

A

Account	Account is an entity by which the Massachusetts Management Accounting and Reporting System (<i>MMARS</i>) records the status of expenditure authorizations and revenue estimates. Also known as Line-Item or Appropriation.
Accounts payable	Payments owed for goods or services received before the close of a <i>fiscal year</i> . Funds should be encumbered by June 30, and paid before August 31, when unspent <i>encumbrances</i> lapse. Under certain conditions, Administration and Finance may approve an extension until September 15.
Account type	There are six main account groupings for expenditure accounts, which are designated in <i>MMARS</i> by the indicated codes: <i>direct appropriation</i> (1CN, 1CS), <i>retained revenue</i> (1RN, 1RS), <i>capital</i> (2CN), <i>trust/other</i> (3TN, 3TX), <i>federal grant</i> (4FN), and <i>intragovernmental services</i> (1IN, 1IS).
Accrual basis of accounting	Revenues and expenditures are recognized and recorded in the period that they occur, rather than when cash is collected or disbursed. Also see <i>Statutory basis of accounting</i> .
Act	A law passed by the Legislature. The legislative session runs by calendar year and Acts are numbered consecutively in each session. So the first law passed in January is called Chapter 1 of the Acts of 20__; the next law is Chapter 2 of the Acts of 20__, etc. Unless an Act is of limited scope or duration, it is <u>usually</u> written as an amendment to the <i>General Laws</i> . <i>Appropriation</i> acts take effect immediately upon approval by the Governor. All other acts take effect 90 days after the Governor's approval, except for acts which have an <i>emergency preamble</i> , which take effect immediately.
Agency	See <i>Department</i> .
Allotment	The process of making money that has been appropriated by the Legislature available for expenditure. Although obligations can be incurred without money being allotted, money must be allotted before money can be paid out. A fraction of the money in budgetary accounts is automatically allotted periodically: between 1/12 for one month and 1/3 for four months. If an account needs to spend at a greater rate than the periodic allotment, the agency submits an allotment request. Retained revenue receipts, federal grants, and trust funds are automatically fully allotted. <i>Capital accounts</i> are administered through a different process.
American Reinvestment and Recovery Act	The American Recovery and Reinvestment Act of 2009, abbreviated ARRA or Federal Stimulus, is an economic stimulus package enacted by Congress in February 2009. The Act includes federal tax cuts, expansion of <u>unemployment benefits</u> and other social welfare provisions, and domestic spending in education, health care, and infrastructure, including the energy sector. The measures are nominally worth \$787 billion.
Amortization	Annual deduction allowed for the gradual exhaustion or obsolescence of intangible assets having a limited useful life which are used in the production of income, such as patents and copyrights; analogous to depreciation of tangible assets.
Annualization	Positive annualization is the additional <u>incremental</u> cost in the next <i>fiscal year</i> of new programs, program expansions, or other efforts which are started sometime during the current <i>fiscal year</i> . Negative annualization is the <u>incremental</u> cost reduction in the next <i>fiscal year</i> resulting from savings efforts and other spending reductions begun sometime during the current <i>fiscal year</i> . Annualization is not the same as <i>annualized</i>

cost/saving.

Annualized cost/saving The full twelve-month cost or saving of an item. This is not the same as *annualization*.

Appropriation A specified sum of money authorized by the Legislature for a specific period of time to accomplish a specific purpose. See *Line Item*.

Appropriations Tracking The process of monitoring a budget bill through the legislative process.

ARRA Assessment See *American Reinvestment and Recovery Act*
A statutorily mandated form of reimbursement or up-front payment for state expenditures. Assessments are often mandated to charge private sector businesses for state services that are of particular benefit to them.

AT *Appropriations Tracking*

B

Balance See *Balance Sheet, Statutory Balance, Structural Balance*.

Balance Sheet A document produced by Administration and Finance, which summarizes revenue and spending by category and fund, and displays the resulting *condition*. Balance sheets are produced for prior years based on actual receipts and expenditures, and for current and future years based on projections.

Blanket contract Contract between the state and a vendor, guaranteeing a fixed price for a product. State agencies (and local governments) may buy items under a blanket contract without having to negotiate price.

Bond A financial instrument that is sold by the government for cash. A bond contains a written promise to pay a specified amount of money on a specified date or dates in the future, together with a periodic interest at a specified rate.

Bond cap The annual limit on bond-funded spending that will be permitted by the Governor in support of the capital program. The "Bond Cap" is set annually based on the Debt Affordability Policy, and published in the Commonwealth's Five-Year Capital Investment Plan.

