



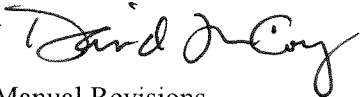
**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

MICHAEL F. EASLEY
GOVERNOR

DAVID T. MCCOY
STATE BUDGET DIRECTOR

October 24, 2007

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

FROM: David McCoy 

RE: State Budget Manual Revisions

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>. A brief summary of these revisions are detailed below and are listed in the appendix section of the Budget Manual.

1. Session Law 2007-323, HB 1473, Sec 6.19, authorizes a state agency, with the approval of the State Budget Officer, for the 2007-09 fiscal biennium, to spend more than was authorized in the certified budget, in a purpose or program if the expenditure is required to accommodate the redistribution of salary reserves within a State department. This updated language is located in the Budget Execution section, 3.6.5, of the Budget Manual.
2. Clarifying language on applications for funds is located in the Budget Execution section, 3.12.1, of the Budget Manual.
3. Reimbursement for automobile rental insurance will be permitted for individuals engaged in state business during travel to international destinations. This revision is located in the Travel Policies and Regulations section, 5.1.26, of the Budget Manual.
4. An update to clarify the use of public safety vehicles for commuting is located in the Travel Policies and Regulations section, 5.1.33, of the Budget Manual.
5. Session Law 2007-322, HB 749, Sec. 8, eliminates the requirement for prior approval from the Office of State Budget and Management for the designation of an employee's home as his duty station. Updated language can be found in the Travel Policies and Regulations section, 5.1.5. Also, the Designation of the Duty Station Report has been removed from the Reporting Policies and Guidelines section of the Budget Manual.
6. A new policy has been added to the Budget Manual to address mobile communication devices. This policy is located in the Travel Policies and Regulations section, 5.11, of the Budget Manual.
7. Session Law 2007-323, HB 1473, Sec 6.3, revises the frequency of the fee report to a biennial report. See the State Budget Act, G.S. §143C-9-4, and the Reporting Policies and Guidelines section, 8.4, 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.