



Dollars & Sense

A helpful bulletin on all matters financial

Financial Management Division's mission:

To support the financial health of NCDOT by ensuring integrity, compliance and customer service for all stakeholders.

SERVICE AREAS

- Accounts Receivable
- Accounts Payable
- Budget
- Compliance Reporting
- Contract Management
- DMV Revenue
- Federal Funds Management
- Funds Management & Administration
- General Ledger
- P Card
- Payroll
- Purchasing
- State Funds Management
- Toll Revenue
- Travel Management Card

CFO

Stephanie J. King



Certified Budget vs. Spend Plan

What's the difference?

The terms "budget" and "spend plan" are often bandied about to talk about the size of a program or how much the N.C. Department of Transportation intends to spend. But the terms are not interchangeable.

Certified budget

The **certified budget** for NCDOT is enacted by the General Assembly with the Governor's input. The budget consists of appropriations or funds that support the department's administrative budgets, as well as construction, maintenance and other projects. The agency's budget specifies how funds are to be used.

The budget is based on the anticipated revenue the department will receive. At the end of the fiscal year, actual revenues are compared to anticipated revenues. Legislation directs how any excess revenue may be used and how revenue shortfalls will be covered.



Spend plan

The **spend plan** is a little different. It's a comprehensive plan for how much the department will spend on its many programs. The spend plan, which totals about \$5.8 billion for the 2021 fiscal year, is based on cash in the agency's various funds, such as the Highway Trust Fund. The N.C. Board of Transportation and the N.C. Office of State Budget and Management approve the spend plan.

So, while the budget determines the amount of funding the NCDOT will receive for programs, the spend plan dictates the amount of cash that will be spent for those programs.

An Example Budget vs. Spend Plan (FY 2021):

The state **certified budget** for the Rail Division is \$35.5 million, which covers administrative costs and state funding on projects. Rail also receives federal funding for projects, so its **spend plan** is \$80.6 million.

Unit's Accounting Director Recognized as 'Trailblazer'

The unit's Kim Padfield, Director of Accounting Operations and Budget, received the prestigious Karen Collette Trailblazer Award at the December 2020 NC Board of Transportation meeting. Secretary Boyette lauded her for guiding the agency during the recent financial challenges.

"She's known as Kim-Possible for her ability to handle anything we throw her way," Boyette said at the meeting. "NCDOT would struggle without her institutional knowledge, her ability in the field of finance and her commitment to excellence in all matters."



Value of NCDOT Highway Network Tops \$50 Billion

Did you know the N.C. Department of Transportation highway infrastructure is worth an estimated \$50.7 billion?

The figure is the sum total of the 14 highway divisions' infrastructure. Here's a quick breakdown:

- Land and other permanent easements
- Active construction projects
- The state highway network (80,000 miles, 13,500 bridges, plus culverts, traffic signals, etc.)
- Estimated historical value before 2001
- Accumulated depreciation of the highway network



I-295 bridges in Fayetteville (2020)

A few caveats

The figure does not include buildings, vehicles or equipment. Those capital assets fall into other categories. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not factored into the \$50.7 billion tally.

Unit Contact

Have a question or suggestion for the Financial Management Division? Contact **Tonya Austin** below.



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