5,662	\$209,457	\$5,662	\$209,457
Receipts	\$183,904	\$148,465	\$148,465	\$27,800	\$176,265	\$27,800	\$176,265
Chng Fund Bal	\$24,786	(\$55,330)	(\$55,330)	\$22,138	(\$33,192)	\$22,138	(\$33,192)
Positions	2.000	2.000	2.000	-	2.000	-	2.000

Budget Code 28103 North Carolina State Board of Opticians

Fund 28103-2100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$159,118	\$203,795	\$203,795	\$5,662	\$209,457	\$5,662	\$209,457
Receipts	\$183,904	\$148,465	\$148,465	\$27,800	\$176,265	\$27,800	\$176,265
Chng Fund Bal	\$24,786	(\$55,330)	(\$55,330)	\$22,138	(\$33,192)	\$22,138	(\$33,192)
Positions	2.000	2.000	2.000	-	2.000	-	2.000

Fund description

By statutory authority of G.S. 90-17, the Board governs the licensing of opticians; annual renewal of opticians' licenses, optical businesses, and any change in ownership or in licensed optician in charge; and registration of new businesses, training establishments, apprentices, and interns. Through site visits and inspections, the board ensures that all optical places of business are registered and are operated by qualified, licensed people. This program prepares and administers the examination for licensure of opticians upon request from applicants and in accordance with the laws and rules.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Register approximately 400 optical businesses annually including those qualified to act as training establishments (TEs).	\$29,561	.500
Conduct semiannual inspections of businesses and TEs to verify availability of equipment, and proper licensure/registration of individuals practicing opticianry.	\$24,943	.200
Register and track training time of approximately 200 apprentice and 100 intern opticians statewide.	\$29,561	.600
Administer licensure examinations twice a year and issue annual renewals for approximately 1,100 licenses.	\$42,310	.500
Enforce opticianry statutes and rules, imposing penalties and fines as necessary.	\$32,743	.200
Actual Totals	\$159,118	2.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Opticians receiving license and admitted to profession annually	1,116	1,108	1,102
Optical businesses operating statewide	475	490	529
Optical businesses and training establishments inspected	554	639	534
Pass rate for exam participants who qualified through completion of the Board apprenticeship program	19.00 %	15.00 %	15.00 %
Percentage of complaints and disciplinary actions resulting in levied civil penalties (fines) greater than \$100	0.0 %	56.00 %	13.00 %

NC Psychology Board

Mission

The mission of the North Carolina Psychology Board is to protect the public from the practice of psychology by unqualified persons, as well as from unprofessional conduct by persons licensed to practice psychology.

Goals

Maintain standards of the psychology profession through examination, licensure, and complaint investigation.

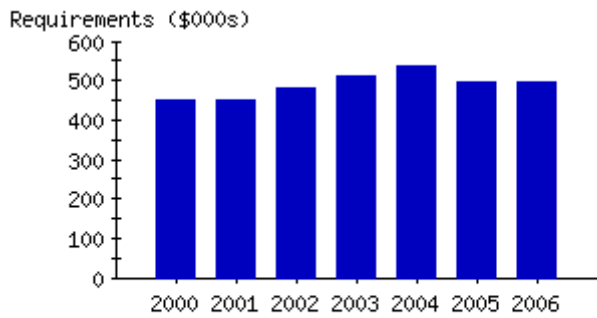
Protect the public by requiring psychologists to remain current with practice and ethical issues by meeting specific continuing education requirements and monitoring compliance through an attestation at renewal.

Provide timely and accurate information by maintaining licensure files, processing biennial renewals, and publishing a professional newsletter.

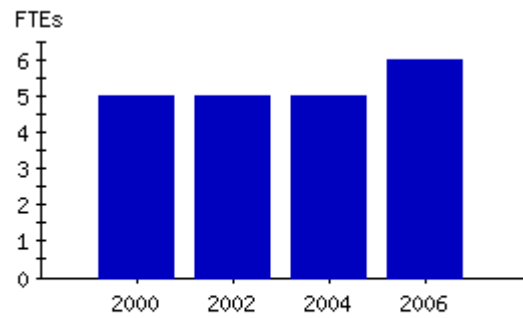
Base Budget and Results-Based Information

