

Agency Certification Instructions – SL 2026-41 (2026 Appropriations Act) and SL 2026-42 (2026 Budget Technical Corrections)

Preface

This document provides:

1. A high-level overview of the certification process;
2. Step-by-step instructions for certification for changes in [SL 2026-41](#) and [SL 2026-42](#); and
3. A checklist for each task in the certification process.

Following these instructions closely will help to expedite the budget certification process and minimize the need to revisit tasks and/or revise entries.

Timeline

Date	Deadline
July 10	Certification Instructions issued to agencies.
August 5	Deadline for Agencies to submit certification entries

Process Overview

Following the passage of appropriations bills, agencies work with their OSBM Budget Development analyst to certify budget adjustments. Budget certification is done in the NC Integrated Budget Information System (IBIS) and will interface with the North Carolina Financial System (NCFS). Agencies submit **certification entries**, which reflect adjustments (+/-) that appropriation bills made to the existing certified budget. OSBM analysts review entries to ensure they are correct. When all entries have been approved and interfaced with NCFS, OSBM analysts generate a **BD 307**, which is the official certification report that reflects changes as enacted by the General Assembly.

Step by Step Guide for Budget Certification:

- 1) **IBIS.** Agencies and OSBM will use IBIS to certify SL 2026-41 and SL 2026-42.
 - A. The direct link to the IBIS system is <http://ibis.nc.gov/ibis-webapp/IBIS.html>.
 - B. If you have system access issues, submit an IBIS Help Desk Ticket at <https://bit.ly/IBISHelp>.
 - C. For detailed instructions on how to use IBIS certification forms, see the [Operating Certification user guide](#) in the Job Aids section on OSBM's website (under the 'Certification' tab).
- 2) **Enacted Legislation.** Work with your OSBM Budget Development analyst to review SL 2026-41 and SL 2026-42 to ensure the agency is certifying all items; balancing appropriation and allocation totals; and that items are certified in the correct Budget Codes and Budget Funds.
- 3) **NCFS Chart of Account Maintenance.**
 - A. **Important:** Identify any Chart of Account (COA) **Interfund** segments needed and move forward with establishing Budget Funds and corresponding Interfund segments as soon as possible. Please share and/or request Interfund segments needed for certification with your

Budget Development analyst as early in the process as possible. Many agencies have experienced delays related to creating and sharing these segments during previous certification processes.

- B. **OSBM leads the process for creating new Budget Codes and Budget Funds.** Identify any new Budget Codes and Budget Funds needed and submit these requests **to OSBM** for approval via IBIS.
 - C. Agencies will also need to identify any **new chart of account segments** needed outside of Budget Codes and Funds required for certification. **OSC leads this process.**
 - D. Agencies will need to submit a spreadsheet template to OSC for changes to Agency Management Unit, Agency Program, and Project that are not currently being used.
 - 1. The template can be found here: [NCFS COA Maintenance | NC OSC](#)
 - 2. New NCFS Account requests are submitted via [this form](#) and follow the standard review process with the OSC Financial Reporting team and COA Committee.
 - E. Agencies that have appropriations related to Hurricane Helene recovery should refer to Appendix A about NCFS structure. Appendix A **does not** apply to the University of North Carolina System or the Department of Transportation (DOT), who should follow existing guidance.
- 4) **Statewide, OSBM, Negative, and Capital Reserves** – Some appropriations may come from statewide reserves. Generally, agencies should use the statewide account number **48100001** – Agency Operating Transfer for all transfers received from new statewide reserves. However, the following statewide reserves have specific account numbers agencies should use to receive transfers.
- A. Information Technology (IT) Reserve: **48061000** – IT Reserve Transfer In;
 - B. Medicaid Contingency Reserve: **48048000** – Medicaid Contingency Reserve;
 - C. Stabilization and Inflation Reserve: **48V00001** -Transfer In.

