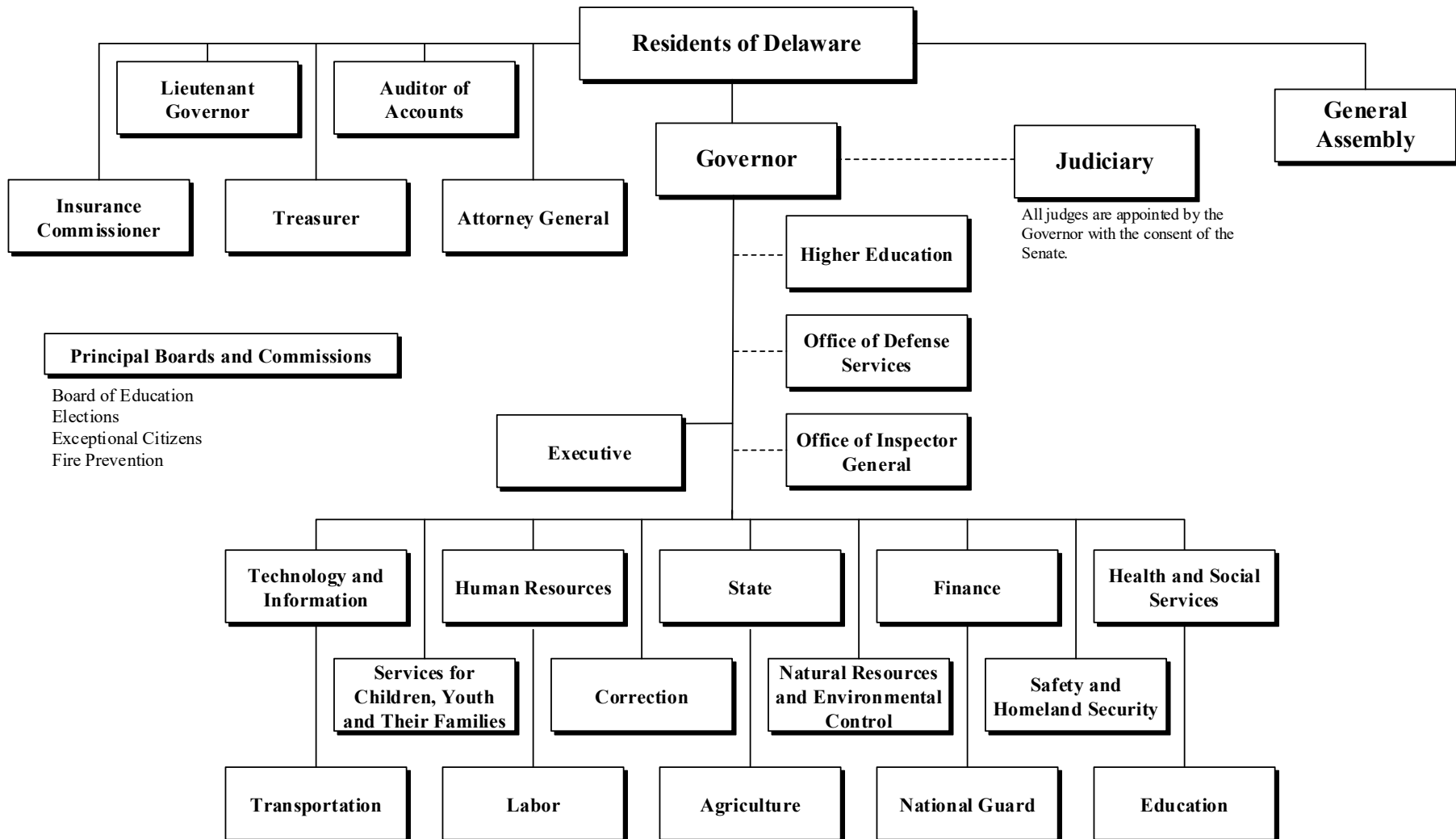
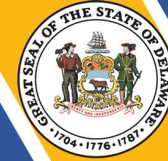
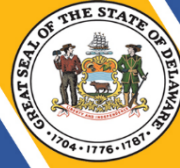


State of Delaware Organizational Chart



Definition of Budgetary Terms



Agency - Any board, department, bureau or commission of the State that receives an appropriation under the Appropriations Act of the General Assembly.

