



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

PAT MCCRORY
GOVERNOR

LEE HARRISS ROBERTS
STATE BUDGET DIRECTOR

April 20, 2015

MEMORANDUM

TO: Department Heads and Chief Financial Officers

FROM: Lee Harriss Roberts 
State Budget Director

SUBJECT: Vacant Positions

Over the last two years, Governor McCrory has directed agencies to focus on increased efficiency and effective stewardship of taxpayer dollars. Accordingly, the Office of State Budget and Management and the Office of State Human Resources are working together to improve budgeting and transparency in personnel expenditures, focusing on the approximately 2,500 positions in state government that have remained vacant for at least 12 months. The first phase of this initiative, which is being implemented in the Executive Branch over the next few months, complements the Governor's NC GEAR budget recommendation to achieve savings through better planning and budgeting of unused salary and benefit dollars.

Positions that have been vacant for more than 12 months will be eliminated. Funds that are currently budgeted for these long-term vacancies will be realigned to operating accounts that are not funded adequately to cover ongoing requirements, or will be placed in agency reserves.

Specifics of this phase of the initiative include:

- Abolishing positions in state agencies, excluding the University System, that, as of April 17, 2015, have been vacant for 12 months or longer and have not been filled by July 1, 2015. This applies to positions funded from any source of funds, including those funded in whole or in part with state appropriations, federal funds, grants, and state agency or other receipts.
- Allowing agencies to re-align unused budgeted salaries and benefit funds to a reserve account located within each fund to be realigned at a later date to cover operating accounts that are historically not funded adequately.
- Consideration by OSBM and OSHR of exceptions on a case-by-case basis where an agency can document in writing that abolishing a long-term vacant position(s) will directly result in:

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- 1) A risk to the safety, health and/or well-being of our citizens; or
- 2) An impact to the State's ability to meet federal or state maintenance of effort requirements or mandatory staffing levels for vital services.

Requests for exceptions must include factual documentation of the specific circumstance, the specific position(s), clear explanation of how and why maintaining the long-term vacant position(s) protects a vital interest, and a proposed action plan and timeline for filling or abolishing the long-term vacant position(s) and identifying a plan to realign funding for service delivery.

Requests for exceptions shall be submitted by the agency head to the State Budget Director by 3 p.m. May 22, 2015.

OSBM will provide agencies with additional guidance regarding processes, requests for exceptions, and timelines for implementation. Please contact the Office of State Budget and Management with any questions or clarifications.

cc: Neal Alexander, Director, OSHR
OSBM