Agency Certification Instructions - FY 2019-21

Agency budgets will be certified under authorized spending levels per G.S. 143C-5-4 and any enacted legislation that appropriates funds for the 2019-21 fiscal biennium. OSBM will populate IBIS with authorized spending levels per G.S. 143C-5-4. Agencies will create certification entries for any additional enacted legislation that appropriates funds for the 2019-21 fiscal biennium.

As of October 7, 2019, enacted legislation requiring certification includes:

- [S.L. 2019-192](#) Ensuring Authorization of Federal Funds
- [S.L. 2019-208](#) Salary Increases/Adult Correctional Employees
- [S.L. 2019-209](#) Pay Increases/State Employees
- [S.L. 2019-210](#) Pay Increases/State Highway Patrol
- [S.L. 2019-211](#) Pay Increases/SBI & ALE
- [S.L. 2019-221](#) Standing Up for Rape Victims Act of 2019
- [S.L. 2019-222](#) School Safety Funds, Programs, and Reports
- [S.L. 2019-223](#) Prison Safety/TANF State Plan/Clarifications
- [S.L. 2019-224](#) Disaster Recovery - 2019 Budget Provisions

Notify your OSBM Budget Analyst if there is any additional legislation requiring certification.

Step by Step Guide for Budget Certification:

*** *Universities follow different procedures at certain steps. Please work with your OSBM analyst to complete certification for university budgets as noted below.*

1) **Use IBIS to certify the 2019-21 budget**. The direct link to IBIS is http://ibis.nc.gov/ibis-webapp/IBIS.html. If you have issues accessing the system, email the IBIS Help Desk at NCIBIS-Help@osbm.nc.gov.

2) **IBIS User Guide - Certification.** For detailed instructions on how to use the IBIS Certification form, see the Operating Certification user guide: http://ibis.nc.gov/ibisfiles/certification_operating.pdf

3) Work with your OSBM analyst to review ratified bills to ensure the agency is correctly balancing appropriation totals and that items are certified in the correct Fund Code.

4) Agencies create new certification forms for expansion, reduction, and technical items.
   - Agencies with complex certification entries should prepare a spreadsheet summarizing certification entries for OSBM review prior to creating certification forms in IBIS.
   - If an agency believes an item should be certified to a different Fund Code than directed, they should work with OSBM to contact Fiscal Research (FRD) via email to discuss.

5) **Distribute Reserves.** With limited exceptions, such as reserves for salaries and benefits (see Step 7), OSBM directs agencies to avoid certifying funds to reserves. Rather, agencies should develop a plan for distributing those funds prior to certification. Correctly certifying those funds at the beginning of the fiscal year will reduce revision transactions later in the fiscal year.

6) **Basic Information Tab**. Fill out the Basic Information tab of the certification form, including Biennium, Fiscal Year, Session Law, Department/Agency, BRU, Budget Code, Committee Report Item, Title, Budget Adjustment Type, and whether the item is recurring or non-recurring.
   - If an item has both recurring and non-recurring adjustments, prepare a separate certification entry for each.
   - The item's title should be followed by a 'R' for recurring or a 'NR' for non-recurring (Example: Compensation Increase Reserve – R; Veteran Teacher Bonus – NR).
   - The Committee Report Item Number format for stand-alone bills is [Session Law Number – Section Number].   For items with both recurring and non-recurring adjustments, place an 'A' after the item number for the recurring item and 'B' after the item number on the non-recurring form. Together this information is used to identify the item. (Example for the retirement and related benefits provided in S.L. 2019-209: Title "State Retirement Contribution – R"; Item Number "209 S-3-15").

7) **Reserve for Salaries and Benefits.** Agencies should certify their salary and benefit adjustments within the **appropriate reserve account** listed below.

   Statewide NCAS Accounts:
   - 537202 Reserve – Compensation Bonus (Only applicable to the Department of Public Instruction for FY 2019-21 certification)
   - 537204 Reserve – Legislative Increase Compensation Reserve (Regular LI and other recurring salary adjustments)
   - 537205 Reserve – Statutory Step Increase Reserve (Not applicable. Step Increases may be eligible for funds from the Pay Plan Reserve)
   - 537206 Reserve – State Retirement System Contributions
   - 537208 Reserve – State Health Plan

   OSBM will provide a memorandum and job aid with instructions on the distribution of salary and benefit reserves. Reserves remaining following the distribution of salary and benefit increases will be moved to statewide budget code 19004 for redistribution to other agencies and/or the Pay Plan Reserve.

8) **Position Tab**. Enter new and abolished positions on the Positions Tab of the certification form. The 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 HR/Payroll

systems. If your HR department will not be able to provide position numbers in time to complete certification, consult your OSBM analyst for further instructions.