Bond fund A fund of the Commonwealth into which bond proceeds are deposited and from which spending may occur.

Budgetary accounts *Direct appropriation and retained revenue* accounts.

Budget fiscal year The period in which a fiscal year's budget may be expended. This period includes the fiscal year (July 1 – June 30) plus the accounts payable period (July 1 – August 31) for that fiscal year.

Budgeted funds The funds that contribute to the commonwealth's *statutory balance*, currently the General Fund, Highway Fund and Health and Wellness Fund. All other funds are considered *non-budgeted funds*.

Budget process The budgetary process is the normal approval mechanism that allows the Commonwealth to spend money it collects.

C

Capital account Entity in *MMARS* which records the status of a spending authorization to be funded from the sale of bonds. Capital authorizations are usually for facility and infrastructure

construction and maintenance or large equipment purchases, and are generally authorized for 5 years.

Capital Expenditure	An expenditure made in acquiring, adding to or bettering a fixed asset.
Capital projects funds	Capital project funds are for acquisition, long-term construction and development activities legislatively authorized, but largely funded through bonds and federal receipts.
Chapter 29	The <i>General Laws</i> chapter that relates to state finance.
Charge back	A cost item for which payment is made by one state agency to another, for example, paying for central computer services. See <i>Intragovernmental Service Fund Account</i> .
Cherry sheet	A list, prepared annually by the Department of Revenue, of certain <i>local aid</i> distributions. It used to be published on cherry-colored paper, hence the name.
Citation	A reference to a specific statute or regulation.
CIW	Commonwealth <i>Information Warehouse</i>
Clerks	The Clerks of the House and Senate are the official recorders of all proceedings in the respective chambers. The Clerks publish the <i>Journals</i> , calendars, and other documents, and print copies of all bills filed.
Comptroller	The officer responsible for keeping the state's books and making rules to ensure that all the state's financial transactions are performed according to statute and regulation, and according to <i>generally accepted accounting principals (GAAP)</i> . The Comptroller manages the state accounting system, which is called <i>MMARS</i> .
Condition	The result produced on the <i>balance sheet</i> when revenues are compared to spending. A positive condition indicates that revenues exceed spending.
Conference Committee	A group consisting of members from the House and members from the Senate, appointed to work out a compromise version of a bill, when the House-passed and Senate-passed versions of the bill differ.
Credit	Amount by which a taxpayer is allowed to reduce a tax liability, as computed by applying the tax rates to the tax base, to be distinguished from a deduction from the tax base.
Current services budget	Synonymous with " <i>maintenance budget</i> ".

D

Debt	The principal borrowed by the Commonwealth, usually to support capital projects, which in assets with a useful life over a number of years.
Deduction	Amount that a taxpayer is allowed to subtract from the gross tax base.
Deficiency	A shortfall in an existing <i>appropriation</i> , or an additional amount needed to accomplish a new or expanded purpose. It used to be that the former was always referred to as a "deficiency" and the latter was always referred to as a " <i>supplemental</i> ", but the two terms have come to be used more or less interchangeably.
Department	A department is a legal entity of state government established by the legislature with a specific mission. Departments may report to cabinet-level units of government known as executive offices or secretariats or may be independent divisions or departments.

Department code	Three-letter identification field in <i>MMARS</i> , unique to each agency.
Depreciation	Annual deduction allowed for the gradual exhaustion or obsolescence of tangible property used in the production of income.
Direct appropriation account	Entity in <i>MMARS</i> which records the status of <i>appropriations</i> which are financed by budgeted fund <i>unrestricted revenues</i> .

