

## GLOSSARY

### **ACCOUNTING SYSTEM**

The total structure of records and procedures which discover, record, classify, summarize and report information on the financial position and results of operations of a government of any of its funds, fund types, balanced account groups, or organizational components. The account codes used by the District are mandated by the State.

### **ACCRUAL BASIS**

The method of accounting recognizing transactions when they occur, regardless of the timing of the related cash flows. (ORS 294.311(1))

### **ACTIVITY**

A specific and distinct line of work performed, by one or more organizational components of a government, for the purpose of accomplishing a function for which the government is responsible. For example, food inspection is an activity performed in the discharge of the health function. (ORS 294.311(2))

### **ADMw**

Average daily membership (ADM) is the year-to-date average of daily student enrollment. For State funding formula purposes, it is weighted for special education, English Language Learners, poverty according to the most recent census data, and teen parent programs.

### **AD VALOREM TAX**

A property tax computed as a percentage of the value of taxable property. See "Assessed Value."

### **APPROPRIATION**

A legal authorization for spending a specific amount of money for a specific purpose, during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body. (ORS 294.311(3))

### **ASSESSED VALUE**

The value set on real and personal property as a basis for levying taxes.

### **ASSETS**

Resources owned or held which have monetary value.

### **AUDIT**

The annual review and appraisal of a municipal corporation's accounts and fiscal affairs, conducted by an accountant under contract or by the Secretary of State. (ORS 297/425)

### **AUDIT REPORT**

A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders and regulations.

### **BENCHMARKS**

Checkpoints that describe the progress toward the standards in each subject area. Student progress will be assessed at 3rd, 5th, and 8th grades.

### **BUDGETARY CONTROL**

The management of the district in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

**BUDGETARY EXPENDITURES**

Decreases in net current assets. In contrast to conventional expenditures, budgetary expenditures are limited in amount to exclude amounts represented by non-current liabilities. Due to their spending measurement focus, governmental fund types are concerned with the measurement of budgetary expenditures.

**BUDGET TRANSFERS**

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 OUTLAY**

Expenditures that result in the acquisition of or addition to fixed assets. (ORS 294.352(6))

**CAPITAL PROJECTS FUND**

A fund used to account for resources, such as bond sale proceeds, to be used for major capital item purchase or construction. (OAR 150-294.352(1))

**CASH BASIS**

A basis of accounting under which transactions are recognized only when cash changes hands. (ORS 294.311(7))

**CLASSIFIED EMPLOYEES**

Support Staff, including instructional assistants, clerical staff, bus drivers, custodians, maintenance, and food service workers.

**CONTINGENCY**

A special amount budgeted each year for unforeseen expenditures. Transfer of general operating contingency funds to cover unanticipated expenditures requires board approval.

**CURRENT RESOURCES**

Resources that are available to meet current obligations and expenditures. Examples are current assets, estimated revenues of a particular period not yet realized, transfers from other funds authorized but not received, and in the case of certain funds, bonds authorized and unissued.

**DEFICIT**

The excess of a fund's liabilities over its assets. Oregon school districts may not budget deficits in any fund.

**EMPLOYEE BENEFITS**

Amounts paid by the district on behalf of employees, in addition to gross salary. Examples are:

- Group health insurance;
- Contributions to public employees retirement system;
- Social security (FICA);
- Workers' compensation; and
- Unemployment insurance.

**ENCUMBRANCE**

An obligation chargeable to an appropriation and for which part of the appropriation is reserved. (ORS 294.311(10))

**ELL/ESL**

English Language Learners or English-as-a-Second Language. Services are provided to help students with limited English proficiency develop fluency in English.

**EXPENDITURES**

Decreases in net financial resources. Expenditures include current operating expenses that require the current or future use of net current assets, debt service, and capital outlays.

**FTE**

Full-Time Equivalent staff. One FTE is defined as a regular position scheduled to work eight hours per day, five days per week.

**FISCAL YEAR**

A 12-month period, July 1 through June 30, for the annual operating budget. At the end of the period, a government determines its financial position and the results of its operations. (ORS 294.311(13))

**FIXED ASSETS**

Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery, and equipment.

**FIXED COST**

A cost such as rent that does not change with increases or decreases in the amount of services provided.

**FUNCTIONAL CLASSIFICATION**

Expenditure classification according to the principal purposes for which expenditures are made.

**FUND**

A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**GENERAL FUND**

The fund used to account for all financial resources except those required to be accounted for in other funds. (OAR 150-294.352(1))

**GOVERNING BODY**

County court, board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit. (ORS 294.311(15))

**IEP**

Individual education programs developed for students requiring special education and related services.

**INDIRECT COST**

A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one specific service.

**INTERNAL SERVICE FUND**

A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. (ORS 294.470)

**LIABILITIES**

Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

**LICENSED EMPLOYEES**

Includes teachers, counselors, media specialists, psychologists, social workers, nurses, athletic trainers, occupational speech, and physical therapists.

**MODIFIED ACCRUAL BASIS**

All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting. Under it, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the related fund liability is incurred.

**OBJECT**

As used in expenditure classification, this term applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are salaries, employee benefits, personal services, contractual services, materials, and supplies.

**OPERATING BUDGET**

The operating budget includes plans for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is required by law.

**OSAT**

Oregon State Achievement Tests are multiple-choice tests given at the benchmark years (3rd/5th/8th/10th) in reading, math and science (starting at 5th).

**PROGRAM BUDGET**

A budget wherein expenditures are based primarily on programs of work and secondarily on character and object class.

**PURCHASE ORDER**

A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

**RESERVE FUND**

An account established to accumulate money from one fiscal year to another for a specific purpose. (ORS 280.100)

**REVENUES**

Monies received or anticipated by a local government from either tax or non-tax sources.

**STANDARDS**

The learning/performance goals in each subject area that all students will be working toward.

**STAFFING RATIO**

The licensed staffing ratio is the ratio of students to licensed staff. Class size is higher than the staffing ratio because counselors and specialists in areas such as music, media and PE are funded through the staffing ratio.

**STATE SCHOOL FUND**

The source of the major appropriation of state support for public schools. This fund consists of property tax loss replacement mandated by Measure 5 and state aid formerly called Basic School Support. The State School Fund is distributed to school districts according to a legislature-adopted formula.

**SUPPLEMENTAL BUDGET**

Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. A supplemental budget cannot be used to increase a tax levy.

**TAG**

Talented and gifted students identified through national standardized testing and/or other information.

**TRANSFERS**

Amounts distributed from one fund to finance activities in another fund. Shown as an expenditure in the originating fund and revenue in the receiving fund.

**UNAPPROPRIATED ENDING FUND BALANCE (UEFB)**

Amount budgeted to carryover to the next year's budget to provide the district with needed cash flow until other money is received and to provide financial stability. This amount cannot be transferred by resolution, or used through a supplemental budget, during the fiscal year. (ORS 294.371)

**VARIABLE COST**

A variable cost is one that increases or decreases with increases/decreases in the amount of service provided, such as the payment of a salary.