

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 783
HOUSE BILL 996

AN ACT TO AMEND THE SCHOOL BUDGET AND FISCAL CONTROL ACT
CONCERNING APPROVAL OF EXPENDITURES SOME OR ALL OF WHICH
ARE TO BE PAID IN ENSUING FISCAL YEARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-441(a) is amended by adding the words "Except as set forth below," before the words "No obligation" in the first sentence of the subsection; and by substituting the word "section" for the word "subsection" wherever it may appear in this subsection.

Sec. 2. G.S. 115C-441 is amended by adding a new subsection to read:

"(c1) Continuing Contracts for Capital Outlay. An administrative unit may enter into a contract for capital outlay expenditures, some portion or all of which is to be performed and/or paid in ensuing fiscal years, without the budget resolution including an appropriation for the entire obligation, provided:

- (i) the budget resolution includes an appropriation authorizing the current fiscal year's portion of the obligation;
- (ii) an unencumbered balance remains in the appropriation sufficient to pay in the current fiscal year the sums obligated by the transaction for the current fiscal year; and
- (iii) contracts for capital outlay expenditures are approved by a resolution adopted by the board of county commissioners, which resolution when adopted shall bind the board of county commissioners to appropriate sufficient funds in ensuing fiscal years to meet the amounts to be paid under the contract in those years."

Sec. 3. G.S. 115C-521(c) is amended by adding the following sentence between the second and third sentences of this subsection:

"However, this subsection shall not be construed so as to prevent boards of education from investing any money in buildings that are being constructed pursuant to a continuing contract of construction as provided for in G.S. 115C-441(c1)."

Sec. 4. This act shall become effective July 1, 1985.

In the General Assembly read three times and ratified, this the 17th day of July, 1985.