



STATE OF NORTH CAROLINA  
OFFICE OF STATE BUDGET AND MANAGEMENT



Employment First State for Individuals with Disabilities

ROY COOPER  
GOVERNOR

KRISTIN WALKER  
STATE BUDGET DIRECTOR

May 1, 2023

**MEMORANDUM**

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

FROM: Kristin Walker *Kristin Walker*

SUBJECT: Budget Guidelines for Closing Fiscal Year 2022-2023

The Office of State Budget and Management's (OSBM) is beginning the closeout process for FY 2022-23. This memo contains information, links to job aids and steps agencies should follow, and deadlines for carry forward and closeout. We appreciate your partnership and collaboration in ensuring this process goes as smoothly as possible. OSBM will review this information during our Closeout Kick-Off, and we strongly encourage attendance.

**SFY 2022-23 Closeout Kick-Off & SFY 2023-24 Preview**

**Friday, May 5<sup>th</sup>  
1:00 – 2:00 p.m.**

**[Microsoft Teams Meeting Link](#)**

**Use this link to join the meeting at the appropriate time**

**Carry Forward**

OSBM will review requests to carry forward funds from FY 2022-23 to FY 2023-24 in compliance with G.S. 143C and other General Statutes. Agencies and universities should submit their carry forward requests using the updated [Hyperlink - OSBM Carry Forward Template](#) along with any required supporting documentation.

Please review the [Hyperlink – Carry Forward Process Job Aid](#), which explains procedures for Encumbrance Carry Forward requests. For state agencies, only items encumbered by **June 2, 2023** should be included on the carry forward request.

### **Certification of Budget Reports**

OSBM review of budget reports will be focused on key elements and accomplished at a summary account or budget code level. Agencies and universities are accountable for ensuring compliance with OSBM's closeout guidance at the detailed account level unless an exception is approved by OSBM.

Agency and university budget officers or chief financial officers will be required to certify the accuracy of budget reports using the attached 2022-23 closeout certification form. Agencies should complete and submit this form to their OSBM analyst when the agency is ready for OSBM to review.

### **Deadlines**

May 26, 2023	Requests to close capital budget codes due to OSBM
June 2, 2023	Deadline to encumber items included in carry forward requests
June 5, 2023	Capital allotment requests for June due to OSBM
June 9, 2023	Preliminary carry forward request estimates <b>only from</b> Department of Health and Human Services, Department of Public Instruction, and University of North Carolina System due to OSBM
June 19, 2023	Certification of Capital Improvement reports due to OSBM
July 3, 2023	Final carry forward requests for all state agencies and universities due to OSBM
Mid-July	OSBM approves carry forward and notifies agencies and universities
July 26, 2023	OSC Cash Closing Deadline - final date when cash can move between budget codes

### **Capital Improvement Allotments and Reports**

Chief fiscal officers are to review all capital improvement budget codes and close all completed capital projects. Capital Closeout occurs **before** Operating Closeout. Requests to close capital budget codes must be submitted to OSBM by **May 26, 2023**. A detailed job aid has been developed to assist you and your staff in closing out capital budget codes. Please refer to the [Hyperlink - Capital Budget Code Closure Job Aid](#) to provide step-by-step guidance to close out capital budget codes.

All capital allotment requests for the month of June must be submitted to OSBM before **June 5, 2023**. Please note that the last COPs requisition also must be completed by **June 8, 2023**. **Please note that after June 8, OSBM will not allow budget revisions and allotments to Capital unless specifically authorized.**

Capital Improvement budget reports must be certified by **June 19, 2023**, which is different than

the deadline for certifying budget reports covering current operations.

**Job Aids**

The [Hyperlink – Operating Budget Closeout Job Aid](#) and others linked above have been developed to assist you and your staff in completing the budget closeout review process. Please refer to these attached resources, which provide step-by-step guidance. If, after consulting these resources, you have questions about these procedures, please contact your OSBM budget analyst.

**Allotments for the First Quarter 2023-24**

If the 2023-25 budget (Current Operations Appropriations Act) is not enacted by the General Assembly by July 1, 2023, first quarter allotments will be estimated using the BD 307 Certified Budget for FY 2022-23. Allotments are subject to adjustment by OSBM in the event the General Assembly later passes the Current Operations Appropriations Act.

Thank you for your attention to these guidelines as you continue to serve the citizens of North Carolina as excellent stewards of taxpayer dollars.



**STATE OF NORTH CAROLINA  
CERTIFICATION  
2022-23 Fiscal Year End Budget Reports**

**AGENCY / DIVISION / UNIVERSITY NAME:**

This certification should be completed and provided to your OSBM analyst at the time of pre-certification of budget reports with the Office of the State Controller at the end of each fiscal year.

**BUDGET REPORT REVIEW CHECKLIST**

*Note: Please attach documentation of OSBM approved exceptions, if applicable.*

**BD 701 Report**

- Certified and authorized budgets reconcile between NCAS and IBIS at the four-digit account level (ex. 53 2100)
- No negative certified or authorized budgets at the four-digit NCAS account level
- No over-expended funds/centers
- No over-expended accounts: 4-digit level for 531X, 536X, 537X, 538X; 2-digit level for 532X-535X. Universities: No over-expended accounts at UNC pooled account level.
- Reserve accounts (53 71xx) are distributed (unless reverting or carried forward) (*year-end requirement*)
- No missing or incorrect account titles in NCAS
- Over-realized receipts were budgeted and approved by OSBM prior to expenditure of receipts
- No negative salary reserve balances at the fund/center and account level (n/a to universities)
- No negative cash balances in special funds
- Federal Funds: Receipt-supported expenditures and related receipts reconcile
- Federal Funds: Excess receipts in the General Fund are returned to 3XXXX federal budget code
- Carryforward is correctly recorded in NCAS and IBIS (*year-end requirement*)
- UNC Only: No appropriation in 1102 Summer School or 1103 Non-Credit Instruction unless approved by OSBM

**BD 702 Report**

- Quarterly allotment totals reconcile between NCAS and IBIS
- Year-to-date requirements and appropriation do not exceed total allotment and available cash on hand
- Allotted and year-to-date actuals reconcile indicating proper non-cash reversions (*year-end requirement*)

I certify that the BD 701 & 702 Budget Reports are complete, accurate, and comply with OSBM's guidance.

\_\_\_\_\_  
**Signature (Budget Director or CFO)**

\_\_\_\_\_  
**Date**

If any requirements outlined above are not checked, please explain to your OSBM Analyst why the step was not completed via a memorandum or email.