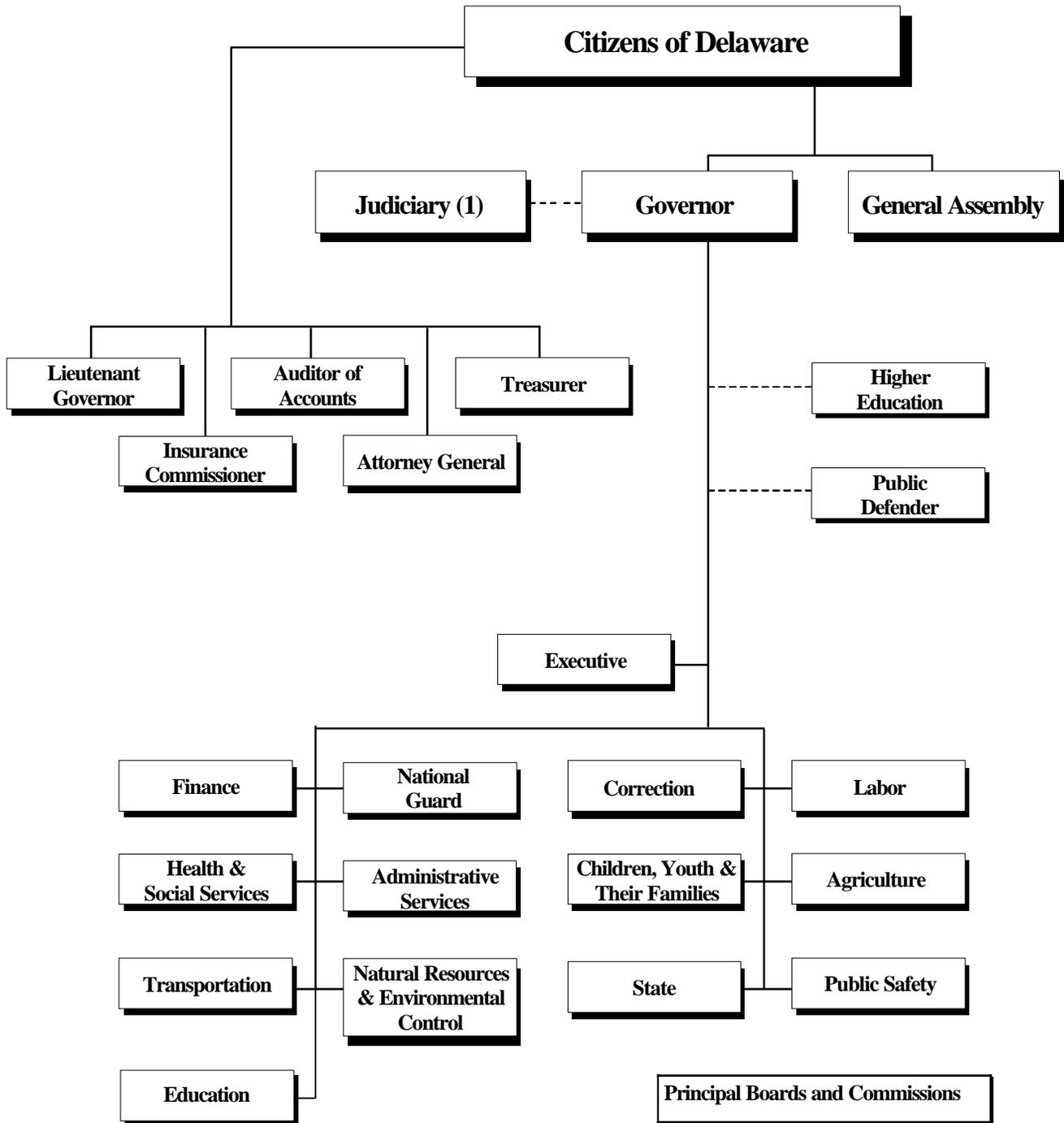


# STATE OF DELAWARE ORGANIZATION CHART



(1) Judiciary - All Judges are appointed by the Governor with the consent of the Senate.

