



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

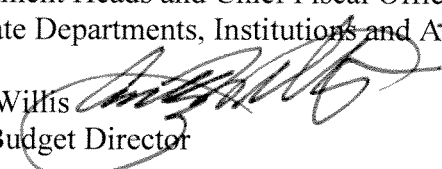
BEVERLY EAVES PERDUE
GOVERNOR

ANDY WILLIS
STATE BUDGET DIRECTOR

August 30, 2012

MEMORANDUM

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

FROM: Andy Willis 
State Budget Director

SUBJECT: Instructions for Preparation of the 2013-15 Recommended State Budget

The first steps for preparing the Governor's 2013-15 Recommended State Budget began with the release of the 2013-15 continuation budget instructions on July 24, 2012. The complete instructions, including expansion, reduction, capital, strategic planning and program components are now available.

The instructions provide detailed guidelines on budget development requirements and a schedule of deadlines for completing key steps in the budget preparation process. Please refer to the Executive Summary for highlights of major changes to the budget preparation process from the previous biennium. Some of the major changes include:

- New policies regarding allowable adjustments in the continuation budget.
- Additional requirements to support the ongoing effort to integrate budget, program and performance information.
- Use of legacy budget systems instead of the Integrated Budget Information System (IBIS) for budget development. (OSBM will provide an IBIS update in a separate memo).

In accordance with the State Budget Act, the recommended budget for 2013-15 will be finalized and released to the new Governor-elect on December 14, 2012, so it is imperative that agencies adhere to the budget development schedule.

Copies of the budget instructions can be obtained from the OSBM website:
http://www.osbm.state.nc.us/ncosbm/osbm_library/superpubs/instruct_1315.shtm.

Please review these instructions and if you have questions, feel free to contact your budget analyst in our office at (919) 807-4700.