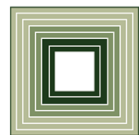


# Joint Appropriations Subcommittee on Justice and Public Safety

## JPS Overview



**February 10, 2015**



**FISCAL RESEARCH DIVISION**  
A Staff Agency of the North Carolina General Assembly



# Outline

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- Fiscal Research
- Fiscal Notes/Fiscal Memos
- Confidentiality
- Budget Terms
- The JPS Budget
- Next Steps



# Fiscal Research Division

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- Nonpartisan, professional staff serving all 170 members
- 32 analysts divided into 8 teams
- Primary responsibilities during Session:
  - **Staff Appropriations subcommittees**
  - **Respond to member requests**
  - **Write fiscal notes, fiscal memos, and incarceration notes**

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"My spreadsheet says we must lighten by 152 pounds."

# Fiscal Research Division

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## Fiscal Notes

- Five-year analysis of all estimated fiscal effects of a bill on expenditures or revenue of the State.
- Prepared upon request of bill sponsor or other member.
- Request and information about note remain confidential until note becomes public.



## Fiscal Memo

- Same analysis as a Fiscal Note
- Usually prepared for draft bills or PCS
- Remains confidential after completion

## Incarceration Note

- Required for proposed changes that may impact incarceration rates in State facilities.
- Two-week completion time

# Fiscal Research Division

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**Fiscal or incarceration note requests should be e-mailed to:**

**@Fiscal Note Requests**

**Include:**

- **Requestor's name**
- **Bill number (or draft number for a memo or PCS)**
- **Short title**

# Fiscal Research Division

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FRD website:

<http://www.ncleg.net/FiscalResearch/>

- Annotated Committee Reports
- Fiscal Briefs
- Revenue Forecasts
- Staff listing

# Confidentiality

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- **ALL requests made to fiscal staff are confidential**
- **Requests to agencies by fiscal staff are NOT confidential unless directly related to a fiscal note**

**Top Secret**



# Budgeting Terms: Appropriation

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## Appropriation

An enactment by the General Assembly authorizing the withdrawal of money from the State treasury.

*State Budget Act – Chapter 143C-1-1(d)(1)*

“No money shall be drawn from the State treasury but in consequence of appropriations made by law.”

*NC Constitution, Art. V, Section 7*



# Budget Terms: Base Budget

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- Previous year's authorized budget
- Backs out nonrecurring reductions or increases
- May also include adjustments for:
  - Annualization of programs
  - Federal payroll tax changes
  - Contracted lease rate increases
  - Receipt projections
  - Reconciliation of intra- and intergovernmental transfers

# Budgeting Terms: Budget Types

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**Certified Budget:** The budget as enacted by the General Assembly, plus any funds appropriated to reserves to be allocated to agencies.

*Ex.: The 2012 Budget appropriates \$10,000 for Agency Y to buy 10 computers.*

*Certified budget = \$10,000.*

**Authorized Budget:** The certified budget updated to reflect line-item reallocations approved by the Office of State Budget and Management (OSBM).

*Ex.: Agency Y needs 11 computers. They want to take some money from the furniture budget to pay for it.*

*Authorized budget = \$11,000.*



**Actual Budget:** The budget as it was implemented.

*Ex.: The Division of State Purchase and Contract got the State a great deal on computers. The final cost for Agency Y's 11 computers is \$5,500.*

*Actual budget = \$5,500.*

# Budgeting Terms: Funds

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**General Fund:** The main source of operating funds for the State. Comprised of the beginning credit balance, State tax revenue, and State non-tax revenue.

**Special Fund:** Fund to which revenues are deposited that are designated for a specific purpose and remain in the account until expended for that purpose.

*Example: Seized and Forfeited Assets Funds*

**Enterprise Fund:** Fund for any activity for which a fee is charged to external users for goods or services.

*Example: Correction Enterprise Fund*



# Budgeting Terms: Accounts

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**Personal Services:** Services rendered by permanent and temporary employees and related fringe benefits.



**Purchased Services:** Services provided by external firms, agencies, or divisions within the same organization. Includes contracts, IT and travel costs.



**Supplies:** Supplies or materials expected to be consumed within the normal course of operating and which are generally recurring in nature.



# Budgeting Terms: Accounts

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**Property, Plant and Equipment:** Payments for acquiring property, constructing additions to buildings, and purchasing equipment, furniture, and machinery that is not consumable or expendable and has an expected life of longer than one year.



LexisNexis™

**Other Expenses and Adjustments:** Miscellaneous operational costs such as legal or permit costs, pension payments, or subscriptions.

