

# MANUAL OF STATE FUNDS

## PREFACE

### **Introduction**

The Manual of State Funds was originally prepared and distributed by the Department of Finance in 1957. The manual was primarily for the use of Finance staff; however, agencies/departments found the information useful. The manual is now available online at the [Manual of State Funds](#) webpage.

This manual contains descriptions for all funds listed in the Uniform Codes Manual (UCM), which is another publication maintained by Finance. In the UCM, funds are presented numerically, alphabetically, by source classification, and by generally accepted accounting principles (GAAP) classification.

The description shown for each fund is brief but provides the most significant information pertaining to the fund. Each fund description provides the authority that created the fund, the fund's purpose, the administering agency, the appropriation authority for the fund, the date the fund may be abolished, if any, and the disposition of any balance when and if the fund is abolished. If more information is needed, refer to the specific legal citation or authority identified in the fund write-up.

Funds that currently have budgetary or accounting activity are shown in this manual. Once a fund is abolished, it may remain in the manual for an additional four years after being abolished from the system.

### **Fund Accounting**

The administering agency of a fund usually maintains the general accounting records and related budgetary accounts for the fund and prepares the Fund Condition Statements displayed in the Governor's Budget, where applicable, in accordance with the State Administrative Manual (SAM). The administering agency is also responsible for preparing the year-end financial reports, Fund Condition Statements, and budget documents for the fund. In some smaller agencies/departments, the accounting function may be delegated to or contracted with another State agency/department. All receipts for a fund are deposited and credited into the State Treasury and can only be withdrawn by order of the State Controller.

The State Controller's Office maintains summary records that account for the revenues, expenditures, appropriations, and fund balance for each fund.

## **Fund Classification**

Funds are classified both on a budgetary/legal basis and a GAAP basis.

The **budgetary/legal** basis classifications are as follows:

### **Governmental Cost Funds**

- General Fund (G)
- Special (S)
  - General Fund Special Accounts
  - Transportation Funds
  - Feeder Funds
  - Other Governmental Cost Funds
  - Unallocated Special Funds

### **Non-Governmental Cost Funds**

- Bond (B)
  - Bond Funds
- Federal (F)
  - Trust and Agency Funds – Federal
- All Other Non-Governmental (N)
  - Public Service Enterprise Funds
  - Working Capital and Revolving Funds
  - Retirement Funds
  - Trust and Agency Funds – Non-Federal
  - Various Unclassified
  - Unallocated Non-Governmental Cost Funds

**Governmental Cost Funds** are used to account for moneys derived from general and special taxes, licenses, fees, or other revenue sources to provide financing for state activities that are general purposes of state government.

**Non-Governmental Cost Funds** are used to budget, record, and report revenues other than general and special taxes, licenses, and fees.

The **GAAP** basis classifications are as follows:

### **Governmental Funds**

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Debt Service Funds

### **Proprietary Funds**

- Enterprise Funds
- Internal Service Funds

### **Fiduciary Funds**

- Pension Trust Funds
- Private-Purpose Trust Funds
- Investment Trust Funds
- Custodial Funds

**Governmental Funds** are used to record and report the normal resources and costs of day-to-day activities in providing governmental type services.

**Proprietary Funds** are used to account for activities that receive significant support from fees and charges.

**Fiduciary Funds** are used to account for assets held in a trustee capacity for others or as a custodian/agent for individuals, private organizations, and other governments, and cannot be used to support the government's own programs.

Two other fund classifications are included in this manual. The classification DOF USE ONLY is used to allow the presentation of estimated revenues or expenditures pertaining to several "real" funds without assigning accountability to each fund.

### **Appropriation Authority**

Each fund description contains information related to appropriation authority. Most funds are appropriated through the budget process; however, some funds may be continuously appropriated. Refer to [Government Code section 13340](#), as amended by Control Section 30.00 of the annual Budget Act, for further information regarding continuous appropriation authority.

If you have any questions, comments, or changes to the information contained in the Manual of State Funds, please contact the Fiscal Systems and Consulting Unit at the Department of Finance either by e-mail at [FSCUHotline@dof.ca.gov](mailto:FSCUHotline@dof.ca.gov) or by telephone at (916) 324-0385.