Budget Code 28104 North Carolina State Psychology Board

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$495,838	\$624,377	\$624,377	(\$23,142)	\$601,235	(\$23,142)	\$601,235
Receipts	\$115,222	\$820,843	\$820,843	(\$715,088)	\$105,755	(\$37,013)	\$783,830
Chng Fund Bal	(\$380,616)	\$196,466	\$196,466	(\$691,946)	(\$495,480)	(\$13,871)	\$182,595
Positions	6.000	6.000	6.000	-	6.000	-	6.000

Budget Code 28104 North Carolina State Psychology Board

Fund 28104-2100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$495,838	\$624,377	\$624,377	(\$23,142)	\$601,235	(\$23,142)	\$601,235
Receipts	\$115,222	\$820,843	\$820,843	(\$715,088)	\$105,755	(\$37,013)	\$783,830
Chng Fund Bal	(\$380,616)	\$196,466	\$196,466	(\$691,946)	(\$495,480)	(\$13,871)	\$182,595
Positions	6.000	6.000	6.000	-	6.000	-	6.000

Fund description

This program assures citizens that persons who are practicing psychology are adequately trained, educated, and ethically qualified to serve the public. To carry out this responsibility, the Psychology Board licenses only qualified persons to practice psychology, and investigate and resolve complaints against psychologists.

Services for the fund

Regulate and license psychologists who are qualified by education and experience through an application process, which includes a full review of educational credentials, professional references, and past supervisor reports. When credentials are approved, required examinations are taken and scores to determine that minimum scores for licensure requirements are met.

<u>Actual Requirements</u> <u>2005-06</u>	<u>Actual FTEs</u> <u>2005-06</u>
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\$144,257	2.000
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Enforce statutory requirements regarding the practice of psychology through detailed investigations of all complaints made by the general public and psychologists including board meeting presentations, administrative hearings, and the assessment of disciplinary action, if and when unprofessional conduct or other violations warrant action.

\$203,250	1.700
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Provide administrative services and management that includes daily support to other staff members, board members, the public, vendors, the budget and reporting system contacts with the State of North Carolina, as well as the licensees. This area encompasses all expenses for the operation of the office.

\$148,331	2.300
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Actual Totals

\$495,838	6.000
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Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
National and State examinations taken	252	230	353
New licenses issued or renewed ¹	168	3416	236
Psychologists licensed in North Carolina as of June 30	3,508	3,328	3,527
Complaints received	37	64	60
Complaints resolved	41	53	54
Licenses terminated for disciplinary reasons	4	2	5

¹Licenses renewed every two years

NC Auctioneer Licensing Board

Mission

The mission of the NC Auctioneer Licensing Board is to assure that the qualifications and activities of those engaged in auctioneering are in accord with the law and in the best interest of the public; to receive and act upon license applications; issue, suspend or revoke licenses; adopt rules and regulations, and take such actions as may be necessary to enforce the laws that govern auctions and auctioneers (G.S. 85B).

Goals

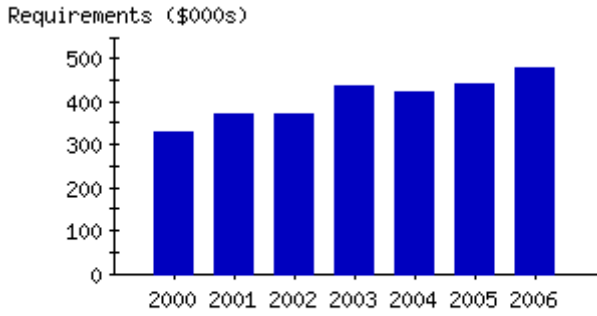
To increase public confidence in the auction profession by providing a means of determining the ability, general knowledge, integrity, and good character of those permitted to practice, and a means of deterring fraudulent or dishonest dealings and unethical conduct.

To advance the auction profession in North Carolina by sponsoring and underwriting educational seminars and other forms of educational projects.

