

Glossary

Adaptation, adapt <i>(in facilities)</i>	Changes to the interior arrangements or other physical characteristics of a facility or permanent installation of equipment enabling a building to be better used for its current purpose or adapted to a new one. Adaptation can include code compliance.
Allocation	Allocations refer specifically to revenues. An allocation is a cash transfer of either Lottery or Criminal Fine Account (CFA) funds to an agency by the Legislature. Allocated funds cannot be spent without expenditure limitation.
Allotment	An allotment is an agency's plan of estimated expenditures, revenues, cash disbursements, and cash receipts for each month of the biennium. It is used to monitor quarterly spending of an agency. Agencies must submit their allotment to the Department of Administrative Services each quarter for review. Upon approval, the requested funds are made available to the agency.
Analyst	The Department of Administrative Services Chief Financial Office (Budget and Management section) analyst assigned to an agency.
Appropriated Funds	A coding structure that reflects revenues and expenditures by funding source and purpose.
Appropriation	An amount of money from the General Fund approved by the Legislature for a certain purpose.
Approved Spending Level	The actual amount of spending authority an agency has for a particular budget cycle. Typically, this is called the legislatively approved budget; however, the Governor may lower the General Fund amount that can be spent if the revenue forecast falls to the point of putting the state in a deficit situation. In that case, the Governor does not actually reduce the statutorily approved amounts, but simply reduces the amount that agencies will be allowed to spend. The approved spending level is the amount approved by the Legislature, less any allotment reductions implemented by the Governor to balance the budget.
Article XI-Q Bond	A bond authorized to be issued to finance real and personal property owned or operated by the state. Article XI-Q bonds, for which enabling legislation was approved in 2011, have replaced Certificates of Participation (COPs) for financing projects.
Authorization	The substantive legislation establishes the purpose and guidelines for a given activity and usually sets a limit on the amount that can be appropriated or spent. The authorization does not provide actual dollars for a program.
Backfill	One-time funds used to replace discretionary funding in an agency's budget. These are typically Other or Federal Funds used to replace General or Lottery Funds. They are used extensively when General and Lottery Funds are at a premium and continue programs, which would otherwise be eliminated. While one-time funds continue the program for a certain period, the program must then revert to the original funding source once the "backfilled" funds go away.
Base Budget	The starting point for budgeting. To budget for the upcoming biennium, the base budget begins with the current biennium Legislatively Adopted Budget (LAB). The LAB is adjusted for Emergency Board, February even-year session, special session, and

administrative actions through a designated date in the current biennium, and personal services changes from Oregon's Position Information Control System (ORPICS). The result is the base budget.

Biennium	A period of two fiscal years. Oregon state government's biennium runs from July 1 of an odd-numbered year through June 30 of the next odd-numbered year. Regular sessions convene twice per biennium: for 160 days in the odd-numbered year, and 35 days in the even-numbered year.
Bond	A debt instrument issued through a formal legal procedure and secured either by the pledge of specific properties or revenues or by the general credit of the state.
Budget Document	The detailed material prepared by agencies as directed by the Department of Administrative Services Chief Financial Office for all phases of budget development.
Budget Note	Included in a Budget Report, it is a formal directive to a state agency expressing legislative intent for a particular budget issue. A budget note is technical in nature, directing an agency to take administrative and managerial action relating to the agency's execution of its biennial budget. A budget note is of limited scope, not intended to circumvent, supplant, or replace other substantive or policy measures or law. The directive of a budget note typically expires at the end of the biennium for which it pertains. Budget notes are neither required nor necessary for every Ways and Means measure.
Budget Report	An official report on any bill approved by the Joint Committee on Ways and Means that appropriates General Fund or establishes expenditure limitation for Lottery Funds, Other Funds, and Federal Funds. The report summarizes any discussion by the Committee and contains the recommendations to the Legislature on the bill. In addition to the recommended expenditures and revenues, it also lists the recommended number of positions and full-time equivalent positions.
Capital Assets	Tangible or intangible assets held and used in state operations which have a service life of more than one year and meet the state's capitalization policy. Capital assets of the state include land, infrastructure, improvements to land, buildings, leasehold improvements, vehicles, furnishings, equipment, collections, and all other tangible and intangible assets that are used in state operations.
Capital Outlay	Expenditures for the acquisition or major repair of fixed assets intended to benefit future periods. As an expenditure category, capital outlay is limited to items that: (i) are not consumed in the usual course of agency operations; (ii) can normally be used more than once; (iii) have a useful life of more than two years and, (iv) have an initial value of \$5,000 or more.
Certificates of Participation (COP's)	A financing agreement used to finance real and personal property owned and operated by the state. Article XI-Q bonds have replaced COPs for financing projects.
Cross Reference Number	A computerized table in ORBITS that specifies the organizational structure under which an agency builds and presents its budget. A Summary Cross Reference (SCR) is a program unit and is composed of two or more Detail Cross References (DCRs).
Construction	Building, installing, or assembling a new structure. Adding to, expanding, altering, converting, or replacing a structure. Moving a structure to a new location. Includes site preparation and equipment installed and made part of the structure.

