

1. Executive formulation
2. Legislative action
3. Implementation
4. Audit

sacred cows: Program of activity considered untouchable or immune to budget pressures

politically uncontrollable spending: Result from policies that make some group automatically eligible for benefits

policy silences: Situation when someone didn't get what they wanted, but they don't do anything about it

Line-item budgeting: offers flexibility in the amount of control established over the use of resources, depending on the level of expenditure detail; presents little useful information to decisionmakers on the functions and activities of organizational units

performance audit: refers to an independent examination of a program, function, operation or the management systems and procedures of a governmental or non-profit entity to assess whether the entity is achieving economy, efficiency and effectiveness in the employment of available resources

financial audit: an independent, objective evaluation of an organization's financial reports and financial reporting processes

tax-service paradox: situation in which people demand more government services but do not want to pay for them through higher taxes