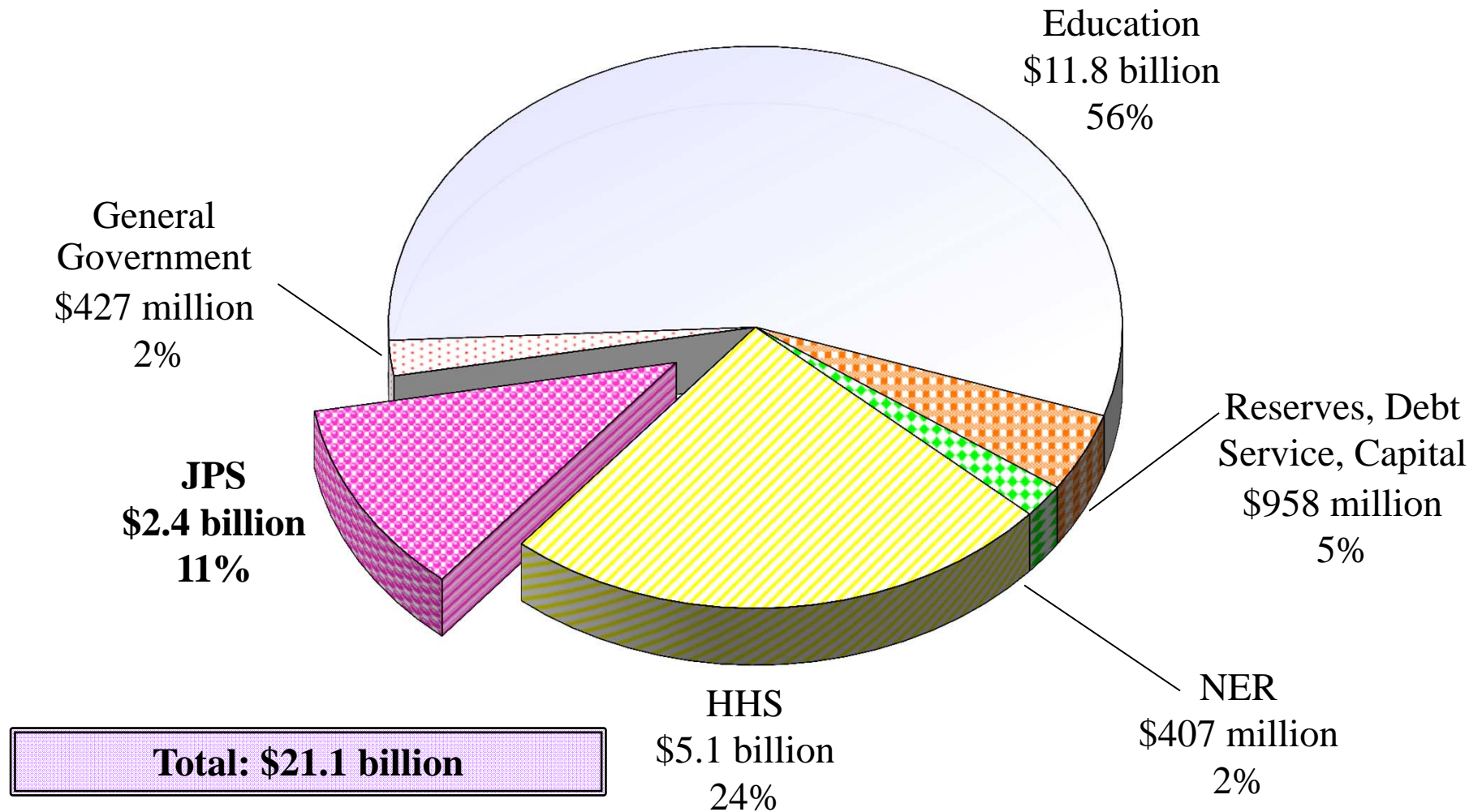


**Aid and Public Assistance:** Funds to direct recipients, providers or other agencies for designated programs, assistance or special projects.



# General Fund Appropriations FY 2014-15

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# What is JPS?

