University Certification Instructions – Short Session FY 2026-27

Preface

These University Certification Instructions are for the UNC System Office and Universities, excluding the North Carolina School of Science and Math, which should follow the Agency Certification Instructions.

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 to ensure that each required task is completed.

Process Overview

After the appropriations bills become law, universities work with their OSBM Budget Development analyst to certify the official budget. Budget certification is done in IBIS and interfaces with the North Carolina Financial System (NCFS). Universities submit **certification entries**, which reflect adjustments (+/-) that appropriation bills have made to the existing base 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 and reflects the budget as enacted by the General Assembly.

Timeline

July 10	Certification Instructions issued to universities
August 5	Deadline for Universities to submit certification entries

Step by Step Guide for Budget Certification:

1) **IBIS.** Universities and OSBM will use the IBIS system 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 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 that the university 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. OSBM leads the process for creating new Budget Codes and Budget Funds. Identify any new Budget Codes and Budget Funds needed and submit requests to OSBM for approval in IBIS.

- If a university needs more than ten new Budget Codes or Budget Funds, you should complete the bulk Budget Code / Fund request template, which is available in the Job Aids section on the OSBM website, under the Budget Certification tab.

b. Universities will also need to identify any new chart of account changes needed outside of Budget Codes and Funds required for certification. Please consult with the UNC System Office to ensure that the NCFS Chart of Accounts is used consistently across all universities.
   - As the UNC System Office is the overarching agency for all UNC institutions, they submit requests for any new NCFS Programs on behalf of UNC. Use the OSC Agency Program template.
   - New NCFS Account requests are submitted via this form and follow the standard review process with the OSC Financial Reporting team and COA Committee.

c. As needed, universities should consult with OSBM and work with OSC to create state aid accounts within the 42XXXXXX grants account group as needed for items appropriated from statewide reserves.

4) **Salary and Benefit, Statewide, and Capital Reserves.**
Salary and Benefit Reserves: Information regarding funds appropriated into reserves for Salaries and Benefits can be found in Part XLI of SL 2026-41. For Salaries and Benefits Reserves, the entire UNC system allocation will be certified to Budget Code 16011 – UNC Board of Governors. Funds will be distributed from Budget Code 16011 - UNC Board of Governors to individual campuses via budget revisions after certification.

For the UNC System Office only:
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
  ***Universities may need to validate chart of account strings that use these accounts for them to appear in IBIS for entry.**

Stabilization and Inflation Reserve Transfers: Some campus budgets include a transfer of receipts from the Stabilization and Inflation Reserve. Universities should use the 42908001 - STATE AID-STABILIZATION account for the Stabilization and Inflation Reserve Transfer item. The university may need to validate this chart of account string to use this account for them to appear in IBIS for entry.

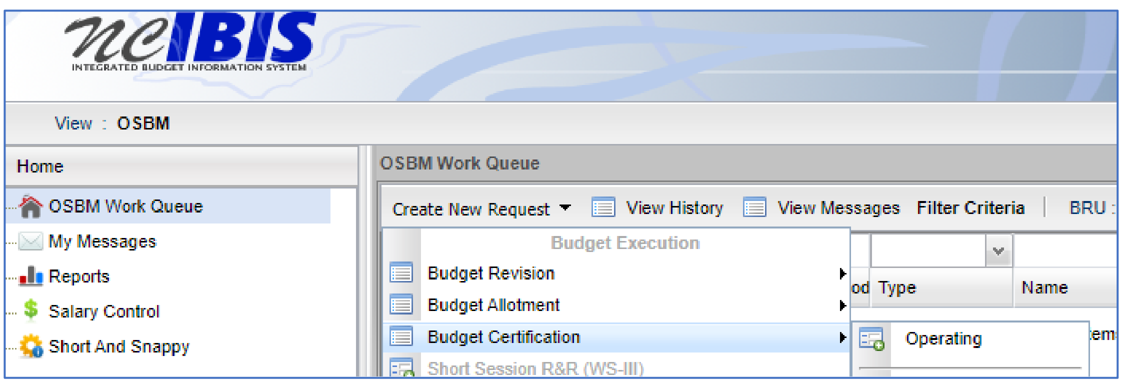
Though those receipts may offset other nonrecurring appropriations, campuses should certify each item separately as it appears in the committee report. The screenshots below show examples of a university's Stabilization and Inflation Reserve and a later nonrecurring item. Even though they offset, the campus would 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		-

Capital Setup: 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. Universities 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) **Certification Forms.** Universities will create new certification forms in IBIS for expansion, reduction, and technical 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.