An interfund number is required for transfers from these reserves. For statewide reserves, these usually start with the Budget Code and end with a zero. A list of interfund numbers for statewide reserves in SL 2026-41 is below:

Reserve Name	Interfund
Economic Development Project Reserve	198040
Federal Infrastructure Match Reserve	198100
Hurricane Helene Fund	201273
Information Technology Reserve	198010
Medicaid Contingency Reserve	199310
Regional Economic Development Reserve	198150
Stabilization and Inflation Reserve	198140
Regional Economic Development Fund	198150
State Emergency Response and Disaster Relief Fund	199300

SL 2026-41 includes vacant position cuts for various agencies. To certify these reductions, agencies should certify a *negative reserve* with FTE and dollar amounts equal to those in the Committee

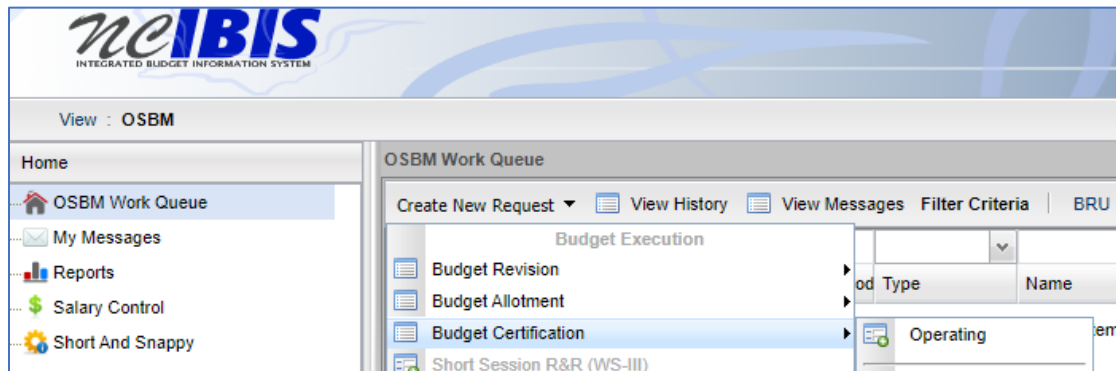
Report. Agencies should use **57100137** – Reserve-Position Cuts to certify this negative reserve. After certification, agencies will fill the reserve through Type 11 revisions that eliminate specific positions. Section 5.4 of SL 2026-41 provides agencies with flexibility regarding the number of positions eliminated to achieve the dollar reduction specified in the committee report. Any discrepancy between the committee report FTE and actual position reductions will be handled via revision.

Many agencies’ budgets include a transfer from the Stabilization and Inflation Reserve. Though those receipts may offset other nonrecurring appropriations, agencies should certify each item separately as it appears in the committee report. If possible, the Stabilization and Inflation Reserve Transfer should be certified to an agency’s Reserves and Transfers budget fund. The screenshots below show examples of an agency’s Stabilization and Inflation Reserve and a later nonrecurring item. Even though they offset, the agency should certify them as they appear in the committee report.

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	-

Part XLII of SL 2026-41 appropriates capital funding from the State Capital and Infrastructure Fund (SCIF). As in previous years, OSBM will first certify SCIF funding to Budget Code 24001. Agencies will then receive the capital funding appropriated in this section of the bill for existing projects via Type 11 revision. Please contact your OSBM capital analyst with questions about individual projects.

- 5) **Certifying Allocations and Cash Balance Transfers.** The enacted bill may appropriate funds to an agency to be allocated to other state agencies and non-state entities. In these cases, the appropriation and subsequent allocations are certified.
 - A. The certification entry for an agency receiving state appropriation to be transferred should include the transfers out to other entities receiving the allocations in the agency’s expenditure accounts.
 - B. A state agency receiving an allocation must also submit a certification entry certifying this allocation in its receipt accounts.
 - C. This same principle applies to cash balance transfers — one agency must certify the transfer out of the cash balance in its expenditure accounts and the receiving entity must certify the transfer in of these funds in its receipt accounts.
 - D. All transfers in NCFS require the interfund segment. Agencies should work with your OSBM development analyst to verify the correct reciprocal Budget Fund needed.
- 6) **Certification Forms.** Agencies create new certification forms in IBIS for all items.
 - A. Once you have logged into IBIS, from the Work Queue page, click on ‘Create New Request,’ selecting the ‘Budget Certification’ and then the ‘Operating’ options.



