SPECIAL DEPOSIT FUND ACCOUNTS **18420**
(Revised 06/11)

The Special Deposit Fund (SDF) is a trust fund in the State Treasury. This fund provides a depository for money received in trust for specific purposes by a department but for which no other fund has been created to receive those funds. See Government Code sections 16370–16377. Departments may establish accounts in the SDF by submitting a Request to State Controller to Establish or Amend Special Deposit Fund Account, form AUD 10, located at http://www.sco.ca.gov/Files-ARD/state_aud10.pdf to the Department of Finance (Finance), Fiscal Systems and Consulting Unit (FSCU). Along with the AUD 10 form, departments must submit a cover letter to Finance, FSCU that includes a justification to establish the account. Approved requests will be forwarded to the State Controller's Office (SCO), Division of Accounting and Reporting (DAR). The SCO assigns an account number for each approved SDF account. A copy of the AUD 10 form with the approved account number is sent by the SCO to the department.

If the money is a gift, the department must first obtain approval from its Finance budget analyst to accept the gift, unless the department is statutorily exempted from Finance approval (See Sam section 8634). Departments may submit to the Finance budget analyst the Request for Approval of Gift form, DF-581 (http://www.dof.ca.gov/fisa/bag/df581.pdf). In lieu of the form DF-581, departments may submit a letter with the required gift information. If the acceptance of the gift is approved, the department will then submit the Request to State Controller to Establish or Amend Special Deposit Fund Account, form AUD 10, to Finance, FSCU. Approved requests will be forwarded to the SCO, DAR. The SCO assigns an account number for each approved SDF account. A copy of the AUD 10 form with the approved account number is sent by the SCO to the department.

Each department is responsible for notifying the SCO, DAR when an account in the SDF can be terminated before the expiration date. A request letter, including the account title, number, and reason for termination, should be sent to the SCO, DAR. In addition, departments should send a copy to Finance, FSCU.

For unclaimed trust accounts information, see SAM section 18424.