



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT



Employment First State for Individuals with Disabilities

ROY COOPER
GOVERNOR

CHARLES PERUSSE
STATE BUDGET DIRECTOR

April 1, 2022

MEMORANDUM

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

FROM: Stephanie McGarrah, Director of the NC Pandemic Recovery Office *sgm*

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 on 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 through requests with state agencies for their 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 March 31, 2022, OSBM has authorized \$16.04 million in COOP and will disburse \$2.54 million once all administrative procedures are finalized.

Authorizations and disbursements include:

- \$40,000 for State Board of Elections operations.
- \$500,000 for NC Industrial Commission operations.
- \$750,000 for the NC Independent Colleges and Universities for the State Longitudinal Data System.
- \$1,251,232 for the NC Student Connect "Park and Learn" Project at the Department of Natural and Cultural Resources.

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 million for ARPA grants management through 2026.
- \$3.5 million for state agency single audit expenses through 2026.
- \$4 million for state agency subrecipient monitoring through 2026.

Table 1 provides the approved authorizations and disbursements through March 31, 2022.

Table 1: Approved Total Authorizations and Disbursements as of March 31, 2022

Recipient	Authorized	Approved Disbursements
Dept. of Natural & Cultural Resources	\$ 1,251,232	\$ 1,251,232
NC Independent Colleges & Universities	750,000	750,000
NC Industrial Commission	500,000	500,000
State Board of Elections	40,000	40,000
Reserved for ARPA grants management through 2026	6,000,000	\$-
Reserved for state agency single audit expenses	3,500,000	\$-
Reserved for state agency subrecipient monitoring	4,000,000	\$-
Grand Total	\$ 16,041,232	\$ 2,541,232

If you have questions, please email them to stephanie.mcgarrah@osbm.nc.gov. Thank you.