



## North Carolina Department of Correction

214 West Jones Street • 4201 MSC • Raleigh, North Carolina 27699-4201

(919) 716-3700 • (919) 716-3794 (fax)

Michael F. Easley  
Governor

Theodis Beck  
Secretary

### MEMORANDUM

**TO:** Senator Marc Basnight  
Senator Walter H. Dalton  
Senator Linda Garrou  
Senator Kay R. Hagan  
Senator Eleanor Kinnaird  
Senator John J. Snow, Jr.

Representative Alma S. Adams  
Representative Martha B. Alexander  
Representative Alice L. Bordsen  
Representative James W. Crawford, Jr.  
Representative Joe Hackney  
Representative R. Phillip Haire  
Representative Margaret M. Jeffus  
Representative Jimmy L. Love, Sr.  
Representative Joe P. Tolson  
Representative Douglas Yongue

**FROM:** Tracy A. Little, Deputy Secretary

**DATE:**

February 19, 2007

**SUBJECT:** Use of Funds Available for Food and Health Care Costs

Section 16.1 of Session Law 2006-66 allows the Department of Correction to use available funds to cover the cost of providing food and health care to inmates if those costs exceed the continuation budget amount. Prior to exceeding the continuation budget amount, the Department must report to the Joint Legislative Commission on Governmental Operations, the Chairs of Senate and House of Representatives Appropriations Committees, and the Chairs of Senate and House of Representatives Appropriations Subcommittees on Justice and Public Safety.

Pursuant to Section 16.1, the Department reports the need to use available funds for both food and health care. Specifically, the Department anticipates exceeding the Department's inmate medical continuation budget for hospital and other medical provider services and needs to use \$16.5 million from lapse salary and other available funds to pay for inmate medical services for the remainder of the fiscal year. The additional funds are necessary due to rising external medical costs, an increasing inmate population and an underfunded medical budget.

In addition, the Department anticipates exceeding the Department's food budget and reports the need to use \$4 million from lapse salary and other available funds to cover the food costs for the inmate population for the remainder of the fiscal year. The additional funds are necessary due to an increase in food costs from vendors and an increase in the inmate population.

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