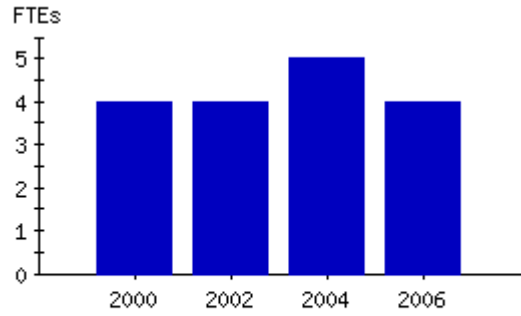
Base Budget and Results-Based Information

Budget Code 28106 Auctioneer Licensing Board

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$476,013	\$494,161	\$494,161	\$14,296	\$508,457	\$14,496	\$508,657
Receipts	\$445,605	\$497,638	\$497,638	\$11,901	\$509,539	\$11,901	\$509,539
Chng Fund Bal	(\$30,408)	\$3,477	\$3,477	(\$2,395)	\$1,082	(\$2,595)	\$882
Positions	4.000	4.500	4.500	-	4.500	-	4.500

Budget Code 28106 Auctioneer Licensing Board

Fund 28106-2100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$476,013	\$494,161	\$494,161	\$14,296	\$508,457	\$14,496	\$508,657
Receipts	\$445,605	\$497,638	\$497,638	\$11,901	\$509,539	\$11,901	\$509,539
Chng Fund Bal	(\$30,408)	\$3,477	\$3,477	(\$2,395)	\$1,082	(\$2,595)	\$882
Positions	4.000	4.500	4.500	-	4.500	-	4.500

Fund description

The purpose of this program is to administer and enforce G.S. 85B, which establishes specific standards of conduct for licensed auctioneers and firms. This is accomplished by training auctioneers in legal and ethical procedures that will benefit the public and those licensed; by protecting the public from monetary loss or mental anguish by providing a means to redress grievances due to auctioneering misconduct; and by increasing public confidence in the profession by determining the ability, general knowledge, integrity, and character of those currently licensed or applying for licensure. Fees received from licenses support the activities of the North Carolina Auctioneer Licensing Board.

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Receive and act upon auctioneer, apprentice auctioneer and auction firm license applications by determining the ability, general knowledge, integrity, and good character of those permitted to practice through examination and criminal background checks.	\$183,578	2.000
Administer and enforce G.S. 85B, by deterring fraudulent or dishonest dealings and unethical conduct through investigations and by adopting rules and regulations that are necessary to enforce this provision.	\$71,430	1.000
Investigate complaints against auctioneers, apprentice auctioneers and auction firms and issue reprimands, suspensions and revocation of licenses and assess civil penalties as applicable.	\$122,600	.750
Sponsor and underwrite educational seminars and other forms of educational projects for advancement of the auction profession in North Carolina.	\$98,405	.250
Actual Totals	\$476,013	4.000

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Auctioneer, apprentice auctioneer and auction firm new licenses issued in the fiscal year	177	171	181
Auctioneer, apprentice auctioneer and auction firm licenses renewed in the fiscal year	2,366	2,304	2,335
Educational seminars offered free of charge to those in the auction profession through the Auctioneers Association of NC	9	9	8
Complaints registered against licensees in the fiscal year	29	29	28
Disciplinary/corrective actions taken as a result of completed investigations in the fiscal year	13	16	10

NC State Board of Electrolysis Examiners

Mission

The mission of the North Carolina Board of Electrolysis Examiners is to ensure minimum standards of competency, to protect the public from misrepresentation of status by persons who hold themselves out to be certified electrologists and to provide the public with safe care by the mandatory licensing of electrologists.

Goals

Ensure practicing electrologists are licensed and qualified in both skill and knowledge for the protection of the public.

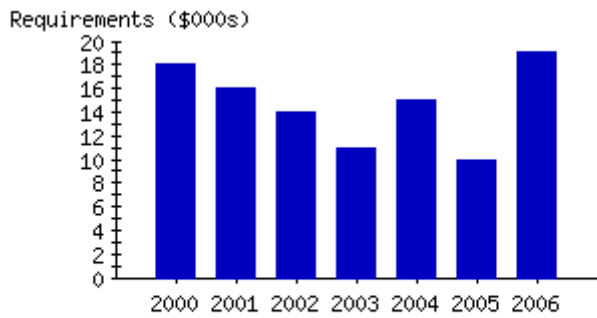
Ensure accountability of the electrolysis profession through ethics training, qualification exams, periodic inspections and complaint investigations addressing the violation and taking appropriate action.

Ensure board accountability through written policies and procedure and accurate record keeping.