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## Four agencies fall under the JPS umbrella:

Administrative Office of the Courts (AOC)

Office of Indigent Defense Services (OIDS)

Department of Public Safety (DPS)

Department of Justice (DOJ)

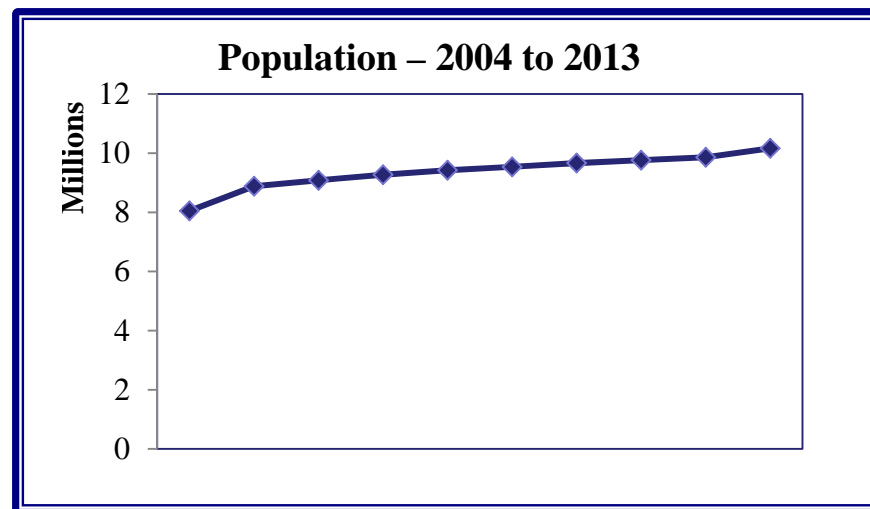




