



GLOSSARY

Accountability: The methods used to measure results.

Act 160 Report: An annual report by department undersecretaries on their department management and program analysis activities; this report is required by R.S. 36:8 (Act 160 of 1982, as amended by Act 911 of 1995).

Action Plan: A detailed description of how a strategy will be implemented.

Activity: A distinct subset of functions or services within a program.

Advanced Government Purchasing System (AGPS): An automated purchasing system that is one of the major systems that make up ISIS (Integrated Statewide Information Systems). AGPS offers both agency and State Purchasing users access to a broad range of capabilities from online entry of requisitions, automated building of solicitations, selection of vendors to receive those solicitations, and bid tabulation, to automated award processing. Agency users are able to enter a direct purchase or contract release order, record the receipt of goods, enter invoices and initiate payments, all in an online real-time environment.

Advantage Financial System (AFS): AFS is a complete financial management system specifically designed to support the functions performed by governments. In addition to the standard accounting functions of accounts payable and general ledger, AFS also performs the specialized functions of encumbrance control, fund accounting, and grants and project management. Using data provided by its users, AFS maintains a financial database from which a variety of detail and summary level reports may be produced. It is one of the major systems that make up ISIS (Integrated Statewide Information Systems).

Agency: Any state office, department, board, commission, institution, division, officer or other person, or functional group, that is authorized to exercise, or that does exercise, any functions of the

government of the state in the executive branch. This does not include any governing body or officer of any local government or subdivision of the state, or any parochial officer who exercises functions coterminous with the municipality in which he or she performs those functions.

Alternative Futures: An anticipation or foresight method that uses scenario building to investigate possible or probable future paths. It allows users to simulate various future conditions and explore the probable outcomes of various courses of action.

Ancillary Appropriation Act: An act providing for the ancillary expenses of state government by setting forth the initial appropriations for ancillary agencies and their programs.

Ancillary Appropriation Bill (AAB): A bill providing for the ancillary expenses of state government. The governor causes a bill to be prepared in conformity with the recommendations for appropriations contained in the executive budget. The AAB reflects a performance-based budget, with specific appropriations for each agency and its programs, including key objectives and key performance indicators

Anticipation: See **Foresight**.

Appropriation: An authorization by the legislature to a budget unit for a program or subprogram to expend from public funds a sum of money, for purposes designated, under the procedure prescribed by law.

Appropriation Act: An act of the legislature that authorizes the expenditure of state money.

Authorized Positions: The number of positions approved by the legislature in an appropriation bill to be funded by the salaries-continuing category of the accounting system for the state. The number may be adjusted during a fiscal year in accordance with procedures provided by law. Authorized positions are counted in an organization's table of organization (T.O.).

Baseline Performance Level: The level of performance identified at the beginning of an improvement process.

Benchmarks: The highest levels of quality within specific programs, processes, or services. Benchmarks represent the "best in the business."

Benchmarking: The process of rating an organization's practices, processes, and products against the best and then emulating them. It involves seeking out best-in-class performers inside or outside of an organization, studying them in order to determine why they are the best at what they do, and applying what is learned. Benchmarking can be used to help an organization formulate objectives (identify specific improvements that should be made), build strategies (find the best ways to achieve improvements), and build in accountability (find the best performance indicators being used to measure improvements).

Benefits: The anticipated outputs (services provided) and outcomes (goals and objectives accomplished) of a policy, program, or specific service.

Budget: A plan for the expenditure of funds to support an agency and its programs.

Budget Office Automated Tracking System (BOATS): The Office of Planning and Budget's computerized budget data system used for executive budget development and state budget monitoring.

Budget Request: The document with its accompanying explanation, in which a budget unit states its financial requirements and requests appropriations. The total budget request includes an operational plan.

Budget Unit: Any spending agency of the state that is declared to be a budget unit by the Division of Administration and which is identified for accounting purposes by a five-digit number code. A budget unit may be a department, agency, institution, board, commission, or other authorized spending unit. Generally, a budget unit is a major organizational level that administers one or more programs.

Capital Outlay Act: An act providing for state capital construction. It is a companion to the Omnibus Bond Authorization Act.

Capital Outlay Bill: A bill providing for state capital construction. The bill is separated into a cash section, which appropriates funds from cash sources (such as federal funds, the Transportation Trust Fund, the state general fund, and the proceeds of revenue bonds) and a bond section, which appropriates funds from the proceeds of general obligation bond sales.