Base Budget and Results-Based Information

Budget Code 28107 North Carolina State Board of Electrolysis Examiners

**Actual Expenditures
by Fiscal Year**



	Base Budget						
	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$18,781	\$22,900	\$22,900	\$0	\$22,900	\$0	\$22,900
Receipts	\$18,925	\$22,900	\$22,900	\$0	\$22,900	\$0	\$22,900
Chng Fund Bal	\$144	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Budget Code 28107 North Carolina State Board of Electrolysis Examiners

Fund 28107-2100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$18,781	\$22,900	\$22,900	\$0	\$22,900	\$0	\$22,900
Receipts	\$18,925	\$22,900	\$22,900	\$0	\$22,900	\$0	\$22,900
Chng Fund Bal	\$144	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

This fund is used to license qualified electrologists, renew license, make inspections, investigate and resolve complaints in accordance with the Electrolysis Practice Act (G.S. 88A).

Services for the fund

	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Execute and administer semiannual written and clinical test for applicants wishing to practice electrology in North Carolina.	\$275	-
Approve continuing education units for licensed electrologists based on hours earned as required by 21.NCAC Chapter 19.0702	\$0	-
Collect fees for licensure, license renewal and other services as needed (21 NCAC 19.0201).	\$100	-
Establish requirements and approve qualified schools for the training of electrologists.	\$0	-
Conduct outside annual audits.	\$1,680	-
Execute enforcement of periodic inspections by an agent of the state.	\$3,000	-
Provide office to maintain records on licensees, applicant information, and education; process invoices and deposits; answer questions and respond to requests from the public, licensees, and prospective electrologists; and keep the Board informed and up to date.	\$13,726	-
Actual Totals	\$18,781	-

Measures for the fund

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
License renewals received from electrologists	13,250	12,902	12,500
New applicants taking and passing examination	2	1	2
Inspections conducted biennially	99	-	38
Fees collected from schools and applicants (dollars)	\$900	\$100	\$575

Office of Administrative Hearings

Mission

To serve the citizens of North Carolina, with quality and efficiency, by providing an independent forum for impartial resolution of disputes of administrative law involving state agencies; investigating alleged acts of unlawful employment practices in state government; functioning as the State's codifier and publisher of all administrative rules; and reviewing rules before the Rules Review Commission.

Goals

To improve service to the public by proactively working toward enhancing the internal and external responsibilities of the agency and maximizing productivity through implementing career development initiatives.

To develop positive and constructive relationships with agencies, the public and among Office of Administrative Hearings (OAH) employees through regularly scheduled updates, meetings, seminars and communication approaches.

To improve service to the public by enhancing business processes through new technologies and information systems.

To improve both the service to the public and employee efficiency by acquiring professional and adequate facilities that will accommodate the needs of OAH staff and the public.

Governor's Recommended Adjustments to Base Budget

Office of Administrative Hearings (18210)

Recommended General Fund Budget and Positions

	<u>2007-08</u>	<u>2008-09</u>
Base Budget		
Requirements	\$3,549,868	\$3,557,245
Receipts	<u>\$54,859</u>	<u>\$54,859</u>
Appropriation	\$3,495,009	\$3,502,386
Adjustments		
Requirements	\$243,146	\$66,046
Receipts	-	-
Appropriation	\$243,146	\$66,046
Total		
Requirements	\$3,793,014	\$3,623,291
Receipts	<u>\$54,859</u>	<u>\$54,859</u>
Recommended Appropriation	<u>\$3,738,155</u>	<u>\$3,568,432</u>
<hr/>		
Positions		
Base Budget Positions	45.000	45.000
Reductions	-	-
Expansion	<u>1.000</u>	<u>1.000</u>
Recommended Positions	<u>46.000</u>	<u>46.000</u>

Appropriation Items -- Recommended Adjustments

Expansion

2007-08 2008-09

Administration

1. Administrative Hearings Assistant

Funds are recommended for a Hearings Assistant to provide administrative and clerical support to Administrative Law Judges.

Appropriation	\$48,546	\$48,546
Appropriation - Nonrecurring	\$2,100	-
Positions	1.000	1.000

2. Automated Case Tracking System Replacement

Funds are recommended to replace the Automated Case Tracking System. A new tracking system will improve key business functions for the Office of Administrative Hearings and improve both public interaction and departmental accountability.