- 7) **New Certification Form – Popup.** When you create a new certification request, IBIS will bring up a popup screen. Choose the appropriate option from the dropdown menus for Session Law, Department/University, BRU, and Budget Code.
 - A. For Committee Report Item Title, enter the title from the committee report and R or NR, depending on whether the item is recurring or non-recurring.
 - B. Choose the Budget Adjustment Type from the dropdown menu.
 - C. Select Yes or No to answer the question about whether the item is recurring. **If an item has both recurring and non-recurring adjustments, prepare a separate certification entry for each.**

- 8) **Basic Information Tab.** IBIS carries forward the information from the popup screen. Fill out the remaining spaces of the Basic Information tab.
 - A. For the Committee Report Item Number, enter the number listed next to the item.
 - B. For the Committee Report Item Narrative, please cite the snappy in the committee report.

- 9) **Position Tab.** OSBM encourages agencies to create and abolish positions as part of certification on the Positions Tab.
 - A. The Fiori HR/Payroll System assigns position numbers for new positions when the agency initiates a workflow action (PCR). Budget personnel should coordinate with their agency HR personnel to ensure new positions and abolished positions are established or eliminated in both the IBIS and Fiori HR/Payroll systems. If your HR department will not be able to provide position numbers in time to complete certification, consult your OSBM development analyst.
 - B. Agency budget and HR personnel should coordinate when establishing new positions to ensure their PCR entries match their respective certification entries. Specifically, note that position number, position name, effective date (7/1/2026 in most cases), and annual salary need to match. Please work with your HR Directors to ensure all new positions have an effective date of 7/1/2026 unless otherwise stated in legislation.
 - C. Agencies should certify their salary and benefit adjustments within the appropriate reserve account listed below.
 1. **57202000 Reserves*** – Compensations (Nonrecurring bonuses)

2. **57204000 Reserve** – Legislative Increase Compensation Reserve (Regular LI and other recurring salary adjustments)
3. **57206000 Reserve** – State Retirement System Contributions (Recurring state retirement contributions)
4. **57206001 Reserve*** – State Retirement System Contributions Nonrecurring (Nonrecurring state retirement contributions)
5. **57208000 Reserve** – State Health Plan

***Agencies may need to validate chart of account strings that use these accounts for them to appear in IBIS for entry.**

- D. Use the **FY 2025-26 retirement and health plan rates**, provided below, when creating new positions established in SL 2026-41 and SL 2026-42. **Agencies will update benefit rates for all positions – both existing and new – to the FY 2026-27 rates included in SL 2026-41 via revision after certification is complete.** (For reference, the new FY 2026-27 rates may be found in Section 41.25 of SL 2026-41).

Per SL 2025-89, the employer contribution rates for FY 2025-26 agencies should include in certification entries are:

Employer Contribution Rates for New Positions, FY 2025-26

	TSERS	LEO	ORP	CJRS	LRS
Retirement	17.14%	17.14%	6.84%	37.73%	18.26%
Health	7.33%	7.33%	7.33%	7.33%	7.33%
Disability	0.07%	0.07%	0.07%	0.00%	0.00%
Death	0.13%	0.13%	0.00%	0.00%	0.00%
NC 401(k)	0.00%	5.00%	0.00%	0.00%	0.00%
FY 2025-26 Total Contribution Rate	24.67%	29.67%	14.24%	45.06%	25.59%

The maximum State Health Plan amount for active employees for FY 2025-26 per Section 3.6(c) of SL 2025-89 is **\$8,500**. The amount for retired employees is included in the total retirement contribution rate.

For reference for revisions, the table and note below show the employer contribution rates for FY 2026-27. **Agencies should not use these rates for certification entries.**

Employer Contribution Rates for New Positions, FY 2026-27

	TSERS	LEO	ORP	CIRS	LRS
Retirement	18.22%	18.22%	6.84%	42.11%	19.40%
Health	7.69%	7.69%	7.69%	7.69%	7.69%
Disability	0.06%	0.06%	0.06%	0.00%	0.00%
Death	0.13%	0.13%	0.00%	0.00%	0.00%
NC 401(k)	0.00%	5.00%	0.00%	0.00%	0.00%
FY 2025-26 Total Contribution Rate	26.10%	31.10%	14.59%	49.80%	27.09%

The maximum State Health Plan amount for active employees for FY 2026-27 per Section 41.25(b) of SL 2026-41 is **\$8,925**. The amount for retired employees is included in the total retirement contribution rate.

