

To: Budget Managers and Business Managers

From: Mary E. Forsythe

Date: April 13, 2009

Subject: General Fund restrictions

Last Thursday, the Governor of NC put severe restrictions on spending general funds. Regarding procurement, **April 16<sup>th</sup> 2009** is the deadline for receiving goods and services to be paid from general funds this fiscal year. To quote exactly:

“No purchase orders will be issued for goods and services that will require an expenditure of General Fund appropriations.... Purchase orders for goods and services that have been ordered but not received by April 16, 2009 must be cancelled. This restriction includes information technology purchases and personal services contracts. Purchase orders for food and drugs necessary to operate or provide services through the end of the physical year can be issued. Only minimum inventories of these items should be maintained.”

Purchasing staff are already in the process of:

- 1) Expediting orders that are expected to be delivered by April 16<sup>th</sup> or thereabouts to ensure delivery is made within our requirements.
- 2) If the purchase order clearly will not be received prior to close of business April 16<sup>th</sup>, we are giving the department the option to change the funding source. If the charge cannot be supported otherwise, the order will be cancelled. If cancellation presents a legal issue, I will be in touch with Kay Ward, Senior Associate VCBA.
- 3) General Fund numbers will be frozen on purchasing cards by the end of the day

*Receiving copies are required in Purchasing by close of business Thursday, April 16<sup>th</sup> also. Please hand deliver them to us should you question our getting the paperwork in time. Please treat faxing as a last resort because clarity is often compromised. We are working closely with the Warehouse to capture any last minute deliveries there.*

Purchasing appreciates your cooperation during this difficult time. If you have particular concerns or questions, please don't hesitate to contact me directly.