Appropriation	\$17,500	\$17,500
Appropriation - Nonrecurring	\$175,000	-

Total Recommended Expansion

2007-08 2008-09

Recurring

Requirements	\$66,046	\$66,046
Receipts	-	-
<hr/>		
Appropriation	\$66,046	\$66,046
Positions	1.000	1.000

Nonrecurring

Requirements	\$177,100	-
Receipts	-	-
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Appropriation	\$177,100	-
Positions	-	-

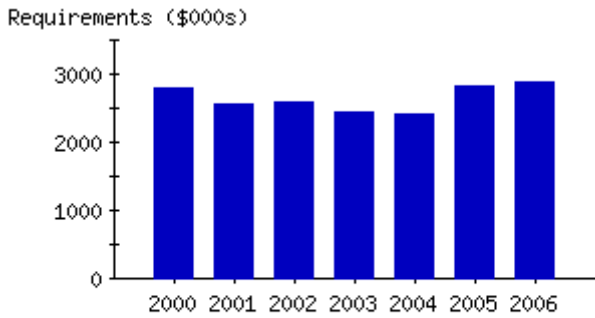
**Total Recommended Adjustments for
Office of Administrative Hearings (18210)
2007-09**

	<u>2007-08</u>	<u>2008-09</u>
Recurring		
Requirements	\$66,046	\$66,046
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$66,046	\$66,046
Positions	1.000	1.000
Nonrecurring		
Requirements	\$177,100	-
Receipts	-	-
	<hr/>	<hr/>
Appropriation	\$177,100	-
Positions	-	-
Total Appropriation Adjustments	\$243,146	\$66,046
Total Position Adjustments	1.000	1.000

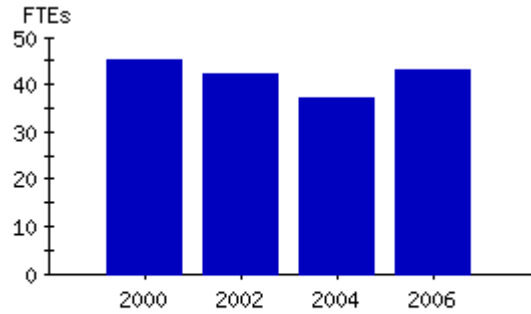
Base Budget and Results-Based Information

Budget Code 18210 Office of Administrative Hearings

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,881,410	\$3,531,424	\$3,531,424	\$18,444	\$3,549,868	\$25,821	\$3,557,245
Receipts	\$60,969	\$54,859	\$54,859	\$0	\$54,859	\$0	\$54,859
Appropriation	\$2,820,441	\$3,476,565	\$3,476,565	\$18,444	\$3,495,009	\$25,821	\$3,502,386
Positions	43.000	45.000	45.000	-	45.000	-	45.000

Budget Code 18210 Office of Administrative Hearings

Services for the budget code	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Provide services to the public by furnishing a forum for impartial resolutions of disputes of administrative law involving state agencies and serve as knowledgeable points of contact for questions or concerns from citizens.	\$1,332,039	16.000
Serve as the state's codifier and publisher of all administrative rules; and provide administrative and legal support to the Rules Review Commission.	\$483,137	9.000
Serve, assist, and educate the public by enforcement of employment discrimination laws through investigation, conciliation, negotiation, and settlement of disputes.	\$688,453	12.000
Provide a contemporary and comprehensive system of administrative management within OAH to support and enhance agency operations in the areas of strategic planning, technology, fiscal operations and human resources.	\$377,781	6.000
Actual Totals	\$2,881,410	43.000

Measures for the budget code	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Rules Published in NC Register and NC Administrative Code	2,698	2,140	2,518
Contested Case Petitions filed ¹	2,214	2,134	2,671
EEOC charges filed	55	48	69

¹2006 case count is an annualized figure based on petitions filed through October 31, 2006

Fund 18210-1100 Administration and Operations — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$2,881,410	\$3,531,424	\$3,531,424	\$18,444	\$3,549,868	\$25,821	\$3,557,245
Receipts	\$60,969	\$54,859	\$54,859	\$0	\$54,859	\$0	\$54,859
Appropriation	\$2,820,441	\$3,476,565	\$3,476,565	\$18,444	\$3,495,009	\$25,821	\$3,502,386
Positions	43.000	45.000	45.000	-	45.000	-	45.000

Fund description

The purpose of Administration and Operations is all inclusive of the functions of the agency. These functions are: to provide support functions in the areas of finance, information technology, human relations, and other areas as needed to operate OAH; to receive, compile, edit, review, codify, and publish all filed rules, public notices, and related documents; to provide staffing to make recommendations on the items before the Rules Review Commission; to provide independent administrative law judges and necessary support positions to conduct hearings on grievous issues covered by administrative law; and to conduct investigations and seek resolutions or conciliations of all discrimination cases referred by and in accordance with the Equal Employment Opportunity Commission for individuals covered by G.S 126.