Construction Costs	Direct costs, including labor, materials, and equipment rental. For total related costs, see <i>Project Costs</i> .
Current Service Level	A projected expenditure level representing the estimated cost of providing currently authorized services in the ensuing biennium. It is calculated using current appropriations, the bow wave of legislative intentions assumed in existing appropriations (costs or savings), Emergency Board actions through May and adjustments for trends in entitlement caseload/enrollment, inflation and other mandatory expenses, less one-time costs, program phase-outs and pilot programs. This number establishes a theoretical base from which changes are made to create a new budget.
Debt Service	Expenditures for principal, interest, discounts, and premiums related to payment of state debt.
Deferred Maintenance	Facilities Maintenance that was not performed when it should have been or a backlog of activities that agencies deem necessary to bring facilities into good repair. Deferred maintenance is generally work that is left undone due to the lack of resources or perceived lower priority than projects funded. Failure to perform deferred work may result in the progressive deterioration of the facility condition or performance, and if not addressed, will significantly increase restoration cost. It may also include maintenance needs resulting from unforeseen circumstances such as wind storms, premature failure of facilities components, etc.
Emergency Board	The legislative committee with constitutional and statutory authority to make fiscal decisions for the legislature when the legislature is not in session.
Emergency Fund	A fund from which the Emergency Board can provide General Fund appropriations to agencies for needs that arise after their budget is approved, or for programs approved but not funded during the legislative session.
Essential Package	A package to adjust the base budget, not to request new programs or expansions. Essential Packages may adjust for one-time costs, programs phased in or out, vacancy factors, non-ORPICS Personal Services costs, inflation, price list cost changes, fund shifts, and mandated caseload changes. An agency's base budget, plus essential packages, is its current service level.
Executive Branch	The branch of state government that carries out and enforces state laws. In common use, refers to all of state government outside the Legislative Branch and the Judicial Branch. Sometimes refers only to the governor and agencies that answer directly to the governor. Rarely used in statute. The state constitution actually names four "departments": the Executive, Administrative, Judicial, and Legislative.
Executive Service	Commonly used for certain unclassified or exempt employees. Most are department heads, administrators, and deputies; their executive assistants; and certain principal assistants.
Expenditures	Decreases in net current financial resources. Expenditures include disbursements and accruals for the current period. Encumbrances are not included.
Expenditure Limitation	A spending limit set by the legislature identifying the maximum amount of Lottery Funds, Other Funds, or Federal Funds an agency may spend. Defined in an agency's budget. If an

agency receives more Other Funds or Federal Funds than the Legislature approved them to spend, they must obtain an increase in their expenditure limitation from the Legislature or the Emergency Board in order to spend the revenue.

