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# Memo

**To** Board of Education  
Vincent Matthews, State Administrator

**From** Roberta Mayor, Superintendent  
Vernon Hal, Chief Financial Officer

**Board Meeting Date** March 11, 2009

**Subject** Resolution 0809-0148- Re-Certification of Purpose and Use of the Self Insurance Fund

**Action Requested** Approval by State Administrator of Resolution No. 0809-0148 for Re-Certification of Purpose and Use of the Self Insurance Fund for District as stated herein.

**Background** OUSD utilizes the regulations and accounting procedures outlined in Education Code 17566, Government Code Section 53205, Governmental Accounting Standards Board (GASB) Statements 10 and 30, and the California School Accounting Manual (CSAM) Procedure 775 to provide policy and transactional direction.

**Discussion** The California Department of Education, Office of the State Superintendent directed the Fiscal Crisis Management Assistance Team ("FCMAT") to provide guidance to the District in obtaining fiscal recovery and sustainability and FCMAT thereafter issued its 2005 Multi-Year Fiscal Recovery Plan (MYFRP). Thus it was recommended that the District contributions to the Self Insurance Fund adequately fund workers' compensation and property and liability obligations. In accordance with the above-referenced laws, regulations, procedures and standards, the District may use the Self Insurance Fund to pay for workers' compensation costs and insurance, property and liability insurance, health and welfare insurance, dental insurance, deductible property loss and the cost of excess insurance over and beyond the cost of self-insured capabilities.

**Recommendation** Approval by State Administrator of Resolution No. 0809-0148 for Re-Certification of Purpose and Use of the Self Insurance Fund for District as stated herein.

**Attachments** • Resolution 0809-0148

**RESOLUTION OF THE STATE ADMINISTRATOR  
OF THE  
OAKLAND UNIFIED SCHOOL DISTRICT  
Resolution No. 0809-0148  
Re-Certification of Purpose and Use of The Self Insurance Fund**

**WHEREAS**, the Oakland Unified School District (OUSD) has established and utilized its Self-Insurance Fund 67 ("Self Insurance Fund") prior to fiscal year 2005-2006;

**WHEREAS**, the California Department of Education, Office of the State Superintendent directed the Fiscal Crisis Management Assistance Team ("FCMAT") to provide guidance to the OUSD in obtaining fiscal recovery and sustainability and FCMAT thereafter issued its 2005 Multi-Year Fiscal Recovery Plan (MYFRP);

**WHEREAS**, in accordance with the MYFRP, the OUSD has increased the Self Insurance Fund contributions for unfunded liabilities, workers' compensation, property and liability excess insurances;

**WHEREAS**, FCMAT recommended that the OUSD contributions to the Self Insurance Fund adequately fund workers' compensation and property and liability obligations;

**WHEREAS**, OUSD utilizes the regulations and accounting procedures outlined in Education Code 17566, Government Code Section 53205, Governmental Accounting Standards Board (GASB) Statements 10 and 30, and the California School Accounting Manual (CSAM) Procedure 775 to provide policy and transactional direction;

**WHEREAS**, in accordance with the above-referenced laws, regulations, procedures and standards, the OUSD may use the Self Insurance Fund to pay for workers' compensation costs and insurance, property and liability insurance, health and welfare insurance, dental insurance, deductible property loss and the cost of excess insurance over and beyond the cost of self-insured capabilities;

**NOW, THEREFORE, BE IT RESOLVED**, the Governing Board and State Administrator hereby reaffirm that the Self Insurance Fund may be used to pay for the cost of excess insurance coverage, including premiums for workers' compensation and property and liability insurance from the 2005-06 fiscal year and forward.

**BE IT FURTHER RESOLVED** that the ending balance of the Self Insurance Fund in the 2008-09 fiscal year shall be adequately funded to meet the OUSD workers' compensation and property and liability obligations;

**BE IT FURTHER RESOLVED** that the balance of the Self Insurance Fund, in future years, will be determined in accordance with a plan to cover unfunded liabilities as determined by a formal actuarial study performed every other fiscal year;

I hereby certify that the foregoing is a full, true and correct copy of a Resolution approved at the State Administrator and/or Board of the Education of the Oakland Unified School District on March 11, 2009.

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Vincent Matthews  
State Administrator  
Oakland Unified School District