Teachers' and State Employees' Comprehensive Major Medical Plan

Mission

The North Carolina State Health Plan offers a diversified portfolio of quality health care products and services, developed with input from our members and customers, designed to improve affordability, access, and choice and foster better health.

Goals

Improve Customer Service: Improve the quality of service to our members and key stakeholders through improved communication and services. Set higher standards for ourselves and for vendor performance. Increase oversight and monitoring of performance.

Improve the Health Status of Members: Fully engage members in NC HealthSmart, including Worksite Wellness programs, so that they can effectively manage their health and spend their health care dollars wisely. Fully engage employers (agencies, colleges, universities, school systems, local governments, etc.) to support employees in effectively managing their health and making good health care decisions.

Offer Affordable Products and Services while Maintaining Financial Stability: Aggressively manage growth in costs via vendor contracts and integrated health management (IHM) programs. Use the State Health Plan's significant purchasing power and strategic partnerships to provide member-driven products at competitive prices.

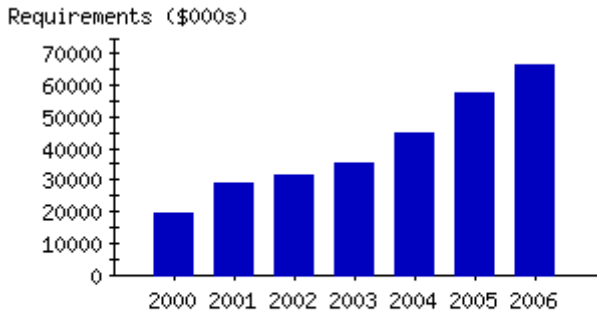
Build a Strong Foundation: Build a strong, effective and efficient organization by providing the structure, resources, staff skills, and organizational culture necessary to meet the needs of the State Health Plan.

Expand Capabilities and Capacity: Further the interests of the State Health Plan by developing its capabilities and capacity to offer more diversified products to an expanding membership, as defined by the N.C. General Assembly. Collaborate with other health care agencies, organizations and associations in North Carolina to make health care more affordable and more available to citizens of North Carolina.

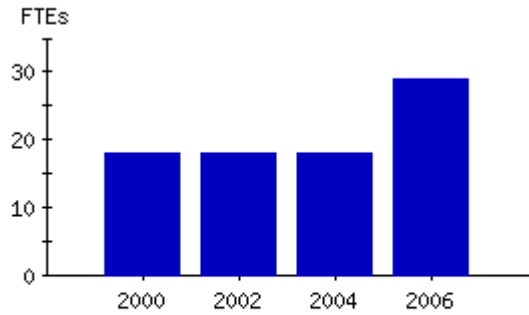
Base Budget and Results-Based Information

Budget Code 28410 Major Medical - Special

**Actual Expenditures
by Fiscal Year**



**Actual Positions
by Fiscal Year**



Increases largely due to increased administrative costs and the establishment of the Care Management and Wellness/Prevention programs. Source of data is Cash Management Control System for 2000 – 2004.

Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$66,453,716	\$108,365,712	\$129,288,534	\$0	\$129,288,534	\$0	\$129,288,534
Receipts	\$66,468,627	\$108,365,712	\$129,288,534	\$0	\$129,288,534	\$0	\$129,288,534
Chng Fund Bal	\$14,911	\$0	\$0	\$0	\$0	\$0	\$0
Positions	29.000	18.000	29.000	-	29.000	-	29.000

