




Roy Cooper, Governor

Todd Ishee, Secretary

MEMORANDUM

TO: Chairs of the House Appropriations Committee on Justice and Public Safety
Chairs of the Senate Appropriations Committee on Justice and Public Safety
Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety

FROM: Todd Ishee, Secretary 

RE: Lapsed Salary Report

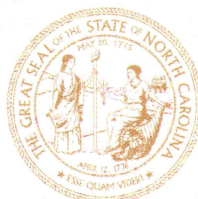
DATE: August 10, 2023

Pursuant to S.L. 2021-180, Section 19C.9.(zzzz), the Department of Adult Correction shall report for the 2022-2023 and the 2023-2024 fiscal years the following information to the chairs of the Joint Legislative Oversight Committee on Justice and Public Safety and the chairs of the House of Representatives Appropriations Committee on Justice and Public Safety and the Senate Appropriations Committee on Justice and Public Safety:

- (1) *The amount of lapsed salary generated by fund code for the previous six months.*
- (2) *An itemized accounting of the use of lapsed salary funds, including:*
 - a. *Fund code.*
 - b. *Current certified budget.*
 - c. *Annual projected expenditure.*
 - d. *Annual projected shortfall.*
 - e. *Amount of lapsed salary funds transferred to date.*

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Secretary
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NC Department of Adult Correction*
Lapsed Salary Report
July 1, 2022 - June 30, 2023