Capital Outlay Budget: The capital outlay budget is the budget associated with acquisition or construction of major capital items, including land, buildings and structures, and equipment.

Capital Outlay Budget Development System (BDS): The Capital Outlay Budget Development System (BDS), one of the systems that make up ISIS (Integrated Statewide Information Systems), is a custom-developed, windows-based, client-server application supporting the capital outlay budget preparation/execution process. Its functions include development of the capital outlay bill, inclusion of legislative amendments, and the interface of capital outlay appropriations to AFS, the state financial system. Requests for Capital Outlay funds are interfaced from the Capital Outlay Request Tracking System (CORTS), and/or input directly into BDS by Office of Facility Planning and Control analysts. After extensive analysis and consideration, the capital outlay bill is prepared as an output report from BDS. Legislative amendments to the capital outlay bill are entered via windows to BDS. After all amendments and vetoes are entered, BDS is balanced to the promulgated capital outlay act. Users such as the Office of Facility Planning and Control, Military Department, and Department of Transportation and Development process the enacted appropriations via specific windows and a BDS/AFS interface to the state financial system for projects they will administer.

Capital Outlay Planning and Budgeting: A planning and budgeting process that is directed toward the acquisition or renovation of fixed assets. It is part of good facility management (or fixed asset management).

Capital Outlay Request Tracking System (CORTS): A computerized data collection and reporting tool to manage capital outlay information.

Capital Outlays: Expenditures for acquiring lands, buildings, equipment, or other properties, or for their preservation or development or permanent improvement.

Chief Executive Officer: The head of an organization (for example: the governor on a statewide level; an elected official or appointed head of a department on a department level), who provides the leadership to manage for results. In the strategic planning process, the CEO takes the lead in crafting the vision, defining the mission, and expressing the philosophy of the organization.

Comprehensive Planning: A process that spans a multiplicity of activities, programs, or agencies that are related because each has some effect upon a goal or set of goals. The central theme of comprehensive planning is the need to harmonize operations and purposes so as to achieve some end without undue waste, duplication, or conflict. It includes extensive discussion of the means to achieve stated purposes. Comprehensive planning is usually applied to broad public policy areas where the participation of many independent actors makes coordination paramount. At the statewide level, the governor often creates special commissions, task forces, or interagency work groups to prepare a comprehensive plan to address an issue that crosses agency jurisdictions or involves state/local or public/private sector coordination.

Consensus Estimating Conference: A joint executive/legislative body, composed of several estimating conferences representing major policy or functions areas, which assesses needs in major policy or functions areas; identifies the resources necessary to meet those needs; and provides official information used to develop projected expenditures for a five-year base-line budget projection. The Consensus Estimating Conference, as established by Act 966 of 1990, is composed of the Economic Estimating Conference, the Demographic Estimating Conference, the Education Estimating Conference, the Criminal Justice Estimating Conference, the Health and Social Services Estimating conference, and the Transportation Estimating Conference. Executive Order MJF 01-03 adds the following additional consensus estimating conferences: the Higher Education Estimating Conference; the Human Resources Estimating Conference; and the State and National Data Estimating Conference.

Continuation Budget: That funding level for each budget unit that reflects the financial resources necessary to carry on all existing programs and functions of the budget unit at their current level of service in the ensuing fiscal year, including any adjustments necessary to account for the increased cost of services or materials due to inflation and estimated increases in workload requirements resulting from demographic or other changes.

Contract Financial Management System (CFMS): CFMS provides contract management support for professional, personal, consulting, and social services contracts. The system supports all phases of contract management activities from initial contract entry, through amendments, invoicing and payments - across multiple fiscal years. With AFS, CFMS users may also establish and track retainage, advances, and recoupment amounts and pre-encumber contracts in the financial system via an online interface. CFMS uses, as its foundation, the AGPS contracts database structure and electronic approvals processes and takes advantage of the AGPS on-line

interface capabilities with AFS. It is one of the systems that make up ISIS (Integrated Statewide Information Systems).

Cost-benefit Analysis: A management tool that involves calculating or estimating the known costs and potential benefits of a course of action under consideration.

Costs: Inputs required to implement a policy, program, or specific service.

Customer: Anyone who receives or uses the services of an organization or whose success or satisfaction depends upon the actions of an organization. Customers may be internal or external. Internal customers are units or persons in an organization whose work depends upon another unit or person within the organization. External customers are the end users of the organization's product or services.