6) **New Operating Certification Form – Popup**. When you create a new certification request, IBIS will bring up a popup screen. The Biennium and Fiscal Year are already recorded. 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 section title from the bill associated with the item 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.**

7) **Basic Information Tab.** Fill out the Committee Report Item Number and Narrative.
   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.

8) **Position Tab**. As needed, enter adjustments for new and abolished positions on the Positions Tab of the certification form. This will result in changes to the certified and authorized FTE columns. Budget personnel should ensure new positions and abolished positions are established or eliminated in both the IBIS and university HR/Payroll systems. Use the **FY 2025-26 retirement and health plan rates**, provided below, when establishing new positions established, and not the new rates found in in SL 2026-41 and SL 2026-42. After certification, agencies will use the Reserves for Benefits to increase contributions for all positions, including new positions, to FY 2026-27 contribution rates via budget revision. (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 are:

Employer Contribution Rates for New Positions					
	TSERS	**LEO**	**ORP**	**CJRS**	**LRS**
Retirement	17.14%	17.14%	6.84%	37.73%	18.26%
Retiree 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 shows the employer contribution rates for FY 2026-27. *Campuses should not use these rates for certification entries.*

Employer Contribution Rates for New Positions, FY 2026-27

	TSERS	**LEO**	**ORP**	**CJRS**	**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.

9) **Budget Detail tab**. Fill in the Budget Detail as needed to create the certification form. If you are unsure of where to budget these funds, please consult your OSBM analysts.

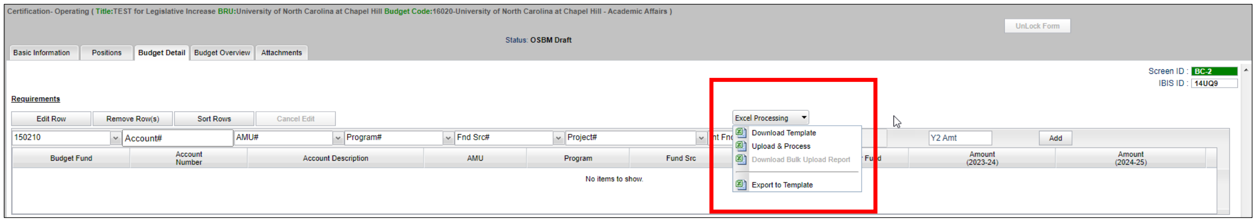
NCFS Chart of Account Validation:

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. Universities can run the NCFS Chart of Accounts Combination Report (RTR157) in NCFS to confirm valid combinations. (Report Pathway: Shared Folders>Custom>FBRCustom>General Ledger).
c. Use the Agency Account Combination Template to request any new account combinations needed to complete IBIS entries. These interface from NCFS to IBIS overnight and at 12PM daily after being approved by NCFS.

Bulk Upload Form:
Universities may use the bulk upload template to speed up certification entry in IBIS. This form allows universities to enter multiple lines for a single certification entry into an Excel spreadsheet. Universities can then upload the Excel sheets into IBIS after completing the Basic Information Tab.

To download the form, select ‘Excel Processing’ and then ‘Upload & Process’ (as shown below).

Make sure that all Chart of Account segments have been validated so that IBIS does not reject your entry.



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

Report Options

- There are two BD 307 options: BD 307 Original Report and BD 307 Revised Report. **For short session budget certification, run the BD 307 Revised Report**.
- For the BD 307 Revised Report, universities can also run the BD 307 Revised Report – All Segments – Raw Data to ensure certification is correctly reflected for the entire chart sequence.

