



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Dr. William S. Carver, II
Interim President

January 4, 2021

TO: Community College Chief Financial Officers

FROM: Elizabeth Grovenstein, Vice President/CFO

RE: Budget Management Restrictions Rescinded

The Office of State Budget and Management (OSBM) has been closely monitoring the State's unemployment rate, General Fund revenue collections, and North Carolina's long-term economic outlook. The COVID-19 pandemic has severely impacted the state; however, the infusion of federal stimulus funds in spring 2020 helped the economy recover more quickly than expected.

The Office of State Budget and Management (OSBM) has communicated that North Carolina's FY 2020-21 General Fund revenue collections through October are approximately \$2 billion above the May 2020 consensus revenue forecast estimate. Therefore, OSBM is suspending the budget management guidelines issued in their June 3, 2020 memorandum effective January 1, 2021. Therefore, all restrictions of purchasing, travel, and personnel per Numbered Memo CC20-046 are rescinded.

Although this OSBM communication pertains to State appropriation, as you know, the NCCCS budget is also supported by a \$315 million budget for tuition and continuing education registration fees. As I have previously communicated, unfortunately, receipt collections have continued to lag budgeted levels and therefore, it is expected that a budget call back will be necessary to ensure the NCCCS budget remains in balance. A budget call back memorandum will be issued in the coming weeks.

Thank you for continuing to be responsible and prudent stewards of our State resources during this very difficult time.

cc: Presidents

CC21-001
Email