

**Understanding Government Budgets: A Guide to Practices in the  
Public Service**

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- 1. Define the term “budget”:**

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- 2. How long is a budget year?**

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- 3. Why is “forecasting” important to a budget?**

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- 4. State and local governments apply the GASB accounting standards. What are the benefits of an agency applying such standards?**

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- 5. What are the five basic elements of a budget?**

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- 6. What are the objectives of a balanced budget?**

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- 7. List the four stages of the budget cycle.**

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**8. Why is knowing the status of a budget important?**

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**9. What different ways can a government measure budget activity?**

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**10. What is an outlay?**

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**11. What is a receipt?**

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**12. Describe how spending and revenues are listed in state and local budgets:**

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**13. What is a fund?**

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**14. List the four types of government funds:**

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**15. In what ways can you describe a workforce in a budget?**

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**16. What is a FTE?**

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**17. List and describe the five types of performance measures:**

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**18. List the budget links in performance information that provide how a given level of performance relates to what a government is trying to accomplish:**

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**19. How are bench marks associated with performance information?**

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**20. How can officials use performance measures?**

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**21. Define capital investments:**

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**22. What capital budget information is covered in State and Local budgets?**

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**23. What types of projects and programs are included in a capital budget?**

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**24. How are some capital projects financed?**

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**25. In the simplest terms, what are tax expenditures?**

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**26. What type of taxes do they apply to?**

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**27. What is the purpose of understanding tax expenditures?**

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**28. How is the Federal Budget structured?**

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**29. Define deficit:**

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**30. Define debt:**

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**31. List and define the three basic measures of spending in the Federal budget:**

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**32. What impact does a bond rating have on a town?**

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**33. Define biennial system:**

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**34. What are the pros and cons of a biennial system?**

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**35. What is the budget process in Texas?**

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**36. Does the state of Texas require a balanced budget?**

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**37. What is a major distinction between government budgets and budgets for non-profit organizations?**

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