SAN LEANDRO UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 15-41

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, effective July 1, 2013, the State has changed the way public schools are funded with the implementation of the Local Control Funding Formula (LCFF) to improve funding equity across school districts, to increase transparency, reduce complexity and administrative burden, and to improve local accountability; and

WHEREAS, the initial implementation of LCFF creates some complexities in the distribution of apportionments and it will take some time to align the apportionments with LCFF; 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 8th day of December 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

San Leandro Unified School District
Alameda County, California