- Board of Education
- Elections
- Exceptional Citizens
- Fire Prevention
- Parole



# THE DELAWARE BUDGET PROCESS

## BACKGROUND

In Fiscal Year 1988, the State launched the Strategic Planning and Budgeting Process (SPBP). The intent of the SPBP was, and continues to be, to: a) recognize the requisite linkages between proper strategic planning and appropriate budgeting; b) inject a programmatic focus to budgeting for the delivery of state services; c) promote participation in the budgetary process; and d) permit the execution of an outcome-oriented vision of the state's planned activities wherein the actual rendering of a budget is only one step in a series of steps in an integrated planning and budgeting process.

Significant features of strategic planning and budgeting include:

- 1) A heavy emphasis on a "front-end" planning process which encourages intra- and inter-departmental communication. Intra-departmental communication is facilitated through the creation of a department-level steering committee that coordinates and drives the planning and budgeting processes.
- 2) An opportunity for each department to re-evaluate whether it is organized in the most appropriate manner to effectively plan and implement programs and strategies and to change its structure if it is not.
- 3) An internal agency strategic planning process which includes the following steps:
  - ◆ Development of a mission statement that defines the business in which the agency is engaged and what purposes it wants to accomplish.
  - ◆ Environmental scan - a comprehensive assessment of the internal and external factors affecting the organization's mission.
  - ◆ Analysis of the major "stockholders;" i.e., individuals or organizations affected by what the organization does and how well it does it.

From this background, the agency develops:

- ◆ The key objectives which it will pursue in support of its mission. These objectives are written as qualitative or quantitative statements expanding on policy to describe in measurable and commonly understood terms what results the agency wants to achieve and in what time frame; and,

- ◆ The strategies, usually in the form of programs or initiatives, which will be carried out to achieve the key objectives. These strategies will become the basis for the agency's budget request.

- 4) The development of a systematic approach to monitoring progress toward the achievement of key objectives and feedback of information gained through such monitoring into the planning and budgeting process. The goals of this process are to improve accountability of managers and to enhance decision-making by providing information about which strategies work and which do not.

Under SPBP, departments are organized into three levels:

- 1) Department - same as currently constituted. Usually specified in the Delaware Code.
- 2) Appropriation Unit (APU) - major subdivision within a department or agency and comprised of one or more IPU's.
- 3) Internal Program Unit (IPU) - the smallest organizational level used for budget purposes; a key level for budget development and tracking; may approximate a "program."

## BUDGET PROCESS AND OUTPUTS

To support a more strategic view, the Governor's Recommended Budget contains Volume I which includes summary financial data but emphasizes the Governor's policy agenda and a narrative description of agencies and their programs. The format reflects the strategic direction of agencies. An important part of this effort is the requirement that all agencies craft a mission statement, key objectives and accomplishments (past and planned) from which performance can be measured.

All key activities must be identified and systematically analyzed. These activities may be programmatic or administrative in nature.

For Fiscal Year 1998, a new budgeting computer system was piloted, the Budget Development and Information System (BDIS). BDIS replaced an antiquated budgeting tool that was at the end of its useful life and very inflexible. The new system is a client-server application using a relational database. It allows greater flexibility in budgeting and more importantly, provides the tools necessary for improved analysis and the resultant increase in the efficiency of fund use.

# THE DELAWARE BUDGET PROCESS

The pilot agencies, Departments of Administrative Services, Services for Children Youth and Their Families, Correction, Transportation and Public Education, successfully utilized BDIS for their FY 1998 budget input. At the end of the FY 1998 budget request phase, all budget data for the remaining agencies, including all history, was transferred from BIS to the BDIS system. Beginning with the FY 1999 budget cycle that began July 1, 1997, BDIS was used on a statewide basis using personal computers through access to the State's wide area network.

