



# ***FY 2023-25 Agency Budget Certification Training***

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# FY 2023-25 Certification Overview

## Objectives

1. Review certification timeline, process, and guidelines.
2. Highlight new elements of this year's process.
3. Review resources agencies will use for certification.

## Key Links

[Budget Certification | NC OSBM](#)

[IBIS Login Page](#)

[State Agency Resources | NC OSC](#)

[NCFS Chart of Accounts | NC OSC](#)



# FY 2023-25 Budget Certification Key Dates



## FY 2023-25 Budget Certification Key Dates/Deadlines

Date	Action
October 3, 2023	Long Session Budget Certification Instructions shared
October 11, 2023	First Day for Certification Entry After IBIS Updates
October 30, 2023	Certification Entries in IBIS due (agencies can submit earlier than this date)
November Closeout	Certification of all budget codes completed



## What is Certification?

- **Process to set up the certified budget as of July 1 in all of North Carolina's financial systems.**
  - Integrated Budget Information System (IBIS)
  - North Carolina Financial System (NCFS)
  - Also reconcile with other state financial systems (e.g. universities)
- In long sessions (like the 2023-25 biennium), certification sets up the two-year budget.
- The BD 307 reflects the certified budget as of July 1 before any revisions.
  - See [OSBM's website for past reports](#).



## Why does OSBM certify?

### **G.S. 143C-6-1(c)**

**Certification of the Budget.** - The Director of the Budget shall certify to each State agency the amount appropriated to it for each program and each object from all funds included in the budget as defined in G.S. 143C-3-5(d). The certified budget for each State agency shall reflect the total of all appropriations enacted for each State agency by the General Assembly in the Current Operations Appropriations Act and any other act affecting the State budget. The certified budget for each State agency shall follow the format of the Budget Support Document as modified to reflect changes enacted by the General Assembly.

### **G.S. 143C1-1(d)(7)**

**Certified budget.** - The budget as enacted by the General Assembly including adjustments made for (i) distributions to State agencies from statewide reserves appropriated by the General Assembly, (ii) distributions of reserves appropriated to a specific agency by the General Assembly, and (iii) organizational or budget changes mandated by the General Assembly.



## Agency Certification Process

Prior to certification, agencies should review [S.L. 2023-14](#), [S.L. 2023-134](#), and [S.L. 2023-134's Committee Report](#) to ensure the agency is correctly balancing appropriation totals and that items are certified in the correct Budget Code and Budget Fund.

- The Committee Report is the primary document used to certify the budget. It includes:
  - Base budget - starting appropriation;
  - Individual adjustments to requirements, receipts, net appropriation and/or FTE counts;
  - Total Legislative Changes - a summary of their budget/FTE adjustments;
  - Net appropriation summary.
- OSBM will issue additional guidance if a Technical Corrections bill is passed.



## Agency Certification Process

- Certification will take place in IBIS. The forms have been updated to reflect the new NCFS Chart of Accounts.
- Agencies should notify their OSBM development analyst when all their certification entries have been submitted.
  - Please send your analyst a copy of your certification spreadsheet and the latest NCAS/NCFS crosswalk.
- OSBM will review and approve certification entries in IBIS.
- OSBM analysts will notify your agency when IBIS files are being interfaced to NCFS.
  - OSBM and the agency work together to make sure both systems reconcile.
- The budget is considered certified once it is signed by the State Budget Director.
  - Your OSBM analyst will send you an electronic copy of your signed BD 307.



## Repeat and FY 2023-24 Budget Revisions

- Once an agency's certification process is complete, OSBM execution analysts will release repeat revisions.
- After repeat revisions are processed, OSBM will begin approving FY 2023-24 budget revisions in IBIS.



## Capital Certification

- OSBM will certify State Capital & Infrastructure Fund (SCIF) funding in the SCIF budget code (24001) only.
- Work with your OSBM Capital Analyst to establish individual projects via Type 11 budget revision **after** certification.
  - Agencies and campuses must submit a new Budget Fund for each new project.
  - Projects should be set up in the 423XX capital Budget Code unless OSBM has granted an exemption. Projects will be given the next available Budget Fund in NCFS.
  - Write the Interscope item number in the revision's justification box to match projects in both systems.