Efficiency: Cost-effectiveness or productivity relative to achievement of an objective.

Efficiency Indicators: Performance indicators that measure productivity and cost-effectiveness. They are frequently expressed as a ratio of inputs to outputs or inputs to outcomes.

Encumbrance: A commitment related to unperformed executory contracts for goods or services.

Environmental Scan: An analysis of key external elements or forces that influence the environment in which the organization functions. Scanning provides an essential backdrop for strategic planning and policy development. An environmental scan looks at the current environment and, combined with foresight methodologies, anticipates changes in the future environment.

Executive Budget: The document submitted to the legislature at each regular session, pursuant to the provisions of Title 39 of the Revised Statutes of Louisiana and Article VII, Section 11(A) of the Constitution of Louisiana, presenting the governor's recommended complete financial plan and programmatic plan for the ensuing fiscal year. The Executive Budget must include recommendations for appropriations from the state general fund and dedicated funds; however, these recommendations must not exceed the official forecast of the Revenue Estimating Conference.

Existing Operating Budget: The initial operating budget as adjusted for actions taken by the Joint Legislative Committee on the Budget, the Interim Emergency Board, the legislature, or the governor in accordance with law. During the executive budget development process, a budget unit uses Budget Request or BR forms to describe its existing operating budget in both summary and object code detail.

Expectation Groups: Groups that expect certain levels of performance or compliance but do not receive services from an organization. An accreditation board, for example, is an expectation group but not a customer of a hospital.

Expenses: Amounts (represented by cash paid out or by obligations to pay cash or partly by each) for maintaining and operating government services.

Explanatory Notes: Statements that may accompany performance indicators. They establish context and fill in background. Explanatory notes identify input variables, program variables,

and external variables and explain how those variables affect performance. They provide a link among indicators that should be used in tandem. In strategic planning, most explanatory notes appear on performance indicator validation documentation. Explanatory footnotes frequently are supplied as part of the operational planning and budgeting process to explain performance indicator values; and comments explaining variations in actual and anticipated performance are common in performance progress reports.

External Variables: Factors not controlled through the policy or program that may have independent and significant effects on outcomes--such as economic downturns, population shifts, technological advances, or cultural differences or changes.

Extraordinary Expenses: Expenses of unusual character, such as in the normal course of events would not be expected to occur in each year, or the excess over the normal requirements due to unusual conditions in any budget year.

Evaluation: The systematic review of the goals, objectives, strategies, and operations of a department or program, along with the preparation of recommendations for needed adjustments.

Facilitator: A key participant in the strategic planning process. The facilitator guides participants through planning sessions, assuring that all views are considered. The facilitator does not express opinions but keeps the discussion flowing. ("Facilitator" is a functional title not a position.) A facilitator may be someone from outside the organization.

Facility Managers: Key participants in the strategic planning process, who analyze the impacts of potential strategies and use strategic plans to guide development of capital outlay plans and budgets.

Financial Accountability and Control System (FACS): The state's outmoded financial control system that was replaced by the Integrated Statewide Information System (ISIS).

Financial or Budget Managers: Key participants in the strategic planning process, who analyze fiscal impacts of potential strategies, project resource allocation needs, and use strategic plans to guide development of annual operating budgets and capital outlay budgets.

Foresight (or Anticipation): Explicit efforts to systematically identify, monitor, and analyze long-term trends and issues that are likely to affect an organization's future environment and to examine the implications those trends and issues may hold for the organization's future.

Functions: Duties, jurisdiction, powers, rights and obligations conferred or imposed upon or vested in any agency by law, or exercised, performed, or discharged by any agency without contravention of any provision of law.

Functional Planning: Planning that addresses a particular functional responsibility of government, such as education or transportation, and is usually conducted by a line, or single-purpose, department. Functional planning and comprehensive planning are overlapping categories. For example, a state comprehensive recreation plan is functionally oriented but presumes sufficient breadth to encompass all state activities that have a significant effect upon recreational opportunities, whether or not they are normally thought of as recreation activities.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts recording cash or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions, and limitations.

General Appropriation Act (GAA): An act providing for the ordinary operating expenses of state government by setting forth the initial appropriations for agencies and their programs.

