



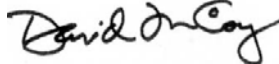
**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

MICHAEL F. EASLEY
GOVERNOR

DAVID T. MCCOY
STATE BUDGET DIRECTOR

May 28, 2008

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

FROM: David McCoy 

RE: State Budget Manual Update

The Office of State Budget and Management has posted revisions to the State Budget Manual on our website at <http://www.osbm.state.nc.us/osbm/index.html>. These revisions are detailed below and are listed in the appendix section of the Budget Manual.

1. 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. This addition is located in the Budget Execution section, 3.9, of the Budget Manual.
2. G.S. 143C-2-2 requires OSBM to “coordinate the efforts of governmental agencies to collect, disseminate, and analyze economic, demographic and social statistics pertinent to State budgeting.” This includes a requirement that OSBM “prepare and release the official demographic and economic estimates and projections for the State.” This addition is located in the Municipal Population Estimates section, 9.0, of the Budget Manual.
3. A new section has been added to the form to Establish New Budget Code and/or Center and Title which will aid with the Beacon process. Line 7 of the form includes the following: Will payroll be distributed out of this center? This addition is located in the Budget Execution section, 3.8, of the Budget Manual.

Improving the State Budget Manual is an ongoing process, and OSBM will issue updates to the Manual periodically. Users are encouraged to email their comments, suggestions, or questions about the State Budget Manual to Budget-Manual-OSBM@ncmail.net.

DMc/db