# Key Changes



## NCFS Chart of Accounts

- Agencies will need to enter all certification items using the NCFS Chart of Accounts (COA) instead of the more familiar NCAS COA.
- You can use OSBM's [certification template](#) to help organize certification entries and to crosswalk between NCAS and NCFS account segments.
- Please share a spreadsheet of your draft certification entries and your NCFS crosswalk file with your OSBM development analyst.



## New NCFS Chart of Accounts Requests – OSBM Process

- Identify any new Budget Codes and Budget Funds needed and submit these requests via IBIS to be approved by OSBM.
  - OSBM has a bulk upload template for budget fund requests for agencies with more than 10 new Budget Funds.
  - Contact your OSBM development analyst if you need this template before the new IBIS goes live.



## Chart of Account Segments – OSC Updated Process

- OSC manages all COA segments outside of Budget Code and Budget Fund.
  - Agencies must submit a [spreadsheet template](#) to OSC for changes to Agency Management Unit, Agency Program, Project.
  - There is a different process for new account requests (form tbc by OSC) - the OSC Financial Reporting team and COA Committee review and approve these requests.
- New Chart of Account requests will be processed after NCFS and IBIS go live.



## Certifying Positions

- Agencies should use the **FY 2022-23** contribution rates for new **FY 2023-24** positions:

	Retirement Rates for New Positions				
	TSERS	LEO	ORP	CJRS	LRS
FY 2022-23 Total Contribution Rate	24.50%	29.50%	13.83%	46.84%	31.80%

- Agencies should also use the FY 2022-23 State Health Plan amounts:

FY 2022-23 State Health Plan Amounts	
Active	\$7,397
Retirees	\$5,118



## Certifying Positions

- Agency budget and HR personnel should coordinate on position-related entries.
- The following items *must* match for new positions to be approved:
  - Position number
  - Position name
  - Effective date (generally 7/1/2023)
  - Annual salary (on the Cost tab)
- Establish positions in both IBIS and Fiori HR/Payroll during certification.
  - If you are not able to complete this and you plan to certify certain positions into reserves (i.e. without position numbers), please communicate this with your OSBM development analyst. Agencies should avoid certifying funds to reserves. Correctly certifying funds will reduce the number of revisions necessary.



## Salary and Benefit Reserves

- Information on funds appropriated into reserves for Salaries and Benefits can be found in Part 39 of S.L. 2023-134.
- Agencies should certify their salary and benefit adjustments within the appropriate reserve account listed below:

### **Statewide NCFS Expenditure Accounts:**

- **57204000 Reserve** – Legislative Increase Compensation Reserve (Regular LI and other recurring salary adjustments)
- **57206000 Reserve** – State Retirement System Contributions (For state retirement contributions)
- **57208000 Reserve** – State Health Plan
- **57209000 Reserve** – Labor Market Adjustment Reserve

### **Statewide NCFS Transfer In Accounts:**

- **42910000** – State Aid - Retiree Supplement Reserve
- Funds received into 42910000 should be budgeted as expenditures from the 57206000 Reserve.



## Statewide Reserves

Information on Statewide Reserves can be found in Section 2.2 of S.L. 2023-134.

- OSBM & OSC are working to determine which reserves need statewide receipt accounts and to establish these accounts.
- OSBM will notify CFOs of impacted agencies once these accounts are established.



## Tools & Resources

- [Budget Certification | NC OSBM](#)
- [Agency Certification Instructions](#)
- [University Certification Instructions](#)
- [Capital Agency/University Certification Instructions](#)
- [State Agency Resources | NC OSC](#)
- [Past Certified Budget Reports](#)
- [NCFS Chart of Accounts | NC OSC](#)
- [NCFS Power BI COA Mapping Tool](#)
- IBIS Certification Entry Upload Template

**QUESTIONS?**



## *Stay in touch!*

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