E

Earmarking	Language included in a <i>line item</i> which provides that a specific <u>portion</u> of the <i>appropriation</i> be spent for a particular purpose.
Effective date	See <i>Act</i> .
Emergency preamble	Language inserted at the beginning of some <i>Acts</i> , which declares that the <i>Act</i> is an emergency law. An emergency preamble causes the <i>Act</i> to take effect immediately upon the Governor's approval, rather than after 90 days.
Encumbrance	The setting aside of money in <i>MMARS</i> by an agency to meet known obligations. (Payroll is an exception. Even though it is a known obligation, payroll costs are not encumbered, except for <i>Accounts Payable</i> obligations at the end of a <i>fiscal year</i> .)
Estimated Receipt Amount	The field in <i>MMARS</i> that records the amount of money that Administration and Finance believes will become available during the <i>fiscal year</i> in <i>retained revenue</i> , <i>Intragovernmental Service Fund</i> , and <i>federal grant</i> accounts. This amount is used by the <i>Comptroller</i> as a limit to obligations.
Exclusion	The legal elimination from the tax base of items recognized as falling within its definition. The federal term for what is sometimes called an exemption for Massachusetts. See <i>exemption</i> .
Exemption	The legal elimination from the tax base of items or transaction recognized as falling within its definition, or of taxable units that would normally be subject to tax.
Expenditure	An expenditure is an outlay in cash for a specific purpose, which includes payroll expenses, payroll related chargebacks; contracts (grants, interdepartmental service agreements, leases; subsidies; administrative, operational, and programmatic expenses; and chargebacks and payments.
Expenditure Classification Handbook	A manual published by the <i>Comptroller</i> which sets forth the official <i>object class</i> and <i>object codes</i> used for budgeting funds and recording expenses within <i>accounts</i> , along with definitions.
Expense	A revenue expenditure or cost, which, for accounting purposes, is charged against current revenue. To be distinguished from capital expenditure.

F

Federal Financial Participation	Reimbursement from the federal government for part of the cost of certain programs, such as Medicaid and TAFDC. Often referred to by the acronym "FFP".
Federal grant account	Entity in <i>MMARS</i> which records the status of grants authorized by the Legislature to be received from the federal government and subsequently expended.
Federal Stimulus	See <i>American Reinvestment and Recovery Act</i>
FFP	<i>Federal Financial Participation</i>

Fiscal year	Period that the Massachusetts budget covers: July 1 through June 30. (The federal fiscal year covers October 1 through September 30.)
Fringe benefits	Employee-related costs other than salary, e.g., insurance and retirement costs.
Fringe benefit charges	Costs assessed against federal grants and other non-budgetary accounts to defray the costs of employee benefits which are paid for centrally.
FTE	<i>Full-Time Equivalent</i>
Full-time equivalent	A measure of workforce personnel, equal to one position working full time. For example, two half-time positions equal one full-time equivalent. Often referred to by the acronym "FTE".
Fund	An accounting entity in <i>MMARS</i> to which all receipts are credited and against which all expenditures and other liabilities are charged. By law, Massachusetts uses a fund accounting system, where all financial activity is recorded by fund. The law specifies which receipts shall be deposited to which funds. Budget acts specify which expenditures shall be charged to which funds. Fund accounting is an overlay on accounting, which is also done by <i>account</i> , <i>object class</i> and <i>object code</i> .
Fund balance	A cumulative residual total of a fund's financial operations (revenues vs. expenditures), also measured as the difference between the fund's assets and its liabilities.

G

GAA	<i>General Appropriation Act</i>
GAAP	<i>Generally Accepted Accounting Principals</i>
GASB	Government Accounting Standard Board
General Appropriation Act	The budget for a <i>fiscal year</i> which is passed by the Legislature and signed into law by the Governor to fund activities for the government for a specified budget fiscal year. The <u>Massachusetts General Laws</u> require that annual budgets are in <i>balance</i> .
General Court	The Legislature.
General Laws	The codified collection of laws passed by the Legislature, organized into Chapters and Sections by subject. Often referred to by one of the following acronyms: "GL", "MGL", "MGLA (<i>annotated</i>)".
Generally Accepted Accounting Principals	A set of accounting rules which are accrual-based and widely accepted and used. Often noted as <i>GAAP</i> . (The statutory accounting that the state primarily uses is largely cash-based.)
Governor's Council	A body of elected officials which, according to the state constitution, must approve all expenditures except those for debt service and salaries for legislators and the Supreme Court justices. The Governor's Council meets weekly to approve <i>warrants</i> of expenditures.
Government Accounting Standards Board	The independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. Often noted as <i>GASB</i> .
Governor's message	A letter to the Legislature from the Governor that covers legislation submitted by the Governor.
Grade	See <i>Step Rate</i> .

Gross income The total of all items included in the concept of income that a taxpayer received during the taxable period.

H

House 1; House 2 The Governor's budget recommendations for the next *fiscal year*. According to the Constitution, it must be filed within 3 weeks of the convening of the Legislature in January. Newly-elected governors must file House 1 within 8 weeks. In the second year of a legislative session, the Governor's budget is referred to as House 2.

HR/CMS Human Resources Compensation Management System, the payroll system through which all non-UMass state employees are paid.

HRMS The payroll system through which UMass employees are paid.