# JPS Budget Drivers

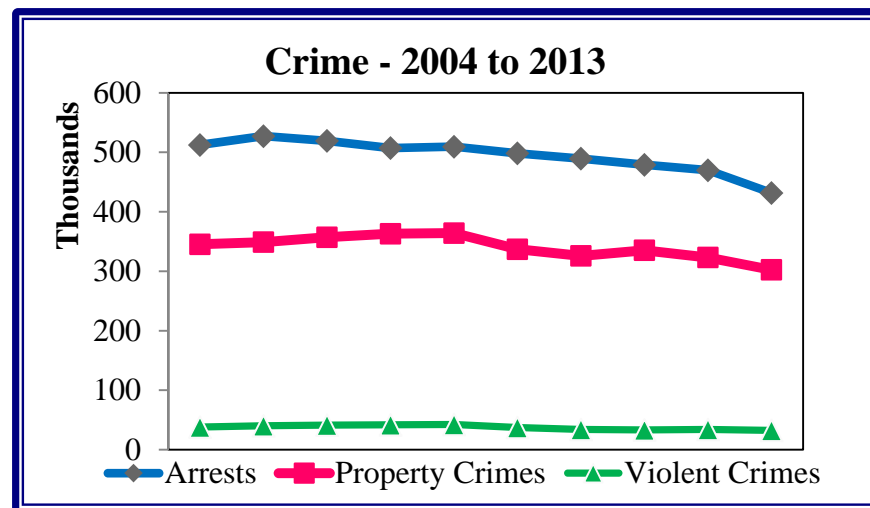
## Population

- Courts
- Highway Patrol
- Consumer Protection
- Standards Commissions



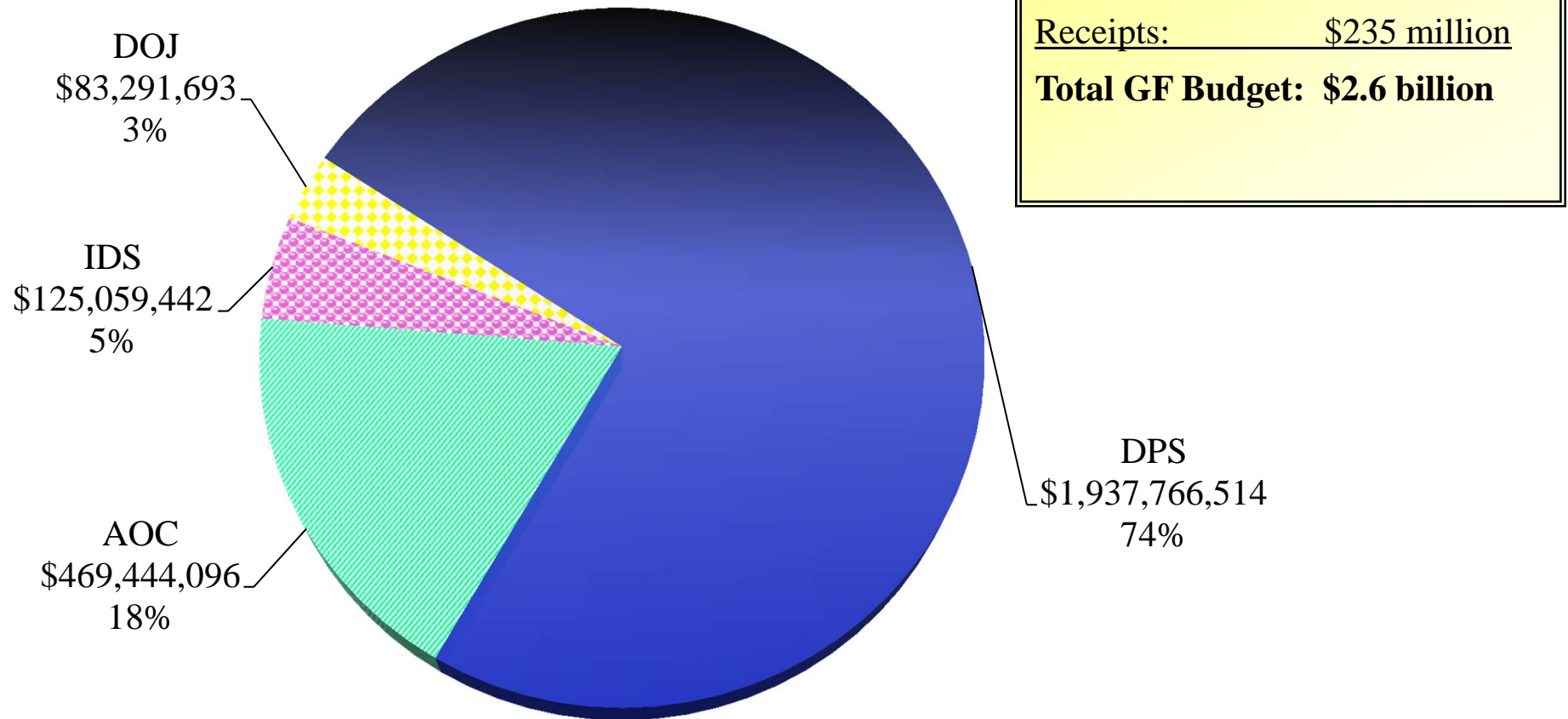
## Crime

- Courts
- Law Enforcement
- Prisons



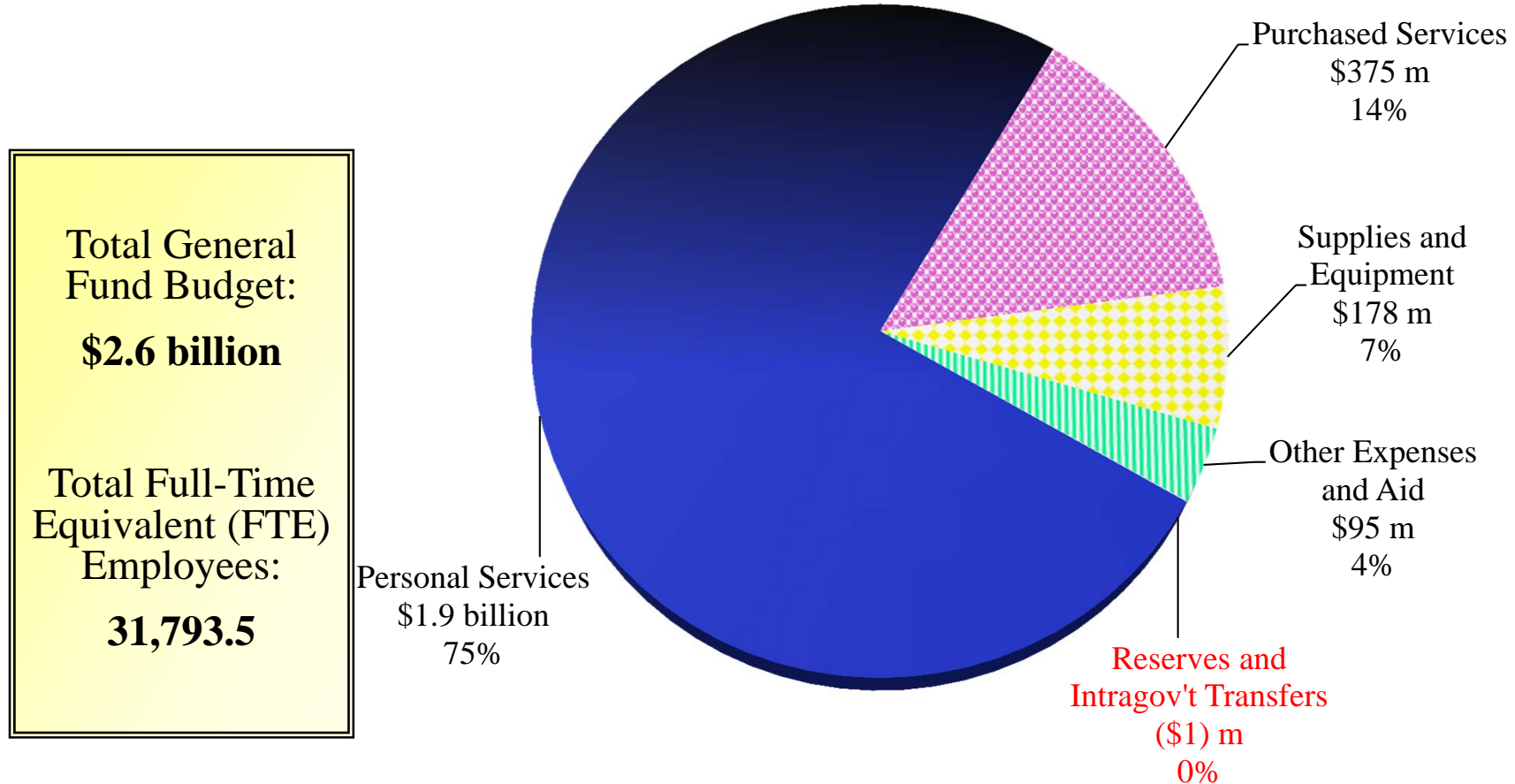
Source: NC Data Center (LINC)

