

Glossary of Budget Terms

Authorized Budget -- The authorized budget is composed of the certified budget plus allowable internal budget revisions (type 14 revisions) and adjustments that must be approved by OSBM (type 12 revisions) through its statutory authority or acting on behalf of the governor under the governor's constitutional role and authority as director of the budget. This is the working budget and is reflected on the *Monthly Budget Report* (BD 701).

Capital Improvement Budget -- The capital improvement budget is for real property acquisitions, new construction, rehabilitation of existing facilities, and repairs and renovations. These types of expenditures are accounted for in the capital budget code of an agency or institution.

Certified Budget -- The certified budget is enacted by the General Assembly and includes adjustments made for

- (i) distributions to state agencies from statewide reserves appropriated by the General Assembly,
- (ii) distributions of reserves appropriated to a specific agency by the General Assembly, and
- (iii) organizational or budget changes directed by the General Assembly but left to the director of the budget to carry out.

Continuation Budget -- The continuation budget is that part of the state budget necessary to continue the current level of services when adjusted for inflation, mandated rate increases such as social security, annualization of programs, and operation of new facilities.

Expansion Budget -- The expansion budget is the part of the budget that provides for new programs, expansion of existing programs, and salary and benefit increases.

Results-Based Budgeting -- Commitment to emphasizing measurable results as an integral part of budgeting is a key strategy being introduced by the Office of State Budget and Management to encourage the efficient and effective management of state resources. The General Assembly has endorsed this concept in budgeting in G.S. 143C-3-5(b), which states that goals and performance information are required components of the Governor's recommended state budget.

State Budget -- The total requirements for North Carolina state government agencies and institutions consists of general fund dollars, highway fund dollars, federal funds, and various other receipts and funds. The state budget includes state aid funding for local public school units and local community colleges and institutions.

State Budget Act -- This is the act that governs the budgetary process in North Carolina. It provides the statutory language for development, presentation, authorization, and control of the budget. (G.S. 143C-1-1 through G.S. 143C-10-3)