



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

October 14, 2022

MEMORANDUM

TO: Senator Kathy Harrington, Chair of the Senate Committee on Appropriations/Base Budget
Senator Ralph Hise, Chair of the Senate Committee on Appropriations/Base Budget
Senator Brent Jackson, Chair of the Senate Committee on Appropriations/Base Budget
Representative Dean Arp, Chair of the House Appropriations Committee
Representative Donny Lambeth, Chair of the House Appropriations Committee
Representative Jason Saine, Chair of the House Appropriations Committee
Mark Trogon, Director of Fiscal Research Division

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

SUBJECT: State Fiscal Recovery Funds (SFRF)

Per Session Law 2021-180, Section 4.9.(i), the North Carolina Pandemic Recovery Office (NCPRO) is required to submit a report to the Senate Committee on Appropriations/Base Budget, House Appropriations Committee, and Fiscal Research Division on the use of State Fiscal Recovery Funds, including the amount of funds disbursed to each State agency, State department, and nonprofit organization; the amount of funds remaining to be disbursed to each State agency, State Department, and nonprofit organization; and how the funds were used by each State agency, State department, and nonprofit organization.

The report is attached for your review. If you have questions, please email them to stephanie.mcgarrah@osbm.nc.gov.

Attachments

Item No.	Recipient Entity	Total Allocated Funds	Funds Disbursed Upon Request Through 9/30/2022	Funds Remaining to be Disbursed	Use of Funds
State Agencies					
1	Administrative Office of the Courts	\$ 35,389,440	\$ 4,500,763	\$ 30,888,677	Provides funding for overtime expenses to assist with court docket backlogs related to the COVID-19 pandemic. Provides funding for temporary court support personnel to address the court docket backlog due to the COVID-19 pandemic.
2	Community College System	\$ 114,304,422	\$ 21,254,253	\$ 93,050,169	Allocates budget stabilization funds for community colleges that experienced a decline in enrollment due to the COVID-19 pandemic. Allocates funds for economic assistance to the Cape Fear Botanical Gardens to mitigate the impacts of the COVID-19 pandemic.
3	Department of Administration	\$ 20,750,000	\$ 20,250,000	\$ 500,000	Provides funds for additional grants to small, historically underutilized businesses through the RETOOLNC program administered by the Office of Historically Underutilized Businesses. Provides funds for time-limited positions and database improvements for tracking the increased number of operational home schools in the State due to the COVID-19 pandemic.
4	Department of Agriculture and Consumer Services	\$ 128,800,000	\$ 48,135,197	\$ 80,664,803	Provides funds for the State Fair to replace receipt losses resulting from closures during the COVID-19 pandemic. Provides funds for the Western NC Agricultural Center to replace receipt losses resulting from closures during the COVID-19 pandemic. Provides funds to be distributed equally to the six food banks in the State to meet the increased demand caused by the COVID-19 pandemic. Provides funds to Reinvestment Partners for its Produce Prescription Program. Provides funds to the Increasing Meat and Seafood Production and Capacity (MSPAC) grant program for financial assistance to meat and seafood producers impacted by the COVID-19 pandemic. Provides funds for grants to swine and dairy producers impacted by the COVID-19 pandemic. Provides funds to the Carolina Farm Stewardship Association to purchase locally grown food for the Farms Serving Hospitality and Restaurant Employees (FarmsSHARE) program, an initiative which provides food at no cost to families in need.
