



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT



Employment First State for Individuals with Disabilities

ROY COOPER
GOVERNOR

KRISTEN WALKER
STATE BUDGET DIRECTOR

November 30, 2022

MEMORANDUM

TO: Senator Phil Berger, President Pro Tempore
Representative Tim Moore, Speaker of the House
Mark Trogdon, Director, Fiscal Research Division

FROM: Stephanie McGarrah *SMG*
Director, NC Pandemic Recovery Office

SUBJECT: State Fiscal Recovery Fund, Continuity of Operations Quarterly Report

Per Session Law 2021-180, Section 4.13, the Office of State Budget and Management (OSBM) is required to submit a report to the Joint Legislative Commission on Governmental Operations regarding the allocation of federal American Rescue Plan Act (ARPA) State Fiscal Recovery Funds (SFRF) used for Continuity of Operations (COOP). Currently, OSBM and the North Carolina Pandemic Recovery Office (NC PRO) are working to review and approve requests from state agencies and other organizations for current and anticipated COVID-19 recovery related expenses through December 31, 2026.

Specifically, the Session Law appropriates \$25,335,471 of ARPA SFRF funds to OSBM for COOP related expenses. As of November 30, 2022, OSBM has authorized \$19,979,912 and disbursed \$3,690,700.

Authorizations with disbursements include:

- \$500,000 - Industrial Commission operations – all funds requested and disbursed
- \$750,000 - NC Independent Colleges and Universities State Longitudinal Data System - \$100,000 requested and disbursed
- \$1,251,323 - Department of Natural and Cultural Resources NC Student Connect (Park and Learn) Project - \$440,000 requested and disbursed
- \$562,500 - Office of State Human Resources Cornerstone contract – all funds requested and disbursed
- \$409,094 - United Way of North Carolina NC 211 System Operations - \$88,200 requested and disbursed
- \$2,000,000 - Department of Administration RETOOL NC grant program funding – all funds requested and disbursed

Authorizations not yet disbursed:

- \$1,500,000 - State Board of Elections operating expenses
- \$1,200,000 - Secretary of State Remote Online Notary
- \$1,000,000 - Department of Natural & Cultural Resources NC PUSH (Priority Updates to State History)
- \$200,000 - Department of Commerce 2023 Navy Federal Credit Union Stadium Series
- \$6,995 - Seven Tribes calculation error in Session Law 2021-189

Authorizations for on-going administration, monitoring and auditing of ARPA funds needed to ensure proper use of funds through the end of the expenditure period, December 31, 2026, include:

- \$6,000,000 for ARPA grants management through 2026
- \$4,000,000 for state agency administration, monitoring and auditing through 2026
- \$600,000 for Office of State Budget and Management (OSBM) Federal Funds Manager (time-limited staff)

Table 1, p. 3, provides information regarding approved authorizations and disbursements through November 30, 2022.

Table 1: Authorizations and Disbursements as of November 30, 2022

Recipient	4-digit NCAS Fund Code	Authorized	Disbursed	State Fiscal Year
NC Industrial Commission	1831	\$ 500,000	\$ 500,000	2021-22
NC Independent Colleges & Universities	N/A	\$ 750,000	\$ 100,000	2021-22
Dept. of Natural & Cultural Resources (Park & Learn)	2660	\$ 1,251,323	\$ 275,000	2021-22
			\$ 165,000	2022-23
Office of State Human Resources	1311	\$ 562,500	\$ 562,500	2021-22
United Way of North Carolina	N/A	\$ 409,094	\$ 88,200	2021-22
Department of Administration	2020	\$ 2,000,000	\$ 2,000,000	2022-23
State Board of Elections		\$ 1,500,000	\$-	
Secretary of State		\$ 1,200,000	\$-	
Department of Natural and Cultural Resources (PUSH)		\$ 1,000,000	\$-	
Department of Commerce		\$ 200,000	\$-	
Calculation inaccuracy for 7 tribes		\$ 6,995	\$-	
Reserved for ARPA grants management through 2026		\$ 6,000,000	\$-	
Reserved for state agency subrecipient monitoring		\$ 4,000,000	\$-	
Reserved for OSBM Federal Funds Manager		\$ 600,000	\$-	
Grand Total		\$ 19,979,912	\$ 3,690,700	

Please email any questions to stephanie.mcgarrah@osbm.nc.gov. Thank you.