



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT
Employment First State for Individuals with Disabilities

ROY COOPER
GOVERNOR

CHARLES PERUSSE
STATE BUDGET DIRECTOR

May 12, 2020

MEMORANDUM

TO: Senator Phil Berger, President Pro-Tempore of the Senate
Representative Tim Moore, Speaker of the House of Representatives

FROM: Charles Perusse, State Budget Director *Charles Perusse*

SUBJECT: Administrative Office of the Courts Deviation Consultation

The Office of State Budget and Management (OSBM), as required by G.S. 143C-6-4(b)(3)(b1), must consult with the Joint Legislative Commission on Governmental Operations when a department's certified budget is expected to be exceeded by more than three percent (3%).

Please see the attached report regarding the Administrative Office of the Courts Request to Deviate beginning on July 1, 2020.

Pursuant to authority granted in SL 2018-5 and SL 2018-97, available funds will be used for the implementation of the ICMS/eCourts.

If you have any questions or concerns, please contact me by email to charles.perusse@osbm.nc.gov.

Attachment

cc: Kristin Walker
Thomas Cheek
Ann Anderson
Danielle Ward

REQUEST TO DEVIATE UNDER G.S. 143C-6-4(b)(3)(b1):

(b1) Prior consultation with Governmental Operations is required when the over expenditure would cause a department's total requirements for a fund to exceed the department's certified budget for a fiscal year for that fund by more than three percent (3%) prior to authorizing the over expenditures.

DEPARTMENT: Administrative Office of the Courts
FISCAL YEAR: 2020-2021
Date: 4/28/2020
Budget Revision #: 12-0002

Budget Code	Certified Requirements	3% Deviation Threshold	Amount of the Over expenditure Request	Amount the Request Exceeds the Deviation Threshold
22001	\$ 29,656,026	\$ 889,681	\$ -	\$ (889,681)
22004	\$ 1,965,554	\$ 58,967	\$ -	\$ (58,967)
22006	\$ 16,096,911	\$ 482,907.33	\$ 1,599,737	\$ 1,116,830
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
Fund Type Total	\$ 47,718,491	\$ 1,431,555	\$ 1,599,737.00	\$ 168,182

JUSTIFICATION FOR REQUEST:

Under the authority granted to the NCAOC Director in G.S 7A-342, NCAOC is shifting the funding source of some positions in order to better align staffing needs related to the ICMS/eCourts project. AOC was given authorization to transfer un-spent General Fund appropriations to the Tech Fund in S.L. 2018-5 (amended by S.L. 2018-197) to be used for the implementation of ICMS/eCourts. In light of that, positions closely aligned to the ICMS/eCourts project will now be funded with Tech Fund receipts, since they are time-limited positions intended to serve for the duration of the ICMS/eCourts development, implementation, and roll-out phases. Other Judicial Branch technology-related positions that are needed on a permanent basis will be funded out of AOC's General Fund appropriation. This shift will also create salary reserve in AOC's General Fund that will be used to pay some of the non-recurring vendor costs for the ICMS/eCourts project. These vendor costs are currently un-budgeted. Note: The annualized effect of this budget revision (12-2 for budget code 22006) will cause a deviation in FY 2021.

Instructions: REQUEST TO DEVIATE UNDER G.S. 143C-6-4

1. Department

Enter the department/agency name.

2. Fiscal Year

Enter the current fiscal year.

3. Date

Enter the current date.

4. Budget Revision #

Enter the budget revision number for the over expenditure request from the IBIS system.

5. Budget Code

Enter all of the agency budget codes for the requested fund type only (general fund, special fund, etc.)

6. Certified Requirements

Enter the current certified requirements for the budget code as reflected on the BD 701 report.

7. 3% Deviation Threshold

This is calculated as 3% of the Certified Requirements. These figures will be calculated automatically for each budget code.

8. Amount of the Over expenditure Request

Enter the amount of the over expenditure request. This figure should represent the amount requested on the budget revision.

9. Amount Over Deviation Threshold

This is the total amount of the current request over the 3% Threshold. This figure will be calculated automatically. If the figure is not greater than zero, no consultation is required.

10. Submit the completed form to your Budget Analyst in the Office of State Budget and Management for

consultation with the Joint Legislative Commission on Governmental Operations.