General Appropriation Bill (GAB): A bill providing for the ordinary operating expenses of state government. The governor causes a bill to be prepared in conformity with the recommendations for appropriations contained in the executive budget; the GAB is submitted for introduction at the same time as the executive budget is submitted. The GAB reflects a performance-based budget, with specific appropriations for each agency and its programs, including key objectives and key performance indicators. It may also contain provisions for specific rewards or penalties for certain agencies.

General Fund: The principal operating fund of the state. General fund revenues accrue to the state from taxes, fees, interest earnings, and other sources.

General Performance Information (GPI) Indicator: A performance indicator that is included in the executive budget supporting document to provide valuable historic, trend, or comparative data. GPI indicators may be included in the general or ancillary appropriation act. General performance information indicators are reported on an actual basis only and do not become performance standards. However, GPI indicators are tracked for historical and trend purposes in LaPAS; a prior year actual value is reported at second quarter (or midyear) and a yearend actual is reported at fourth quarter (or yearend).

Goal: The general end purpose toward which effort is directed. Goals are a description of the desired future that is possible. Goals chart direction--show where the organization is going. Goals describe the "to be" state; that is, they indicate what broad changes will be made over a relatively long period of time. Goals provide a framework for more detailed levels of planning; they are more specific than vision and mission statements but remain general enough to stimulate creativity and innovation.

Goal Setting: An anticipation or foresight method that is generally used to develop directions or chart the future course for an organization. In the strategic planning process, goal setting identifies the general changes or results that must be achieved in order to fulfill the vision, carry out the mission, and address critical issues.

Human Resource Managers: Key participants in the strategic planning process, who analyze the impacts of potential strategies on the organization's workforce, training programs, and human resource management policies. Later, human resource managers must be able to integrate performance assessment into the context of the strategic plan.

Incremental Budgeting: A budget system that requires that only additions or deletions to current budgeted expenditures be explained and justified. Funding decisions are made on the margin, based

on the justification for the increased costs of operating agencies or programs. This process can be used in conjunction with either line-item budgeting and/or program budgeting.

Information Management Systems Managers: Key participants in the strategic planning process, who analyze impacts of potential strategies on the organization's information management systems; help program managers select appropriate performance indicators; and process the data necessary for accountability.

Initial Operating Budget: The amount of the appropriation on July 1 of a particular fiscal year for that fiscal year.

Input: Any resource (human, financial, facility, or material) that is used to implement a policy, program, or specific service. Inputs may also include demands for service or size of problem. Inputs represent the “before” stage—that is the point before your process is implemented.

Input Indicators: Performance indicators that measure resource allocation and demand for services.

Input Variables: Factors that must be considered when developing performance standards or objectives. These include target group variables, policy and program variables, and external variables.

Integrated Statewide Information System (ISIS): A comprehensive information system that meets the common accounting, management and information needs of all departments and branches of state government, including the central fiscal control agencies.

Interim Emergency Board: A board composed of the governor, lieutenant governor, state treasurer, presiding officer of each house of the legislature, chair of the Senate Finance Committee, and chair of the House Appropriations Committee, or their designees, that may appropriate money between legislative sessions from the state general fund or borrow on the full faith and credit of the state an amount to meet an emergency.

Internal/External Assessment: An analysis and evaluation of internal and external data and factors that affect the organization and its mission.

ISIS-Human Resources (ISIS-HR): SAP R/3, one of the major systems that make up ISIS (Integrated Statewide Information Systems), includes a suite of human resource and payroll related modules which include Personnel Management, Payroll Processing and Payables, Time Recording, Position Management, Travel, Training, Recruitment, Workflow, Career and Succession Planning and Qualifications, Salary Surveys and Comparisons. The first phase of the project is to implement the Personnel Management, Payroll Processing and Payable and Position Management modules.

Issue: A matter in dispute; a point of controversy.

Issue Identification: An anticipation or foresight method that involves techniques to identify policy issues that are likely to occur in the future. It is usually associated with scanning activities.

Issue Management: Identifying new forces that will affect the interests of an organization (through scanning or other forecasting techniques), developing a positive action plan for dealing with the issue, and then executing that plan. Issue management combines an understanding of the public policy development process with the techniques of futures research, strategic planning, public relations, and public affairs.

Issue Scanning: An anticipation or foresight activity that involves periodic and systematic assessment of the social, political, economic, and physical external environment, with an eye for changes that may affect the organization over time.