9) **New Account/Cost Center Validation**. Agencies should work with the Office of State Controller (OSC) to validate any new accounts or cost centers they create as part of certification. New accounts and/or cost centers must be validated in advance for the certification entry to load correctly into the North Carolina Accounting System (NCAS). Agencies can run a validation report in IBIS to check for unvalidated accounts/cost centers: Public Folders > Self Service Reports > Administrative Reports > Original Certification Account Validation (report for Long Session).

   > ******Exception for university budget codes, excluding NC School of Science and Math***: W*ork with your OSBM analyst to identify any new accounts required for certification. OSBM will need to establish the new accounts for you in IBIS and work with OSC for any new reserve accounts.*

10) **Running BD 307 Reports**. Once data has been entered on certification forms in IBIS, a BD 307 can be generated. (IBIS>Reports>Self Service Reports>Certification Reports>)

   - There are two BD 307 report options: BD 307 Original Report and BD 307 Revised Report. **For certification of the biennial (long session) budget, run the BD 307 Original Report**.
   - Agencies can run a BD 307 to include forms in **draft** status (at agency), **OSBM** status (meaning any forms residing at OSBM), or in an **approved** status. This allows agencies to create and review a BD 307 report before all certification entries have been approved.
   - Agencies can also run a BD307 report showing all detail level accounts and cost centers by using the cost center prompts when creating a BD 307 report. Reviewing this detailed-level report helps ensure that items are certified to the correct accounts and cost centers.

11) Agencies should **notify their OSBM Budget Development Analyst** when all their certification entries have been submitted and are ready for review and approval.

12) **IBIS/NCAS Interface and Suspended Batch Master**. When all certification entries have been approved in IBIS and OSBM has verified the BD307 matches the Committee Report totals, OSBM analysts will direct OSBM technical staff to produce files to upload to NCAS and CMCS. The CMCS file contains summary appropriation information. The NCAS file contains the certified and authorized budget amounts for the detail level accounts and cost centers.

   > ******Exception for university budget codes, excluding NC School of Science and Math****: Universities will not have an NCAS file generated. Universities will interface their budgets with NCAS directly and are not subject to the suspension process described below.*

   NCAS will load any submitted files each night and place the certified and authorized budgets in the **Suspended Batch Master (SBM)** for the agency to review/release (authorized and certified totals will be the same during the certification process). Suspended Batch Master allows the agency to do a final review before the file is released and posts to the General Ledger (GL) in NCAS. The data in

the Suspended Batch Master (SBM) file reflects the agency's budget as it exists in IBIS. Agencies should **NOT** change the data in SBM before releasing it to post. If an agency changes a fund or account number while in the Suspended Batch Master, NCAS will not match what is in IBIS.

- **If you find incorrect information in your budget file, delete the entire file out of the SBM and work with OSBM to make corrective certification entries in IBIS.** OSBM will re-send the file to NCAS once the corrections have been made in IBIS. Re-check the data in Suspended Batch Master to ensure it has been corrected. ***When the file is correct, the agency must release the file from Suspended Batch Master before it posts to NCAS.*** Once released, it will show up in NCAS the following day. If your accounting office is not sure how to release the file in SBM, please contact the [OSC Help Desk](#) ([support.services@osc.nc.gov](#) , 919-707-0795).

- **If there are minor detail cost centers errors (RCC level), you can release the file to post to the General Ledger and do a budget revision to correct the problem in IBIS and NCAS.** This will guarantee that both systems agree and that authorized adjustments are tracked correctly.

- If there are errors and you do not know what action to take, contact your OSBM analyst to discuss the best option for fixing the problem.

13) **BD 701 Report.** Once you have released the file from SBM *(***or interfaced with NCAS if a university)*, run a BD 701 report the following day to make sure it matches the BD 307. NCAS will update overnight. This step guarantees that the correct budget was loaded into NCAS and matches the official budget contained in IBIS. It will also give you a point in time 'snapshot' of the budget before repeat and new year budget revisions are approved and loaded into NCAS.

14) **Repeat Revisions**. Once you and your OSBM Budget Development analyst have confirmed the BD307 Report matches the BD 701 Report, contact your OSBM Execution Analyst to let him/her know the budget has posted correctly and they can begin the "repeat process" to pull in any repeat revisions that should be included in the budget.
    ******Exception for university budget codes, excluding NC School of Science and Math:** your budgets will already contain repeat revisions. Work with your Budget Execution analyst during the certification process to ensure repeat revisions are correct.*

15) The budget is only considered certified once it carries the signature of the State Budget Director on a signed BD 307. **Your Budget Development Analyst will send a copy to the agency.**

16) **New Year Budget Revisions**. Agencies can work on 2019-21 budget revisions in IBIS during the certification process, but no 2019-21 budget revisions will be approved and posted to NCAS until the agency's certification process is complete.