



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


MICHAEL F. EASLEY  
GOVERNOR

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STATE BUDGET DIRECTOR

November 6, 2007

**MEMORANDUM**

TO: Chief Fiscal Officers

FROM: David McCoy 

SUBJECT: Establish Budgets for All Governmental and Proprietary Codes

Section 143C-3-5 of the State Budget Act requires the budgeting of all Governmental and Proprietary codes as designated by the Office of State Controller (OSC). All codes that were included in the "State of North Carolina, Recommended Continuation Budget 2007-09, Volumes 1 through 6" documents have already been established through the certification process. For all other codes not included in these documents, budgets will need to be established in accordance with Section 6.1.(a)(2) of House Bill 1473 (Session Law 2007-323). Specifically, Type 11 budget revisions must be submitted with budgeted expenditures no greater than the level of actual expenditures for FY 2006-07. If any subsequent budget adjustments are required for these codes, they must be made in accordance with the policies outlined in the Budget Manual for Governmental and Proprietary codes.

Some budget codes have only recently been established and, therefore, may not have been included in OSC's review of budget codes. If this applies to your agency, please work with your OSBM analyst to determine whether your new codes are classified as Governmental or Proprietary and budget them accordingly. Budgets for all Governmental and Proprietary codes must be in place no later than December 14, 2007.

If you have any questions about the information outlined in this memorandum, please contact your OSBM budget analyst at (919) 807-4700.

DTM/cp

cc: Robert Powell, State Controller