Appropriated Special Funds (ASF) - A type of funding appropriated in the Budget Act. Revenue generated by fees for specific, self-sufficient programs.

Appropriation Limits - The amount the legislature is allowed to authorize for spending.

- **Operating Budget** - The State Constitution limits annual appropriations to 98 percent of estimated General Fund (GF) revenue plus the unencumbered GF balance from the previous fiscal year. To appropriate more than the 98 percent, the legislature must declare an emergency.

- **Capital Budget** - Legislation sets three criteria. (See Debt Limit).

Appropriation Unit (APU) - Major subdivision within a department/agency comprised of one or more Internal Program Units.

Bond and Capital Improvements Act (Bond Bill) - Legislation that is introduced and passed by the General Assembly for the State's capital budget. This bill appropriates money for items that have at least a 10-year life, including construction of buildings, land acquisitions, water and wastewater infrastructure, drainage projects, etc.

Budget Act - Legislation that is introduced and passed by the General Assembly for the State's operating budget. This bill appropriates money for personnel costs, travel, contractual services, debt service, energy, etc. The General Assembly appropriates GF, ASF and Trust Fund Operating (TFO) dollars; and GF, ASF, TFO, Trust Fund Capital (TFC) and Non-Appropriated Special Fund (NSF) positions.

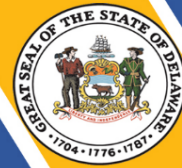
Budget Request - A series of documents that an agency submits to the Office of Management and Budget (OMB) and the Controller General's Office outlining the funding and positions requested for the next fiscal year.

Budget Reserve Account - Within 45 days after the end of any fiscal year, the excess of any unencumbered funds remaining from said fiscal year shall be paid by the Secretary of Finance into the Budget Reserve Account; however, no such payment will be made that would increase the total of the Budget Reserve Account to more than 5 percent of only the estimated GF revenue. The General Assembly by three-fifths vote of the members elected to each House may appropriate from the Budget Reserve Account additional sums as may be necessary to fund any unanticipated deficit in any given fiscal year or to provide funds required as a result of any revenue reduction enacted by the General Assembly.

CIP - Capital Improvement Plan.

Continuing Appropriations - Unexpended funds that do not revert to the GF through legislative action at the close of the fiscal year, but remain available in the agencies for expenditure in the following fiscal year.

Definition of Budgetary Terms



Debt Limit - The General Assembly passed legislation to set a three-part debt limit for the State:

1. The amount of new “tax-supported obligations of the State” that may be authorized in one fiscal year may not exceed 5 percent of the estimated net GF revenue for that year.
2. No “tax-supported obligations of the State” and no “Transportation Trust Fund (TTF) debt obligations” may be incurred if the aggregate maximum annual payments on all such outstanding obligations exceed 15 percent of the estimated GF and TTF revenue.
3. No general obligation debt may be incurred if the maximum annual debt service payable in any fiscal year on all such outstanding obligations will exceed the estimated cumulative cash balances.

Debt Service - The amount of principal and interest due on an annual basis to cover the cost of borrowing funds to finance capital improvements.

Delaware Economic and Financial Advisory Council (DEFAC) - Representatives from state government, the General Assembly, the business community and the academic community who forecast the State’s revenues and expenditures. The council meets five times per fiscal year. Appropriation limits are determined using DEFAC forecasts.

Delaware State Clearinghouse Committee (DSCC) - A committee established by statute to review and approve/disapprove federal grants and non-federal grants requested by state agencies (including higher education institutions) and, in some circumstances, federal grants requested by private agencies and local governmental entities.

Division - Major subdivision within a department/agency comprised of one or more budget units.

Enhancements - Dollar adjustments to an agency’s budget resulting from new programs/services, a planned expansion or improvement of current programs.

