



State of North Carolina

ROY COOPER
ATTORNEY GENERAL

Department of Justice
PO Box 629
Raleigh, North Carolina
27602

Mr. Mark Trogdon, Director
North Carolina General Assembly Fiscal Research Division
Legislative Office Building (LOB)
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925

October 1, 2013

Dear Mr. Trogdon:

Pursuant to Section 17.7 of Session Law 2013-360, I am providing a report regarding the status of operating efficiency reductions for the Department of Justice (DOJ). On September 3, 2013, the DOJ recommended and the Office of State Budget and Management (OSBM) certified a \$1,700,000 operating efficiency reserve placeholder account (Fund 1991, object line item 53-7145). On a case-by-case basis, agencies that were unable to identify their specific reductions during certification were required to submit a request to OSBM to place funds in a reserve account that would be eliminated through a subsequent series of budget system adjustments which include more detailed expense reductions and fund shifts involving dedicated receipts. OSBM has advised that agencies that utilize such reserve accounts are required to clear the reserve no later than December 31, 2013.

The DOJ is working diligently with OSBM to eliminate this reserve account. When these administrative details and budget system transactions are concluded we will provide the Fiscal Research Division with a more detailed follow up report. Throughout this process, we are also ensuring that no North Carolina State Crime Laboratory funding levels are reduced in order to meet any portion of these operating efficiencies.

Please contact me if you need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Nels Roseland".

Nels Roseland
Deputy Chief of Staff/Chief Financial Officer

C: Kristine Leggett
Tracy Little (OSBM)