10) **Budget Detail tab.** Fill in the Budget Detail as needed. The form will only allow agencies to select Chart of Account segments that have been validated.

- A. If IBIS does not show the chart of account sequence you need when filling out the Budget Detail tab, please request new chart of account combinations from NCFS.
- B. If agencies do not see chart segments populate in IBIS, agencies can run the NCFS Chart of Accounts Combination Report (RTR157 – Available in: Shared Folders > Custom > FBRCustom > General Ledger) to confirm existing and valid chart segments.

Use the [Agency Account Combination Template](#) to request any new account combinations needed to complete IBIS entries. After OSC approves and successfully uploads changes to NCFS, the new COA segments will interface with IBIS at noon or overnight.

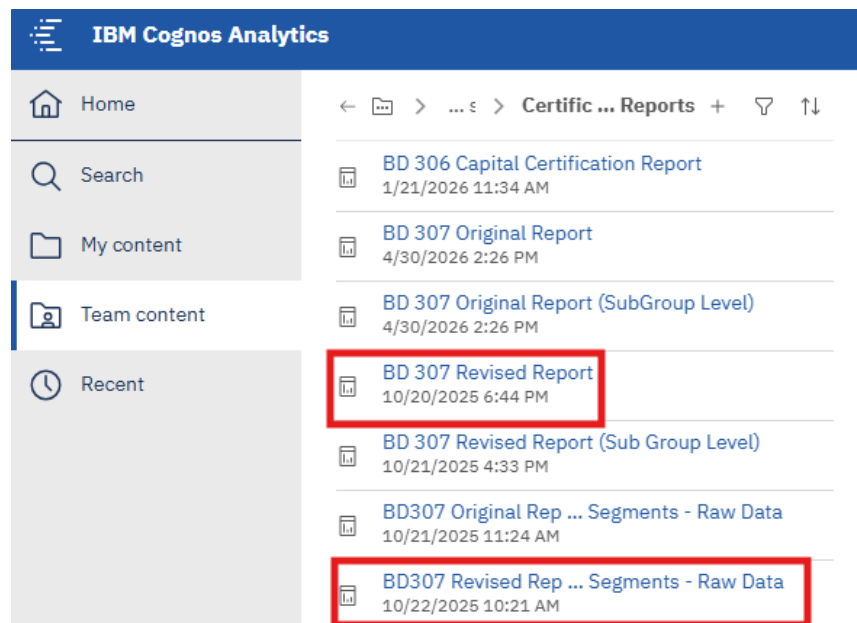
11) **Bulk Upload Form.** Agencies may use the upload template for IBIS certification forms to speed up certification entry. This form is available in IBIS and allows agencies to enter multiple lines for a single certification entry into an Excel spreadsheet. Agencies can then upload it into IBIS after completing the Basic Information Tab. This form may streamline entering complex entries into IBIS.

For the Budget Detail tab, select 'Excel Processing' and then 'Upload & Process' (as shown below). Make sure that all needed Chart of Account segments are validated so IBIS does not reject the entry.

The screenshot shows the IBIS Budget Detail tab interface. At the top, there are tabs for 'Basic Information', 'Positions', 'Budget Detail', 'Budget Overview', and 'Attachments'. The 'Budget Detail' tab is active. Below the tabs, there is a 'Requirements' section with a table. The table has columns for 'Budget Fund', 'Account Number', 'Account Description', 'AMU', 'Program', and 'Fund Src'. A dropdown menu is open, showing options: 'Excel Processing', 'Download Template', 'Upload & Process', 'Download Bulk Upload Report', and 'Export to Template'. The 'Upload & Process' option is highlighted. The table below the dropdown is empty, with a message 'No items to show.'.

12) **BD 307 Reports.** Once certification forms are entered, agencies can generate a BD 307:
IBIS>Reports>Self Service Reports>Certification Reports>.

- A. There are two BD 307 options: BD 307 Original Report and BD 307 Revised Report. In the Short Session, agencies should run **the BD 307 Revised Report**, which incorporates adjustments to the previously certified FY 2026-27 budget.
- B. Agencies can also run the **BD 307 Revised Report – All Segments – Raw Data** to ensure certification is correctly reflected for the entire chart sequence.



