



North Carolina Department of Correction

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Michael F. Easley
Governor

Theodis Beck
Secretary

MEMORANDUM

TO: Senator Marc Basnight
Representative Joe Hackney
FROM: 
Tracy A. Little, Deputy Secretary
DATE: February 19, 2007

SUBJECT: Use of Funds Available for Costs that Exceed Continuation Budget Amount

Session Law 2006-66 allows the Department of Correction to use available funds to cover certain costs if those costs exceed the continuation budget amount. Those costs include prescription drugs, laundry and computer/data processing services. Prior to exceeding the continuation budget amount, the Department must report to the Joint Legislative Commission on Governmental Operations.

Pursuant to Section 16.1 and 16.3 of S.L. 2006-66, the Department reports as follows:

- The Department anticipates exceeding the continuation budget for prescription drugs for inmates and reports the need to use \$4 million from available funds to pay the cost of providing prescription drugs through the end of the fiscal year.
- The Department anticipates exceeding the computer/data processing services continuation budget as of March 2007 and reports the need to transfer \$3 million from available funds to pay the cost of providing information technology services to staff.
- The Department anticipates exceeding the budget for clothing and laundry services and reports the need to use \$1 million in available funds to pay clothing and laundry costs for the remainder of the fiscal year.

Staff from the Department of Correction will be available to provide additional information.

TAL:MS:ea

cc: David McCoy
Jim Mills
John Poteat
Sheryl Stephens