The departmental sections in Volume I contain information categorized as follows:

- ◆ Organizational Chart
- ◆ Department Mission and Key Objectives
- ◆ Five-Year Bar Chart of Departmental Budget Act Appropriations
- ◆ Budget and Personnel Charts
- ◆ Governor's Recommended Operating Budget Highlights and Capital Budget Highlights
- ◆ Subordinate organization Mission, Key Objectives, Background and Accomplishments, Activities, Budget and Personnel Charts, and Performance Measures.

The **Organizational Chart, Department Mission and Key Objectives** are the highest levels of summarization for a department. It presents an organizational chart, a broad overview of the department's mission and key objectives and identifies significant issues and changes in operating methods. All subordinate organization objectives derive from, and contribute toward, the attainment of the departmental objectives. The Governor's Recommended Budget Highlights reflect significant funding or program recommendations.

The **Five-Year Bar Chart of Department Appropriations** provides Budget Act appropriations by funding type (General Fund (GF), Appropriated Special Fund (ASF), etc.) for the previous five fiscal years at a glance.

The **Budget and Personnel Charts** show by fund type the actual expenditures and positions for the previous fiscal year; the current fiscal year's budget appropriation and positions; and the Governor's recommended appropriation and positions for the next fiscal year.

The **Operating Budget Highlights** section identifies the Governor's major recommendations for operating

budget programs and issues with emphasis on items supporting his policy agenda.

The **Capital Budget Highlights** section identifies the Governor's major recommendations for transportation projects, and new or previously funded construction projects for state agencies. This section highlights funding to preserve and enhance Delaware's infrastructure and foster economic growth.

The subordinate organization **Mission, Key Objectives, Background and Accomplishments, Activities, Budget Chart, Personnel Chart and Performance Measures** provides the details necessary to understand the programs and services provided by the organization.

Volume II provides the detailed financial data for each agency to include history, requested funding and recommended funding. Detailed statewide financial statements are also included.

# FINANCIAL STATEMENTS

## FISCAL OVERVIEW (\$ Million)

	Fiscal Year 1997 Actual	Fiscal Year 1998 Estimated	Fiscal Year 1999 Projected
Revenue	\$ 1,779.2	\$ 1,940.7	\$ 1,985.4
<b>Appropriations</b>			
Budget	1,695.8	1,789.8	1,870.9
Grants	26.6	27.0	28.0
Supplementals			
-enacted	69.1	124.8	
-estimated			166.7
Total Appropriations	1,791.5	1,941.6	2,065.6
Continuing and Encumbered Appropriations (prior year)	181.3	183.7	164.8
<b>Total</b>	<b>1,972.8</b>	<b>2,125.3</b>	<b>2,230.4</b>
Less: C&E (Current Year)	(183.7)	(164.8)	(175.0)
Reversions	(23.4)	(19.1)	(12.5)
<b>Total Ordinary Expenditures</b>	<b>1,765.7</b>	<b>1,941.4</b>	<b>2,042.9</b>
<b>Balances:</b>			
Operating Balance	13.5	(0.7)	(57.5)
Prior Year Cash Balance	379.3	392.8	392.1
Cumulative Cash Balance	392.8	392.1	334.6
Less: C&E (Current Year)	(183.7)	(164.8)	(175.0)
Reserve	(92.9)	(100.9)	(107.7)
Unencumbered Cash Balance	116.1*	126.4	51.9
<b>Appropriation Limit</b>			
Cum. C/B (Prior Year)	379.3	392.8	392.1
Less: C&E (Prior Year)	(181.3)	(183.7)	(164.8)
Reserve (Prior Year)	(87.2)	(92.9)	(100.9)
Unencumbered Cash Balance	110.8	116.1*	126.4
+NFY Revenue	1,779.2	1,940.7	1,985.4
<b>Total (100% Limit)</b>	<b>1,890.0</b>	<b>2,056.8</b>	<b>2,111.8</b>
X 98% Limit	0.98	0.98	0.98
<b>APPROPRIATION LIMIT</b>	<b>\$ 1,852.2</b>	<b>\$ 2,015.7</b>	<b>\$ 2,069.6</b>

\* This figure is not the sum of the component factors due to the rounding of actual amounts.