I

Incremental budgeting A budgeting technique where a base budget is established using uniform criteria for all agencies, and additions or deletions are added to or subtracted from that base. See also *performance-based budgeting*, *program budgeting* and *zero-based budgeting*.

Income Tax Citizen payments based on annual revenue received from personal work, investment income, rental property, etc. Income taxes are defined by state law and the Department of Revenue.

Indirect cost Overhead expense, including space rental and other administrative support costs, but not including employee *fringe benefits*.

Indirect cost rate A percentage that the state charges to federal grants for overhead costs which are incurred by the state.

Information Warehouse A sizeable database which contains an extensive and expanding set of financial and payroll data. State agency personnel can extract data to construct analytical and management summary reports and spreadsheets. Also referred to as the Commonwealth Information Warehouse, CIW.

Interagency service agreement A contract between two state agencies where one agency agrees to perform specified services and the other agency agrees to pay for those services. Often referred to as an ISA.

Internal control Internal control is a process, effected by an entity's board of directors, management and other personnel designed to provide reasonable assurance regarding the achievement of the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

Inter-Secretariat Budget Team Group of staff from multiple agencies formed to assist the Secretary of Administration and Finance and the Governor to identify and developing reforms proposals for the management of state government and delivery of state services.

Intragovernmental Service Fund account Entity in *MMARS* which records the status of a certain type of *appropriation* where an agency is authorized to make payments for goods, services, and other obligations on behalf of other agencies, and to receive reimbursement from the accounts of those other agencies. These reimbursements are called *chargebacks*. Normally, Intragovernmental Services Fund spending and revenue are not included in statewide totals, since doing so would result in a double count. Also referred to as an ISF account.

ISA *Interagency Service Agreement*

ISBT *Inter-Secretariat Budget Team*
ISF account *Intragovernmental Service Fund account*

J

Journal The official record of proceedings in each chamber of the Legislature. The House Journal and Senate Journal are published by the *Clerks* of the respective chambers.

Judicial Branch The Massachusetts Judiciary branch is comprised of the Supreme Judicial Court, the Appeals Court, the Trial Court, and the Committee for Public Counsel Services. The Supreme Judicial Court has original jurisdiction over certain cases and hears appeals from both the Appeals Court, which is an intermediate appellate court, and in some cases, directly from the Trial Court.

L

LCM Labor Cost Management system, an interface between *HR/CMS* and *MMARS* that allows agencies to assign employee payroll expenses among different accounts and programs.

Legislative Branch The Massachusetts Legislature or General Court is a two-house body consisting of 40 senators and 160 representatives. A professional and administrative staff supports legislator, primarily through the committee structure.

Line item Unit by which the Legislature *appropriates* money. Line items consist of an *account* number, language that outlines how the money may be spent, the amount, and the *fund* designation. Where no *fund* designation is given, the *appropriation* is charged to the General Fund.

Line item veto See *Veto*.

Local aid Monies *appropriated* to be distributed to cities and towns. See also *Cherry Sheet*.

M

Maintenance budget The projected cost in the next *fiscal year* of maintaining the level of operations that will exist at the end of the current *fiscal year*.

Master service agreement *A blanket contract* which covers services, often referred to as an MSA.

MMARS Massachusetts Management Accounting and Reporting System, the official accounting system of the Commonwealth.

Medicaid Health coverage authorized in Title XIX of the Social Security Act for individuals and families who meet defined financial eligible criteria.

Model budget A preliminary budget estimate developed in-house, by Administration and Finance, prior to the formal budget development process.

MSA *Master Service Agreement* consists of qualified vendors with approved rates available to meet the needs of the Commonwealth.

N

Net income Amount remaining after subtracting exempt income and deductions from gross income.

Non-budgetary Spending *accounts* other than *direct appropriation* and *retained revenue*.

accounts

Non-budgeted funds Financial activities authorized by the legislature but funded through receipts of dedicated revenues (such as assessments, federal grants, fees, fines, investment income) and certain designations of tax revenue. All *funds* except the General, Highway and Health and Wellness Funds, which are considered *budgeted funds*.

Non-budgeted special revenue funds Specific revenue sources that have been segregated from the budgeted funds to support specific governmental activities, such as federal grants, funds related to the tobacco settlement and operations of the state lottery.

O

Object Class Formerly known as subsidiary, and often interchanged. Sub-unit of an *account*, indicated by a two-character code, AA, BB, CC, etc. *Appropriations* are recorded in *MMARS* by object classes within an *account*. Object classes specify the purposes for which portions of *appropriations* are budgeted. For example, money budgeted in the AA can only be spent on salaries; money in KK can only be spent for equipment purchases. Monies in some *budgetary accounts*, and in most *non-budgetary accounts*, are not subsidiarized, and expenditures in those *accounts* are not limited by object class controls. See also *Expenditure Classification Handbook*.

