



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT



JOSH STEIN
GOVERNOR

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STATE BUDGET DIRECTOR

September 25, 2026

TO: Department Heads and Chief Financial Officers
All State Departments, Institutions, and Agencies

FROM: Kristin Walker 
State Budget Director

SUBJECT: Base Budget Instructions for 2027-29 Biennium

The Office of State Budget and Management (OSBM) is beginning work on the Governor's 2027-29 biennial budget recommendations. Preparation of the base budget is the first step in this process and will kick off on Wednesday, September 30, 2026, with a meeting for agency and UNC staff.

The [State Budget Act](#) requires the Governor to prepare a recommended base budget. All work on the base budget should be completed by January 6, 2027, with deadlines and deliverables throughout the next three months.

OSBM requires that agencies use the base budget process to better reflect both expenditures and revenue collections and to provide a more accurate spending plan for the 2027-29 biennium. An accurate base budget promotes effective decision making, increases transparency, and reduces the number of required budget revisions. All operating budget types (i.e., General Fund, 2-type, 5-type, 6-type-, 7-type special funds) should be reviewed and updated to provide a complete picture of anticipated expenditures and revenues for the biennium.

Agencies should engage internally and with OSBM in a collaborative effort to complete the tasks laid out in the accompanying base budget instructions. For agencies, the process should include not only budget and financial staff, but also program directors, CIOs, and other members of agency senior leadership. OSBM Budget Execution analysts are available to provide assistance and guidance to agencies to ensure a recommended base budget that accurately reflects ongoing agency operations.

OSBM will be conducting meetings with the leadership of all agencies as part of quarterly reviews in October and agencies should be prepared to discuss base budget realignments at that time.

Base Budget instructions and job aids for the 2027-29 biennium will be posted to [the OSBM website](#). These documents provide detailed guidelines for preparing the base budget.

Thank you for your continued partnership. Your leadership and management of the budget is to be commended, and we look forward to working with you during the base budget process. Please do not hesitate to contact your OSBM Budget Execution analyst if you have any questions.

2027-29 Biennium Base Budget

Agency & UNC Kick-Off Training

Wednesday, September 30

2:00 – 3:30 PM

MICROSOFT TEAMS MEETING