# FINANCIAL STATEMENTS

## GENERAL FUND CASH POSITION FISCAL YEAR 1999 (Projected) (\$ Million)

### SOURCES OF FUNDS

*Beginning Cash Balance	\$	392.1	
** Revenue		1,985.4	
Total			\$ 2,377.5

### USES OF FUNDS

Expenditures			
Appropriations:			
Budget Act	\$	1,870.9	
Grants		28.0	
Supplemental		166.7	
Appropriations for Operating Expenses	\$	2,065.6	
Continuing & Encumbered (Prior Year)		164.8	
Subtotal	\$	2,230.4	
Less:			
Continuing & Encumbered (Current Year)		(175.0)	
Reversions		(12.5)	
Total Expenditures			2,042.9
Ending Cash Balance	\$		334.6
Projected Budget Reserve Requirement			(107.7)
Continuing & Encumbered Cash Requirement (Current Year)			(175.0)

UNENCUMBERED CASH BALANCE \$ 51.9

\* Reflects adjustment to 12/15/97 FY 1998 DEFAC revenue: (\$12.5) Personal Income Tax

\*\*Reflects adjustments to 12/15/97 FY 1999 DEFAC revenue: (\$51.1) Personal Income Tax; (\$2.3) Business & Occupational Gross Receipts Tax

# FINANCIAL STATEMENTS

## ACTUAL AND PROJECTED FUNDING SOURCES CAPITAL BUDGETS FOR FISCAL YEARS 1997-1999 (\$ Thousand)

SOURCE	Actual FY 1997	Actual FY 1998	Governor's Recommended FY 1999
<b>STATE CAPITAL PROJECTS (NON-TRANSPORTATION)</b>			
General Obligation Bonds	\$ 86,190.0	\$ 93,185.0	\$ 99,270.0
Deauthorization of IRBs	1,013.0	1,018.0	868.0
First State Improvement Fund	48.5	40.0	50.0
Reversions and Reprogramming	594.2	295.1	230.0
Stripper Well Funds	250.0	250.0	200.0
Bond Sale Interest	762.6	1,810.3	--
General Funds	<u>59,107.3</u>	<u>83,287.1</u>	<u>55,700.0</u>
<b>Sub-Total (Non Transportation):</b>	<b>\$ <u>147,965.6</u></b>	<b>\$ <u>179,885.5</u></b>	<b>\$ <u>156,318.0</u></b>
<b>TRANSPORTATION PROJECTS</b>			
Transportation Trust Fund	\$ 115,867.0	\$ 97,241.0	\$ 114,722.0
General Funds	--	26,500.0	7,000.0
Transportation Trust Fund - Reauthorization	<u>3,550.0</u>	<u>1,500.0</u>	<u>--</u>
<b>Sub-Total (Transportation):</b>	<b>\$ <u>119,417.0</u></b>	<b>\$ <u>125,241.0</u></b>	<b>\$ <u>121,722.0</u></b>
<b>TWENTY-FIRST CENTURY PROJECTS</b>			
Twenty-First Century Fund	\$ 79,600.0	\$ 34,250.0	\$ 33,000.0
General Funds	<u>250.0</u>	<u>3,000.0</u>	<u>--</u>
<b>Sub-Total (Twenty-First Century):</b>	<b>\$ <u>79,850.0</u></b>	<b>\$ <u>37,250.0</u></b>	<b>\$ <u>33,000.0</u></b>
<b>OTHER PROJECTS</b>			
Aid to Local Government	\$ --	\$ 12,000.0	\$ --
Infrastructure Investment Plan	<u>--</u>	<u>--</u>	<u>104,000.0</u>
<b>GRAND TOTAL:</b>	<b>\$ <u><u>347,232.6</u></u></b>	<b>\$ <u><u>354,376.5</u></u></b>	<b>\$ <u><u>415,040.0</u></u></b>