Object code Three-character identifier used in *MMARS* to classify all expenditures. Object codes describe the types of goods and services procured. The hundreds of object codes can be summed into the 18 *object classes*, and are described in detail in the *Expenditure Classification Handbook*.

Official Statement A legally required disclosure document prepared at the time of bond offerings of the Commonwealth or of entities whose bonds are guaranteed by the Commonwealth, frequently referred to as an "OS".

One-time cost An expenditure by an agency that would not normally be expected to recur in the next year, e.g., an expenditure for the installation of a computer network.

Operating budget A budget making *appropriations* for the ordinary maintenance or administration of activities for the *fiscal year*, i.e., it does not include *capital outlay* authorizations.

OS *Official Statement*

Outside sections Sections in a budget act following section 3, which contain specific provisions of law which govern the particular *appropriations* contained in the budget, make other special laws that usually apply for only one *fiscal year*, and amend the *General Laws* to implement permanent changes included in the budget.

P

PAC *Prior Appropriation Continued*

Performance-based budgeting A budgeting technique which defines units of service, calculates a cost-per-unit, and makes recommendations based on the desired level of service. See also *incremental budgeting*, *program budgeting* and *zero-based budgeting*.

Personal exemption A specific amount or percentage of net income on which the tax rate is zero. Sometimes called an allowance.

Pocket veto Legislative bills sent to the Governor for signature at the end of a legislative session are considered to be vetoed if he does not sign them within 10 days. This is called a pocket veto. (While the Legislature is still in session, a bill held unsigned by the Governor becomes law after 10 days.)

Prior appropriation continued	In general, the balance of unspent and unobligated <i>appropriations</i> reverts at the end of a <i>fiscal year</i> (see <i>reversion</i>). Each year, some <i>accounts</i> are specifically exempted from this provision, and are authorized in budget <i>acts</i> to carry a balance into the next <i>fiscal year</i> . Those <i>accounts</i> are called “prior appropriation continued accounts” or “PAC accounts”. Sometimes “PAC” is used as a verb, and <i>accounts</i> are said to be “PAC’d”. <i>Capital accounts</i> , at the end of their normal 5-year life span, may be subject to the same process.
Program budgeting	A budgeting technique which consolidates programs with similar or overlapping goals, gives managers broad discretion in the use of funds, and sets long-term goals based on the effect of the service provided rather than on the quantity of service units provided. See also <i>incremental budgeting</i> , <i>performance-based budgeting</i> and <i>zero-based budgeting</i> .
Proposition 2 1/2	A Massachusetts referendum passed in 1980 that limits the growth of local property tax to an annual increase of 2.5%.

R

Rainy Day Fund	Common name for the <i>Stabilization Fund</i> .
Receipt Ceiling	See <i>Retained Revenue Account</i> .
Reserve	A <i>line item</i> which appropriates an amount to be transferred to other <i>line items</i> to fund a particular cost which is not already included in those other <i>line items</i> . Reserves are usually set up to fund new collective bargaining agreements, and other expenses when the distribution of costs across <i>accounts</i> is not know at the time of the <i>appropriation</i> .
Resolve	A document promulgated by the Legislature, expressing its intent.
Restricted revenue	Receipts which, instead of being deposited to general or “ <i>unrestricted revenue</i> ”, are diverted for a specific purpose, usually for the purposes of retained <i>revenue account</i> .
Retained revenue account	Entity in <i>MMARS</i> which records the status of a certain type of <i>appropriation</i> where an agency is authorized to spend a specific amount of receipts from a particular revenue source for a particular purpose. The amount specified in the <i>line item</i> is entered into the “Receipt Ceiling” field in <i>MMARS</i> , and revenues deposited up to that amount may be retained and spent.
Reversion	Unexpended and unobligated money which returns at the end of a <i>fiscal year</i> to the <i>fund</i> from which it was appropriated. This money is no longer available for agencies to spend.
Revenue	Funds received by the Commonwealth from a variety of sources including taxes, federal reimbursements, federal grants, lottery revenue, assessments, motor vehicle license fees and registrations, fees and investment earnings.

