



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT

PAT MCCRORY
GOVERNOR

ART POPE
STATE BUDGET DIRECTOR

October 17, 2013

MEMORANDUM

TO: Department Heads, Chief Fiscal Officers and Personnel Directors

FROM: Art Pope, State Budget Director *Art Pope*

SUBJECT: Guidance Regarding Federal Continuing Appropriations 2014

The federal budget impasse has been resolved through the Federal Continuing Appropriations Act of 2014, HR 2775, 113th Congress, signed by President Obama today. State agencies should act immediately to resume federally funded services at the funding levels authorized by Congress and in accordance with guidance from the Office of Management and Budget and the various funding agencies.

Please refer to the memorandum from the US Office of Management and Budget ("OMB") dated October 17, 2013, and refer to HR 2775, the Federal Continuing Appropriations Act of 2014, to ensure specific funding authorization.

Agencies should notify employees, programs and service providers who have been impacted by the federal shutdown that they are able to resume services. The OMB Memorandum directs federal agencies to reopen and furloughed federal employees to return to work.

In particular refer to HR 2775:

Section 115 in regard to the recall and compensation of federal furloughed employees.

Section 116 in regard to the use of State funds to continue to carry out a Federal program. Section 116(a)(2) expressly states that the "State (or such other grantee) **shall be reimbursed** for expenses that would have been paid by the Federal Government during such period had appropriations been available" Emphasis added.

Section 118 stating that the "the time covered by this joint resolution shall be considered to have begun on October 1, 2013."

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As the allocation and receipt of federal funds resumes in FFY 2014 for specific programs operating in North Carolina's state departments and institutions, we ask you to continue to work closely with staff throughout your department, local government agencies and other organizations as needed to implement the federal budget as authorized in HR 2775.

Now that in general, federal funding authorization has been restored, and after consulting the appropriate federal agencies, if there are cash flow issues due to accessing federal funding, please provide written documentation to the Office of State Budget and Management immediately so that we can assess and put in place appropriate measures, including the advance of state funds, to assure timely payments are made by the State to our service beneficiaries, service providers, and employees.

Further guidance on the processing of payroll for furloughed state employees funded in whole or in part with federal funds will be provided by the Office of State Human Resources.

Attachment: OMB Memorandum dated October 17, 2013

cc: Governor Pat McCrory



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

October 17, 2013

M-14-01

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Sylvia M. Burwell *SMB*
Director

SUBJECT: Reopening Departments and Agencies

This memorandum follows the September 30th memorandum M-13-24, and updates the status of appropriations for Fiscal Year 2014.

Today, the President signed a continuing resolution that brings employees back to work and reopens many government functions. All employees who were on furlough due to the absence of appropriations may now return to work.

You should reopen offices in a prompt and orderly manner.

We appreciate very much your cooperation and efforts during this difficult period. Thank you and your teams for your service and your continued work on behalf of the American people under the challenging circumstances of the past few weeks.