# FINANCIAL STATEMENTS

## GENERAL FUND SUMMARIZED STATEMENT OF RECOMMENDED APPROPRIATIONS AND EMPLOYEE POSITIONS BY DEPARTMENT AND MAJOR CATEGORIES OF EXPENDITURE FISCAL YEAR ENDING JUNE 30, 1999

Department	Special Fund Pns	General Fund Pns	Personnel Costs	Travel	Contractual Services	Energy	Supplies and Mats.	Capital Outlay	Debt Service	Other	Total Appro- priations
Legislative	-	68.0	7,023.5	126.3	1,079.7	-	184.3	108.0	-	1,579.9	10,101.7
Judicial	86.1	959.5	44,165.5	178.4	5,927.1	137.3	969.3	90.0	69.8	228.5	51,765.9
Executive	175.0	351.7	19,548.0	265.3	5,876.6	287.6	551.9	74.2	4,439.3	39,871.4 <sup>1</sup>	70,914.3
Other Elective	82.8	72.2	3,532.9	24.3	579.6	-	25.3	21.6	30,128.4	606.1	34,918.2
Legal	70.2	355.7	18,529.2	26.4	1,851.7	15.9	117.3	25.8	-	323.8	20,890.1
State	130.7	141.3	5,929.7	61.8	714.5	184.8	273.7	37.8	1,340.9	3,121.6	11,664.8
Finance	30.0	264.0	12,117.0	88.3	2,388.7	2.6	224.4	96.5	177.6	33.0	15,128.1
Admin Services	123.6	147.9	5,828.8	30.7	3,267.9	2,258.3	425.2	190.1	11,773.3	13,835.8 <sup>2</sup>	37,610.1
Health and Social Services	912.3	3,809.7	142,288.3	124.8	42,547.6	3,649.6	8,682.0	669.9	5,077.4	263,779.8 <sup>3</sup>	466,819.4
Children, Youth & Their Families	172.6	887.4	40,569.4	80.7	27,076.2	793.5	1,183.7	118.7	1,792.5	7,908.1	79,522.8
Correction	13.0	2,161.4	84,172.2	75.7	7,315.2	3,139.0	9,148.3	45.4	11,021.2	16,058.6 <sup>4</sup>	130,975.6
Natural Resources & Environ. Control	403.8	364.2	18,110.3	98.9	3,749.1	786.4	1,106.3	70.1	7,612.0	2,505.3	34,038.4
Public Safety	101.9	1,040.6	54,749.1	66.2	3,884.0	558.3	2,280.3	1,305.1	933.9	16,698.0 <sup>5</sup>	80,474.9
Transportation	1,493.0	-	-	-	-	-	-	-	-	1,122.4	1,122.4
Labor	451.0	32.0	1,248.0	12.5	2,088.7	2.0	82.2	13.2	-	1,799.2	5,245.8
Agriculture	39.7	80.3	3,608.5	57.8	419.0	102.9	135.4	45.5	98.8	254.7	4,722.6
Elections	-	40.0	1,709.7	16.2	419.9	23.4	40.3	0.8	-	353.3	2,563.6
Fire Prevent. Comm	26.2	40.8	1,921.0	25.5	294.1	172.8	30.1	138.8	522.0	157.0	3,261.3
Delaware Nat Guard	73.6	30.7	1,496.1	4.7	303.4	392.4	94.5	-	227.4	155.2	2,673.7
Adv Council for Except Citizens	-	2.0	74.9	5.2	6.7	-	0.6	-	-	-	87.4
<b>Total Departments</b>	<b>4,385.5</b>	<b>10,849.4</b>	<b>466,622.1</b>	<b>1,369.7</b>	<b>109,789.7</b>	<b>12,506.8</b>	<b>25,555.1</b>	<b>3,051.5</b>	<b>75,214.5</b>	<b>370,391.7</b>	<b>1,064,501.1</b>
Higher Education*	163.0	638.0	36,188.6	6.6	686.0	1,294.7	54.5	184.5	17,736.2	118,025.5 <sup>6</sup>	174,176.6
Education	63.2	10,563.5	399,818.5	46.9	253.9	12,533.8	33.3	38.6	18,625.0	200,902.5 <sup>7</sup>	632,252.5
<b>Total Education</b>	<b>226.2</b>	<b>11,201.5</b>	<b>436,007.1</b>	<b>53.5</b>	<b>939.9</b>	<b>13,828.5</b>	<b>87.8</b>	<b>223.1</b>	<b>36,361.2</b>	<b>318,928.0</b>	<b>806,429.1</b>
<b>GRAND TOTAL</b>	<b>4,611.7</b>	<b>22,050.9</b>	<b>902,629.2</b>	<b>1,423.2</b>	<b>110,729.6</b>	<b>26,335.3</b>	<b>25,642.9</b>	<b>3,274.6</b>	<b>111,575.7</b>	<b>689,319.7</b>	<b>1,870,930.2</b>