5	Department of Commerce	\$ 126,210,000	\$ 1,592,709	\$ 124,617,291	Provides funds to the Carolina Small Business Development Fund for small business loans and financial training to startups and existing businesses, and lending services to community-based organizations. Provides economic assistance to the High Point Furniture Market Authority, a nonprofit organization impacted by the COVID-19 pandemic. Provides funds to the Tourism Education Foundation of North Carolina for a regional program to recruit and train new employees for the hotel industry.
6	Department of Environmental Quality	\$ 1,938,275,000	\$ 13,773,539	\$ 1,924,501,461	Provides funds for the Viable Utility Reserve. These funds will be used to provide grants to water and sewer utilities that have been designated as distressed by the State Water Infrastructure Authority and the Local Government Commission Grants to water and wastewater utilities to implement infrastructure capital (construction) projects
7	Department of Health and Human Services	\$ 502,785,232	\$ 233,277,500	\$ 269,507,732	Provides a \$2,000 bonus for eligible direct care workers employed by eligible providers enrolled in the Medicaid or NC Health Choice program. Provides funding from the State Fiscal Recovery Fund to reduce the negative economic impact of the COVID-19 pandemic on facilities that serve Special Assistance (SA) recipients. Provides funds for local health departments to expand communicable disease surveillance, detection, control, and prevention activities to address COVID-19 and other communicable disease-related challenges impacted by the COVID-19 pandemic. Provides funding from the State Fiscal Recovery Fund for Camino Community Development Corporation, Inc., a nonprofit in Mecklenburg County that serves low-income families through primary care, behavioral health, and wellness services, as well as a thrift store and food pantry. Funding is for mobile units to support service delivery. Provides funds from the State Fiscal Recovery Fund to local management entities/managed care organizations (LME/MCOs) for temporary funding assistance for intermediate care facilities for individuals with intellectual disabilities (ICF/IID) services on a per diem basis. Provides funds from the State Fiscal Recovery Fund for Forsyth and Mecklenburg Counties for crisis behavioral health joint partnerships with local hospital systems, local behavioral health crisis centers, local emergency services providers, and LME/MCOs.
8	Department of Information Technology	\$ 739,939,144	\$ 6,152,037	\$ 733,787,107	Provides funds for a comprehensive workforce development network consisting of 2 and 4-year colleges and universities working together to create a coordinated effort to meet the talent needs of North Carolina's public agencies and private businesses in North Carolina Provides funds to the Department of Information Technology to supplement existing administrative capacity in support of high-speed internet efforts
9	Department of Insurance	\$ 8,000,000	\$ 8,000,000	\$ -	Provides funds to mitigate the financial impact of the COVID-19 pandemic on local volunteer fire departments.
10	Department of Natural and Cultural Resources	\$ 96,200,000	\$ 25,271,485	\$ 70,928,515	Provides funds for water and sewer projects at the State Parks. Funding has been provided for the following projects: -Roanoke Island Festival Park (RIFP) Support -Transportation Museum Support -Tryon Palace Support -NC Battleship Support -Moonshine and Motorsports Trails -Science Museum Grants (Grassroots Science) -NC Symphony Society -NC Arts Council -State Library -Flat Rock Playhouse -Lanier Ridge Camp, Conference, and Retreat Center -Natural Science Center of Greensboro -Paul J. Ciener Botanical Gardens -Roanoke Island Historical Association's Lost Colony Production
11	Department of Public Instruction	\$ 18,648,000	\$ 967,038	\$ 17,680,962	Allocates funds for the 2021 Smart School Bus Pilot. Allocates a directed grant to the Crosby Scholars Community Partnership in Forsyth, Rowan, and Iredell counties to provide scholarships for students seeking higher education and who are eligible for Pell grants

