
Agency Certification Instructions – Short Session FY 22-23

The Agency Certification Instructions are for state agencies and the North Carolina School of Science and Math. The UNC System Office and all other universities follow the [University Certification Instructions](#). To certify capital projects included in the State Capital and Infrastructure Fund (SCIF), see the [Capital Instructions Job Aid](#).

After the budget becomes law, agencies work with their OSBM Budget Development Analyst (analyst) to certify the official budget. Budget certification is done in the Integrated Budget Information System (IBIS). Agencies must submit **certification entries**, which reflect adjustments (+/-) that appropriation bills have made to the existing approved budget. OSBM analysts review entries to ensure they reflect the Appropriations Act and associated laws. When all entries have been approved, OSBM analysts generate a **BD 307**, which is the official certification report and reflects the budget as enacted by the General Assembly.

Agencies should review [S.L. 2022-74](#), [S.L. 2022-75](#), and the [Joint Conference Committee Report on the Current Operations Appropriations Act of 2022](#) (the Committee Report). **The Committee Report is the primary document used to certify the budget.** Each appropriated agency is listed with their starting appropriation (enacted budget), a summary of their budget/FTE adjustments (total legislative changes), and a summary of their net appropriation (revised budget). The certification amount for an agency will equal the total amount of appropriations, allocations, and cash balance transfers contained in the enacted bill. If additional technical corrections are made to the 2022 Appropriations Act, agencies will work with OSBM analysts to make any necessary adjustments to properly certify updates to the budget.

Step by Step Guide for Budget Certification:

- 1) **IBIS.** Agencies and OSBM will use IBIS to certify the 2022-23 budget. The direct link to the IBIS system is <http://ibis.nc.gov/ibis-webapp/IBIS.html>. If you have system access issues, email the IBIS Help Desk at NCIBIS-Help@osbm.nc.gov.
- 2) **IBIS User Guide - Certification.** For detailed instructions on how to use IBIS certification forms, see the Operating Certification user guide: <https://www.osbm.nc.gov/media/731/download>
- 3) **Enacted Legislation.** Work with your OSBM analyst to review the enacted bill and the Committee Report to ensure the agency is correctly balancing appropriation and allocation totals and that items are certified in the correct Budget Code and Fund Code. If additional technical corrections are made to the 2022 Appropriations Act, agencies should work with OSBM analysts to make any needed adjustments to certify updates to the budget.
- 4) **Certification Forms.** 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.

- 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. The certification entry for a state agency receiving state appropriation should include the transfers out to any other entities receiving the allocations in the agency's expenditure accounts.
 - A state agency receiving an allocation must also submit a certification entry certifying this allocation in its receipt accounts. This same principal applies to cash balance transfers as well—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.

- 6) **State Fiscal Recovery Funds.** Agencies receiving additional State Fiscal Recovery Funds (SFRF) or with SFRF changes should work closely with their OSBM analyst to certify these changes. Agencies should use the agency specific SFRF receipt accounts within the North Carolina Accounting System (NCAS) found in Table A of the [OSBM Memo dated November 19, 2021](#). Agencies must also use SFRF-specific expenditure accounts for any transfers that move SFRF from the General Fund to the agency's special fund budget codes.

- 7) **Reserves.** With limited exceptions, such as reserves for salaries and benefits (see Step 9), agencies should 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.

- 8) **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.**
 - For the Committee Report Item Title, enter the name of item listed in the Committee Report followed by 'R' for recurring or 'NR' for non-recurring. In addition, the title for items funded by State Fiscal Recovery Funds should start with SFRF (Examples: Compensation Increase Reserve – R; SFRF State Drinking Water/Wastewater Reserve Grants – NR).
 - For the Committee Report Item Number, enter the agency's Committee Report section letter and item number [Section Letter–Item Number] followed by 'R' for recurring or 'NR' for non-recurring. (Example for funds provided to the Secretary of State for Information Technology Rates: F-100 R).

- 9) **Statewide Reserves.** Information on Statewide Reserves and funds appropriated into reserves for Salaries and Benefits can be found in Section 2.2 and Part 39 of S.L. 2022-74, respectively.

Agencies should work with OSC to create transfer in accounts within 4381AA as needed for the transfer in of reserve for specific items appropriated to the agency from a statewide reserve, including reserves such as the Local Projects Reserve and the Clean and Drinking Water Reserve.

Agencies should certify their salary and benefit adjustments within the **appropriate reserve account** listed below.

Statewide NCAS Expenditure Accounts:

- **537202 Reserve** – Compensation Bonus
- **537204 Reserve** – Legislative Increase Compensation Reserve (Regular LI and other recurring salary adjustments)
- **537206 Reserve** – State Retirement System Contributions (For state retirement contributions - refer to amounts in the Committee Report)
- **537208 Reserve** – State Health Plan (No changes this year)
- **537209 Reserve** – Labor Market Adjustment Reserve (new – for Labor Market Adjustment amounts in Committee Report)

Statewide NCAS Transfer In Accounts:

- **438TAA** – Retiree Supplement Reserve

Funds transferred in from 438TAA should be budgeted as expenditures from the 537206 Reserve.

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

10) **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.

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 (7/1/2022 in most cases), and annual salary need to match.