- C. Agencies can run a BD 307 to include forms in **draft** status (includes any forms not submitted to OSBM), **OSBM** status (includes any form submitted to OSBM but not approved), or in an **approved** status (includes any forms approved by OSBM). This allows agencies to create and review a BD 307 before all certification entries have been approved.
 - D. Agencies should review their BD 307 to identify any negative certified budgets and accounts and work with their OSBM analyst to address them.
- 13) **OSBM Notification.** Notify your OSBM Budget Development analyst once your entries are ready for review. When OSBM has completed its review and has approved all entries, IBIS will interface with NCFS overnight. Your OSBM analyst will notify you when the certification interface is complete.
- 14) **IBIS/NCFS Reconciliation.** Once your OSBM Budget Development analyst has notified you that IBIS has interfaced with NCFS, the next step is to verify that the budget information in NCFS matches that in IBIS. To do this, you will need **to run a July 2026 BD 701 Report in NCFS and compare it at the account level to the IBIS-generated Revised BD 307**. IBIS and NCFS should match and include the base budget, any previously certified appropriations, and the new appropriations from SL 2026-

41 and SL 2026-42. If the BD 701 and BD 307 do not match, the agency will need to work with OSBM to reconcile and correct any differences.

Responsibilities for Reconciliation Check: OSBM checks that all systems reconcile at the Budget Code and Budget Fund levels. Agencies should ensure certification entries are correct at the detailed account level when reconciling between the BD 307 and the BD 701.

- 15) **Official Certification Copy.** The budget is considered certified once the State Budget Director has signed it. Your OSBM Budget Development analyst will send an electronic copy of your signed BD 307 to complete the certification process.

Agency Certification Checklist

- ☐ 1. Review SL 2026-41 and SL 2026-42.
- ☐ 2. Submit any new Budget Code and Budget Fund requests in IBIS to OSBM. Submit any new NCFS chart of account requests to OSC.
- ☐ 3. Create certification entries in IBIS.
- ☐ 4. If applicable, review all transfers and confirm that the interfund is correct.
- ☐ 5. Review accounts in your agency's BD 307 to confirm accuracy and identify any negative accounts and work with your OSBM development analyst to resolve.
- ☐ 6. Notify your OSBM development analyst that your entries are ready for review. When OSBM has completed its review, IBIS will interface with NCFS. Your OSBM analyst will notify you when the certification interface is complete.
- ☐ 7. Review the BD 701 in NCFS against the Revised BD 307 in IBIS to ensure IBIS and NCFS match.
- ☐ 8. If IBIS and NCFS do not match, work with your OSBM Budget Development and Execution analysts to identify and correct any errors.
- ☐ 9. Notify your OSBM Budget Development analyst that IBIS and NCFS match. Your OSBM Budget Development analyst will send you an official signed copy of your BD 307.

Appendix A: NCFS Structure for Helene Funding

Helene Coding Guidance Summary:

In line with Section 5A.9 of SL 2026-41 and the Governor's Recovery Office for Western North Carolina's (GROW NC's) memo "[Guidance for Coding Helene Activity in NCFS](#)" sent on 6/9/2025, please take the following actions any time the agency receives new state or federal funds for Helene recovery. This accounting structure will help enable transparent and accurate statewide Helene financial tracking. The goal is to leverage the NC Financial System (NCFS) for automated reporting and minimize agency staff time needed to comply with ongoing manual reporting requests.

1. Create or revise Budget Fund descriptions to include statutory references to each appropriation act.
2. Create unique Child Project segments, tagged with the appropriate Helene Descriptive Flex Field (DFF), to track new funds for Helene recovery by purpose. If an existing Helene recovery program receives additional state appropriations, please create an additional Child Project specifically for the new appropriation.
3. Enter the total appropriation amount via the NCFS Budgetary Control app to populate the total available funds in the Project Life to Date report (RPTTR003).
4. Note: The University of North Carolina System and the Department of Transportation should still follow existing guidance from GROW NC.

