

Glossary

A list of commonly used accounting and budget terms

Adjusted Budget: In financial tables, the "Current Budget" is the current year adopted budget plus any board resolutions and additional supplemental budgets.

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.

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

Biennium: A two-year [budget] period.

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.

Bond: A debt investment with which the investor loans money to an entity (company or government) that borrows the funds for a defined period of time at a specified interest rate.

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 College President as part of the budget document.

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



Budget Transfer: Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

Capital Expenditure: An expenditure for a single item with cost exceeding \$5,000 and an estimated useful life of three or more years.

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

College Council: The college's main planning and policy body.

College District: The college's service area, which encompasses a 5,000 square mile area in Douglas County.

College Support Services: Expense function covering activities that support the ongoing operations of the college, including physical plant operations.

Community Services: Expense function covering non-instructional activities provided to external groups.

Consumer Price Index: A measure estimating the average price of consumer goods and services purchased by households.

Contingency: A budget account to provide for unanticipated occurrences, or funds to be held for future distribution.

Debt Service: Expenditure category for repayment of principle and interest on bonds, interest-bearing warrants, and short-term loans.

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

Deferred Maintenance: The practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and personal property (i.e. machinery) in order to save costs, meet budget funding levels, or realign available budget monies.

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

Enterprise Fund: 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.

Fees: Revenue generated from assessing fees for non-instructional expenses.



Financial Aid: Expense function for student loans, grants and stipends.

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

Fiscal Year (FY) (FYxxxx): The twelve-month financial period used by the college, which begins July 1 and ends June 30.

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 the budget segregating independent fiscal and accounting requirements.

Fund Balance: The excess of a fund's revenues over expenditures.

Fund Type: One of nine fund types: General, special revenue, financial aid, capital projects, debt service, insurance, enterprise, internal service and student club.

General Fund: The primary operating fund of the college, that includes activities directly related to the college's basic educational objectives.

Generally Accepted Accounting Principles (GAAP): A widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board.

Government Finance Officers Association (GFOA): The professional association of state/provincial and local finance officers in the United States and Canada.

Grant: A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function, or general purpose.

Higher Education Price Index (HEPI): Inflation index designed specifically for higher education. A more accurate economic indicator for colleges and universities than the CPI.

Instruction: Expense function covering all activities related to instructional programs.

Instructional Fees: Revenue generated by assessing students for course-related expenses.

Instructional Support: Expense function covering activities that provide integral support services to instructional programs.

Insurance Fund: Budget fund for self-funded insurance obligations.



Interest Income: Revenue generated from investment of operating capital in excess of daily requirements.

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

Intergovernmental [Resource]: Total public resources that include State and Federal funds and local property taxes.

Internal Service Fund: Budget fund for functions that exist primarily to provide goods and services to other instructional and administrative units of the college.

Materials and Services (M&S): An expenditure category 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 is 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.

Oregon Administrative Rules (OAR): 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.

Oregon Revised Statutes (ORS): The codified laws of the State of Oregon. The ORS is published every two years to incorporate each legislative session's new laws.

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

Other Resources: Revenue generated from various activities such as finance charges, sale of equipment, enforcement fees and other nominal, one-time miscellaneous amounts.

PERS: see Oregon Public Employees Retirement System.

Personal Services: An expenditure category that includes salaries and wages and other payroll expenses (OPE).

Plant Operations and Maintenance: Expense function covering the operation and maintenance of the physical plant, including grounds, facilities, and utilities.



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

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.

Sale of Goods and Services: Revenue generated from the college's enterprise and special revenue activities.

Senior Leadership Team: The college's administrative leadership team, comprised of the president, vice presidents, chief officers, and deans, as well as invited participants.

Special Revenue Fund: 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: 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.

Student Club Fund: Budget fund used for on campus student organizations.

Student Services: Expense function covering activities to support students' success and development.

Transfers Out: An expenditure category that includes resource funding for specific purposes.

Tuition: Revenue generated by assessing students per-credit-hour rates.

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 (UAL): Amount PERS has determined to be owed by participating governments to fully fund the retirement system.