\* . Appropriations other than "Debt Service" for University of Delaware and Delaware State University are reflected under "Other."

### Explanation of Schedule A-4 "Other Items"

Development Projects	\$ 2,000.0	<sup>6</sup> University of Delaware	\$ 87,764.5
Contingency - Self Insurance	2,400.0	Delaware Geological Survey	1,181.8
Contingency - One-Time Appropriations	7,717.8	Delaware State University	24,567.2
Contingency - Technology Fund	8,400.0	Delaware Technical and Community College	4,192.5
Contingency - Legal Fees	1,400.0	Delaware Institute of Veterinary Medical Education	176.2
Contingency - Prior Years' Obligations	400.0	Delaware Institute of Dental Education and Research	143.3
Health Insurance - Retirees in Closed State Police Plan	2,115.8		
Housing Development Fund	4,000.0	<sup>7</sup> Division II Units/All Other Costs	26,390.7
		Pupil Transportation	49,532.9
<sup>2</sup> Minor Capital Improvements	12,820.8	Division III - Equalization	54,783.3
		Adult Education and Work Force Training Grant	4,760.4
<sup>3</sup> Medicaid, TANF and similar assistance programs	233,365.5	Professional Accountability and Instructional Advancement Fund	5,826.6
		Program for Children with Disabilities	2,378.1
<sup>4</sup> Medical/Treatment Services	13,737.6	Unique Alternatives	3,900.0
		Related Services for the Handicapped	1,950.5
<sup>5</sup> Pension - 20-year State Police Retirees	16,533.0	Student Discipline Program	8,927.3
		K-12 Pass Through Grants	3,857.6
		Early Childhood Assistance	3,646.0
		Extra Time for Students	10,650.0
		Guaranteed Unit Count	1,447.0

## 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 that the Legislature is allowed to authorize for spending.

◆ **Operating Budget** - The State Constitution limits annual appropriations to 98 percent of estimated revenue plus the unencumbered General Fund 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 Limits** for details).

**Appropriations Act (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 General Fund (GF) and Appropriated Special Fund (ASF) dollars and General Fund, Appropriated Special Fund and Non-appropriated Special Fund (NSF) positions.

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

**Bond and Capital Improvement Act** - 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 ten-year life: construction of buildings, land acquisitions, water/wastewater infrastructure, drainage projects, etc.

**Bond Bill** - See **Bond and Capital Improvement Act**

**Budget Act** - See **Appropriations Act**

**Budget Development and Information System (BDIS)** - Client-server system used for developing and analyzing agency budget requests and preparing the Governor's Recommended Budget.