Facility	A building or structure, including utility and other support systems. A real property improvement. A campus or group of structures. See <i>Real Property Improvements</i> .
Emergency Board	The joint committee of Senators and Representatives that meets during the interim periods to address state fiscal and budgetary matters.
Federal Funds	Money a state agency receives directly from the federal government. It is spent under a Federal Funds expenditure limitation or as Nonlimited Federal Funds.
Fee	A fee is a charge, fixed by law, for the benefit of a service or to cover the cost of a regulatory program or the costs of administering a program for which the fee payer benefits. For example, professional license fees which cover the cost of administering and regulating that category of professions are fees. Other charges that are categorized as fees include tolls and tuition. Fees must be authorized in statute. The Legislature may set the rates in statute or authorize a state agency to set rates using administrative procedures.
Financing Agreement	Any agreement to finance real or personal property, which is or will be owned and operated by an agency. Includes lease-purchase, installment sale, or loan agreements and Certificates of Participation.
Fiscal Year	The state government fiscal year runs from July 1 of one calendar year to June 30 of the next. See <i>Biennium</i> .
Full-Time Equivalent (FTE)	The standard unit for budgeting positions. An FTE is the number of months in the biennium for which the position is budgeted, divided by 24. One FTE equals one full-time position budgeted for the entire biennium. A permanent, part-time position budgeted for 12 months is 0.50 FTE. A full-time, limited duration position phased in 6 months after the start of the biennium (or budgeted for 18 months) is 0.75 FTE.
General Fund	Money available for the state budget that is not dedicated to a specific agency or purpose and that can be used for general purposes of state government. Most General Fund money in Oregon derives from personal and corporate income taxes. Some revenue from liquor, cigarettes, and other sources also go into the General Fund. See <i>Appropriation</i> .
Governor's Budget	The constitutionally required budget recommended to the legislature by the Governor. The Governor first reviews and decides on agencies' requests for funding. The Governor's Budget must be submitted by December 1 of even-numbered years. A newly elected Governor has until the following February 1 to publish a budget.
Interagency Transfer	A transfer of funds between agencies. Agencies must balance all interagency transfers before requesting an ORBITS audit.
Joint Committee on Ways and Means	A standing committee of senators and representatives appointed by their presiding officers. The Committee reviews the management and recommended budgets of entities that receive or administer state funds. It recommends the amounts of revenues and expenditures for the legislatures approved budget.

Judicial Branch	The branch of state government that interprets all state laws. Includes state courts. The Chief Justice of the Supreme Court is the chief executive of the branch.
Legislative Branch	The Legislative Assembly and its staff. The branch of state government that enacts state laws, grants agencies statutory powers and duties, and adopts the state budget. The Legislative Branch in Oregon consists of a Senate with 30 elected members and a House of Representatives with 60 elected members.
Legislative Fiscal Office	Analyzes and presents a wide range of budget and related data on state programs to the legislature. Staff to the Joint Committee on Ways and Means, the Joint Legislative Audit Committee, the Joint Legislative Committee on Information Management and Technology, and the state Emergency Board.
Legislative Concept	Relating to an agency or statute. Major or minor policy and program changes and non-policy technical adjustments or corrections to the current Oregon Revised Statutes. Approved concepts are sent to Legislative Counsel for bill drafting.
Legislative Session	The Legislative Assembly convenes annually in February. Sessions may not exceed 160 days in odd-numbered years and 35 days in even-numbered years. Five-day extensions are allowed by a two-thirds vote in each house. Special sessions can occur at other times.
Legislatively Adopted Budget	The budget approved by the legislature during the regular legislative session. It sets maximum spending and staffing levels. It can be modified by actions of the Emergency Board or special sessions.
Legislatively Approved Budget	The legislatively adopted budget as modified by Emergency Board or other legislative action.
Lottery Funds	Money received by a state agency from lottery proceeds. The Legislature decides how much to provide and for what purpose. The state constitution restricts use of these funds. Lottery Funds include any of the following: (1) funds allocated to an agency by the legislature as Lottery Funds; (2) Lottery Funds revenue transfers between agencies, i.e., Lottery Funds transferred by an agency must be received by the receiving agency as Lottery Funds; (3) all interest earned on Lottery Funds while held by an agency. Lottery Funds lose their identity, for budget purposes, when expended. Ballot Measure 66 requires that certain Lottery Funded agencies track and report Lottery Funds expenditures at a more detailed level.
Maintenance	Keeping property in good operating condition. Does not add value to or extend the economic life of a property. Commonly includes inspecting, calibrating, lubricating, and cleaning. Maintenance costs are categorized as Services and Supplies expenditures.
Maintenance of Effort	A requirement contained in certain legislation, regulations, or administrative policies that a recipient must maintain a specified level of financial effort in the area for which federal funds will be provided in order to receive federal grant funds. This requirement is usually given in terms of a previous base-year dollar amount.
Management Service	Supervisory, confidential, or managerial employees excluded from collective bargaining.
Modified Current Service Level	Current service level less adjustment for revenue reductions.

