

Board Office Use: Legislative File Info.	
File ID Number	24-0176
Introduction Date	1/24/2024
Enactment Number	24-0122
Enactment Date	1/24/2024 os



# Board Cover Memorandum

**To** Board of Education

**From** Kyla Johnson-Trammell, Superintendent  
Lisa Grant-Dawson, Chief Business Officer  
Ryan Nguyen, Controller

**Board Meeting Date** January 24, 2024

**Subject** TEMPORARY BORROWING BETWEEN FUNDS – Fiscal Year 2023-2024

**Ask of the Board** Adoption by Board of Education of Resolution No. 2324-0137 requesting for Temporary Borrowing between funds for Fiscal Year 2023-2024.

**Background** The cash flow of revenues during a fiscal year does not always match the cash flow of expenditures during that year. This creates cash shortages in some months and in some funds, while other funds have excess cash. Education Code 42603 provides that the governing board of any school district may direct those moneys held in any fund or account may be temporarily transferred to another fund or account of the district for payment of obligations. This tool allows the District to meet the cash needs of each fund, within legal parameters.

Further analysis of the District's cash flow projections show cash fluctuations throughout the fiscal year that could lead to temporary insufficient amounts of cash for the Adult Ed, Early Childhood and Nutrition Services programs. This is due to the cost reimbursement nature of certain Federal and State contracts.

**Discussion** The resolution should give staff the authority to temporarily transfer cash between funds (interfund borrowing) and allow staff to continue to effectively manage cash flows.

**Recommendation** Adoption by Board of Education of Resolution No. 2324-0137 requesting for Temporary Borrowing between funds for Fiscal Year 2023-2024.

**Attachment(s)**

- Resolution No. 2324-0137

**RESOLUTION OF BOARD OF EDUCATION OF THE  
OAKLAND UNIFIED SCHOOL DISTRICT RESOLUTION  
NO. 2324-0137  
TEMPORARY BORROWING BETWEEN FUNDS FOR FISCAL YEAR 2023-2024**

**WHEREAS**, the receipt of revenues during the fiscal year does not always match the disbursement of expenses, especially with the cost reimbursement nature of certain Federal and State contracts and the State's deferral of payments owed to school districts; and

**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; and

**WHEREAS**, such borrowed funds shall not be available for appropriation or be considered income to the borrowing fund or account; and

**WHEREAS**, such borrowing shall occur only when the fund or account receiving the money will earn sufficient income, during the current fiscal year, to repay the amount transferred; and

**WHEREAS**, no more than 75 percent of the maximum of moneys held in any fund or account during a current fiscal year may be transferred; and

**WHEREAS**, amounts transferred shall be repaid either in the same fiscal year, or in the following fiscal year if the transfer takes place within the final 120 calendar days of a fiscal year,

**NOW, THEREFORE, BE IT RESOLVED** that the Governing Board of the Oakland Unified School District, in accordance with the provisions of Education Code Section 42603, hereby specifically authorizes for fiscal year 2023-2024 the temporarily transfer of funds as needed for cash-flow purposes among eligible funds of the District; and

**BE IT FURTHER RESOLVED** that said borrowed funds shall be and are hereby authorized to be repaid as funds become available pursuant to the requirements of Education Code Section 42603.

PREFERENTIAL AYE: None

PREFERENTIAL NOE: None

PREFERENTIAL ABSTENTION: None

PREFERENTIAL RECUSE: None

AYES: Jennifer Brouhard, VanCedric Williams, Valerie Bachelor, Jorge Lerma, Clifford Thompson, Vice President Mike Hutchinson, President Benjamin "Sam" Davis

NOES: None

ABSTAINED: None

RECUSE: None

ABSENT: Vida Mendoza (Student Director), Anevay Cruz (Student Director)

**CERTIFICATION**

We hereby certify that the foregoing is a full, true and correct copy of a Resolution passed at a Regular Meeting of the Board of Education of the Oakland Unified School District held on 24<sup>th</sup> Day of January, 2024.

**OAKLAND UNIFIED SCHOOL DISTRICT**



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Benjamin Davis  
President, Board of Education



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Kyla Johnson-Trammell  
Superintendent and Secretary, Board of Education

**RESOLUTION NO. 2324-0137**

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