Account Category	Account Category Description	FY23 Certified Budget	FY23 YTD Expenditures	FY23 PROJECTED YE Expenditures	FY23 Surplus (Shortfall)	Certified Budget - Appropriated Salary Accounts	YTD Actuals - Appropriated Salary Accounts	FY23 ACTUAL Appropriated Lapsed Salary** Generated by Program Area	FY23 ACTUAL Appropriated Lapsed Salary Transferred***
DAC Administration, including Victim Services									
\$		65,145,919.00	59,940,040.24	59,565,040.24	5,205,878.76	35,538,156.00	27,798,934.40	7,739,221.60	15,517,076.00
531XXX	PERSONAL SERVICES	36,018,923.00	28,071,242.07	28,071,242.07	7,947,680.93				570,660.00
532XXX	PURCHASED SERVICES	25,185,488.00	28,291,622.14	28,291,622.14	(3,106,134.14)				6,332,465.00
533XXX	SUPPLIES	534,187.00	446,789.78	446,789.78	87,397.22				-
534XXX	PROPERTY, PLANT AND EQUIPMENT	485,513.00	2,460,439.94	2,460,439.94	(1,974,926.94)				-
535XXX	OTHER EXPENSES & ADJUSTMENTS	28,734.00	294,946.31	294,946.31	(266,212.31)				13,951.00
538XXX	INTERGOVERNMENTAL TRANSACTIONS	-	52,150,400.06	15,114,072.78					8,600,000.00
Community Supervision									
\$		282,297,383.00	177,858,069.07	27,625,988.16	19,553,985.84	239,558,893.00	153,404,227.91	86,154,665.09	69,712,869.00
531XXX	PERSONAL SERVICES	239,558,893.00	153,401,512.91	3,169,432.00	1,272,102.00				9,555,761.00
532XXX	PURCHASED SERVICES	38,143,811.00	19,039,637.85	19,039,637.85	19,104,173.15				-
533XXX	SUPPLIES	3,169,432.00	2,811,015.01	2,811,015.01	358,416.99				42,619.00
534XXX	PROPERTY, PLANT AND EQUIPMENT	1,272,102.00	900,305.11	900,305.11	371,796.89				10,756.00
535XXX	OTHER EXPENSES & ADJUSTMENTS	153,095.00	1,705,598.19	1,705,598.19	(1,552,503.19)				2,978.00
538XXX	INTERGOVERNMENTAL TRANSACTIONS	-	74,318,292.44	74,318,292.44	(74,318,292.44)				60,100,755.00
Prisons									
\$		1,115,917,305.00	694,920,511.23	694,920,511.23	420,996,793.77	953,006,436.00	575,334,425.13	377,672,010.87	345,435,935.00
531XXX	PERSONAL SERVICES	953,121,177.00	575,392,349.85	575,392,349.85	377,728,827.15				64,521,111.00
532XXX	PURCHASED SERVICES	71,530,856.00	50,026,811.51	50,026,811.51	21,504,044.49				17,286.00
533XXX	SUPPLIES	77,665,109.00	59,377,672.57	59,377,672.57	18,287,436.43				307,028.00
534XXX	PROPERTY, PLANT AND EQUIPMENT	11,255,160.00	8,259,524.57	8,259,524.57	2,995,635.43				5,429,487.00
535XXX	OTHER EXPENSES & ADJUSTMENTS	2,118,836.00	1,551,363.93	1,551,363.93	566,472.07				-
538XXX	INTERGOVERNMENTAL TRANSACTIONS	365,481.00	303,237,460.56	471,034,922.24					275,161,023.00
Comprehensive Health Services									
\$		372,497,970.00	233,134,693.90	233,134,693.90	139,363,276.10	207,540,250.00	111,536,218.75	96,004,031.25	147,990,838.00
531XXX	PERSONAL SERVICES	208,292,524.00	111,933,956.35	111,933,956.35	96,358,567.65				1,303,412.00
532XXX	PURCHASED SERVICES	126,093,205.00	85,397,033.02	85,397,033.02	40,696,171.98				5,071,544.00
533XXX	SUPPLIES	36,352,620.00	34,150,135.06	34,150,135.06	2,202,484.94				4,392,964.00
534XXX	PROPERTY, PLANT AND EQUIPMENT	1,699,113.00	1,635,585.74	1,635,585.74	63,527.26				442,664.00
535XXX	OTHER EXPENSES & ADJUSTMENTS	60,508.00	17,983.73	17,983.73	42,524.27				150.00
538XXX	INTERGOVERNMENTAL TRANSACTIONS	-	156,286,499.39	72,216,910.98					136,780,104.00
Reentry and Rehabilitative Services									
\$		71,620,855.00	46,866,037.17	46,866,037.17	24,754,817.83	66,496,030.00	43,036,414.26	23,459,615.74	23,787,715.00
531XXX	PERSONAL SERVICES	66,853,785.00	43,138,592.26	43,138,592.26	23,715,192.74				707,821.00
532XXX	PURCHASED SERVICES	4,626,718.00	3,613,073.25	3,613,073.25	1,013,644.75				1,422,705.00
533XXX	SUPPLIES	124,493.00	22,588.80	22,588.80	101,904.20				-
534XXX	PROPERTY, PLANT AND EQUIPMENT	11,509.00	74,451.40	74,451.40	(62,942.40)				-
535XXX	OTHER EXPENSES & ADJUSTMENTS	4,350.00	17,331.46	17,331.46	(12,981.46)				-
538XXX	INTERGOVERNMENTAL TRANSACTIONS	410,440.00	22,456,052.23	22,456,052.23	(22,045,612.23)				21,657,189.00
Internal Affairs									
\$		9,039,059.00	8,893,631.93	8,893,631.93	145,427.07	7,777,544.00	7,343,087.62	434,456.38	2,239,187.00
531XXX	PERSONAL SERVICES	7,777,544.00	7,343,087.62	7,343,087.62	434,456.38				1,403,885.00
532XXX	PURCHASED SERVICES	898,856.00	1,168,164.01	1,168,164.01	(269,308.01)				496,559.00
533XXX	SUPPLIES	317,336.00	286,520.65	286,520.65	30,815.35				43,372.00
534XXX	PROPERTY, PLANT AND EQUIPMENT	35,044.00	46,434.75	46,434.75	(11,390.75)				15,062.00
535XXX	OTHER EXPENSES & ADJUSTMENTS	10,279.00	49,424.90	49,424.90	(39,145.90)				4,994.00
538XXX	INTERGOVERNMENTAL TRANSACTIONS	-	4,001,196.02	4,001,196.02	(4,001,196.02)				275,315.00
Professional Standards									
\$		10,826,528.00	7,558,487.95	7,558,487.95	3,268,040.05	9,557,759.00	6,533,212.55	3,024,546.45	3,052,792.00
531XXX	PERSONAL SERVICES	9,557,759.00	6,533,212.55	6,533,212.55	3,024,546.45				498,060.00
532XXX	PURCHASED SERVICES	1,106,360.00	837,694.36	837,694.36	268,665.64				-
533XXX	SUPPLIES	114,165.00	166,874.69	166,874.69	(52,709.69)				-
534XXX	PROPERTY, PLANT AND EQUIPMENT	34,819.00	20,220.10	20,220.10	14,598.90				-
535XXX	OTHER EXPENSES & ADJUSTMENTS	13,425.00	486.25	486.25	12,938.75				-
538XXX	INTERGOVERNMENTAL TRANSACTIONS	-	2,615,225.08	2,615,225.08	(2,615,225.08)				2,554,732.00
Boards and Commissions									
\$		27,758,102.00	9,211,266.15	7,975,373.92	23,760,107.08	3,673,388.00	2,371,793.23	1,301,594.77	1,039,996.00
531XXX	PERSONAL SERVICES	3,673,388.00	2,371,793.23	1,135,901.00	6,514,866.00				55,202.00
532XXX	PURCHASED SERVICES	21,554,959.00	6,799,424.41	6,799,424.41	14,755,534.59				39,600.00
533XXX	SUPPLIES	15,251.00	15,158.55	15,158.55	92.45				-
534XXX	PROPERTY, PLANT AND EQUIPMENT	13,129.00	24,889.96	24,889.96	(11,760.96)				21,893.00
535XXX	OTHER EXPENSES & ADJUSTMENTS	1,375.00	-	-	1,375.00				-
538XXX	INTERGOVERNMENTAL TRANSACTIONS	1,000,000.00	7,727,430.92	1,530,000.00					923,301.00
DAC Grand Total									
\$		1,956,878,992.00	1,861,175,294.34	1,750,201,506.27	534,068,000.73	1,523,148,456.00	927,358,313.85	595,790,142.15	608,776,408.00
531XXX	PERSONAL SERVICES	1,524,853,993.00	928,185,746.84	776,717,773.70	516,996,239.30				78,615,912.00
532XXX	PURCHASED SERVICES	289,140,253.00	195,173,460.55	195,173,460.55	93,966,792.45				13,380,159.00
533XXX	SUPPLIES	118,292,593.00	97,276,755.11	97,276,755.11	21,015,837.89				4,785,983.00
534XXX	PROPERTY, PLANT AND EQUIPMENT	14,806,389.00	13,421,851.57	13,421,851.57	1,384,537.43				5,919,862.00
535XXX	OTHER EXPENSES & ADJUSTMENTS	2,390,102.00	3,637,134.77	3,637,134.77	(1,247,032.77)				22,073.00
538XXX	INTERGOVERNMENTAL TRANSACTIONS	1,775,921.00	622,792,556.70	663,286,741.77	(102,980,325.77)				506,052,419.00

