

GLOSSARY OF TERMS

Appropriation – A legal authorization granted by a legislative body (County Board) to make expenditures and incur obligations for designated purposes.

Appropriation Category – Five summary classifications of expenditures made by the County.

Personnel Services – Includes costs relating to employees or temporary help, including fringe benefits.

Commodities – Consists of costs relating to articles of a non-durable nature, such as office supplies.

Contractual Services – Costs for work performed by vendors for the County.

Capital Outlay - Expenditures which result in the acquisition of or addition to fixed assets which are individually priced more than \$5,000.00.

Bond & Debt Services – The amount of money required to pay principal and interest on outstanding bond issues.

Assessed Valuation – A valuation set upon real estate or other property by a government as a basis for levying taxes.

Authorized Headcount – The total inventory of department positions. Authorized headcount is adopted via resolution.

Bond – A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Budget – A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Transfer – A change of appropriation level for a line item account within a fund or department. Budget transfers increase one line item while decreasing another. Transfers between appropriation categories or in excess of \$10,000.00 require County Board approval.

Budgeted Positions – The number of positions actually funded by appropriation. The number of budgeted positions may be lower than authorized headcount.

Capital Project Funds – Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Contingency – Budget for expenditures, which cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. Some funds are earmarked for specific projects and the balance is unearmarked for unanticipated expenditures.

Corporate Fund – The chief operating fund which is used to account for revenues and expenditures necessary to carry out basic governmental activities such as administration, legal and judicial, public health and safety, property assessment and tax collection. The Corporate Fund is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – Governmental fund type, used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Delinquent Taxes – Taxes remaining unpaid on or after the date on which a penalty for nonpayment is attached.

Department – The basic organizational unit of county government charged with the responsibility for carrying out a specific function.

Encumbrances – Commitments related to unperformed contracts for goods or services used in budgeting. Encumbrances are not expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

Enterprise Funds – A type of proprietary fund used to account for activities that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes. Examples of enterprise funds in DuPage County are the Convalescent Center and Public Works.

Expenditures – The outflow of funds paid or to be paid for an asset or goods and services.

Fiscal Year – A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and results of operations. The County of DuPage's fiscal year begins each December 1st and ends the following November 30th. The term FY2005 denotes the fiscal year beginning December 1, 2004 and ending November 30, 2005.

FTE – Acronym for full time equivalent, a measurement of staffing. One FTE is a 37.5 hour per week position. A part-time position working 20 hours per week would be ½ FTE.

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.

Fund – A fiscal and accounting entity with a self-balancing set of accounts. These accounts record cash and other financial resources, together with all related liabilities and residual equities or balances, and changes. The entity is segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. In DuPage County, funds are classified into six types: Corporate, Special Revenue, Enterprise, Grants, Capital Projects and Debt Service.

Fund Transfer – The movement of monies from one fund to another. Fund transfers must have County Board approval, generally via resolution. Fund transfers are not necessarily appropriated.

GASB – Acronym for Government Accounting Standards Board, an independent, non-profit agency responsible for the promulgation of accounting and financial reporting procedures for governmental entities.

Modified Budget – The difference between the County Board approved budget plus or minus any authorized budget transfers.

Object – A term used in connection with the classification of expenditures. The article purchased or the service obtained, rather than the purpose for which the article or service was purchased or obtained.

Ordinance – A formal legislative enactment by the governing board of a municipality or county. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality or county to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status.

Revenues – Funds received from various sources and treated as income, used to fund authorized expenditures.

Special Revenue Fund – A governmental fund type used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.