



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

PAT MCCRORY
GOVERNOR

ART POPE
STATE BUDGET DIRECTOR

May 29, 2014

MEMORANDUM

TO: Chief Financial Officers
All State Departments, Institutions and Agencies

FROM: Art Pope *Art Pope*
State Budget Director

SUBJECT: Approval of Cost Collection Worksheet for Civil Penalties, Fines, and Forfeitures

The Office of the State Budget and Management (OSBM) is required by the General Assembly (G.S. 115C-457.2) to approve the percentage of the civil penalties, fines, and forfeitures collected by State agencies, boards, and commissions which can be withheld as collection costs. The percentage is based on the actual collection costs incurred by the agencies, boards, and commissions for the prior year, and cannot exceed 20 percent of the amount collected. Effective July 1, 2006, and annually thereafter, State agencies, boards, and commissions must submit for OSBM's approval a Cost Collection Worksheet that reflects their actual costs of collecting civil penalties, fines and forfeitures for the previous year. Agencies that do not submit worksheets and receive OSBM's approval will be unable to withhold any collection cost.

Attached is a worksheet and instructions that State agencies, boards, and commissions should use in determining their actual costs of collecting civil penalties and submitting the worksheet for OSBM's approval. The instructions and worksheet are also available on OSBM's web site at www.osbm.state.nc.us/osbm under the Memorandums link. ***You must submit a response to OSBM by July 22, 2014, even if you do not collect civil penalties, fines and forfeitures or do not intend to withhold collection cost.***

If you have any questions about completing the worksheet, please contact Donald Crooke at 919-807-4729 or Donald.Crooke@osbm.nc.gov. If Donald is unavailable, contact Barbara Baldwin at Barbara.Baldwin@osbm.nc.gov.

Thank you.

Attachments: Instructions for Submitting Cost Collection Worksheet
Cost Collection Worksheet
Sample Cost Collection Worksheet

cc: Department Heads