

## GLOSSARY

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| Accrual Accounting                 | System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.  |
| Accumulated Depreciation           | The aggregate depreciation recorded for a particular depreciating asset.  |
| Additional Estimates               | Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.  |
| Additional Estimates Bills or Acts | These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments [Appropriations (Parliamentary Departments) Bill (No. 2)]. These Bills are introduced into Parliament sometime after the Budget Bills.   |
| Administered Items                 | Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs. |
| Appropriation                      | An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.   |
| Annual Appropriation               | Two Appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations. |
| Assets                             | Assets are physical objects and legal rights it is expected will provide benefits in the future or alternatively items of value owned by an Agency.   |
| Budget Measure                     | A decision by Cabinet or Ministers and has resulted in a cost or savings to outlays.  |

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| Commercial Activities Fund (CAF) | <p>Accounts for various activities of agencies which should be accounted for as if they were genuinely commercial. Components of the CAF specifying the nature of receipts that may be credited to, and payments that may be made from, each component, may be established by the Finance Minister under section 21 of the Financial Management and Accountability Act. The criteria applied to establishing components of the CAF are:</p> <ul style="list-style-type: none"><li>• The purpose of the activity to be financed via the CAF involves the provision of goods and services;</li><li>• The organisation undertaking the activity has a management structure that is discreet within the agency and that costs of that management structure are segregated from the costs of other activities and outcomes of the agency;</li><li>• The activities are funded predominantly from revenue raised from users or purchasers and that there is a “profit-making” objective; or</li><li>• The organisation is, or potentially will be, competing in a commercially contestable environment.</li></ul> |
| Capital expenditure              | <p>Expenditure by an agency on capital projects, for example purchasing a building.</p>   |
| Consolidated Revenue Fund        | <p>Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.</p>  |
| Departmental items               | <p>Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.</p>  |

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| Depreciation   | Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.   |
| Effectiveness indicators                               | Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.   |
| Efficiency indicators                                  | Measures the adequacy of an agency's management of its outputs (and where applicable, administered items). Includes Price, Quality and Quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.             |
| Equity or net assets                                   | Residual interest in the assets of an entity after deduction of its liabilities.  |
| Expenses   | Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.  |
| Fair value   | Valuation methodology: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.    |
| Financial Management and Accountability (FMA) Act 1997 | The principal legislation governing the proper use and management of public money and public property and other Australian Government resources. FMA Regulations and FMA Orders are made pursuant to the Act.   |
| Financing transactions                                 | The Government funds shortfalls in revenue over outlays by borrowing from financial markets or running down financial assets. Such activities are regarded as financing transactions. If a surplus of revenue over outlays is recorded then financing transactions will show how the surplus is used. |

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| Forward estimates                                 | A system of rolling three year financial estimates. After the Budget is passed, the first year of the forward estimates becomes the base for the next year's Budget bid, and other outyear is added to the forward estimates.  |
| Government Finance Statistics (GFS)               | The GFS reporting framework is a specialised statistical system designed to support economic analysis of the public sector. It allows comprehensive assessments to be made of the economic impact of government and is consistent with international statistical standards (the <i>System of National Accounts 1993 (SNA93)</i> and the International Monetary Funds' <i>A Manual on Government Finance Statistics 2001</i> ). |
| Intermediate outcomes                             | More specific medium-term impacts (eg. trend data, targets or milestones) below the level of the planned outcomes specified in the Budget. A combination of several intermediate outcomes can at times be considered as a proxy for determining the achievement of outcomes or progress towards outcomes. (See <b>outcomes</b> )   |
| Liabilities                                       | Liabilities represent amounts owing on goods or services that have been received but not yet paid for. A liability shows the future commitment of the Agency's assets.   |
| Loan Fund   | Established by the FMA Act 1997, the Loan Fund contains all monies raised by loans on the public credit of the Australian Government. Expenditure from the Loan Fund is limited to the purpose for which monies were raised.   |
| Operating result                                  | Equals revenue less expense.   |
| Net annotated appropriation (Section 31 Receipts) | Section 31 receipts, also know as net annotated appropriations, are a form of appropriation which allows a department access to certain money it receives in payment of services. These monies are known as Section 31 Receipts, reflecting their authority under Section 31 of the FMA Act 1997.  |
| Operating result                                  | Equals revenue less expenses.  |

