

**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

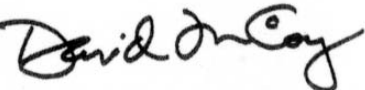
MICHAEL F. EASLEY
GOVERNOR

DAVID T. MCCOY
STATE BUDGET DIRECTOR

July 31, 2008

MEMORANDUM

TO: Department Heads and Chief Fiscal Officers

FROM: David McCoy 

SUBJECT: Instructions for Preparation of the 2009-2011 Recommended State Budget

As fiscal year 2008 is closed out and the budgetary actions of the 2008 legislative session are certified, it is time to focus on the next major budgeting task: preparing the Governor's 2009-11 recommended state budget.

Biennial budget development will begin with the release of the 2009-11 budget instructions, which contain information on building the continuation, expansion, and capital improvement budget requests for the upcoming budget cycle. These instructions provide detailed guidelines on budget development requirements, a schedule of deadlines for completing key steps in the budget preparation process, and a section that highlights changes between this set of instructions and those provided for the previous biennium. Some of the major changes include:

- New Worksheet II with drop down capability.
- An updated time table.
- Updated instructions on the Worksheet I Summary and numerous changes to the attachments.
- An expanded Capital Section.
- Expanded details on budgeting positions.

Copies of the budget instructions can only be obtained from the [OSBM web site](#) .

Please review these instructions and if you have questions, feel free to contact your budget analyst in our office at (919) 807-4700.