Joint Legislative Committee on the Budget (JLCB): A joint committee of the legislature that serves as the budgetary and fiscal representative of the legislature to assist in the discharge of the legislature's fiscal and budgetary responsibilities. It provides the legislature with information relative to those responsibilities from a source created by and responsible solely to the members of the legislature. The committee is composed of the members of the House Appropriations Committee, the Senate Finance Committee, and the chairs of the House Ways and Means Committee and Senate Revenue and Fiscal Affairs Committee.

JLCB Performance Review Subcommittee: A subcommittee of the JLCB that executes the duties of the JLCB relative to oversight of performance-based budgeting.

Key Objective: An objective that is included in the executive budget, the general appropriation act, or the ancillary appropriation act. To track progress, a key objective must be accompanied by at least one key performance indicator; a key objective may have supporting and general performance information indicators as well.

Key Performance Indicator: A performance indicator that is included in the executive budget, the general appropriation act, or the ancillary appropriation act.

Liability: A debt arising out of a transaction where goods or services have been received or rendered that must be liquidated, renewed, or refunded at some future date.

Line-item Budgeting: A budget system that refers to objects or lines of expenditure (for example, personnel, supplies, or contractual services) that are the focus of development, analysis, authorization and control of the budget.

Long-range Planning: A process that collects and organizes information to inform future decisions. It complements both policy planning and strategic planning.

Louisiana Performance Accountability System (LaPAS): An electronic database that tracks performance standards and actual performance information for Louisiana's state departments and agencies. The departments and agencies submit quarterly performance progress reports to LaPAS via the Internet. The Office of Planning and Budget (OPB) in the Division of Administration is the official record keeper and repository of performance data and maintains LaPAS.

Management Evaluation: A systematic examination of a specific program or activity to provide information on and measure program efficiency (how well a program is managed).

Mission: A broad, comprehensive statement of purpose. The mission identifies what the organization does (or should do) and for whom it does it. It describes the organization's products or services and its customers. The mission is part of an organization's identity. The mission is all encompassing and rarely changed; it is the ultimate rationale for the existence of an organization.

Money Available for Appropriation: The amount of money to be received for a fiscal year by the state general fund and dedicated funds, exclusive of federal funds and those amounts appropriated or allocated by the Constitution of Louisiana.

New or Expanded Services Request (NE Forms): A part of the Total Budget Request Document in which budget units provide a clear description of requested expenditures, means of financing, and service level impact of proposed or expanded services (activities or functions) by which the operating budget will be increased.

Nonrecurring Revenue: Revenue received by the state from a source identified by the Revenue Estimating Conference as being of a nonrecurring nature. "Nonrecurring revenue" includes, but is not limited to undesignated general fund balances. "Nonrecurring revenue" does not include revenues received by the state from any source that has been available for the preceding two fiscal years or that will be available for the succeeding two fiscal years.

Objective: A specific and measurable target for accomplishment. An objective describes the exact results that are sought and is expressed in an outcome-oriented statement that may reflect effectiveness, efficiency, or quality of work. It includes a degree or type of change and a timetable for accomplishment. Objectives represent milestones or intermediate achievements necessary to realize goals.

Obligation: An amount that a government may be required legally to meet out of its resources. This includes not only actual liabilities, but unliquidated encumbrances.

Official Forecast: The most recently adopted estimate of money available for appropriation by the Revenue Estimating Conference.

Official Information – Consensus Estimating Conference: Data, forecasts, estimates, analyses, studies, and other information that the principals of a consensus estimating conference may adopt pursuant to a vote of the majority of the principals of that conference.

Official Information – Revenue Estimating Conference: Data, forecasts, estimates, analyses, studies, and other information that the principal of the Revenue Estimating Conference adopt for purposes of budget development, enactment, and execution.

Omnibus Bond Authorization Act: Contains authorization for the sale of bonds to funds construction. It a companion act to the capital outlay act.

Operating Budget: An annual allocation of resources to carry out an operational plan. The operating budget is established for operation of a state agency or program and is based on legislative appropriation.

Operational Management: The translation of goals, objectives, and strategies into ongoing operations.

Operational Plan: The annual work plan of an agency and its component programs, which indicates the implementation of the agency's strategic plan for a specific fiscal year, and which describes agency and program missions, goals, objectives, activities, and performance indicators. It indicates what portion of a strategic plan will be addressed by a program during an operational period. The operational plan is part of an agency's total budget request.