## *Glossary*

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| Outcomes                    | The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.                               |
| Outputs                     | The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.   |
| Output Groups               | A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.              |
| Portfolio Budget Statements | Statements prepared by portfolios to explain the Budget appropriations in terms of outcomes.   |
| Price                       | One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.  |
| Quality                     | One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences. |
| Quantity                    | One of the three key efficiency indicators. Examples include: the size of an output; count or volume measures; how many or how much.   |
| Receipts                    | The total or gross amount received by the Australian Government. Each receipt item is either revenue, and offset within outlays, or financing transaction. Receipts include taxes, interest, charges for goods and services, borrowings and Government Business Enterprise (GBE) dividends received.             |

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| Reserved Money Fund (RMF) | Accounts for money which the Australian Government holds on trust for, or otherwise for the benefit of, a person other than the Australian Government and monies which are 'reserved' for future Australian Government purposes. Components of the RMF, specifying the nature of receipts that may be credited to, and payments that may be made from, each component, may be established by the Finance Minister under section 20 of the FMA Act 1997, or by specific legislation. The transfer of receipts from the CRF to, and payment from, components of the RMF are authorised by standing appropriations in section 20 of the FMA Act 1997. |
| RMF/CF Components         | An account held under the RMF/CAF. They are used as working accounts for commercial activities or to hold monies in trust for a specific purpose under legislation.  |
| Revenue                   | Total value of resources earned or received to cover the production of goods and services.   |
| Section 31 Receipts       | See <b>net annotated appropriation</b> .   |
| Special Account           | Balances existing within the Consolidated Revenue Fund (CRF), that are supported by standing appropriations (FMA Act 1997, ss.20 and 21). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (s.20 of the FMA Act 1997) or through an Act of Parliament (referred to in s.21 of the FMA Act 1997).  |

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| Special Appropriations (including Standing Appropriations) | <p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a sub-category consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation.</p> |
| Staff years  | <p>An aggregate measure of employment based on the hours worked by employees over the period of one year. It is the unit of measurement for staff resource use.</p>   |

## ACRONYMS

|         |   |
|---------|---|
| AAO     | Administrative Arrangements Order                                     |
| AATB    | Anglo-Australian Telescope Board                                      |
| ABS     | Australian Bureau of Statistics                                       |
| ACER    | Australian Council for Education Research                             |
| AEI     | Australian Education International                                    |
| AIATSIS | Australian Institute of Aboriginal and Torres Strait Islander Studies |
| AIC     | Assistance for Isolated Children                                      |
| AIMS    | Australian Institute of Marine Science                                |
| ANAO    | Australian National Audit Office                                      |
| ANSTO   | Australian Nuclear Science and Technology Organisation                |
| ANTA    | Australian National Training Authority                                |
| ANU     | Australian National University  |
| AQF     | Australian Qualifications Framework                                   |
| AGTF    | Australian Quality Training Framework                                 |
| ARC     | Australian Research Council   |
| AREN    | Australian Research and Education Network                             |
| ARPANSA | Australian Radiation Protection and Nuclear Safety Authority          |
| ASDOT   | Assessment Fee Subsidy for Overseas-Trained Australian Residents      |
| ATAS    | Aboriginal Tutorial Assistance Scheme                                 |
| ATO     | Australian Taxation Office  |

