

# TRUST AND AGENCY FUNDS

## EXPENDABLE TRUST FUNDS

**Expendable Trust Funds** account for assets held by the State in a trustee capacity where the principal and income may be expended in the course of the funds' designated operations. Delaware's expendable trust funds are further described below:

**Unemployment Trust Fund** is used to account for the financial activity relating to unemployment compensation.

**Delaware State Infrastructure Bank (SIB)** is a revolving loan fund established to help transportation project sponsors pay for highway, transit and rail improvements, or provide credit assistance that makes it affordable for sponsors to borrow money from other sources. The funds will be repaid and used to make new loans.

**All Other Expendable Trust Funds** account for the financial activity of multiple expendable trust accounts administered by the State such as Patient Trusts, Violent Crimes Compensation, scholarship trusts. These accounts represent immaterial amounts when treated individually (the majority having balances less than \$10,000) and are thereby combined for presentation here.

## NON-EXPENDABLE TRUST FUNDS

**Non-Expendable Trust Funds** are used to account for those funds whose principal must remain intact. Most of Delaware's non-expendable trust funds are used to account for the principal portion of endowments provided to the state by private donors with the stipulation that their principal be preserved intact. Delaware's non-expendable trust funds account for the financial activities of multiple small, non-expendable trust funds administered by the State. These funds, combined for presentation here, are numerous accounts (such as scholarship funds) with average balances of less than \$5,000, which have an immaterial impact when taken individually.

## PENSION TRUST FUNDS

**Pension Trust Funds** are used to account for the assets, liabilities, fund balance and transactions of the various State public employee retirement systems. Based

on monetary value, growth impact on the State's budget and personnel management, and their economic significance to individual public employees, the Pension Trust Funds are the most significant of Delaware's trust funds.

## **INVESTMENT TRUSTS**

**Investment Trusts** are used to account for External Investment Pools, where a government commingles the moneys of more than one legally separate entity and invests, on the participants' behalf, in an investment portfolio; one or more of the participants is not part of the sponsor's entity.

**Delaware Local Government Retirement Investment Pool (DELRIP)** Delaware's Investment Trust consists of the Delaware Local Government Retirement Investment Pool (DELRIP) in the custody of the Board of Pension Trustees. Local governments are allowed the option of pooling their pension assets with the Delaware Public Employees' Retirement System. The DELRIP is an external investment pool that allows the local governments to maximize their rate of return and reduce administrative expenses related to the investment of funds.

## **AGENCY FUNDS**

**Agency Funds** are custodial in nature and account for the receipt of various taxes, deposits, deductions and other property collected by the State, acting in the capacity of an agent, and for the distribution to other government units or designated beneficiaries. Delaware's agency funds are described below.

**Child Support Collection** accounts for the collection and distribution of court ordered child support.

**Court Fines and Restitution** accounts for the financial activities involved in the recording, collection and distribution of fines, restitution and other court costs.

**All Other Agency Funds** account for the financial activities of multiple agency funds administered by the State. These funds, combined for presentation here, represent numerous small accounts (average account balance is less than \$5,000) which have an immaterial impact when taken individually.