University Certification Instructions – Long Session FY 21-23

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.

After the budget becomes law, universities work with their OSBM analysts to certify the official budget. Budget certification is done in the Integrated Budget Information System (IBIS). OSBM will populate IBIS with the authorized base budget for all universities. Universities must submit certification entries, which reflect adjustments (+/-) that the appropriation bill enacted for the 2021-23 fiscal biennium. OSBM analysts review entries to ensure they accomplish what the budget bill intended. When all entries have been approved, OSBM analysts generate a BD 307 Report, which is the official certification report and reflects the budget as enacted by the General Assembly.

Prior to certification, universities should review S.L. 2021-180 and the Joint Conference Committee Report on the Base, Expansion, and Capital Budgets (the Committee Report). The Committee Report is the primary document used to certify the budget. Each appropriated university is listed with their starting appropriation (recommended base budget), any adjustments to their appropriation and/or FTE counts, a summary of their budget/FTE adjustments (total legislative changes), and a summary of their net appropriation (revised budget). The certification amount for a university will equal the total amount of appropriations, allocations, and cash balance transfers contained in the enacted bill.

Step by Step Guide for Budget Certification:

1) **Use IBIS to certify the 2021-23 budget.** The direct link to the IBIS system is [http://ibis.nc.gov/ibis-webapp/IBIS.html](http://ibis.nc.gov/ibis-webapp/IBIS.html). If you have issues accessing the system, please email the IBIS Help Desk at NCIBIS-Help@osbm.nc.gov.

2) **IBIS User Guide - Certification.** For detailed instructions on how to use the Certification form in IBIS, see the Operating Certification user guide: [https://www.osbm.nc.gov/media/731/download](https://www.osbm.nc.gov/media/731/download)

3) **Review Enacted Legislation.** Work with your OSBM analyst to review the ratified bill and conference report to ensure the university is correctly balancing appropriation and allocation totals and that items are certified in the correct Budget Code and Fund Code.

4) **Create Certification Forms.** Universities create new certification forms for expansion, reduction, and technical items. Universities with complex certification entries should prepare a spreadsheet summarizing certification entries for OSBM review prior to creating certification forms in IBIS. OSBM will create and certify the State Capital and Infrastructure Fund (SCIF) entries following university certification.
5) **Certifying Allocations and Cash Balance Transfers.** The enacted may bill appropriate funds to a university to be allocated to other state and non-state entities. Both this appropriation and subsequent allocations need to be certified. Therefore, the certification entry for a university receiving state appropriation to be allocated must show in its expenditure accounts the transfers out to the entities receiving the allocations.

A university 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—a university 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.** For State Fiscal Recovery Funds (SFRF), each university must create a fund code entitled “State Fiscal Recovery Fund” within their General Fund budget code (1XXXX) to certify the entire State Fiscal Recovery Fund amount that they have been appropriated. In addition, universities will need to establish a university specific SFRF transfer-in receipt account within the North Carolina Accounting System (NCAS) in this new fund code. Table A in the OSBM Memo dated November 19, 2021, lists the receipt accounts to be established to receive SFRF Funds under S.L. 2021-180.

When creating the new State Fiscal Recovery Fund and other SFRF-related fund codes needed for certification, **universities must submit these requests using the Batch Fund Code template (Excel document) that was distributed with the memo.** Universities may also use the Batch Fund Code template to submit requests for other new, non-SFRF fund codes needed for certification, but these must be submitted in a separate file from the SFRF fund codes. Universities may also submit non-SFRF fund code requests through IBIS.

7) **Distribute Reserves.** With limited exceptions, such as reserves for salaries and benefits (see Step 9), universities should avoid certifying funds to reserves. Rather, universities 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/University, 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 short title of the enacted bill item 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: State Health Plan – R; SFRF Premium Pay Bonuses – NR; SFRF Personal Protective Equipment – NR).
For the Committee Report Item Number, enter the university’s section letter and item number [Section Letter–Item Number] followed by a ‘R’ for recurring or a ‘NR’ for non-recurring. (Example for funds provided to Department of Military and Veterans Affairs for the Veterans Resource Guide: F-233 NR).

