

Glossary of Frequently Used Fiscal Terms

A-D FELONIES: The most serious and violent felonies. These felony classes automatically result in an active prison sentence. They typically involve crimes against people.

ACTIVE SENTENCE: An active prison sentence requires that felons be incarcerated in the State prison system. Misdemeanants serve their terms in county jails.

APPROPRIATION: An enactment by the General Assembly authorizing the withdrawal of money from the State treasury. Article V, Section 7 of the NC Constitution states that “no funds shall be drawn from the State treasury but in consequence of appropriations made by law”.

AUTHORIZED BUDGET: Total funds appropriated by the General Assembly plus additional departmental receipts that reflect reallocations of funds by line item as approved by the Office of State Budget.

BOILERPLATE: Budget language that is typically repeated year after year in the budget bill. For example, non-profit reporting requirements are boilerplate.

CARRY-FORWARDS: Funds appropriated but unspent in the first fiscal year of a biennium which by authorized budget revision are brought forward for expenditure in the second fiscal year of the same biennium.

CERTIFIED BUDGET: The budget as enacted by the General Assembly plus any funds appropriated to reserves to be allocated to agencies.

COMMUNITY SANCTION: A community punishment is any type of sentence which does not involve prison, jail or an intermediate punishment. Most people think of this as basic probation. A community punishment might be supervised or unsupervised, and may also include fines, restitution, community service and/or substance abuse treatment.

CONTINUATION (BASE) BUDGET: The budgeted amounts for operating funds to carry on already established programs at the level of support approved by the previous General Assembly. May contain increases for documented inflation in the price of supplies or services such as food, drugs, or utilities; for statutory increases, i.e., social security; for operation of newly completed facilities; or for annualization of costs for programs previously funded for only part of a year.

E-I FELONIES: Less serious crimes that can result in an active or suspended sentence, depending upon the crime and the prior record level of offender. These are typically crimes against property.

ENTERPRISE FUNDS: A special fund in which most or all of the revenue is derived from direct charges to users of the services supplied by the program supported from the fund.

EXPANSION BUDGET: The recommendations to fund improvements or expansions in existing programs, to establish new programs, to provide for salary increases, and to provide for increases in enrollments, caseloads and institutional populations.

FULL-TIME EQUIVALENT (FTE): The figure arrived at by converting an unduplicated head-count of full-time and part-time program participants to an equivalent full-time count.

GENERAL FUND: A pool of financial resources made up of a beginning credit balance, State tax revenues, and State non-tax revenues. These funds are appropriated for both the operation of State agencies and construction and renovation of State facilities.

HABITUAL FELON: A habitual felon is an offender with at least three prior felony convictions (each conviction having occurred before he or she committed the next offense) who has currently been convicted of a felony offense and who has been found by a jury to be a habitual felon. Habitual felons are sentenced four classes higher (up to Class C) than other offenders would be for the same crime.

INCARCERATION NOTE: An estimate of the cost of a bill that increases or creates new criminal penalties. G.S. 120-36.7(d) requires an incarceration note be prepared on every bill, resolution, or amendment introduced in the General Assembly “proposing any change in the law that could cause a net increase in the length of time for which persons are incarcerated or the number of persons incarcerated, whether by increasing penalties for violating existing laws, by criminalizing behavior, or by any other means.” Incarceration Notes generally take two weeks to complete.

INTERMEDIATE SANCTION: A punishment that requires that the offender be placed on supervised probation with one or more of the following special conditions: split sentence (a term in prison or jail followed by supervised probation), house arrest with electronic monitoring (confinement to one location and close monitoring through computer technology), intensive supervision (very close supervision and daily monitoring), a residential center (a highly supervised and structured program requiring overnight residence), a day reporting center (a highly supervised and structured day and evening program) and drug treatment court (a judicially monitored treatment program). Intermediate punishments are more restrictive and controlling than basic probation but less costly than prison. Generally, offenders must follow strict rules, work, pay restitution, and participate in drug or other types of treatment. An intermediate punishment may also include a fine, restitution, or any other conditions of probation which are considered community punishments.

JUSTICE REINVESTMENT ACT (JRA): A law passed in 2011 that made significant changes to corrections and sentencing laws in North Carolina. JRA expanded the requirement for post-release supervision to include all felons, increased the authority delegated to probation officers, limited the authority of judges to revoke probation, created a new early release program called Advanced Supervised Release, and modified the habitual felon law. The law applies to crimes committed after December 1, 2011.