*Acronyms*

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| AUQA   | Australian Universities Quality Agency                                  |
| AVCC   | Australian Vice-Chancellors' Committee                                  |
| BITES  | Basic IT Enabling Skills  |
| BOTPLS | Bridging for Overseas-Trained Professionals Loan Scheme                 |
| CAT    | Career and Transition   |
| CBA    | Commonwealth Bank of Australia  |
| COAG   | Council of Australian Governments                                       |
| CPI    | Consumer Price Index  |
| CRC    | Cooperative Research Centre   |
| CRICOS | Commonwealth Register of Institutions and Courses for Overseas Students |
| CRIS   | Cost Recovery Impact Statements   |
| CSIRO  | Commonwealth Scientific and Industrial Research Organisation            |
| CUC    | Capital Use Charge  |
| DEST   | Department of Education, Science and Training                           |
| DIMIA  | Department of Immigration and Multicultural and Indigenous Affairs      |
| DITR   | Department of Industry, Tourism and Resources                           |
| DOFA   | Department of Finance and Administration                                |
| DOTARS | Department of Transport and Regional Services                           |
| ECEP   | Enterprise and Career Education Programme                               |
| EFTSU  | Equivalent Full-Time Student Unit                                       |
| EFTSL  | Equivalent Full-Time Student Load                                       |

*Acronyms*

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| ESOS    | Education Services for Overseas Students                                 |
| ERP     | Enterprise Resource Planning   |
| ESL     | English as a Second Language   |
| FMA     | Financial Management and Accountability                                  |
| FTA     | Australian-United States Free Trade Agreement                            |
| GFS     | Government Finance Statistics  |
| GST     | Goods and Services Tax   |
| HECS    | Higher Education Contribution Scheme                                     |
| HEFA    | Higher Education Funding Act 1998  |
| HELP    | Higher Education Loan Programme  |
| HESA    | Higher Education Support Act 2003  |
| HIFAR   | High Flux Australian Reactor   |
| IAF     | Institutional Assessment Framework                                       |
| ICT     | Information and Communications Technology                                |
| IEDA    | Indigenous Education Direct Assistance                                   |
| IESIP   | Indigenous Education Strategic Initiatives Programme                     |
| KPI     | Key Performance Indicator  |
| LOTE    | Languages Other Than English   |
| MCEETYA | Ministerial Council on Education, Employment, Training and Youth Affairs |
| MYEFO   | Mid-Year Economic and Fiscal Outlook                                     |
| NAAP    | New Apprenticeships Access Programme                                     |
| NAC     | New Apprenticeship Centre  |

*Acronyms*

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| NCVER  | National Centre for Vocation Education Research        |
| NOOSR  | National Office of Overseas Skills Recognition         |
| OECD   | Organisation for Economic Co-operation and Development |
| OLDPLS | Open Learning Deferred Payment Scheme                  |
| OPA    | Official Public Account                                |
| PAES   | Portfolio Additional Estimates Statements              |
| PBS    | Portfolio Budget Statements                            |
| PEFO   | Pre-Election Economic and Fiscal Outlook               |
| PELS   | Postgraduate Education Loan Scheme                     |
| RDC    | Research and Development Corporation                   |
| RRWM   | Radiative Repository Waste Management                  |
| SAISO  | Strategic Assistance for Increasing Student Outcomes   |
| SEAMEO | Southeast Asian Ministers of Education Organisation    |
| SES    | Socio-economic status                                  |
| SFSS   | Student Financial Supplement Scheme                    |
| SLE    | Student Learning Entitlement                           |
| SME    | Small-Medium Enterprise                                |
| SPP    | Specific Purpose Payments                              |
| TAFE   | Technical and Further Education                        |
| TFA    | Triennium Funding Agreement                            |
| TYIMS  | Training and Youth Internet Management System          |

*Acronyms*

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| UNESCO | United Nations Educational, Scientific and Cultural Organisation |
| VET    | Vocational Education and Training                                |
| WELL   | Workplace English Language and Literacy                          |
| WTO    | World Trade Organisation   |