State of South Carolina
Statewide Fund Definition Guidance

This policy is current as of 7/1/2026 and has not been modified since its last publication on 3/31/2026.

Purpose

The following Statewide Accounting Policy has been established by the Comptroller General's Office to reduce errors, improve consistency and reporting. The fund definitions are applicable to transactional processing in the General Ledger. Other funds starting with a 6XXXXXXX are used to record Composite Account activity and other financial statement activity. 9XXXXXXX funds are used for a specific purpose by CG's Financial Reporting team. The definition for the GASB 54 fund balance classification is listed in Section 20 (Fund Balance and Net Assets) of the "Year-End Reporting Policies and Procedures Manual".

FUND DEFINITIONS

- **General Fund:**
  - General Fund amounts are appropriated through the Appropriations Act for funds starting with 1XXXXXXX.
  - General Fund cash revenue is posted to funds starting with 2XXXXXXX.

- **Earmarked Fund:**
  - Earmarked Fund amounts are authorized through the Legislative process for funds starting with 3XXXXXXX.
  - Earmarked Funds consist of deposits from revenues which are to be used by certain agencies for purposes specified by law.
  - Earmarked Funds must have both cash and authority in order to process disbursement related transactions.

- **Restricted Fund:**
  - Restricted Fund amounts are authorized through the Legislative process for funds starting with 4XXXXXXX.
  - Restricted Fund amounts that are not authorized through the Legislative process are unbudgeted trust funds.
  - Restricted Funds consist of special deposits, primarily debt service and trust funds.
  - Restricted Funds retain their own interest earnings based on Law, Proviso, court order or other mandate.

- **Federal Fund:**
  - Federal Fund amounts are authorized through the Legislative process for funds starting with 5XXXXXXX.
  - Federal Funds consist of deposits of revenue from the Federal Government, either direct or as an allocation from another agency. Earned revenue received as reimbursement for services provided are not pass through and should be accounted for in an Earmarked fund.
  - Federal Funds may be subject to Cash Management Improvement Act of 1992.