

General Fund:

The General Fund is the fund in which all general transactions of the State are recorded, unless otherwise directed to be included in another fund. To the extent that the budget enacted during the regular session of the General Assembly utilizes estimated surplus at the end of the current fiscal year in establishing the Budget for the next succeeding year, that amount of general fund surplus actually existing at the next June 30 is considered and recorded as appropriated to supplement the new year's Budget.

Special Fund:

The Special Fund includes all of the transportation activities of the State (except for the Maryland Transportation Authority which is not accounted for in the budgetary system), dedicated funds such as university and college students' fees, fishery and wildlife funds, shared taxes and payments of debt service on general obligation bonds.

Federal Fund:

The Federal Fund is the fund in which principally all grants from the Federal government are recorded. Significant exclusions are grants for services to patients in State hospitals under Medicaid, Medicare, and similar programs, as well as Federal revenue sharing entitlements, which are accounted for in the General Fund.

In addition to the annual budget the General Assembly adopts authorizations for the issuance of general obligation bonds and the expenditures of the funds obtained thereby are accounted for in the loan fund. Because loan fund authorizations are not part of the annual budget, loan fund activities are not presented in the combined statement of revenues, expenditures and encumbrances, other sources and uses of financial resources and changes in fund balance—budget and actual—budgetary general, special and federal funds.

All State budgetary expenditures for the general, special and federal funds are made pursuant to the appropriations in the annual budget, as amended from time to time by budget amendments. The various units of State government may, with the Governor's approval, amend the appropriations for particular programs in their individual budgets funded from the general fund, provided they do not exceed their total general fund appropriations as contained in the annual budget. Increases in appropriations must be approved by the General Assembly. For the fiscal year ended June 30, 1981 the General Assembly approved increases in General Fund appropriations aggregating \$28,472,000. Appropriations for programs funded in whole or in part from the special or federal funds may permit expenditures in excess of original special or federal fund appropriations to the extent that revenues from the particular special or federal fund sources exceed original budget estimates and such additional expenditures are approved by the Governor or, in the case of the University of Maryland, the Board of Public Works. Unexpended appropriations from the general fund may be carried over to succeeding years to the extent encumbrances are approved by the Department of Budget and Fiscal Planning. Unexpended appropriations from special and federal funds may be carried over to the extent of (a) available resources, and (b) encumbrances are approved by the Department of Budget and Fiscal Planning.

The amended annual budget adopted by the General Assembly for the "budgetary" general, special and federal funds are presented in the combined statement of revenues, expenditures and encumbrances, other sources and uses of financial resources and changes in fund balance—budget and actual—budgetary general, special and federal funds. The State's budgetary fund structure and accounting principles differ from those utilized to present financial statements in conformity with generally accepted accounting principles. A summarization of the differences (amounts expressed in thousands) with respect to governmental fund types as of June 30, 1981 follows: