

**North Carolina Department of Labor
Occupational Safety and Health Division**

Administrative Information System

Administrative Procedure Notice 6B

Subject: Obligating Lapsed Salaries

- A. **Purpose.** This Administrative Procedure Notice (APN) establishes the procedures for obligating lapsed salary funds to pay for allowable expenditures.
- B. **Definition.** Lapsed salary is the dollar amount not expended during the period in which a particular position is vacant.
- C. **Eligibility.** Transfer of lapsed salaries may be made between a fund and within the 531XXX through 535XXX object classes. The Office of State Budget approval is required for the use of lapsed salaries outside of the 531XXX though 535XXX object classes.
- D. **Discussion.** Provided lapsed salary funds are available, the division encourages use of these funds on allowable expenditures. Use of these funds will ensure fiscal responsibility within the division, as budgeted funds can be spent in necessary areas that otherwise may not have received funds.

Use of lapsed salaries on the aforementioned object codes are not a requirement of the division. In addition, should a request for lapsed salaries be received after the services have been provided or with less than a two-week notice, the bureau should be prepared to pay for the expenditure using regular budgeted funds.

Lapsed salary funds are calculated on a state fiscal year.

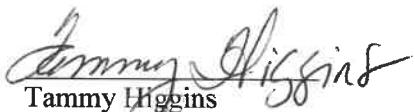
E. Procedures.

- 1. At a minimum, two weeks prior to date of requested action (overtime, contractual obligation, etc.) a request must be submitted to the director's office, administrative officer II.

The required paperwork should accompany the request for services. The following details those requirements:

<u>Type of Request</u>	<u>Required Paperwork</u>
Legal Fees	Contract for services
Misc. Contractual Obligations	Contract/PO for services
Overtime	Request in memorandum format
Temporary Employees	HR Form 117
Additional Operational Funds	Spending plan documentation

2. Contracts and requests for services may not continue beyond June 30 of each state fiscal year. Should work be required to continue after June 30, a new request for services must be submitted by July 1 of each state fiscal year.
 3. Upon approval and designation of budget fund by the administrative officer II, the approved request and any necessary supporting documents will be forwarded to Financial Services.
 4. If the request is outside of NCDOL authority, Financial Services will then submit the request to the Office of State Budget and Management.
 5. Once approved by the Office of State Budget and Management, the department's Financial Services office will notify the administrative officer II and the designated bureau.
 6. Once notification of approval has been received in the bureau, work may begin.
 7. The director's office, administrative officer II will adjust lapsed salary figures to reflect all expenditures as approved by the Office of State Budget and Management.
- E. **Expiration**. This APN is effective on the date of signature. It will remain in effect until revised or canceled by the director.



Tammy Higgins
Administrative Officer II



Kevin Beauregard
Director

10/1/2019
Date of Signature