Operational Planning and Budgeting: The task-by-task scheduling of operations and allocation of resources within a budget or management cycle to implement strategies. Operational planning and budgeting emphasize employment of resources.

Ordinary Recurring Expenses: All expenses of a continuing or recurring character that, in the normal course of administration, may be expected to be necessary in approximately the same amount each year.

Organizational (or Corporate) Culture: The philosophy, values, and operational assumptions of an organization. Organizational culture is part of the organization's identity.

Organizational (or Corporate) Identity: The unique capabilities and characteristics of an organization that distinguish that organization and determine its ability to create value in the marketplace. Identity is made up of an organization's vision, mission, philosophy (or culture), and goals as well as its special skills, abilities, and expertise.

Outcome: Evidence or demonstration of the actual impact or public benefit of a program. Outcomes are results. They are the changes or accomplishments that are actually achieved.

Outcome Indicators: Indicators that measure success. They measure results and assess program impact and effectiveness. (These indicators were called "effectiveness indicators" in prior years.)

Output: The quantity of actual service or product delivered by an agency or program. Outputs are units produced or services provided by a program.

Output Indicators: Indicators that measure quantity. They measure the amount of products or services provided or number of customers served. (These indicators were called "extensiveness" indicators in prior years.)

Paradigm: Patterns or perceptions of the way things are.

Performance Accountability: A means of judging policies and programs by measuring their outcomes or results against agreed upon standards. Performance accountability systems are composed of three components--defining outcomes; measuring performance; and reporting results.

Performance Audit: An evaluation of the efficiency and effectiveness with which an organization is carrying out its mission and achieving its goals and objectives.

Performance Indicator: A statement identifying an activity, input, output, outcome, achievement, ratio, efficiency, or quality to be measured relative to a particular goal or objective in order to assess an agency's performance. A performance indicator also means a measurement of any other aspect of performance as determined by rule issued by the commissioner of administration under the provisions of the Administrative Procedure Act. Performance indicators are the tools used to measure the performance of policies, programs, and plans. Five type of indicators are used: input, output, outcome, efficiency, and quality.

Performance Standard: The expected level of performance associated with a particular performance indicator for a particular fiscal year and funding level. Performance standards are proposed during the budget development process and established during the appropriation process. Performance standards are commitments for service that are linked with the level of funding budgeted/appropriated.

Performance-based Budget: A budget that relates funding to expected results. Performance budgets, like program budgets, are constructed by program but focus on program goals and objectives, measured by outputs, outcomes, efficiency, and quality. Appropriations are not only linked with programs, but also with expected results specified by performance criteria.

Philosophy: Core values, describing how the organization conducts itself in carry out its mission. Philosophy describes management policies; it defines the way in which an organization does business. It summarizes the operating principles or core values that will be utilized in fulfillment of the vision and mission. It characterizes an organization's culture and is part of its organizational identity.

Policy: A conceptual "road map," reflecting aspirations, values, intents, commitments, and priorities. Policies are select courses of action that guide governmental decisions affecting the lives of citizens. They frequently encompass a complex set of programs and activities. Policies are generally stated in terms of goals or outcomes for whole groups of people. Often they represent an agenda or set of priorities for state actions or spending.

Policy Accountability: Accountability that focuses on whether a complex set of state programs and actions are achieving goals and objectives.

Policy Areas: Broad groupings of state functions that are interrelated. Most government functions and services can be included in one of seven basic policy areas: Education, Economic Development, Environment and Natural Resources, Infrastructure, Human Resources, Public Safety, and General Government.

Policy Development: The process of setting policy; it is analysis and decision making for results. It includes a range of analytic and often highly creative activities that seek to meet public demand for positive response to increasingly complex issues.

Policy Planning: A process that analyzes the future implications of certain policy, program, and resource allocation options. It addresses the need for rationally integrated goals, priorities, and rules of administrative conduct and attempts to relate past and present conditions and trends of state growth to state legislative and budget options. Policy planning and strategic planning share common characteristics and methods.

Policy and Program Variables: Those things that a policy or program manipulates, such as resource allocation, intensity of service, or incentives for performance.

Program: A grouping of activities that results in the accomplishment of a clearly defined objective or a set of clearly defined objectives; it is a combination of inputs (resources) producing outputs (services) designed to achieve desired outcomes (objectives). Programs carry out policies.