Non-add Expenditures

Generally, these are inter-agency and intra-agency expenditures that fund administrative functions and are paid for by other programs. This results in a double count in total statewide expenditures. While the expenditures are included for both programs for reporting purposes, the non-add expenditures are usually shown as an informational tool to indicate where the budget contains expenditures that are counted twice. Many of the programs at the Department of Administrative Services (DAS) are considered non-add because they assess agencies for the costs of the programs. The agency shows an expenditure to DAS for their services and DAS then has expenditures to provide those services.

Nonlimited Expenditures

Expenditures for which the legislature defines purposes but sets no dollar limits. They are subject to allotment control and the appropriation bill defines their allowed purposes. These expenditures can only be supported by Other and Federal Funds and revenue may be continuously appropriated for them. The expenditures are for programs that have a single source of revenue and support programs that have expenditures that are often outside of the agency's control, as other factors often limit their ultimate costs.

An example would be Unemployment Insurance during the 2019-21 biennium. Nonlimited expenditure limitation for the Oregon Employment Department was increased by almost \$3.3 billion from the adopted budget because of federal legislation and the economic situation. The Department was able to increase its limitation and pass those payments through without having to wait for a legislative hearing.

Other Payroll Expenses (OPE)

Expenses other than salaries paid for state employees. These include retirement payments, Social Security taxes, and health insurance costs.

ORBITS

Oregon's Budget Information Tracking System (ORBITS) is a system used to prepare budget requests. It compiles, maintains, and reports revenue, expenditure, and position data for budget preparation and execution.

ORPICS

Oregon's Position Information Control System (ORPICS) is a system used to establish and maintain budgeted positions and related expenditures at the detail level. This information is summarized and added into ORBITS for use in budget preparation and execution actions.

Other Funds

Money received by state agencies that does not come from the General Fund or from the federal government. Other Funds come from sources such as gasoline taxes, driver licenses fees, and fishing license fees. Other Funds may be dedicated, requiring the revenue to be spent for specific purposes. Examples of dedicated funds are park user fees dedicated to park programs and gasoline taxes dedicated to highway programs.

Package

A component of a program unit that presents proposed budget, policy, and program changes for an agency. The two types are essential and policy packages.

Pass-through Expenditures

Expenditures that are not directly for state use. While an agency has an appropriation or limitation for a particular program, the funds may be "passed through" to non-state entities. Some examples include funding for education programs such as the State School Fund, Community Colleges, and Higher Education, as well as many social programs that provide cash and food assistance.

Personal Services	Employee gross compensation (salary, pay differentials, other payroll expenses). Includes state temporary personnel services.
Planning Study <i>(in capital budgeting)</i>	Provides enough data for full project development. Normally includes siting, feasibility, and preliminary design studies. Includes cost estimates and all else that is needed to do a capital project budget request.
Policy Package	<p>A package that presents policy and program changes above or below the agency's current service level budget. An agency's total budget is the sum of its base budget, essential packages, and policy packages. Examples of a policy package could include:</p> <ul style="list-style-type: none"> • Forming new programs or expanding existing programs. • Reducing or ending programs. • Requesting enhanced funding for existing programs. • Transfer Programs between agencies (if not previously approved) • Shifting from one fund source to another. • Establishing or increasing fees. • Implementing a reorganization of an agency. • Funding of legislative concepts. • Proposing Capital Construction Projects
Price List of Goods and Services	Identifies projected state assessments and user fees. Compiled for budgeting by the Department of Administrative Services (DAS). Includes assessments and fees of DAS, Department of Justice, Correction Industries, Secretary of State, Treasurer of State, and Central Government Services (certain costs of the legislative assembly, Legislative Fiscal Office, Legislative Council, and Governor's Office). Also allocates other shared statewide costs for services of the PEBB Employee Assistance Program, State Library, Law Library, Government Ethics Commission, and Capitol Mall security functions.
Program Unit	A budget structure containing similar services or functions for deliberation of major policy issues and budget information. Agency activities may be grouped into one or more program units.
Project Costs <i>(in capital budgeting)</i>	The total of all necessary costs to construct the complete facility. Includes site acquisition, direct construction costs, furnishings, equipment, and contingencies allowance. Includes all indirect costs, such as design consultants, material testing services, special inspection services, project management, One Percent for Art, and others.
Real Property Improvements	Property that is fixed, immovable, and permanent. Real property includes land, structures affixed to the land, property affixed to the structures, and in some cases, trees etc., growing on the land. Includes sidewalks, landscaping, drives, tunnels, drains and sewers.
Rebalance	Sometimes it becomes necessary to realign budgets during the biennium. Because appropriations and limitations are specified in statute, legislative action is needed to rebalance the budget. A rebalance can be done on a statewide basis (usually when revenues are below forecast) or can be done at the agency level. In either case, the term generally refers to the increases and decreases necessary to better align the budget with the expected needs.
Reclassification	A change in position classification because duties, authority, and responsibilities are significantly changed, but the required knowledge and skills remain similar.

