OSBM
OFFICE OF STATE BUDGET AND MANAGEMENT

FY 2026-27 University Budget Certification Training

Integrity Innovation Teamwork Excellence

FY 2026-27 Certification Overview

Objectives

1. Review certification timeline, process, and guidelines.
2. Highlight new elements of this year's process.
3. Review resources universities 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 2026-27 Budget Certification Key Dates

Date	Action
July 10, 2026	Budget Certification Instructions shared
August 5, 2026	Certification Entries in IBIS due (universities can submit earlier than this date)
Close of July Accounting Records	Certification of all budget codes completed

What is Budget 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 short sessions, certification amends the second year of the budget
- **Revised BD 307 Report** 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.

University Certification Process

Review SL 2026-41 and SL 2026-42 **prior to certification** to ensure the university is correctly balancing appropriation totals and that items are certified in the correct Budget Code and Budget Fund

- Use the Committee Report as the primary document used to certify the budget
- Check the Bill for potential adjustments
- Check SL 2026-42, which is the Technical Corrections bill for SL 2026-41

IBIS-NCFS Certification Process

- Certification will take place in IBIS

Universities notify their OSBM development analyst when all their certification entries are submitted

OSBM reviews and approves certification entries in IBIS

OSBM analysts notify universities when IBIS files are interfaced to NCFS; collaborate with universities to ensure all systems **reconcile**

State Budget Director sign the final certified budget

OSBM analyst sends the university an electronic copy of signed BD 307 Revised Report

IBIS-NCFS Reconciliation with Banner/PeopleSoft

IBIS certification entries post correctly in NCFS

→

Second-year data for approved revisions in IBIS interfaces to NCFS

→

Universities verify all 3 systems match – IBIS, NCFS, university ERP (Banner or PeopleSoft)

IBIS-NCFS Reconciliation with Banner/PeopleSoft

- Send a report of your current certified and authorized budgets at the Budget Fund level that reconciles your university's budgets with the BD 701 and RK 325 after IBIS/NCFS and second-year data for approved revisions have correctly interfaced. **If you find incorrect information, contact your OSBM analysts to discuss the best option to fix the problem.**
  - Send the "701 Summary by Purpose" Report for Banner
  - Send the query "NCFS Expenditures & Revenues by Budget Fund" Report for PeopleSoft

- Please note any internal entries in your university ERP that cause the 3 systems to not reconcile, explain the differences, and note the timeline for reconciliation. OSBM will allow the university to complete certification without a full detailed reconciliation if differences are clearly explained.

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
  - Submit a new Budget Fund for each new project
  - Set up projects in the 426XX 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 Certification Steps

New NCFS Chart of Accounts Requests – OSBM Process

- Consult with the UNC System Office to ensure that the NCFS Chart of Accounts is used consistently across all universities
- Identify any new Budget Codes and/or Budget Funds needed and submit these requests via IBIS to be approved by OSBM

Chart of Account Segments – OSC Updated Process

- OSC manages all COA segments outside of Budget Code and Budget Fund.
  - Submit a spreadsheet template to OSC for changes to Agency Management Unit, Agency Program, Project
  - Use an online form for new account requests - the OSC Financial Reporting team and COA Committee review and approve these requests

Certifying Positions

- Ensure university **budget and HR personnel coordinate** on position-related entries so that new positions and abolished positions are established or eliminated in both IBIS and university HR/Payroll systems

Salary and Benefit Reserves

- Find information on funds appropriated into reserves for Salaries and Benefits in Part XLI of SL 2026-41
- UNC System Office will certify the salary and benefit adjustments within the appropriate reserve accounts listed on the next slide
  - Legislative increases to campuses are distributed via budget revisions following certification
  - OSBM will release a separate memorandum and job aid with instructions on distributing salary and benefit reserves
  - Funds will be distributed from Budget Code 16011 - UNC Board of Governors to individual campuses

Salary and Benefit Reserves

Statewide NCFS Expenditure Accounts:

- **57202000 Reserves** – Compensations (Nonrecurring bonuses)
- **57204000 Reserve** – Legislative Increase Compensation Reserve (Regular LI and other recurring salary adjustments)
- **57206000 Reserve** – State Retirement System Contributions (Recurring state retirement contributions)
- **57206001 Reserve** – State Retirement System Contributions Nonrecurring (Nonrecurring state retirement contributions)
- **57208000 Reserve** – State Health Plan

Stabilization and Inflation Reserve Transfer

- Campuses with transfers from the Stabilization & Inflation Reserve should certify:
  - The transfer with no requirements, the NR receipts, and a negative net appropriation
  - Other nonrecurring items with their requirements, no receipts (unless shown for that item), and a positive net appropriation.
- Certification entries should match **individual** appropriations in the committee report
  - The entry for the transfer will show the nonrecurring *receipts*
  - The entries for any nonrecurring appropriations will show all nonrecurring *requirements*
  - In many cases, these will equal, leading to a nonrecurring net appropriation change of **$0**

Stabilization and Inflation Reserve Transfer – Example

89 **Stabilization and Inflation Reserve Transfer**

Budgets receipts from the Stabilization and Inflation Reserve to support expansionary nonrecurring General Fund appropriations in this budget code.

Requirements	$	-
Less: Receipts	$	13,929,262 NR
Net Appropriation	$	(13,929,262)
FTE		-

105 **Integrated Behavioral Health System (IBHS) Support**
Budget Fund: 102680

Provides funding to support the IBHS program. This program provides free 24/7 psychological support to Service Members and their families and was previously supported by federal funding.

Requirements	$	785,000 NR
Less: Receipts	$	-
Net Appropriation	$	785,000
FTE		-

Nonrecurring	$	-

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
- IBIS Certification Entry Upload Template (in IBIS)

QUESTIONS?

OFFICE OF STATE BUDGET AND MANAGEMENT

Stay in touch!

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