# JPS General Fund Budget by Agency FY 2014-15



Source: NCAS, December 31, 2014 Authorized Budget

# JPS General Fund Budget by Account FY 2014-15



Source: FTE - OSBM BD307, August 28, 2014; Budget – NCAS, December 31, 2014 Authorized Budgets.

# JPS - AOC

## Administrative Office of the Courts (AOC)

### Administrative arm of the court system

*Mark Martin, Chief Justice*

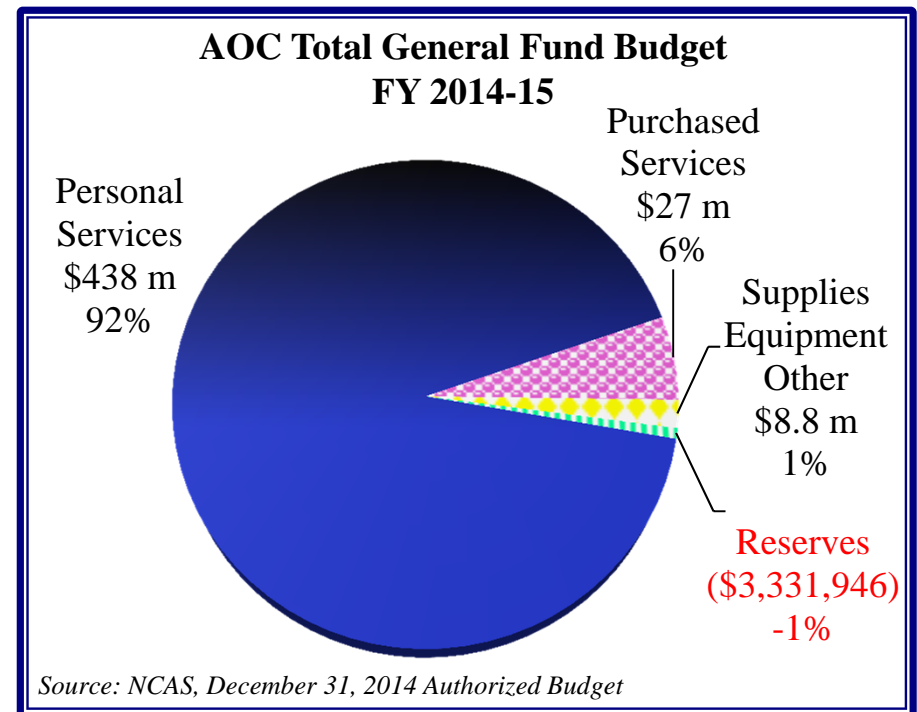
*John Smith, Director of AOC*

#### Includes:

- Supreme Court and Court of Appeals
- Superior courts
- District courts
- District Attorneys
- Magistrates
- Clerks