Report Status:

- Universities can run a BD 307 to include forms in **draft** status (any forms not submitted to OSBM), **OSBM** status (any forms submitted to OSBM but not approved), or in an **approved** status (any forms approved by OSBM). This allows universities to create and review the BD 307 before all certification entries have been approved.
- Universities should review their BD 307 to identify any negative certified or authorized budgets and work with their OSBM analysts to address them.

11) **OSBM Notification.** Notify your OSBM Budget Development analyst once your entries are ready for review. When OSBM has completed its review, IBIS will interface with NCFS overnight. Your OSBM Budget Development analyst will notify you when the certification interface is complete.

12) **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 BD 307**. If the BD 701 and BD 307 do not match, the university will need to work with OSBM to reconcile and correct any differences.

13) **Year 2 Revisions.** After the certified and authorized budgets reconcile in IBIS and in NCFS for your university, your OSBM Budget Execution analysts will work with OSBM's technical team to ensure the second-year data for all revisions currently approved in IBIS are transmitted to NCFS.

14) **IBIS / NCFS / University ERP System Reconciliation.** Once the IBIS certification entries have correctly posted in NCFS and the second-year data for approved revisions in IBIS have been interfaced,

universities will need to verify that all three systems – IBIS, NCFS, and the University ERP System (Banner or Peoplesoft) – match.

a. If your university has internal entries in your University ERP system that cause the three systems not to reconcile, please annotate what entries caused the differences and the timeline for reconciliation. As long as the differences are explained and understood, OSBM will allow the university to complete certification without a full detailed reconciliation.
b. Please send a report of your current university 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 the second-year data for all revisions have correctly interfaced.
    - For Banner, send the "701 Summary by Purpose" Report.
    - For PeopleSoft, send the query "NCFS Expenditures & Revenues by Budget Fund" Report.
c. If you find incorrect information, contact your OSBM analysts to discuss the best option for fixing the problem.

Responsibilities for Reconciliation Check: OSBM checks that all systems reconcile at the Budget Code and Budget Fund levels. Universities are responsible for reconciliation in Banner/Peoplesoft at the pooled account level.

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.

16) **FY 2026-27 Budget Revisions.** Once a university's certification is complete, OSBM will begin approving FY 2026-27 budget revisions in IBIS.

University Certification Checklist

☐ 1. Review SL 2026-41 and SL 2026-42 for your university's appropriations and allocations.

☐ 2. Submit any new Budget Code and Budget Fund requests in IBIS to OSBM.

☐ 3. Create certification entries in IBIS.

☐ 4. Review accounts in your university's BD 307 to confirm accuracy and identify any negative accounts and work with your OSBM Budget Development analyst to resolve.

☐ 5. Notify your OSBM Budget Development analyst that your entries are ready for review. When OSBM has completed its review, IBIS will interface with NCFS. Your OSBM Budget Development analyst will notify you when the certification interface is complete.

☐ 6. Review the BD 701 in NCFS against the BD 307 in IBIS to ensure IBIS and NCFS match for both certified and authorized budgets. If they do not, contact your OSBM Budget Development analyst. After IBIS and NCFS match, OSBM will load second-year data from approved revisions into IBIS and NCFS.

☐ 7. After the university's BD 701 and BD 307 match ***and*** second-year data from approved revisions have been interfaced, email your OSBM Budget Development analyst a report of your current ERP budget from your University ERP System (Banner or PeopleSoft). The certified and authorized budgets in the university budget system, the RK 325 in IBIS, and BD 701 in NCFS should all match. If there are ERP entries recorded that are not reflected in IBIS, please explain and note those as part of your submission.

☐ 8. Notify your OSBM Budget Development analyst that IBIS, NCFS, and your University ERP System match. Your OSBM Budget Development analyst will send you an official signed copy of your BD 307. FY 2026-27 revisions can be processed after certification is complete.