



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT



Employment First State for Individuals with Disabilities

ROY COOPER
GOVERNOR

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STATE BUDGET DIRECTOR

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TO: Department Heads and Chief Fiscal Officers
All State Departments, Institutions, and Agencies

FROM: Kristin Walker *Kristin Walker*

SUBJECT: FY 2024-25 Change Budget Instructions

The Office of State Budget and Management (OSBM) is beginning to develop Governor Cooper's FY 2024-25 short session change budget recommendations. Governor Cooper's budget recommendations will prioritize:

1. Strengthening public education, including early childhood education, to ensure students are thriving and educators are respected;
2. Positioning North Carolina to create new jobs, foster economic growth, and develop the workforce for the jobs of today and tomorrow;
3. Promoting healthier, cleaner, and safer communities;
4. Advancing equal opportunities and diversity; and
5. Ensuring an effective, accountable, well-run state government.

Governor Cooper requests that agencies focus budget proposals on these priorities within the context of the mission and strategic plan of each agency. The result will be a recommended budget for the 2024-25 short session that effectively invests state resources to deliver programs and services that meet the needs of North Carolinians and empower people and businesses to realize their full potential.

Due to limited revenues and availability, agencies should prioritize requests that deliver critical services and achieve top agency and administration priorities. All requests should connect clearly to the agency's strategic plan and be grounded in evidence.

All agencies should engage internally and with OSBM in a collaborative effort to develop change budget requests. The process involves agency budget and financial staff, program directors, policy staff, chief information officers, and other members of agency senior leadership.

We will use a two-step change budget submission process – requiring the submittal of Agency Budget Change (ABC) Lists prior to submitting Worksheet-IIs and IIIs in IBIS. OSBM is sensitive to the many demands on agency time, so we have streamlined this year's process by reducing the number of ABC List questions and developing a Worksheet-II companion document to facilitate coordination amongst agency staff and reduce IBIS data entry.

All agencies must submit an IT Request Survey for certain IT requests. Agency budget staff and the Agency’s CIO should coordinate closely on all IT-related requests. The General Assembly, the Administrative Office of the Courts, and the University System are exempt from this requirement. For more information, please see the budget instructions and job aids on OSBM’s website, linked below.

OSBM is hosting a virtual Budget Development Kick-off on **January 11, 2024, 10:00–11:30am**. OSBM will also host separate trainings for IT requests (at the January CIOs meeting), for capital and R&R requests (on January 16), and for how to incorporate evidence into budget requests (on January 23, 25, and 31). Details and registration links for each of these trainings are available on OSBM’s website [here](#).

The timeline for the 2024-25 short session change budget development process follows:

2024-25 Budget Preparation Key Dates/Deadlines	
<u>Date</u>	<u>Action</u>
January 10	IT Request Survey training at agency Chief Information Officers meeting
January 11	Change Budget Instructions Training, 10-11:30am, on MS Teams
January 16	Capital Budget Instructions Training, 10-11am, on MS Teams
January 23	Evidence Training, 1-2:30pm, in-person
January 25	Evidence Training, 2-3:30pm, in-person
January 31	Evidence Training, 10-11:30am, in-person and virtual
February 2	Agency Budget Change (ABC) Lists for operating items and IT Request Surveys due
February 9	ABC Lists for Capital and Repairs and Renovations items due
March 1	Final Worksheet-IIs, Worksheet-II-EZs, Worksheet-IIIs, OC-25s, and Special Provision forms due
March 27	Final Special Provision language due

Please contact your OSBM budget development analyst with any questions about the information in this memorandum or the instructions and job aids on [the OSBM website](#).

Thank you for your continued partnership. We look forward to working with you.