**Total General Fund Budget: \$469 million**

**Total FTE Employees: 5,831.3**



# JPS - IDS

## Indigent Defense Services (IDS)

**Provides defense attorneys for indigent defendants**

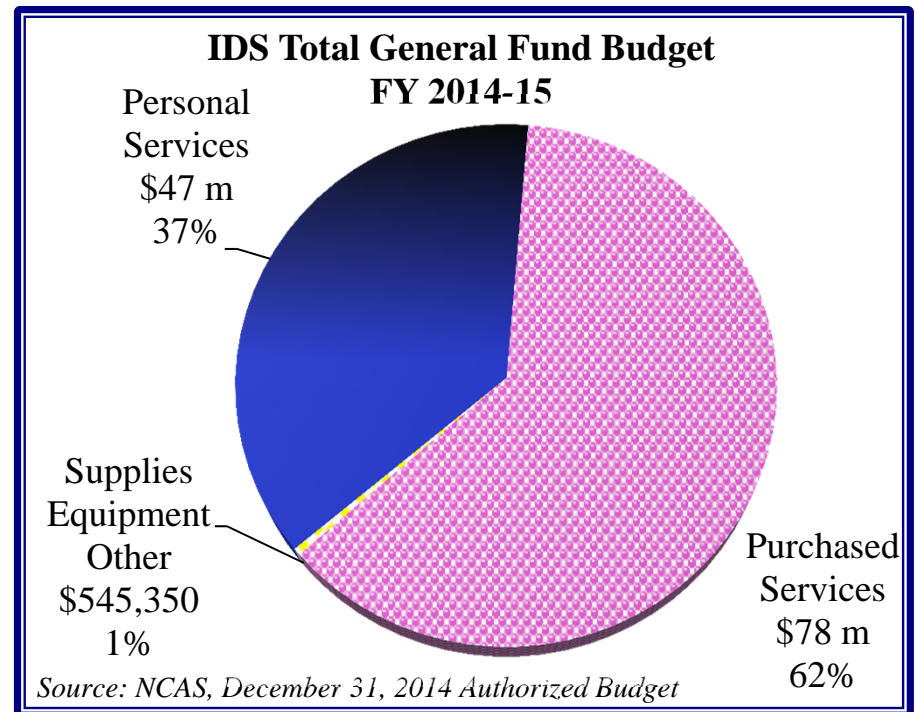
*Thomas Maher, Director of IDS*

Includes:

- Public Defender offices
- Private Assigned Counsel Fund

**Total General Fund Budget: \$125 million**

**Total FTE Employees: 503.9**



# JPS - DOJ

## Department of Justice (DOJ)

**Provides legal services for the State, assists local law enforcement agencies, and oversees law enforcement standards and training**

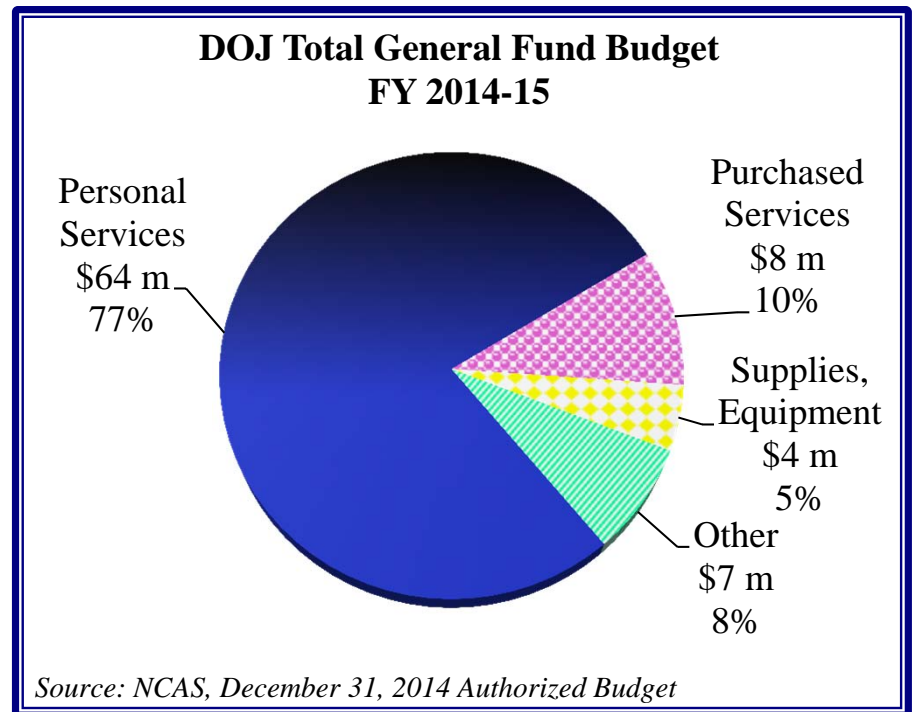
*Roy Cooper, Attorney General*

Includes:

- Legal services
- Consumer Protection
- Criminal Justice Training and Standards
- NC State Crime Lab