State Fiscal Recovery Funds
Quarterly Report Through September 30, 2022

Item No.	Recipient Entity	Total Allocated Funds	Funds Disbursed Upon Request Through 9/30/2022	Funds Remaining to be Disbursed	Use of Funds
12	Department of Public Safety	\$ 108,925,000	\$ 30,111,982	\$ 78,813,018	Provides funding to update obsolete Voice Interoperability Plan for Emergency Responders (VIPER) equipment to facilitate timely service from emergency first responders during the COVID-19 pandemic. Provides funding to modernize the CAD system to facilitate timely service from law enforcement during the COVID-19 pandemic. This system provides automated record-keeping, dispatch information, and other support for troopers in the line of duty. Provides funding for the Juvenile Justice section to expand wraparound services for at-risk youth who are transitioning from Youth Development Centers into their communities. Funds will expand capacity and necessary services to address the increase in youth detention following the passage of S.L. 2017-57 (Raise the Age) legislation during the COVID-19 pandemic. Provides funding for community supervision programs, including short term housing, recidivism reduction services, and social programming, for offenders reentering the community due to the settlement in NC NAACP v. Cooper, which is reducing the prison population as a result of the COVID-19 pandemic. Provides funding for the Prisons section to help address a budget shortfall related to increased medical costs for inmates due to the COVID-19 pandemic.
13	Department of Revenue	\$ 502,538,000	\$ 498,415,763	\$ 4,122,237	The Department of Revenue will provide a one-time reimbursement or hospitality grant to businesses that suffered economic damage from the COVID-19 pandemic.
14	Department of the State Treasurer	\$ 101,000,000	\$ 101,000,000	\$ -	Provides funds to reimburse the State Health Plan for COVID-19 testing, treatment, and vaccine administration.
15	Department of Transportation	\$ 3,000,000	\$ 150,000	\$ 2,850,000	Provides funds from the State Fiscal Recovery Fund of the American Rescue Plan Act to add extended hours to driver license offices.
16	General Assembly	\$ 21,800,000	\$ 3,064,335	\$ 18,735,665	Provides funds to address the impact of the COVID-19 pandemic on the operations of the legislature.
17	Office and State Budget and Management	\$ 80,260,471	\$ 13,390,700	\$ 66,869,771	\$11,700,000.10: NCPRO operating budget \$1,690,700: COOP funding for DOL DNSCR, and Independent Colleges
18	Office of the State Auditor	\$ 3,500,000	\$ -	\$ 3,500,000	
19	UNC System Office	\$ 138,160,500	\$ 21,577,166	\$ 116,583,334	Project Kitty Hawk N.C. Arboretum COVID-19 expenses PBS N.C. COVID-19 Expenses Allocates funds for a need-based scholarship recovery program for children of currently serving members of the Armed Forces and for certain disabled veterans along with their children and spouses to attend postsecondary institutions in order to recover from learning loss caused by the COVID-19 pandemic. Allocates funds to the State Education Assistance Authority (SEAA) to administer the Longleaf Commitment Program. Allocates funds to the UNC Board of Governors to purchase ultraviolet-C sterilization units to disinfect surfaces to prevent the spread of COVID-19.
20	NC State University	\$ 1,700,000	\$ 1,301,590	\$ 398,410	Allocates funds to 4-H centers and camps in the State to offset revenue loss caused by the COVID-19 pandemic.
21	UNC-Chapel Hill	\$ 68,000,000	\$ 3,000,000	\$ 65,000,000	Allocates funds to the Vice Chancellor for Research at the University of North Carolina at Chapel Hill for the Rapidly Emerging Antiviral Drug Development Initiative to advance development of therapeutics for the COVID-19 pandemic.
22	NC School for Science and Math	\$ 1,360,230	\$ 674,118	\$ 686,112	Allocates funds to NCSM to offset expenses incurred to directly respond to the COVID-19 pandemic.
23	UNC - School of the Arts	\$ 364,253	\$ 364,253	\$ -	Allocates funds to offset expenses incurred by the UNCSCA High School Academic Program to directly respond to the COVID-19 pandemic.
24	Statewide - Premium Pay	\$ 545,000,000	\$ 522,747,794	\$ 22,252,206	Provides a bonus for full-time State employees and local education employees, regardless of funding source. DST was authorized in S.L. 2022-6 to use up to \$1.2 million for death benefits. Therefore, \$22,252,206 of this appropriation is unused. This number may change.
External Organizations					
25	Carolina Association of General Contractors	\$ 5,500,000	\$ 1,586,409	\$ 3,913,591	Provides funds to the CAGC Foundation, Inc. for construction education programs, including financial support for students and support for employers offering work-based learning programs. Provides funds to the CAGC Foundation, Inc. to conduct a construction contractor business academy for HUBs
26	City of Winston Salem	\$ 10,000,000	\$ -	\$ 10,000,000	
27	NC League of Municipalities	\$ 25,000,000	\$ -	\$ 25,000,000	
28	NC Association of County Commissioners	\$ 10,000,000	\$ 1,016,439	\$ 8,983,561	Provides funds for guidance and technical assistance to localities in the administration of Local Fiscal Recovery Funds.
29	Association of Regional Councils of Governments	\$ 10,000,000	\$ -	\$ 10,000,000	
30	Town of Apex	\$ 11,500,000	\$ -	\$ 11,500,000	
31	Town of Huntersville	\$ 12,000,000	\$ 12,000,000	\$ -	Provides funds for guidance and technical assistance to localities in the administration of Local Fiscal Recovery Funds.
32	State Recognized Tribes	\$ 10,000,000	\$ -	\$ 10,000,000	
33	NC Trucking Association Foundation	\$ 5,000,000	\$ -	\$ 5,000,000	
34	YMCA	\$ 11,400,000	\$ 9,467,701	\$ 1,932,299	Provides funds for a statewide grant program to YMCAs for recovery from the economic impacts of the COVID-19 pandemic.
35	Independent Colleges and Universities	\$ 51,000,000	\$ 50,697,500	\$ 302,500	Financial assistance for private universities
		Total Allocated Funds	Total Funds Disbursed Upon Request Through 9/30/2022	Total Funds Remaining to be Disbursed	
		\$ 5,466,309,692	\$ 1,653,740,271	\$ 3,812,569,421	Note: Amounts are rounded up to the nearest whole dollar.