Step-by-Step Instructions:

1. Label Budget Funds to comply with Section 5A.9.
 - i. For first-time appropriations, create a unique Budget Fund that corresponds to the appropriation purpose (the money item header in the Conference Committee Report). Include the statutory reference (SL 2026-41) in the Budget Fund description.
 - ii. If you have received multiple rounds of appropriations for a recovery activity, update the current Budget Fund description to list each session law that modified funding, including SL 2026-41. Programs with funding clawed back should list SL 2026-41 and the session laws with the original appropriations.
 - iii. Use the following format in the Budget Fund descriptions: [Agency] [Budget Code] [Purpose] [Session Laws]
 - a. Example: DPS 24552 Helene State Match SL 2024-51&53 SL 2025-26 SL 2026-41
2. Create one or more unique Child Project(s) for each specific Helene recovery activity.
 - i. Use project descriptions that clearly reflect the purpose of the appropriation (e.g., the money item header in the Conference Committee Report or description from session law section).
 - ii. You are encouraged to create more than one child project for funds that support broad programs covering multiple activities.
 - iii. You may NOT use a generic "Helene" child project.

- iv. Project codes should begin with the agency number followed by H, with the remaining seven digits up to the agency discretion
 - a. Example: 14H0000024
 - v. Ensure all revenues, expenditures, and reimbursements are coded to these projects.
3. Ask OSC to tag the new child projects with the appropriate Helene DFF.
- i. **HLN APP ###S:** *New* supplemental state and federal funds appropriated for Helene activities or reallocations directed in session law, showing the state funding share with ###S.
 - a. **Examples:**
 - i. HLN APP 0S: 100% federal funding
 - ii. HLN APP 50S: Combination of state and federal dollars with 50% state share
 - iii. HLN APP 100S: 100% state funding
 - ii. **HLN NO APP ###S:** *Existing* state and federal funds agencies choose to use to cover Helene activities, showing the state funding share with ###S.
 - a. **Examples:**
 - i. HLN NO APP 0S: 100% federal funding
 - ii. HLN NO APP 25S: Combination of operational funds and federal dollars with 25% state share
 - iii. HLN NO APP 100S: 100% state funding
 - b. **Reimbursement:** When federal reimbursements or insurance payments are received for Helene expenses, code the revenue to the same Child Project that the agency used for the expenditures. Do not change the DFF assigned to the Child Project. For example, if the agency first recorded initial state funds expenditures in a Child Project with DFF HLN NO APP 100S, then later received full or partial FEMA reimbursement of those costs, the federal revenues should be captured in this same Project and DFF. The Project history will then show the total and net state costs for the specific activity over time.
4. All Helene entries for an agency transfer-in using account 48100001 or internal transfers using account 48100003 must use an interfund. While in some cases an interfund may not be required from an accounting perspective, it is required for Helene reporting. The interfund for appropriations from the Hurricane Helene Fund is **201273**.
5. Populate the budget field within the Project Life to Date report (RPTRTR003) with the entire amount of the appropriation for each project by completing the “Enter Budgets in Spreadsheet” task within the NCFB Budgetary Control App (see [OSC’s reference guide](#)). *This is not an IBIS action and does not affect the account’s certified or authorized budget that appears on a BD 701 report.*

Budgetary Control Dashboard

Budget Monitor

View ▾ [Icons] [Icons] Detach Budget Account Group: 016040 * Budget Period: Jun-23 * Balance

Agency	Budget Fund	Budget (USD)	Consumption (USD)	
		Total	Total	[Icon]

Failures Requiring Attention

Failed Transactions (0) Cash Budget Status Exceptions (0)

These transactions failed during reservation of funds and didn't update budgetary control balances. After you review budgetary control reprocessing.

Budgets

- Manage Control Budgets
- Enter Budgets in Spreadsheet**
- Review Budget Entries
- Review Budgetary Control Balances
- Review Budgetary Control Transactions

Period Close

- Budget Period Statuses
- Manage Encumbrance Carry Forward Rules
- Carry Forward Funds Available
- Carry Forward Purchase Order Budgetary Control Balances

Access: If users do not have permission to access the Enter Budget Spreadsheet, request the NC Budget Entry JR role and complete the GM200 class (30 min).

- Reach out to GROW NC analyst Nuray Eksen (nuray.eksen@nc.gov) with any questions about NCFS setup and to notify GROW of new federal fund awards for Helene recovery work.