Epilogue - The section of an appropriations bill that provides instructions or guidance on funding, positions, reporting requirements, and the allocation of revenue and appropriated funds.

Federal Funds - Funds awarded to state agencies by the federal government through a grant application process at the federal level and the DSCC process at the state level.

First State Financials (FSF) - The web-based financial management and accounting system currently utilized by the State.

Fiscal Year (FY) - A 12-month period between settlement of financial accounts. The state fiscal year runs from July 1 through June 30. The federal fiscal year is October 1 through September 30.

FTE (Full-Time Equivalent) - A full-time position.

General Assembly - Legislative body comprised of the House of Representatives and the Senate. All members are elected. House members serve for two years and Senate members serve for four years.

Definition of Budgetary Terms



General Fund (GF) - Primary fund of the State. All tax and other fines, fees and permit proceeds are deposited here unless specific legislative authority has been granted to allow the revenue to be deposited in another fund.

Governor's Recommended Budget (GRB) - The Governor's recommendations presented to the General Assembly in late January.

Grants-in-Aid - Funds provided by the legislature to private non-profit agencies to supplement state services to the residents of Delaware. Also includes the state share of county paramedic programs.

Internal Program Unit (IPU) - Major subdivision within an Appropriation Unit. Key level for budget development and tracking.

Joint Finance Committee (JFC) - The Joint Finance Committee consists of the members of the House Appropriations and Senate Finance Committees. Pursuant to 29 Del. C. § 6336. JFC members meet jointly for the purpose of considering a budget proposal submitted by the Governor. Such meetings may require attendance of state agency heads who shall provide the committee with information explaining their budget requests and agency goals and objectives. JFC proposes a budget for consideration by the General Assembly.

Joint Committee on Capital Improvement (Bond Bill Committee) - The Joint Committee on Capital Improvement consists of members of the House and Senate. The Joint Committee meets to consider proposals for capital improvement projects submitted by the Governor. Such meetings may require attendance of state agency heads who shall provide the committee with information explaining their capital budget requests. The Joint Committee on the Capital Improvement Program proposes a capital budget for consideration by the General Assembly.

Non-Appropriated Special Funds (NSF) - Funds that are not appropriated by the legislature. Federal funds, school local funds, reimbursements and donations fall into this category.

One-Time Items - A non-recurring expenditure not built into an agency's base budget.

One-Time Supplemental Bill - Legislation that is introduced and passed by the General Assembly supplementing the State's operating budget with funding for non-recurring expenditures.

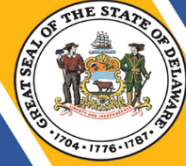
Payroll Human Resource Statewide Technology (PHRST) - Integrated application of the human resource, benefits and payroll function for the State of Delaware.

Performance Measures - Observable measures of a program's progress towards achieving its identified mission and key objectives.

Policy - A governing principle pertaining to goals or methods that involves value judgment.

Position - An aggregate of responsibilities and duties, filled or vacant, that requires the services of an employee, part-time or full-time and which has been assigned to a job classification.

Definition of Budgetary Terms



Revenue - Income from taxes and other sources the State collects and receives into the treasury for public use.

Revenue Budgeting - A financial planning process that estimates the income to be realized from various sources for a specific period of time.

Service Level - The five funding categories (base, inflation and volume adjustments, structural changes, enhancements and one-times) by which agency budget requests are developed.

Solver Budget System - Solver is a cloud-based software as a service system built to meet the State of Delaware budgeting specifications.

Structural Changes - Change in the methods of service delivery or the organizational location of programs or services.

Transportation Trust Fund (TTF) - A fund to which all revenues dedicated to the Department of Transportation are deposited. The department uses this fund to cover operating and capital expenditures.

Twenty-First (21st) Century Fund - Fund created for deposit of proceeds from the Delaware v. New York decision. Monies are used to finance capital investment programs, including open space; farmland preservation; water/wastewater; park endowment; community redevelopment; neighborhood housing revitalization; educational technology; advanced technology centers; Diamond State Port Corporation; and resource, conservation and development projects.
