

January 18, 1929

I want to say something to you this morning about the General Assembly of North Carolina. Every two years we have a splendid opportunity to make a first hand study of the government as it actually operates in our state. The state of North Carolina elects its executive officers every four years. The Legislature of North Carolina holds a session every two years and we have an election every two years. In other words, we have twice as many elections for the Legislature as we have for the administrative positions. This present General Assembly was elected last November, of course, and it is before the General Assembly that the college must go to secure the necessary funds to operate on for the next two years. The state fiscal year, that is the year the appropriations are made for, begins the first of July following the meeting of the General Assembly and lasts until July 1st of the year following. In other words, the General Assembly of 1929 makes its appropriations for the two years July 1, 1929 to the 30th day of June 1931. If the college has not expended all the appropriation made for operating expenses, the unspent balance goes into the state treasury. We spend the appropriation inside of the two years that it is made for. That is called the biennium. The next Legislature will meet in February before the biennium closes. This General Assembly now in session does not affect this college year for the end of the 1927 biennial year is June 30th of this year. The Permanent Improvements fund is the money that is appropriated by the General Assembly for the enlargement of the college. This does not lapse at the end of the biennium. In other words, when the appropriation is made to the institution that institution has more than two years to spend it if they wish. That is the difference between the Maintenance and Permanent Improvements

appropriations. In North Carolina we are working under what is known as the budget system with the Governor of North Carolina as the head of the Budget Commission. The Budget Commission is composed of the chairman of the Appropriations Committee and two members each from the committee on Finance of the Senate and the House. Then the Governor appoints two others, one from the minority party. These six people with the Governor constitute the Budget Commission. They approve or modify the rulings of the Governor. In the absence of the meeting of the Budget Commission the Governor exercises his authority. The various spending agents of the state are all of the departments, charitable institutions, educational institutions, hospitals, correction schools and all such institutions. The year before the Legislature meets they make the spending agents make up their requests in detail for the appropriations and these requests are carried before the Budget Commission. The Budget Commission goes over them before the various authorities in charge of the spending agents and then they make up their recommendations to the Legislature. They not only make up their recommendations but they draft a bill to recommend to the Legislature means of acquiring this money. That is known as the report of the Budget Commission to the General Assembly. I am like Will Rogers who says all he knows is what he sees in the papers. All I know about what the Budget Commission is going to do for us is what I see in the papers. Now that report of the Budget Commission to the General Assembly is not a law. It is nothing more nor less than a recommendation to the General Assembly. They may increase it or decrease it. In the Budget Commission's report is a recommendation that this college have \$283,000.00 for enlargement. How much we will get I have no idea. Now the General Assembly may appropriate \$283,000.00 for this institution or it may cut that \$283,000.00 out and not

appropriate anything or it may appropriate any amount maybe \$1,500,000.00 which we are asking for. In other words, the Legislature is the final authority and it may do anything it wishes to do about making appropriations for Permanent Improvements and for Maintenance.

The way the General Assembly works is, the Speaker of the House names a committee on Appropriations, the Lieutenant Governor names a Senate committee on Appropriations and these two committees have joint meetings. They notify the various spending agents what day they will give them a hearing. I see in the papers that this institution is to have its hearing on the 23rd. The two committees meet in general session and we go before this joint meeting of the two and we tell them why we need more than the Budget Commission recommends. It is our duty to put the whole situations before them that they may see and understand the situation and the needs. Why a given amount of money will not be sufficient and why a given amount will be more than sufficient. It is the duty of every spending agent to put the plain facts before the Appropriations Committee. Then the Appropriations Committee decides definitely how much they are going to spend on various spending agents and draw up a revenue bill to make provisions for that amount of money and when they present this to the Legislature they pass on it and send it to the Governor. The last thing the Legislature will do is pass on this bill. There are just a few changes that take place when a new Governor comes into office.

Robert H. Wright, President