**Total General Fund Budget: \$83 million**

**Total FTE Employees: 834.4**



# JPS - DPS

## Department of Public Safety (DPS)

**Houses the former Departments of Crime Control and Public Safety, Juvenile Justice and Delinquency Prevention, and Correction**

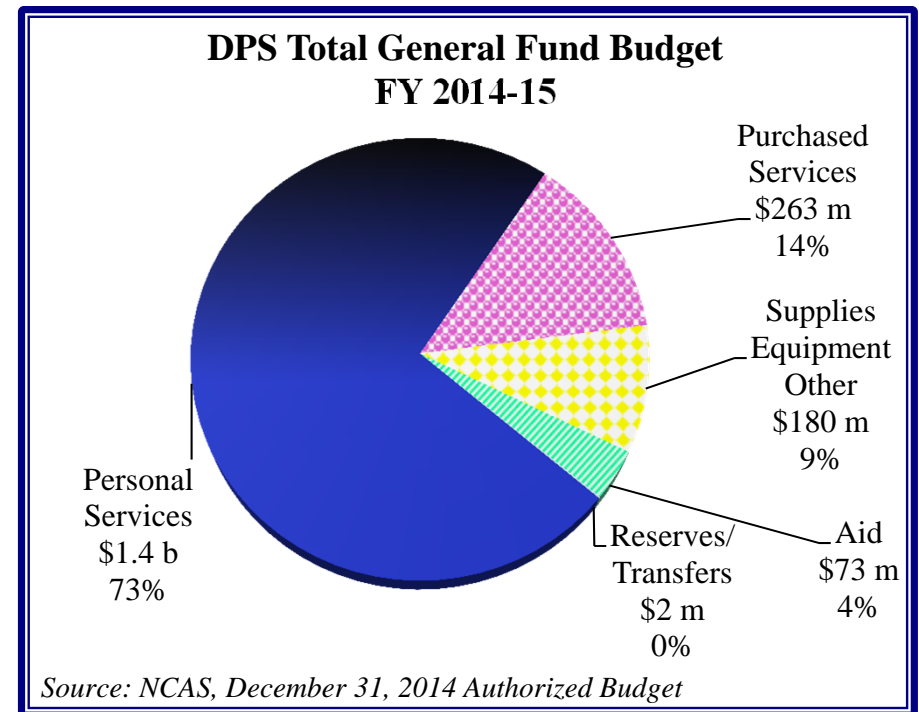
*Frank Perry, Secretary*

Includes:

- Prisons
- Community Corrections
- Juvenile Justice
- Highway Patrol
- State Capitol Police
- State Bureau of Investigation
- Alcohol Law Enforcement
- Emergency Management
- National Guard
- Victims Services

**Total General Fund Budget: \$1.9 billion**

**Total FTE Employees: 24,624.0**





# Recent Legislative Actions

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## Appropriations Act of 2013

- Reduced the total JPS budget by \$46.5 million
- Eliminated 115 vacant and 810 filled positions
- Reduced administrative costs across all six agencies
- Closed 7 facilities
- Created 175 new probation and parole positions
- Created 19 new Crime Lab positions for toxicology

## Modify 2013 Appropriations Act (2014 Budget)

- Increased the total JPS budget by 1.1%
- Eliminated 92 vacant and 323 filled positions
- Closed 2 prisons
- Created 2 confinement in response to violation (CRV) facilities
- Transferred the SBI and the ABC Commission to DPS
- Funded a new Western Crime Lab in Edneyville





