



North Carolina Department of Health and Human Services  
**Division of Budget and Analysis**  
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Beverly Eaves Perdue, Governor  
Lanier M. Cansler, Secretary

James B. Slate, Jr., Director

January 23, 2012

**MEMORANDUM #2012-02**

TO: Division Directors  
Office Directors  
Budget Officers

FROM: Jim Slate *Jim Slate*

RE: **DHHS Instructions for FY 2012-2013 Budget Preparation**

The purpose of this memo is to address the DHHS process for the completion of the SFY 12-13 budget process in preparation for the Governor's budget recommendations as outlined in the January 17, 2012 memo from OSBM (Attachment 6). The specific instructions and due dates for each component that are attached are organized as follows:

Part A Expansion Budget Instructions

Part B Non Block Grant Special Provision Instructions

Part C Block Grant Work Plan Instructions

Attachments:

- 1 List of Proposed Expansion Budget Items
- 2 Worksheet II Template
- 3 OSBM Expansion Budget Instructions
- 4 Special Provision Action Form
- 5 Block Grant Work Plan
- 6 OSBM Instructions for FY 2012-2013 Budget Preparation

**Other Budget Recommendations**

In addition, OSBM has indicated an interest in meeting with the Department with the purpose of reviewing existing budgets and developing additional potential budget recommendations. These meetings are to be completed by February 15, 2012. To begin preparations for these meetings please review the following areas as detailed in the OSBM instructions:

- Elimination of duplicative and underperforming programs.
  - Streamlining and consolidation of programs, offices and services.
  - Reductions of operating funds due to service efficiencies.
  - Reductions of layers of management and administration.
  - Budgeting receipts where appropriate to offset appropriation requirements.
- You should also review reduction\efficiency options that your Division may have submitted during previous sessions which were not adopted. Further guidance will be forthcoming regarding this exercise as soon as available

**Due dates for each item are repeated for your reference in summary below:**

<b>Budget Expansion List</b>	<b>Tuesday, January 31, 2012</b>
<b>Non-Block Grant Special Provisions</b>	<b>Thursday, February 2, 2012</b>
<b>Block Grant Plans and Special Provisions</b>	<b>Tuesday, February 7, 2012</b>

JBSjr/jm/mcd/rk:

Attachments

cc: Budget Analysts