
Glossary of Budget Terms

January 2023



Glossary of Terms

ADOA: Arizona Department of Administration

ADC: Arizona Department of Corrections

ADE: Arizona Department of Education

ADOT: Arizona Department of Transportation

ADM: Average daily membership, a method of counting K-12 students which adjust for absences and withdrawals.

AEL: K-12 Aggregate Expenditure Limit – A spending limit established in the Arizona State Constitution that applies to school districts. If district spending exceeds the limit, the Legislature may override the limit by March 1st annually with a 2/3 vote.

AHCCCS: Arizona Health Care Cost Containment System (State Medicaid agency)

Appropriation: Money that is budgeted for a state agency or program.

ASRS: The Arizona State Retirement System, of which most state employees are members.

B: Billions

Baseline: JLBC Baseline annually compares a consensus revenue estimate to statutory funding requirements

BRB: Budget Reconciliation bill, it is commonly pronounced as “burb”. These series of bills include statutory changes necessary to enact the budget. They do not typically include appropriations.

Budget Stabilization Fund: Otherwise known as the “Rainy Day Fund”, it is essentially the state’s savings account. Statute limits the balance of the fund to 10 percent of total General Fund Revenues.

CORP: Correctional Officer Retirement Fund

DCS: Department of Child Safety

DES: Department of Economic Security

DEQ: Department of Environmental Quality

DHS: Department of Health Services

DPS: Department of Public Safety

DOR: Department of Revenue

Ending Balance: The amount of money a budget leaves unspent.

ERE: Employee related expenditures. This represents the state’s share of the cost of employee benefits (i.e., health, life and dental).

Executive: Refers to the governor.

FAC: Financial Advisory Committee – a committee of public and private sector economists that advises the JLBC and the Legislature on the status of the national and state economy.

Feed Bill: See the General Appropriation Act

Fiscal Note: The JLBC Staff’s estimate of the fiscal impact of a bill.

Fiscal Year: The state budget year, which runs from July 1 to June 30.

Footnote: Narrative statements in the General Appropriation Act that establish conditions for expenditures, reporting requirements, and legislative intent.

Formula Spending: Funding levels for state programs that are mandated by voter-approved ballot measures or other state law. These formulas define eligibility for a program and may also determine the spending per person.

FTE Positions: State employment is measured by Full-Time Equivalent (FTE) Positions. Two 20-hour employees equal 1 FTE Position.

GAA: General Appropriation Act, the general appropriations bill provides the annual funding level for each state agency in a single bill.

General Fund: The portion of state revenues that are not dedicated for a specific purpose. The money primarily comes from sales, individual income and corporate income tax.

HURF: Highway User Revenue Fund, which is used primarily for state transportation projects. The money primarily comes from gas taxes and license fees.

JLBC: May reference two entities, either the Joint Legislative Budget Committee itself, or the committee staff. The JLBC is a 16 member committee responsible for oversight of all facets of the state budget. Non-partisan JLBC staff members assist the committee in fulfilling its duties.

JCCR: Joint Committee on Capital Review is a 14 member committee responsible for oversight of capital projects. The JLBC Staff also provides support to this committee.

K: Thousands

Line Item: Each agency budget in the General Appropriations Act has one or more line items of expenditure. A single line item typically represents an agency's operating budget. Additional line items delineate spending apart from normal agency operating expenditures for monies involved with programs that provide benefits to individuals or contracted services.

Line-item Veto: A veto that strikes only an appropriation but allows the remainder of the bill to become law.

Lump Sum: An appropriation format where an agency is given a single amount of funding, which it can spend across line items without further legislative review.

M: Millions

Matching funds: Money given to the state by the federal government contingent upon state funding for a program. For example, a 3 to 1 match would indicate that for every state dollar, the federal government would contribute \$3.

One-time: Refers either to revenues or expenditures, and denotes budget items that will only have an impact for one fiscal year.

Ongoing: Refers either to revenues or expenditures. Ongoing items – sometimes called permanent – are expected to impact budgets for several years, if not indefinitely.

OSP: The Governor's Office of Strategic Planning and Budgeting.

Prop 105: Proposition 105 was an initiative passed by voters in 1998. The Legislature may only modify voter-approved ballot measures if it furthers the purpose of the initiative and 75% of each house approves the change.

Prop 108: Proposition 108 was an initiative passed by voters in 1992. It requires a two-thirds vote in both chambers to approve certain legislation that increases state revenues.

Rainy Day Fund: Technically called the Budget Stabilization Fund, it is essentially the state's savings account. Statute limits the balance of the fund to 10 percent of total General Fund Revenues

Rollover: K-12 Rollover – A budget provision that requires the Arizona Department of Education (ADE) to pay a portion of current-year Basic State Aid and Additional State Aid monies for school districts in July of the following fiscal year.

SFD: School Facilities Division of the Arizona Department of Administration

Supplemental: An appropriation that adds funding to an agency’s existing current fiscal year budget.

Trigger: A spending provision in the budget that will not occur unless revenues reach a specified level.

VLT: Vehicle License Tax

90/10: Pronounced “ninety-ten”, it is a regulatory board funded by user fees, with 90 percent of revenues retained by the board and 10 percent being transferred to the General Fund.

Source: Arizona Capitol Times and JLBC Staff