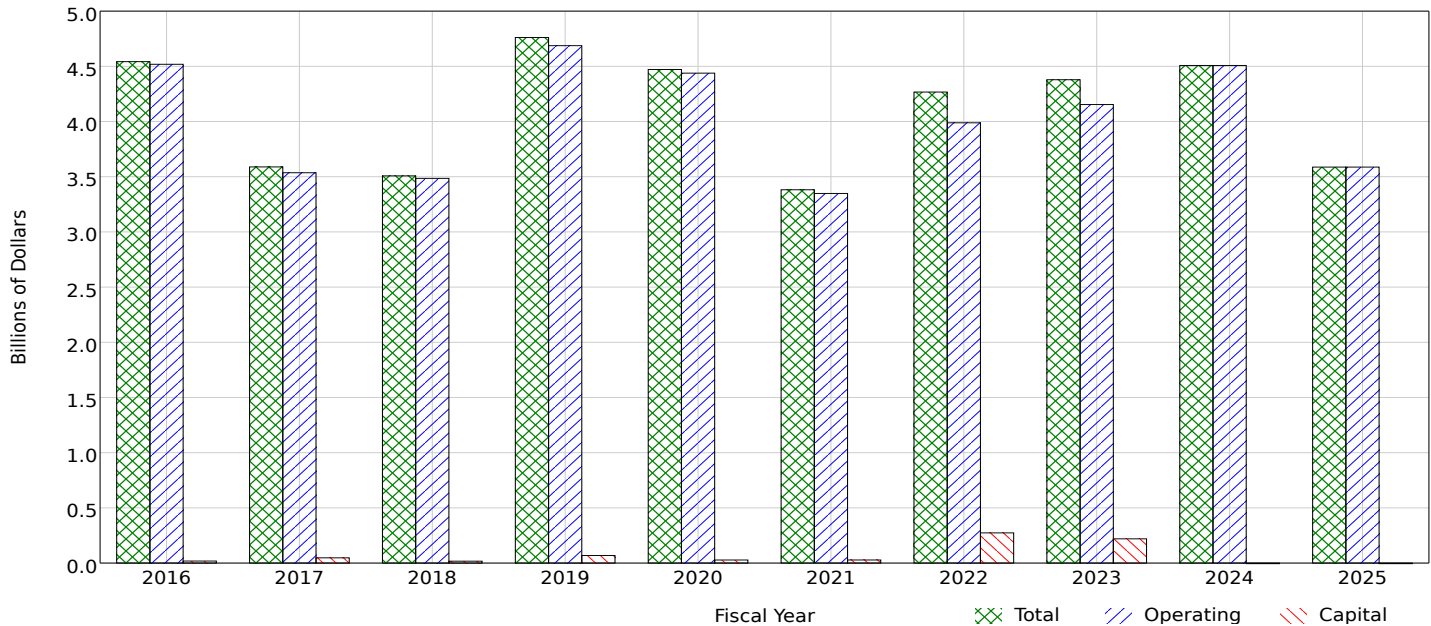


# Fund Source Report

## 1004 Gen Fund Unrestricted General Fund Receipts

Year Authorized 1956 Year Repealed Active? Yes Mental Health? No Duplicated? No Fund Group Unrestricted General

### Operating and Capital Appropriations



#### Legal Authority

No statutory definition

#### Source of Revenue

All taxes, royalties, fees and interest earnings of the state, unless otherwise specified.

#### Restrictions on Use

Use of general fund revenue is unrestricted, in terms of both purpose and amount.

#### Description and History

Although the general fund is not specifically created or defined by statute, it is the state's primary operating fund. From an accounting perspective, all non-federal public revenue coming into the state treasury constitutes the general fund.

From a budgeting perspective, it was useful to split state funds into general funds and those funds that were required to be spent for a specific purpose. AS 37.05.146 (b) and (c) list revenue that is not considered part of the unrestricted general fund. Prior to FY11, appropriations associated with many revenue sources listed in AS 37.05.146 were assigned specific fund codes and classified in the "other" fund category. Revenue in the "other" category was often (but not always) added to the list in AS 37.05.146(c).

A desire for consistent, transparent classification of state revenues and expenditures led to the creation of a "designated general fund" category in FY11. Budget reports typically show totals for each of four fund categories: unrestricted general funds, designated general funds, other state funds, and federal funds.

Generally speaking:

- 1) unrestricted general funds (UGF) can be spent for any purpose,
- 2) designated general funds (DGF) have a purpose specified by statute and would be classified as UGF without that designation, and
- 3) other state funds are specifically excluded from the general fund or are required to be spent for specific purposes.

Code 1004 typically applies to the appropriation of traditional unrestricted general fund (UGF) revenue, most of which is related to oil rents, royalties and taxes. Most non-petroleum revenue from taxes, licenses and other sources of collections are also deposited into the general fund and may be appropriated using code 1004 or one of several UGF tracking codes. General fund revenue with a statutorily designated purpose is spent using a fund code in the designated general fund (DGF) category.

## Fund Source Report

Other than the temporary placeholder codes 1178 and 1204, all codes (other than 1004) in the unrestricted general fund category are tracking codes, meaning that they could be consolidated into the 1004 code but remain distinct to allow more detailed reporting.

Before the creation of the DGF category, numerous fund codes were classified in the "other" fund group because revenue from those specific sources was/is designated for specific purposes. These restrictions are often statutory suggestions that certain revenue be used in a designated way. Whether the suggestions are firm--as for many regulatory fees--or broad, a desire for consistency dictated that any fund or revenue stream with a statutorily designated use be classified as something other than "unrestricted" general fund receipts.