JUVENILE CRIME PREVENTION COUNCIL (JCPC): Councils comprised of members appointed by the county commissioners of each county to provide planning and oversight of community based alternatives to youth development centers and community based delinquency, substance abuse, and gang prevention strategies. There are 99 Councils (Orange and Chatham have a joint council).

LAPSED SALARY FUNDS: Lapsed salary funds are surpluses that accrue because a position may be temporarily vacant due to delays in hiring, resignation, termination, or retirement. Lapsed salary surpluses are *one-time* funds that accumulate only while a position vacancy exists.

MANAGEMENT FLEXIBILITY RESERVE: A reduction to an agency's operating budget that does not specify the fund codes or line items from which the reduction is to be taken, but instead requires the agency to determine where reductions should be made.

MISDEMEANANTS: Misdemeanor crimes are classified into four classes (Class A1, Class 1, Class 2 and Class 3). The most serious misdemeanor crimes are in Class A1 and the least serious are in Class 3.

NEGATIVE RESERVE: See Management Flexibility Reserve.

NON-RECURRING: Term used to denote one-time revenues (windfalls, reversions) or one-time expenditures (grant-in-aid, capital).

POST-RELEASE SUPERVISION (PRS): Mandatory Supervision of previously incarcerated individuals that is supervised by probation officers in the community. All B-1 through E felons are required to serve twelve-months of PRS. F through I felons must serve nine-months of PRS.

RECIDIVISM: For our Subcommittee's purposes, we define recidivism as rearrests.

RECURRING: Term used to denote revenues or expenditures that will be continuing, such as sales and personal income taxes, or salaries, fringe benefits, and utilities.

REVERSIONS: Unspent appropriations returned to the General Fund or Highway Fund (as applicable) at the end of each fiscal year.

SALARY RESERVE: Unobligated or surplus funds generated by a position being filled at a salary less than the budgeted salary authorized by the General Assembly.

SENTENCING COMMISSION: The North Carolina Sentencing and Policy Advisory Commission. The 28-member commission makes recommendations to the General Assembly for the modification of sentencing laws and policies, and for the addition, deletion, or expansion of sentencing options as necessary to achieve policy goals.

SPECIAL PROVISIONS: Language contained in the appropriations bill pertaining to State fiscal matters, the management, evaluation, and oversight of State government programs or policy, and the expenditure of appropriations contained in the Bill.

SPECIAL FUNDS: Accounts to which revenues are deposited that are designated for a specific purpose and remain in the account until expended for that purpose. Special Funds do not have State funds directly appropriated to them. By definition, money in a special fund does not revert at the end of the fiscal year. Example: Seized and Forfeited Assets Funds.

STATE AID FOR NON-STATE ENTITIES: Funds appropriated by the General Assembly to nongovernmental entities for a variety of purposes. Funds may or may not carry restrictions on expenditures.

STATEWIDE MISDEMEANANT CONFINEMENT FUND: Special fund that receives revenue from designated court fees. The fund is used to pay counties for housing misdemeanants longer than 90 days. It is managed by the NC Sheriffs' Association.

STRUCTURED SENTENCING: The method of sentencing and punishing criminals in North Carolina. Sentencing policies should be rational, truthful, consistent, and resource priorities. It classifies offenders on the basis of the severity of their crime and on the extent and gravity of their prior criminal record. Based on these two factors, structured sentencing provides judges with sentencing options for the type and length of sentences which may be imposed.

SWORN POSITION: A law enforcement position which, by law, has general power of arrest and requires the successful completion of the Basic Law Enforcement Training curriculum offered by the State and an independent oath of office providing for the execution of the laws of the State. Sworn positions receive a higher retirement contribution than regular State employees.

TREATMENT FOR EFFECTIVE COMMUNITY SUPERVISION (TECS): Program within the Division of Adult Correction, Community Corrections Section that provides community treatment services through fee-for-service contracts with local providers.

TRUST FUNDS: Accounts consisting of resources received and held by the State as trusted to be expended or invested in accordance with the conditions of the trust. In other words, Trust Funds are accounts where the State acts as a trustee. The State can only execute the terms of the trust; it cannot change the purpose for which the trust was created. Trust funds are classified as to what assets, if any, may be paid out of the fund. The three classifications are (1) expendable, (2) non-expendable, or (3) expendable as to income but unexpendable as to principal.