**Budget Request** - A series of documents that an agency submits to the Budget Office and the Controller General's Office outlining the funding and positions desired 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 the said fiscal year shall be paid by the Secretary of Finance into the Budget Reserve Account; provided, however, that no such payment will be made which would increase the total of the Budget Reserve Account to more than five percent of only the estimated General Fund revenues. The General Assembly by three-fifths vote of the members elected to each House may appropriate from the Budget Reserve Account such 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

**Class** - All positions sufficiently similar in duties, responsibilities and qualification requirements to use the same examination recruitment, the same salary range and the same title.

**Continuing Appropriations** - Unexpended funds that do not revert to the General Fund at the close of the fiscal year but remain available in the agencies for expenditures in the following fiscal year.

**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 five percent of the

## DEFINITION OF BUDGETARY TERMS

*estimated net General Fund revenue for that year.*

- 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 General Fund and TTF revenue.*
- 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 in order to finance capital improvements.*

**Delaware Economic 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 six times a year. Appropriation limits are determined based on DEFAC forecasts.*

**Delaware Financial Management System (DFMS)** - *An automated financial management and accounting system currently utilized by the State.*

**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.*

**Development Fund** - *Funds appropriated for the development and implementation of new Information System and Technology (IS&T) projects throughout state government.*

**Division** - *Major subdivision within a department /agency comprised of one or more Budget Units.*

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

**Epilogue** - *The section of the Budget Act that provides instructions or guidance on the allocation of appropriated funds.*

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

**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 Equivalency)** - *One 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.*

**General Fund** - *Primary fund of the State, all tax 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** - *Presented to the General Assembly in late January. This is the Governor’s recommendation to the General Assembly.*

**Grant-in-Aid** - *Funds provided by the Legislature to private non-profit agencies to supplement state services to the citizens 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*

## DEFINITION OF BUDGETARY TERMS

*Committees. Title 29, Section 6336, Delaware Code, mandates that the JFC 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 proposals and agency goals and objectives. The JFC proposes a budget for consideration by the General Assembly*

**Joint Legislative Committee on the Capital Improvement Program (Bond Bill Committee)** - A Capital Improvements Committee comprised of members of the House and Senate Bond Committees, which meets jointly to consider proposals for capital improvements projects submitted by the Governor. As with the Joint Finance Committee, such meetings may require attendance of state agency heads who shall provide the committee with information explaining their capital budget proposals. The Joint Capital Improvements Committee proposes a capital budget for consideration by the General Assembly.

**Key Objectives** - Statements of specific, intended, measurable goals related directly to the mission of a department, agency or unit.

**Merit System** - The personnel system used by the State provided under Title 29, Chapter 59, Delaware Code.

**Mission** - The purpose of a department, agency or unit. Rationale for the existence of an APU or department.

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

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

**Paygrade** - One of the horizontal pay ranges designated on the pay plan.

**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; 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; for which funds have been budgeted and has been assigned to a class.

**Reclassification** - A change in the classification assigned to a position to reflect a significant change in the duties and responsibilities of that position. The paygrade may be adjusted either up, down or may remain the same

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

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

**Selective Market Variation** - A mechanism by which the State can address severe recruitment and retention problems in specific job classifications.

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

**Strategic Plan** - A document developed by an agency that documents the policy direction and agency goals for a three-year period.

**Strategic Planning and Budgeting Process (SPBP)** - Type of budgeting whereby budgets are developed annually through a broad based internal analysis of a department's mission, key objectives and goals. Budget requests reflect the resource allocation necessary to carry out the strategic plan.

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

**Technology Fund** - Funds appropriated within the Budget Office for statewide technology initiatives. The technology fund is not part of the base budget.

## DEFINITION OF BUDGETARY TERMS

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

**Twenty-First Century Fund** - Funds created for deposit of proceeds from the Delaware v. New York decision. Moneys will 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.