S

Salary chart	See <i>step rate</i> .
Source code	A four-digit code used in <i>MMARS</i> to designate the specific type of activity from which revenue is generated. The last four digits of a revenue <i>account</i> number comprise the source code.
Spending plan	A document, submitted to Administration and Finance by all state agencies, which contains a detailed estimate of projected spending and revenue for the current year. The Spending Plan usually includes a detailed <i>maintenance budget</i> estimate for the following year as well.

Stabilization Fund	A “rainy day” fund into which the end-of-year surplus is deposited up until the limit of 15 percent of budgeted revenues is reached. The stabilization fund is a reserve of surplus revenues used for the purposes of covering revenue shortfalls, state or local losses of federal funds or for any event that threatens the health, safety or welfare of the people or fiscal stability of the Commonwealth.
Statutory balance	The amount on the <i>Balance Sheet</i> which indicates the <i>condition</i> , if excess revenue carried forward from the previous year is counted. (The laws, or statutes, allow a certain percentage of prior year excess revenue to be counted in the balance.) See also <i>Structural Balance</i> .
Statutory basis of accounting	Under the statutory basis of accounting revenues are generally recognized when cash deposits are received by the Treasury and expenditures are generally recorded when cash disbursement occurs.
Statutory debt limit	Enacted in December 1989, Section 60A of Chapter 29 of the General Laws set a fiscal 1991 limit of \$6.8 billion on the amount of outstanding direct debt of the Commonwealth, and provided that the limit for each subsequent fiscal year was to be 105% of the previous fiscal year’s limit. Certain bond issues, such as refunded bonds and bonds issued for the MBTA, Central Artery/Tunnel Project, Massachusetts School Building Authority and bonds issued to finance the Commonwealth’s accelerated structurally deficient bridge program are exempt from the statutory debt limit.
Step rate	Salary rates for unionized state employees are outlined in salary tables which contain grades and steps. Grades are determined by position title, e.g., a clerical position gets paid at a relatively low pay grade compared to a senior management position. Each grade contains several salary rates, increasing in increments from the bottom to the top. These are called step rates. Each year on their anniversary dates, and based on satisfactory performance, employees get a salary increase to the next step rate. When they reach the top step, they can proceed no further within a grade, unless specific collective bargaining agreements provide otherwise.
Structural balance	The amount on the <i>Balance Sheet</i> which indicates the <i>condition</i> , if excess revenue carried forward from the previous year is not counted. Also called operating or current account balance. See also <i>Statutory Balance</i> .
Sub	Short for <i>Subsidiary</i> .
Subsidiary	See <i>Object Class</i> .
Supp	Short for <i>Supplemental</i> .
Supplemental	See <i>Deficiency</i> .

T

Taxable income	Amount to which the tax rates are applied in computing tax liability, after subtracting personal exemptions from net income.
Tax Exempt Lease Purchase	A program where state agencies may lease-purchase equipment, and which includes tax benefits for the vendor and price breaks for the state. Usually referred to by the acronym “TELP”.
Tax expenditure	Provisions in the tax code, such as exclusions, deductions, tax credits and deferrals, which are designed to encourage certain kinds of activities or aid taxpayers in special circumstances.
Tax expenditure	Sources of revenue for all state government.

budget

TELP *Tax Exempt Lease Purchase*

Terms bill A legislative bill authorizing terms and conditions of bond sales, which must be filed by the Governor, and passed by the Legislature, before previously authorized *capital outlay* bonds can be sold, and before bonded expenditures can be made.

Trust/other account Unit in *MMARS* which records the status of monies authorized to be spent by various statutes, other than *appropriations*, *capital outlay* authorizations and *federal grants*.

U

Unrestricted revenue Receipts which are deposited to the commonwealth's general revenues, as opposed to *restricted revenue*.

V

Veto Action taken by the Governor, authorized by the Constitution, to disapprove a legislative bill. For *appropriations* bills, the Governor may disapprove *line items*, or in some instances portions of *line items*, and *outside sections*.

Veto override Legislative power to nullify a Governor's *veto*. Requires a two-thirds vote of both the House and Senate.

W

Warrant A report produced weekly (and for some items monthly) which lists all payments about to be made, and which must be approved by the *Governor's Council* before the payments are made.

Ways and Means Committees Legislative bodies in the House and Senate, which consist of members of the respective branches appointed by the House Speaker and Senate President. These bodies make recommendations to their respective chambers on all funding bills. The House and Senate Committees on Ways and Means employ budget staff, including analysts.

Z

Zero-based budgeting A budgeting technique that begins at zero and justifies every expenditure. See also *incremental budgeting*, *performance-based budgeting* and *program budgeting*.