Revenues	Cash receipts and receivables of a governmental unit derived from taxes and other sources.
Repairs	Work done to restore worn or damaged property to normal operating condition. Repairs are usually Services and Supplies expenditures.
Replacement <i>(in capital budgeting)</i>	Putting one facility component in place of another to gain equal or greater performance or economy or to comply with codes. It performs the same function. Usually required by wear or by accidental damage.
Roll-up Costs	<p>The full costs associated with expenditures that were not fully charged in the previous biennium. Typically, these are personal services and debt service costs that are implemented as the biennium progresses. Increases in salary and/or benefits are usually phased-in during the biennium as part of a collective bargaining agreement. Debt is usually issued during the biennium. Many times, it is issued late in the biennium to minimize the costs for that period.</p> <p>During the following biennium, the full 24-month costs for both categories need to be accounted for. The additional amount is considered the roll-up cost. While roll-up costs are usually associated with personal services and debt service costs, they also apply to any program costs that were implemented in the middle of the biennium.</p>
Salary Adjustment Allocations	Money or limitation allocated by the Emergency Board to fund approved compensation plan increases.
Services and Supplies	Expenditures for business operations. Examples include personal service contracts, consumable materials, publishing, office supplies, travel, utilities, rent, and maintenance and repair of equipment and buildings.
Space Planning	Analyzing workflow, space, and equipment needs of work units to plan efficient equipment, furnishings, and support systems.
Special Payments	Budgeted transfers and payments where goods and services are not received in return. Paying out contributions, loans, deposits, or collections. Also, paying federal or state funds to eligible people, cities, counties, quasi-public agencies, and others.
Special Purpose Appropriation	A General Fund appropriation to the Emergency Board for a specific purpose. When the appropriation is established, it states the agency and specific purpose for the funds. The Emergency Board can only allocate funds to that agency and for that purpose. There is also an expiration date for the appropriation. After that date, any remaining funds become available for any purpose for which the Emergency Board may lawfully allocate funds.
Special Session	Meeting of the Legislature between regularly scheduled sessions. May be called by the Governor or the Legislature.
State Agency or Agency	Variouly defined in state statutes. Commonly, a department, office, board, or commission created by state law to carry out duties assigned by law. Agencies range in size from thousands of employees with billion dollar budgets to one employee with a tiny budget. They are funded by license and user fees, state and federal taxes, fines, and fees for service. Some agencies report to a board or commission.

Tentative Budget

A document that is used to estimate the state's relative fiscal position for the coming two-year budget period, assuming the continuation of all current law programs and services.

Unfunded Mandate

A requirement that a lower level of government provides a program or performs an activity within existing resources. Under a federal mandate, the federal government may require a state or local government to provide a service and not provide additional federal funding to pay for it. Under a state mandate, the state may require a local government to provide a service. However, under the Oregon Constitution, a local government is not required to comply with certain new state mandates unless the state pays the costs of the new services. The Constitution provides exceptions.

Vacancy Factor

A calculation to project budget savings expected from staff turnover during the biennium.