9) **Reserve for Salaries and Benefits.** Salaries and Benefits information can be found in Section 39 of S.L. 2021-180. Universities should certify their salary and benefit adjustments within the appropriate reserve account listed below.

The new retirement rates for FY 2021-23 are (please note the FY 21-22 rates differ from what is listed in S.L. 2021-180):

<table>
<thead>
<tr>
<th>Retirement Rates</th>
<th>TSERS</th>
<th>LEO</th>
<th>ORP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Total Contribution Rate</td>
<td>21.68%</td>
<td>26.68%</td>
<td>13.61%</td>
</tr>
<tr>
<td>FY 21-22 Total Contribution Rate</td>
<td>24.10%</td>
<td>29.10%</td>
<td>12.83%</td>
</tr>
<tr>
<td>FY 22-23 Total Contribution Rate</td>
<td>24.19%</td>
<td>29.19%</td>
<td>13.83%</td>
</tr>
</tbody>
</table>

The new State Health Plan amounts are:

<table>
<thead>
<tr>
<th>State Health Plan</th>
<th>Original</th>
<th>FY 21-22</th>
<th>FY 22-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active</td>
<td>$6,326</td>
<td>$7,019</td>
<td>$7,397</td>
</tr>
<tr>
<td>Retirees</td>
<td>$4,916</td>
<td>$4,856</td>
<td>$5,118</td>
</tr>
</tbody>
</table>

**Statewide NCAS Accounts:**

- **531478** – SRF Premium Pay Bonuses for University Positions
- **537202 Reserve** – Compensation Bonus (Do NOT use for SRF Premium Pay Bonuses)
- **537204 Reserve** – Legislative Increase Compensation Reserve (Regular LI and other recurring salary adjustments)
- **537206 Reserve** – State Retirement System Contributions (Refer to amounts in conference committee report)
- **537208 Reserve** – State Health Plan (Refer to amounts in the Committee Report)

OSBM will provide a separate memorandum and job aid with instructions on the distribution of the SRF Premium Pay Bonuses and the salary and benefit reserves. Funds remaining following the distribution of the salary and benefit reserves will be moved to statewide budget code 19004 for redistribution to other universities 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 university initiates a workflow action (PCR). Budget personnel should coordinate with their university 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.

11) **New Account/Cost Center Validation.** Universities should work 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 to ensure any new reserve accounts are established in the state accounting system prior to release of the new certified budget.

12) **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 long session budget for FY 2021-23, run the BD 307 Original Report.**

   - Universities can run a BD 307 to include forms in **draft** status (at university), **OSBM** status (meaning any forms residing at OSBM), or in an **approved** status. This allows universities to create and review a BD 307 before all certification entries have been approved.

   - Universities can also run a BD307 showing all detail level accounts and cost centers by using the cost center prompts when creating a BD 307. Reviewing this detailed-level report helps ensure that items are certified to the correct accounts and cost centers. Work with your OSBM Development Analyst to correct any identified negative accounts.

13) **Notify OSBM.** Universities should notify their OSBM Budget Development 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.** With exception of 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 for other agencies.

15) **BD 701 Report.** Once you have been notified by your OSBM analyst, run a BD 701 to ensure 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 new year budget revisions are approved and load into NCAS.
16) **Official Certification Copy.** 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 an electronic copy to the university.

17) **Repeat Revisions.** Your budgets will already contain repeat revisions. Work with your Budget Execution analyst during the certification process to ensure repeat revisions are correct.

18) **FY 2021-22 and biennial Budget Revisions.** Once a university’s certification process is complete, OSBM will begin approving budget revisions in IBIS.
University Certification Checklist


☐ 2. Establish any needed funds/accounts for American Rescue Plan Act Fund allocations.

☐ 3. Create certification entries for any appropriations, allocations, and cash balance transfers.

☐ 4. Work with your OSBM analyst to ensure any new accounts needed have been created and verified.

☐ 5. Review accounts in draft BD307 to identify any negative accounts and work with OSBM Budget Development Analyst to resolve.

☐ 6. Notify OSBM that you are ready to certify.

☐ 7. Review BD 701 report the day after OSBM notification of release to ensure that the certified and authorized amounts match the BD307.

☐ 8. Work with your OSBM Budget Execution Analyst to ensure repeat revisions are correct.