Program Accountability: Accountability that usually measures outcomes only for those people served by a particular program or set of programs.

Program Budgeting: Refers to budgets that are formulated and appropriations that are made on the basis of expected results of services to be carried out by programs. It appropriates to budget units by program, not by line item or expenditure category.

Program Evaluation: The systematic examination of a specific program or activity to provide information on the full range of the program's short- and long-term effects. While program evaluation may include consideration of workload measures, operating procedures, or staffing, its main focus is on measuring effectiveness (the degree to which a program is achieving its intended purpose and attaining its objectives, and whether it is having positive and/or negative impact.)

Program Planning: Planning that spans only a closely related group of activities that have been administratively defined as a program. A single program may or may not be an organizational unit, but is commonly used as a basic budgetary unit. Program planning is narrowly focused as to subject and has common features with operational planning. It examines specific ways to implement identified policies and strategies.

Program Structure: Program structure is an orderly, logical array of programs and activities that indicates the relationship between each.

Project Planning: A more limited type of planning that identifies specific service needs and establishes specific activities or projects to address those needs. For example, project planning would be concerned with how to construct a highway rather than whether to have one in the first place.

Quality: Degree or grade of excellence.

Quality Indicators: Performance indicators that measure excellence. They reflect effectiveness in meeting the expectations of customers, stakeholders, and expectations groups.

Resource Allocation: The determination and allotment of resources or assets necessary to carry out strategies within the priority framework established in the goal-setting process.

Revenue Estimating Conference: A conference established by constitution and statute to establish an official forecast for each fiscal year. Principals are the governor, president of the Senate, speaker of the House of Representatives, or their respective designees, and a faculty member with revenue forecasting expertise from a public or private university in the state. The conference meets at least four times per year. Recommendations for appropriations from the state general fund and dedicated funds contained in the governor's executive budget must not exceed the official forecast of the Revenue Estimating Conference. Appropriations by the legislature from the state general fund and dedicated funds for any fiscal year must not exceed the official forecast in effect at the time the appropriations are made.

Scanning: A periodic and systematic assessment of the social, political, economic, and physical external environment over time, with an eye for changes that may affect state government over time.

Scenario Planning: Planning for more than one possible alternative futures. Scenario planning is often equated with contingency planning (planning for various circumstances). This process is useful when "things could go either way" for an organization and its operating environment. Scenario planning is also useful for contrasting a future in which trends are allowed to continue with a future in which a department or program intervenes to alter the status quo.

Senior Executive Team: Management team that uses knowledge of program areas to assist the CEO in managing for results. SET members are key participants in the strategic planning process. They assist the CEO in crafting the vision, defining the mission, and delineating the philosophy; identifying issues, problems, and opportunities; setting goals to carry out the organization's mission and address identified issues, problems, and opportunities; and reviewing and approving program plans. Team members participate because of program knowledge, not because of rank.

Situation Inventory: An assessment of the organization's position, performance, problems, and potential. It identifies strengths and weaknesses and evaluates the organization's capacity to respond to issues, problems, and opportunities. It identifies customers and their needs and expectations. It also reveals the paradigms and values that comprise the organization's current philosophy and drive (or disrupt) current operations and throws light on administrative or managerial policies and procedures that help or inhibit quality.

Space Utilization Study/Plan: A required component of capital outlay budget requests. The purpose of the space utilization study/plan is to determine whether existing space can be utilized to provide needed space and avoid construction of new space.

Stakeholders: Groups or individuals who have a vested interest in an organization. Stakeholders do not necessarily use the products or receive the services of an organization. For example, contract service providers have a stake in certain health, social services, and corrections programs.

State Budget: A complete state budget for a fiscal year. After the passage of the appropriation and revenue acts, but not later than October 1 of each year, the Office of Planning and Budget prepares a state budget. This budget includes all the details of the financial plan for the fiscal year, as to both expenditures and means of financing, as presented in the executive budget, with such revision as may be necessary to bring them into conformity with the appropriation and revenues acts and other

acts to provide means of financing, and with the legislative provisions in effect, governing administration of the budget.

Statutory Entity: Any department, agency, or office of state government.

Strategic Issues: Concerns of critical importance to an organization. Strategic issues are high-priority issues that merit special attention. They are the "make you or break you" kind of issues.