* Pursuant to SL 2021-180 Sec. 19C.9, Adult Correction is being established as a new agency effective 1/1/23. However, the DAC FY 22-23 budget was certified in the new agency pursuant to SL 2022-74 Sec. 19A.2 with a 7/1/22 date Expenditures for DAC were recorded in DPS until 1/1/23, except for personnel expenditures which started being recorded in DAC beginning 10/1/22. Therefore, the lapsed salary transferred to the 538XXX accounts represents the amounts transferred back to DPS to cover the DAC expenditures recorded there from 7/1/22 to 12/31/22.

** Lapsed Salary Generated is defined as un-used funds available in all of the 531XXX accounts. This definition comports with OSBM's definition of lapsed salary for use in budget revisions. This represents a change from the methodology used to calculate this figure in prior year agency reports. This report excludes receipt-specific 531XXX accounts, since receipts are generally not eligible to be realigned to meet operating shortfalls across funds.

*** Actual Lapsed Salary Transferred is considered to be any 531XXX budget moved within personal services or out of the personal services account category. However, the RK341 pulled from IBIS may overstate lapsed salary revisions/usage if other, non-salary accounts, were on the same budget revision.

Note: account categories 536XXX (Aid and Public Assistance) and 537XX (Reserves) are not included in the table above because of the prescribed nature of those appropriations.