Budget Code 28410 Major Medical - Special

Services for the budget code	<u>Actual Requirements 2005-06</u>	<u>Actual FTEs 2005-06</u>
Communications - Provide oversight and coordination of internal and external contacts regarding Plan initiatives. Work with the media, members, and legislators to provide information as necessary or requested.	\$250,000	3.000
Customer Relations - Oversee the daily interactions with Plan members to ensure that appropriate explanation and administration of benefits have been provided.	\$200,000	3.000
Financial Services - Maintain the operational budget and financial records of the Plan, including payroll and contract services. Provide financial and data analyses as required.	\$200,000	3.000
Human Resources/Organizational Development - Provide personnel and human resource service, including organizational development for improved employee effectiveness.	\$100,000	1.000
Information Technology - Provide information technology services for the Plan, including maintenance and support of existing and new computer equipment, services, and applications.	\$300,000	1.000
Integrated Health Management - Oversee key health programs targeting the chronically ill and the administration of worksite wellness. Organize and promote the use of available health services related to wellness and member interactive health programs. Oversee third-party contracts for the Health Dialog program and disease management programs such as end-stage renal disease and chronic care cases.	\$10,000,000	5.000
Legal Services - Provide legal advice and consultation regarding contracts, statute interpretations, and member-related legal issues, and act as the liaison with the Attorney General's office.	\$150,000	2.000
Network Operations - Work with key vendors to ensure that adequate medical service access is available to Plan members. Provide strategic planning services to the Plan's executive team for current and future implementation.	\$150,000	1.000
Pharmacy Administration - Oversee nearly \$500 million in pharmacy claims expense for Plan members who use the prescription drug benefit. This service includes the Director of Pharmacy Benefits, who oversees the third-party pharmacy contract, and one support position.	\$200,000	2.000
Plan Administration - Provide all other areas of executive management and the required administration of Plan services, including: administrative support, the Executive Administrator, Deputy Executive Administrator, and the expense associated with the major claims contracts. This service includes the \$47-million claims processing contract with BlueCross BlueShield of North Carolina.	\$54,903,716	8.000
Actual Totals	\$66,453,716	29.000

Measures for the budget code

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Ending Cash (\$ million)	\$224	\$256	\$246
Plan Income (\$ million)	\$101	\$31	\$58
Claims savings as a result of care management programs (\$ million) ¹	-	-	\$13
Claims savings as a result of wellness programs (\$ million) ¹	-	-	\$7
Administrative cost per number of enrollments (dollars)	\$80	\$106	\$138
Net claim payments per enrollment (dollars)	\$2,548	\$2,879	\$2,956

¹Measure begun in 2005-06.

Fund 28410-2100 Administration — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$49,891,681	\$108,365,712	\$105,739,049	\$0	\$105,739,049	\$0	\$105,739,049
Receipts	\$66,468,627	\$108,365,712	\$105,739,049	\$0	\$105,739,049	\$0	\$105,739,049
Chng Fund Bal	\$16,576,946	\$0	\$0	\$0	\$0	\$0	\$0
Positions	29.000	18.000	29.000	-	29.000	-	29.000

Fund description

The State Health Plan Administration fund provides for the executive-level oversight of the health care benefits, programs, and expenditures made available to active and retired, teachers, state employees, and their eligible dependents.

Fund 28410-2200 Care Management — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$16,140,438	\$0	\$18,124,685	\$0	\$18,124,685	\$0	\$18,124,685
Receipts	\$0	\$0	\$18,124,685	\$0	\$18,124,685	\$0	\$18,124,685
Chng Fund Bal	(\$16,140,438)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The Care Management fund accounts for the medical management programs implemented by the State Health Plan. These programs have been implemented to support the continuing improvement of a member's quality of life and assist in reducing costs of health care services without compromising quality of care.

Fund 28410-2300 Wellness Prevention — Base Budget

	2005-06 Actual	2006-07 Certified	2006-07 Authorized	2007-08 Adjustments	2007-08 Total	2008-09 Adjustments	2008-09 Total
Requirements	\$421,597	\$0	\$5,424,800	\$0	\$5,424,800	\$0	\$5,424,800
Receipts	\$0	\$0	\$5,424,800	\$0	\$5,424,800	\$0	\$5,424,800
Chng Fund Bal	(\$421,597)	\$0	\$0	\$0	\$0	\$0	\$0
Positions	-	-	-	-	-	-	-

Fund description

The Wellness/Prevention fund accounts for the contractual cost associated with proactive wellness programs. These programs focus on the preventive aspects of health care by identifying high-risk individuals and aiding in the monitoring and maintenance of these members to help postpone more severe chronic conditions.