# Next Steps

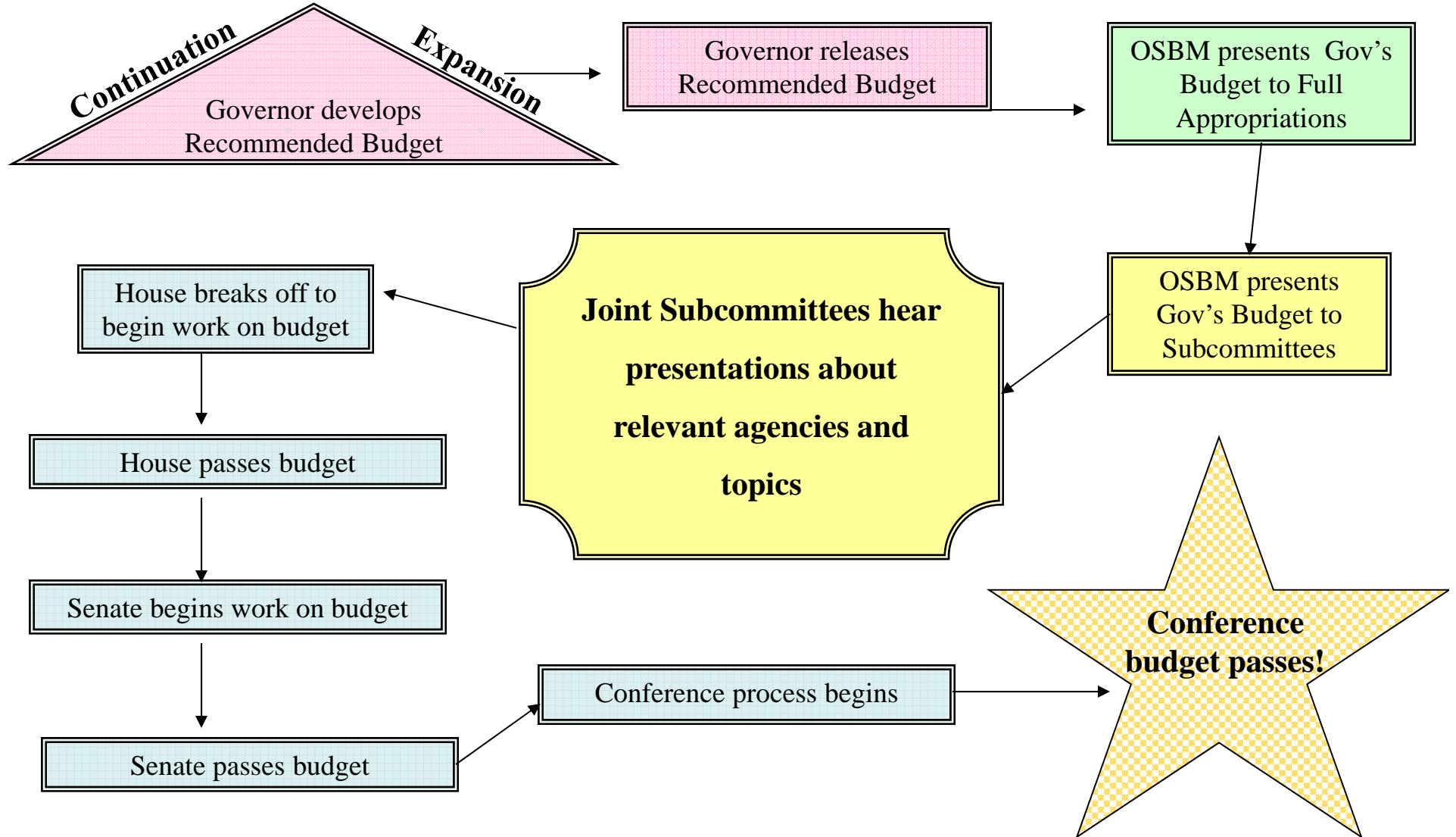
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- Budget Process
- Full Chair Guidance
- Upcoming Meetings
- Subcommittee Website:



<http://www.ncleg.net/gascripts/documentsites/browsedocsite.asp?nid=124>

# The Budget Process



# Full Chair Guidance

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- Evaluate agencies by looking at their programs and services:
  - Are the programs mandated?
  - Are they appropriately funded?
  - Are there ways to manage growth?
- Consider long-term issues



## **Refer to the Full Chairs:**

- **Salary issues**
- **Capital expenditures**



# Upcoming Meetings

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## **This week:**

- Wednesday – Structured Sentencing

## **Next week:**

- Tuesday – Administrative Office of the Courts (AOC) – Overview
- Wednesday – AOC – Workload and Personnel
- Thursday – AOC – Administration and Technology



## **Remaining presentations:**

- IDS
- DOJ
- DPS Adult Correction and Juvenile Justice
- DPS Law Enforcement
- Governor's Budget

# Subcommittee Website

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**Joint Appropriations Subcommittee on Justice and Public Safety website is linked off either the House or Senate subcommittee websites.**

- Agendas
- All committee handouts
- Follow-up information
- Meeting audio
- Mandated Agency Reports



**<http://www.ncleg.net/gascripts/documentsites/browsedocsite.asp?nid=124>**

# Contact Information

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## Fiscal Research Division (919) 733-4910

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John Poteat – [John.Poteat@ncleg.net](mailto:John.Poteat@ncleg.net)

*DPS – Prisons and Correction Enterprises*

William Childs – [William.Childs@ncleg.net](mailto:William.Childs@ncleg.net)

*AOC and IDS*

Lisa Fox – [Lisa.Fox@ncleg.net](mailto:Lisa.Fox@ncleg.net)

*DPS – Community Corrections and Juvenile Justice*