SAN LEANDRO UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 12-52

TEMPORARY BORROWING BETWEEN FUNDS or STATE DEFERRAL ANTICIPATION NOTE (SDAN)

WHEREAS, Education Code Section 42603 permits the Governing Board of any school district to direct that monies held in any fund or account may be temporarily transferred to another fund or account of the district for payment of obligations. The transfer shall be accounted for as temporary borrowing between funds and shall not be available for appropriation or be considered income to the borrowing fund; and

WHEREAS, the Board of Trustees of the San Leandro Unified School District has determined that the State of California has not only been cutting its funding to school districts drastically, but also deferring its cash apportionments to school districts since 2008-2009; and

WHEREAS, the State is continuing deferring its "deferred payments" in 2012-2013 causing school districts like San Leandro Unified School District ("District") to receive only 63.55% of cash in relation to its apportionments or entitlements; and

WHEREAS, all districts must have a positive ***cash*** balance as of June 30 to close the books; and

WHEREAS, as a precautionary step, it is recommended that the Board adopt a resolution to borrow cash from other funds in case of temporary cash shortfall; or issue State Deferral Anticipation Note (SDAN).

NOW, THEREFORE, BE IT RESOLVED that in accordance with Education Code Section 42603, up to $5,000,000, plus interest, may be borrowed, if there is a need, from other funds to the General Fund, and repaid in accordance with Education Code Section 42603 or issue an SDAN

PASSED AND ADOPTED by the Governing Board of the San Leandro Unified School District on this 7th day of August 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

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Clerk of the Board of Trustees
San Leandro Unified School District
Alameda County, California