



PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION | June St. Clair Atkinson, Ed.D., *State Superintendent*

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October 7, 2015

Mr. Lee Roberts
State Budget Director
Office of State Budget and Management
116 West Jones Street
Raleigh, North Carolina 27603-8001

Dear Mr. Roberts:

Session Law 2015-241 reduces the Department of Public Instruction's budget by \$2.5 million or about 5.2% and directs us to consult with the Office of State Budget and Management to prepare for the reduction. OSBM has given us a deadline of prior to October 31 to submit our final reduction plans so that they may be captured in the FY2015-17 Certified Budget. This deadline represents just over six weeks between the Governor signing the budget into law and the Department finalizing its plan for its reductions. Given the magnitude of the reductions and the short time-frame allowed for planning purposes, we request that OSBM allow the budget adjustment to be held in a negative reserve until such time that the Department and State Board of Education have had ample time to plan accordingly. We request this additional time to plan for two reasons:

1. The General Assembly has appropriated an additional \$3.8 million to cover the costs associated with carrying out the provisions of the Excellent Public Schools Act. While there are a number of requirements that these funds must support, one of the requirements is for the administration of the Act. Therefore, some of the funds could be considered to cover administrative costs that could possibly help to offset some of the budget reduction. We are preparing detailed budgets for each of the requirements now to determine what funds might be available. We would like to be judicious in planning how to expend those funds effectively.
2. The Department is working to establish a number of positions funded through indirect cost generated by the significant federal funds that the Department oversees. The establishment of these positions will allow the Department to reorganize its staff and free State funds for use in meeting the reduction.

Given the length of time required to establish positions per the rules of OSBM and the Office of State Human Resources, we are confident that this cannot be done prior to the October 31 deadline.

We thank you for your consideration in this matter.

Sincerely,

June St. Clair Atkinson

JSA/PWP/tm

OFFICE OF THE STATE SUPERINTENDENT

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