

SAM - BUDGETING

THE PROGRAM CONCEPT

6220

(Revised 9/2010)

The program concept and structure, established and implemented by Section [13335](#) of the Government Code (Chapter 1284, Statutes of 1978), was to bring forth and emphasize the purpose, meaning, and benefits of the various activities of departments.

Program

A program is a group of closely related and interdependent activities. A program should be clearly delineated, have minimum overlap and interaction with other programs, and lend itself to at least partial quantification. It should be end-product or intermediate-product oriented. Programs should be concerned with specific objectives of the department bringing together all associated costs displayed in the program budget.

Program Budget

The program budget is the department's budgetary presentation designed to display its program activities. A program budget defines objectives and relates the proposed level of expenditures to meet those objectives in the given fiscal year. It is not uncommon to find different ways to subdivide programs and program budgets. In the earlier budget presentations, the hierarchical program structure divided programs into elements, elements into components, and components into tasks. However, as presentations began to expand and proliferate to the lower levels of the program structure, a general policy was adopted to limit departmental presentations in the Governor's Budget to no lower than the element level.

Program Descriptions

All of the department's pertinent program facts are shown in the program description. The complete program description becomes a tool for departmental program managers. It should be kept up-to-date to reflect executive and legislative action. Some parts of the program description may be used in the annual departmental budget.

3-Year Expenditures and Personnel Years

The 3-Year Expenditures and Personnel Years display in the Governor's Budget provides a department's expenditures and personnel years by program. Expenditure and personnel year information is given for past, current, and budget years.

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Detailed Expenditures by Program

The Detailed Expenditure by Program section in the Governor's Budget displays a department's detailed funding outlined by program. The department's state operations and local assistance funding is reflected by fund source for each program area. Expenditures for each program funding source are provided for past, current, and budget year.

Legal Citations and Authority

Provides the legal (Constitutional or statutory) or administrative (Executive Order, regulation, SAM, etc.) authority for the program.

Major Program Changes

Major Program Changes describe significant program adjustments to the department's program budget compared to the previous fiscal year and the reason for the change. Major Program Changes may include increases and or decreases of positions, funding, and reason for changes.