

Dixon Public Library District

POLICY AND PROCEDURE MANUAL

POLICY TITLE: Fund Definitions and Categories

POLICY NUMBER: 5005

5005.1 For accounting purposes, a Library District fund is a self-contained accounting entity with its own asset, liability, revenue, expenditure and fund balance or equity sub-accounts.

5005.2 For accounting purposes, Library District fund categories are defined in three broad areas: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

5005.2.1 Governmental Funds are used to account for the basic operations of government entities, and consist of four basic types:

5005.2.1.1 General fund (used to account for all assets, liabilities, expenditures and revenues except those required to be accounted for in another type of fund);

5005.2.1.2 Special revenue funds (used to account for the proceeds of special revenue sources which are legally restricted to expenditures for specific purposes);

5005.2.1.3 Capital projects funds (used for the accumulation of financial resources and the expenditure of resources for the acquisition of property and the acquisition or construction of major permanent capital facilities as well as to procure asset replacement);

5005.2.1.4 Debt service funds (used to account for the accumulation of resources for payment of long-term debt principal and interest.

5005.2.2 Proprietary Funds are used to account for goods and services provided by an activity if the Library District intends the activity to be self-supporting currently or in the future.

5005.2.3 Fiduciary Funds are used to account for assets wherein the Library District acts as an agent for individuals, private organizations, other government entities and/or other funds.

5005.3 For accounting purposes, Library District funds may be further classified as Unrestricted or Restricted.

5005.3.1 Unrestricted funds are those resources deemed available for whatever purposes deemed necessary and appropriate by the Library Commission and/or Library Board through their regular authorization processes.

5005.3.2 Restricted funds are governmental or private resources available only for specific projects or defined purposes.

Adopted 06/19/2006