Use the **FY 2021-22 retirement and health plan rates**, provided below, when establishing new positions. Agencies will use FY 2022-23 Reserves for Benefits to increase contributions for all positions, including new positions, to FY 2022-23 contribution rates. Contribution increases will be done via budget revision following certification.

Per S.L. 2021-180 and S.L. 2022-74, the retirement rates for FY 2021-22 and FY 2022-23 are:

Retirement Rates				
TSERS	LEO	ORP	CJRS	LRS

FY 2021-22 Total Contribution Rate (use FY 2021-22 for new positions)	22.89%	29.10%	12.83%	49.50%	35.46%
Revised FY 2022-23 Total Contribution Rate (S.L. 2022-74)	24.50%	29.50%	13.83%	46.84%	31.80%

The State Health Plan amount is unchanged in S.L. 2022-74 and remains:

State Health Plan		
	FY 2021-22 <i>(use this for new positions)</i>	FY 2022-23
Active	\$7,019	\$7,397
Retirees	\$4,856	\$5,118

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

12) **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 options: BD 307 Original Report and BD 307 Revised Report. **For short session budget certification, run the BD 307 Revised 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 before all certification entries have been approved.
- Agencies can also run BD 307s showing all detail level accounts and cost centers by using the cost center prompts when creating a BD 307. Reviewing detailed-level reports helps ensure that items are certified to the correct accounts and cost centers. Work with your OSBM analyst to correct any identified negative accounts.

13) **OSBM Notification.** Agencies should notify their OSBM analyst when all their certification entries have been submitted and are ready for review and approval. OSBM will then review, verify, and approve certification entries in IBIS.

14) **IBIS/NCAS Interface and Suspended Batch Master.** When all certification entries have been approved in IBIS and OSBM has verified the BD 307 matches the certification totals provided, OSBM technical staff will produce files to upload to NCAS and NCFS. The NCAS file contains the certified and authorized budget amounts for the detail level accounts and cost centers.

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 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.

- **OSC has posted guidance on how to handle releasing annual budget batches from IBIS to NCAS on its website:** <https://www.osc.nc.gov/state-agency-resources/north-carolina-accounting-system-ncas/handling-annual-budget-batches-sbm>

For additional help, contact the [OSC Help Desk \(support.services@osc.nc.gov\)](mailto:support.services@osc.nc.gov), 919-707-0795, <https://www.osc.nc.gov/contact/contact-osc-support-services>.

- **If you find incorrect information in your budget file, delete the entire SBM file 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 SBM to ensure it has been corrected.
- When the file is correct, the agency must release the file from SBM 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, read the guidance linked above and/or contact the [OSC Help Desk \(support.services@osc.nc.gov\)](mailto: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 GL 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.

15) **IBIS/NCFS Interface.** When OSBM technical staff produces files to upload to NCFS, the NCFS file contains summary appropriation information. Agency staff will need to verify that the summary appropriation information correctly posted the following day. NCFS updates overnight.

- Use the NCFS General Fund Cash Balance Fund report to verify that the appropriation amounts are correct: NCFS>Tools>Reports and Analytics>Create Report>Catalog (in top right corner)>Shared Folders>Custom>FBR Custom>Cash Management & Treasury>FBR General Fund Cash Balance Report>Open. Select Jul 22 as reporting period and verify that the "Adjusted Appropriation" balances are correct.
- If you find incorrect information, contact your OSBM analyst to discuss the best option for fixing the problem.

16) **BD 701 Report.** Once you have released the file from NCAS's SBM, run a BD 701 the following day to make sure the certified and authorized amounts match 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 budget revisions are approved and loaded into NCAS.

- 17) **Official Certification Copy.** The budget is considered certified once it carries the signature of the State Budget Director on a signed BD 307. Your OSBM analyst will send an electronic copy.
- 18) **Repeat Revisions.** Once you and your OSBM Development Analyst have confirmed the BD 307 matches the BD 701 and that your agency appropriations loaded correctly into NCFS, let your OSBM Execution Analyst know the budget has posted correctly and to begin the “repeat process” to pull in any repeat revisions that should be included in the budget.
- 19) **FY 2022-23 Budget Revisions.** Once an agency’s certification process is complete, OSBM will begin approving budget revisions in IBIS.

Agency Certification Checklist

- 1. Review S.L. 2022-74, the Committee Report, and S.L. 2022-75 for your agency’s appropriations and allocations.
- 2. Create certification entries for any appropriations, allocations, and cash balance transfers.
- 3. Validate accounts using the IBIS report Original Certification Account Validation: Self Service Reports>Administrative Reports>Original Certification Account Validation.
- 4. Review accounts in draft BD 307 to identify any negative accounts and work with OSBM Budget Development Analyst to resolve.
- 5. Notify OSBM that you are ready to certify.
- 6. Once notified that your files are being sent to NCAS and NCFS, verify the NCFS summary appropriation the following day using the NCFS General Fund Cash Balance Fund report.
- 7. Once in NCAS’s Suspended Batch Master, review closely before releasing.
- 8. Release file in Suspended Batch Master.
- 9. Review BD 701 the day after file release to ensure that the certified and authorized amounts match the BD 307.
- 10. Let OSBM Budget Execution Analyst know they can begin repeat revision process.