



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

PAT MCCRORY  
GOVERNOR

LEE HARRISS ROBERTS  
STATE BUDGET DIRECTOR

July 14, 2015

**MEMORANDUM**

TO: Department Heads  
All State Departments, Institutions and Agencies

FROM: Lee Harriss Roberts   
State Budget Director

SUBJECT: Contingency Planning for Critical Operations

As you know, the State is currently operating under a resolution granting continuing budget authority through August 14, 2015. We fully expect that the 2015-17 biennial budget – as well as subsequent biennial appropriations – will be enacted without a lapse in budget authority. Nevertheless, prudent fiscal governance obligates us to ensure the State has contingency plans in place for the continuation of critical government operations should there be a lapse in state or federal budget authority.

In order to plan for sustainment of critical operations, each department head is asked to identify the functions and services that must be maintained to protect health, safety and well-being of our citizens.

Sustainment of critical operations during a lapse in budget authority is very different from emergencies planned for in Continuity of Operations Plans (COOP). Continuity of Operations Plans allow for most state government operations to continue in the event of an emergency. For a budget contingency plan, we must instead identify the minimum functions and services that must be performed for immediate response to issues of public lives or safety, or to avoid catastrophic loss of state property, and the associated personnel required to carry out these tasks. This includes the number of personnel required to perform these functions at the critical level, as well as administrative staff that support those critical functions.

Critical Functions, Services and Personnel in the event of a lapse in budget authority are defined on the following page with examples.

**1. Services that directly and immediately affect public lives or safety.**

*Examples may include:* medical care of patients, law enforcement, care and custody of prisoners, food safety, epidemic monitoring and response

**2. Personnel providing essential support to a public life/safety function.**

*Examples may include:* IT/communications support (i.e. law enforcement)

**3. Services that protect state resources and assets.**

*Examples may include:* security at state facilities and lands, activities required to care for animals (ex. zoo, aquariums, universities), activities necessary to protect sensitive research property that would be lost due to inactivity

For any of the functions and services you identify as a critical operation, please describe the impacts if those functions are interrupted for time periods of 0-7 days, 8-30 days, and more than 30 days. Each plan should include, at a minimum, the following:

- Division and program impacted
- Description of each critical function
- Number and description of personnel required to maintain the function at the minimum required level, including associated administrative staff
- Category of critical function (1, 2, or 3 above)
- Identification of federally mandated and funded programs

Please submit your proposed plans to Ms. Debbie Young by July 27, 2015. If you have any questions, please contact your Assistant State Budget Officer at (919) 807-4700.

Thank you for your attention to this important planning initiative. Plans from individual agencies will be consolidated into a statewide contingency plan to sustain critical operations in the event there is a lapse in budget authority. While we consider it unlikely these plans will be needed, it is prudent to have this information available.

cc: Governor Pat McCrory  
Neal Alexander, State Human Resources Director  
Dr. Linda Combs, State Controller  
Janet Cowell, State Treasurer