

# Glossary of Terms

**Ad Valorem Tax:** A property tax computed as a percentage of the value of taxable property.

**Administrative Contingency:** General Fund contingency, consisting of approximately one percent of budgeted revenues, to be used at the discretion of the President and Executive Team.

**Adopted Budget:** The total spending level for the year, based on estimates, that has been set by the Board of Education

**Appropriation:** Based on the adopted budget, an authorization from the Board of Education to make expenditures and incur obligations for specific purposes. The appropriation is limited to a single fiscal year.

**Approved Budget:** The budget that has been approved by the Budget Committee and sent to the Board of Education for adoption.

**Assessed Value:** Valuation set on real estate or personal property by the Property Appraiser as a basis for levying taxes.

**Balanced Budget:** A budget whereby operating expenditures do not exceed resources. See Board Policy E.010.

**Biennium:** A two-year [budget] period.

**Beginning Fund Balance:** The amount remaining after accounting for the previous year's revenues less the previous year's expenses.

**Board Contingency:** General Fund contingency, consisting of approximately one-half percent of budgeted revenues, to be used at the discretion of the Board of Education.

**Board of Education:** Committee of seven elected, unpaid citizens whose primary authority is to establish policies governing the operation of the College and to adopt the College Budget.

**Budget:** A written report showing a comprehensive financial plan for one fiscal year.

**Budget Committee:** The fiscal planning board, consisting of the Board of Education plus an equal number of citizens at large from the College District.

**Budget Message:** An explanation of the budget and financial priorities, presented in writing by the Budget Officer as part of the budget document.

**Budget Officer:** Person appointed by the Board of Education to oversee the budget process.

**Capital Expenditure:** An expenditure for an item with cost exceeding \$5,000.

**Capital Outlay:** An expense classification that includes acquisition of land, buildings, improvements, machinery, and equipment.

**Capital Projects Fund (IV):** Budget fund used for the acquisition of land, new construction, major remodeling projects, and major equipment purchases.

**Capital Reserve Fund:** A separate fund within the Capital Projects Fund IV used for planned and unplanned maintenance, repair and replacement of capital and technological equipment.

**College District:** The College's service area, which encompasses a 5,000 square mile area in Lane County and parts of Linn and Douglas County.

**Contingency:** A budget account (not for expenditures) to provide for unanticipated occurrences, or funds to be held for future distribution. This function may also be used to provide expenditure authority for obligations created but not expended in previous years.

**Debt Service:** A special expense classification for repayment of principle and interest on bonds, interest-bearing warrants, and short-term loans.

**Debt Service Fund (III):** Budget fund for accounting for general long-term debt, principal, and interest.

**Differential Pricing:** Additional fees based on class clock hours for certain Professional/Technical courses.

**Ending Fund Balance:** The beginning fund balance plus current year revenues, less current year expenditures.

**Endowment Fund (X):** Budget fund used to account for gifts and bequests for the benefit of the College.

**Enterprise Fund (VI):** Budget fund for activities that furnish goods or services to students, staff or the public, for which charges or fees are assessed that are directly related to the cost of the good or service provided.

**Expenditure:** An amount of money, cash or checks actually paid or obligated for payment due to the purchase of goods and services, the payment of salaries and benefits, and the payment of debt service.

**Financial Aid Fund (V):** Budget fund used for the provision of grants, stipends, and other aid to enrolled students.

**Fiscal Year:** The twelve-month financial period used by the College, which begins July 1 and ends June 30.

**FTE:** See Full-Time Equivalent

**Full-Time Equivalent (FTE):** The equivalent of a full-time employee or student. For example, two half-time employees equal one FTE employee.

**Fund:** A division in a budget segregating independent fiscal and accounting requirements. An entity within a financial plan designed to carry on specific activities or to reach certain objectives.

**Fund Balance:** The excess of a fund's assets over liabilities.

**FY:** See Fiscal Year

**FY06:** Fiscal Year running from July 1, 2005 to June 30, 2006.

**General Fund (I):** The primary operating fund of the College, that includes all activities directly related to the College's basic educational objectives.

**GFOA:** See Government Finance Officers Association.

#### **Government Finance Officers**

**Association:** The professional association of state/provincial and local finance officers in the United States and Canada.

**Interfund Transfer:** An amount to be given as a resource to another fund in the budget.

**Internal Service Fund (II):** Budget fund for functions that exist primarily to provide goods and services to other instructional and administrative units of the College.

**Mandatory Adjustments:** Adjustments for expenditures that are primarily beyond the control of the College, such as facilities leases, utilities, insurance premiums and maintenance contracts.

**Materials and Services:** An expense classification that includes contractual and other services, materials, supplies, and other charges.

**Modified Accrual Basis:** Basis of accounting under which revenues are recorded when they become measurable and

available. Expenditures are recorded when the liability is incurred, except for interest on general long-term obligations, which are recorded when due.

**Non-Recurring Resources:** Resources (revenues) that are not part of an annual revenue stream to include: fund balances, reserves, one-time grants and awards, and special allocations.

**OAR:** See Oregon Administrative Rules.

**OPE:** See Other Payroll Expenses

**Oregon Administrative Rules:** A compilation of state agency rules and procedures.

**Oregon Public Employees Retirement System (PERS):** Retirement system provided by the State of Oregon for all public employees.

**Organizational Unit:** Functional unit of the College.

**Other Payroll Expenses (OPE):** An expense classification that includes the costs of social security, PERS, medical insurance, and other fringe benefits and payroll-related items accruing to an employee.

**PERS:** see Oregon Public Employees Retirement System.

**Personal Services:** An expense classification that includes all salaries and wages and other payroll expenses (OPE) associated with these expenditures.

**Proposed Budget:** Financial and operating plan prepared by the Budget Officer, submitted to the public and Budget Committee for review.

**Quasi-Endowment Fund:** See Endowment Fund.

**Resolution:** An order of the Board of Education.

**Resources:** Estimated beginning fund balances on hand plus all anticipated revenues and transfers.

**Requirement:** A use of funds or expenditure.

**Revenue:** Monies received or anticipated.

**Salary Provision Budget:** Contingency budget used to cover employee compensation increases during the fiscal year. The funds in this budget are distributed to departments as compensation packages are finalized.

**Special Revenue Fund (VIII):** Budget fund that accounts for revenues that are legally restricted to expenditures for specific purposes, such as federal grants and contracts.

**Special Revenue- Administratively Restricted Fund (IX):** Budget fund for programs where monies are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically-assessed tuition and fees, or through other revenue-generating activities.

**Stabilization Reserve Fund:** A separate fund, established at the request of the Board of Education, for the purpose of providing short-term stabilization in anticipation of possible shortfalls in revenue.

**Total Public Resources:** Revenue received from State funding as appropriated by the legislature and local property taxes as assessed by the counties.

**UAL:** See Unfunded Actuarial Liability

**Unappropriated Ending Fund Balance (UEFB):** A special amount set aside in a budget for use as a resource in the beginning of the next fiscal year after it was budgeted.

**Unfunded Actuarial Liability:** Amount PERS has determined to be owed by participating governments to fully fund the retirement system.