

FIDUCIARY FUND TYPES

Transactions related to assets held by the State in a trustee or agency capacity are accounted for in fiduciary fund types. Fiduciary fund types include the following:

1. The expendable trust fund, which reflects the transactions, assets, liabilities and fund equity of the Unemployment Insurance Program and the Deferred Compensation Plan and is accounted for on a flow of current financial resources measurement focus. The Unemployment Insurance Program is used to account for the unemployment taxes collected from employers, federal revenue received and remittance of benefits to the unemployed. The Deferred Compensation Plan, which is included with a year end of December 31, accounts for participant earnings deferred in accordance with Internal Revenue Code Sections 457, 403(b), and 401(k). Amounts deferred are invested and are not subject to federal income taxes until paid to participants upon termination or retirement from employment, death or for an unforeseeable emergency.
2. The investment trust fund, which reflects the transactions, assets, liabilities and fund equities of the Maryland Local Government Investment Pool (Pool) and is accounted for using the flow of economic resources measurement focus.
3. The State Retirement and Pension System of Maryland and the Mass Transit Administration Pension Plan, which reflect the transactions, assets, liabilities and fund equities of the retirement and pension plans administered by the State and the Mass Transit Administration and are accounted for using the flow of economic resources measurement focus.
4. The agency funds, which are custodial in nature and do not present the results of operations or have a measurement focus. The State uses agency funds to account for the receipt and disbursement of patient and prisoner accounts, the amounts the State invests for political subdivisions on a pooled basis, various taxes collected by the State for distribution to the Federal government and political subdivisions and amounts withheld from employees' payroll.

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the State's general fixed assets and the unmatured principal of its general long-term debt and other long-term obligations of governmental fund types. General fixed assets do not represent financial resources available for appropriation and expenditure, nor does the unmatured principal of general long-term