



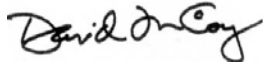
**STATE OF NORTH CAROLINA  
OFFICE OF STATE BUDGET AND MANAGEMENT**

MICHAEL F. EASLEY  
GOVERNOR

DAVID T. MCCOY  
STATE BUDGET DIRECTOR

January 30, 2008

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

FROM: David McCoy 

RE: Information Technology Budget Policy

Effective July 1, 2007, all IT projects that exceed \$500,000 in total requirements and for which state funds have not been appropriated must be submitted as an expansion request. Agencies may seek an exception if it can be documented that the project must be started prior to the legislative session in order to comply with state or federal law, rules or regulations. Approval by OSBM for new IT projects funded from existing appropriations that do not exceed \$500,000 is contingent upon all funds being identified prior to initiation of a project.

The Budget Manual has been revised and this policy has been included in Section 3.9 of the Budget Execution Chapter. If you have any specific questions regarding the IT policy update, please contact your budget analyst at (919) 807-4700.

DM/dw