Strategic Planning: Planning for results. It is a process of agency self-assessment and objective setting that considers an organization's purpose, capacities and environment, and results in a strategic plan that determines a path for development of the organization's resources in order to achieve meaningful results. It is a future-oriented process that is an essential part of quality management. Strategic planning emphasizes deployment of resources to achieve meaningful results.

Strategic Planning Coordinator: The person responsible for making the planning process work by providing the coordination and tools for moving the organization through the strategic planning process. The strategic planning coordinator develops the timetable for planning and organizes the entire process. ("Strategic Planning Coordinator" is a functional title not a position.) The strategic planning coordinator is generally designated by the CEO. In a small organization, the CEO may be the planning coordinator.

Strategy: The method used to accomplish goals and objectives.

Sunset Review: The process through which, on a regular schedule, state agencies are required to justify their existence in order to continue that existence. Sunset review allows the legislature an opportunity and mechanism to evaluate the operations of state statutory entities to determine whether the merits of the entity's activities support its continuation. Sunset review, which runs on a six-year cycle, is the ultimate measurement of performance.

Sunset Review Budget Request Supplement: An addendum to the annual operating budget request that lists program activities and authorizations and identifies programs or activities that have been mandated but not funded by the legislature.

Supplemental Appropriation: An appropriation made to an agency or program during the current operating fiscal year to cover unforeseen events, projected over expenditures, or to replace revenue shortfalls.

Supporting Document: The document prepared by the Office of Planning and Budget, which is composed of supporting information, data, and documentation used to develop the executive budget.

Supporting Objective: An objective that is included in the executive budget supporting document and not included in the general appropriation act or ancillary appropriation act. To track progress, a supporting objective must be accompanied by at least one supporting performance indicator; a supporting objective may have general performance information indicators as well. However, key performance indicators cannot appear under a supporting objective.

Supporting Performance Indicator: A performance indicator that is included in the executive budget supporting document and not included in the general appropriation act or ancillary appropriation act.

SWOT Analysis: A review of an organization's internal **S**trengths and **W**eaknesses and external **O**pportunities and **T**hreats. The internal/external analysis conducted as part of the strategic planning process is a SWOT analysis.

Target Group Variables: Demographic and economic characteristics of the target population.

Technical/Other Adjustment Package (T/OAP Forms): A part of the Total Budget Request Document in which budget units display and recap all adjustments from the existing operating budget, by program.

Total Budget Request Document: Budget request package consisting of six separate components: (1) Operational Plan (OP Form); (2) Existing Operating Budget (BR Forms); (3) Continuation Level Budget (CB Forms); (4) Technical/Other Adjustment Package (T/OAP Forms); (5) New or Expanded Service Request (NE Forms); and (6) Total Request Summary (TR-SUM Form).

Total Quality Management (TQM): A management approach that values customer satisfaction. TQM is based on participation of all members of an organization in improving the organization's processes, products and services as well as the culture in which they work. The emphasis of TQM is on continuous improvement rather than a one-time fix or breakthrough. Other terms that are synonymous with TQM include business process improvement, continuous quality improvement, and process management, to name a few.

Total Quality Management (TQM) Coordinator: The person responsible for coordinating the organization's quality improvement effort (if established). ("TQM Coordinator" is a functional title, not a position.)

Travel Management System (TMS): TMS, one of the systems that make up the Integrated Statewide Information System (ISIS), was designed specifically for Louisiana state agencies to provide automated processing of travel advances, travel expense reports, and petty cash vouchers.

Trend: A broad, historical direction in behavior, perceptions, and values.

Trends Analysis: An anticipation or foresight method which is often used in demographic, economic, technological, and social forecasting. Because it analyzes trends and attempts to project future developments; it is more statistically oriented than other foresight methods.

Variables: Factors that may affect policy, plan, or program outcomes.

Vision: A compelling conceptual image of the desired future. A vision focuses and ennobles an idea about a future state of being in such a way as to excite and motivate an organization toward its attainment. It is the inspiration for all other components of the strategic planning process. It is a vision of and for success. The vision is part of an organization's identity.

Zero-based Budgeting: A budget system that subjects all programs, activities, and expenditures to justification (in contrast to incremental budgeting). Funding requests, recommendations, and allocations for existing and new programs are usually ranked in priority order on the basis of alternative service levels, which are lower, equal to, and higher than current levels. This process can be used in conjunction with either line-item budgeting and/or program budgeting.