

**OAK PARK UNIFIED SCHOOL DISTRICT  
5801 E. CONIFER STREET  
OAK PARK, CALIFORNIA 91377  
(818) 735-3206**

**ADDENDUM REGULAR BOARD MEETING – AGENDA #853**

DATE: Tuesday, February 21, 2012  
TIME: 6:00 p.m. Open Session  
PLACE: Oak Park High School  
Presentation Room-G9  
899 Kanan Road  
Oak Park, CA 91377

**ACTION**

**C.3.m Approve Temporary Borrowing from the Ventura County Office of Education and Measure R Bond Funds as Authorized by Education Code 42603**

*Requesting Board approval to borrow funds at the end of February from Measure R to be repaid in full plus interest at the end of March*

Date: February 17, 2011

Anthony W. Knight, Ed.D.  
Superintendent and Secretary to the  
Board of Education

TO: MEMBERS, BOARD OF EDUCATION

FROM: DR. ANTHONY W. KNIGHT, SUPERINTENDENT

DATE: FEBRUARY 21, 2012

SUBJECT: C.3.m. APPROVE TEMPORARY BORROWING FROM THE VENTURA COUNTY OFFICE OF EDUCATION AND MEASURE R BOND FUNDS AS AUTHORIZED BY EDUCATION CODE SECTION 42603

ACTION

ISSUE: Shall the Board approve temporary borrowing from the Ventura County Office of Education (VCOE) and from Measure R bond funds as authorized by Education Code (EC) Section 42603?

BACKGROUND: As previously shared with the Board, most recently at First Interim, the District continues to face a cash flow challenge created by the State's funding apportionment schedule. The schedule, traditionally a 12 month period, now extends to 14 months, with a full 38.4% of 2011-12 funding received two months *after* the end of the fiscal year. In other words, the District is required to make 100% of its expenses by June 30, 2012, but will only have received 61.6% of its total funding. As done in 2010-11, to meet this challenge the District will need utilize two TRAN issuances during the 2011-12 budget year, as well as accessing other District funds.

A resolution for the 2011-12 cross-year TRAN, the second issuance of the year, is being prepared for action at the Board's special meeting on March 6, 2012. Assuming its approval, the TRAN is expected to fund on March 28, 2012. In the interim, however, the District finds itself with a cash shortfall of approximately \$1 million for the month of February. To address this issue, staff is recommending that the District temporarily borrow \$600,000 from VCOE and \$500,000 from the Measure R bond fund as permitted and authorized by EC 42603. The cash will be borrowed on or about February 28, 2012, and VCOE and the Measure R bond fund will be repaid in full, plus interest at the prevailing rate, when the TRAN funds on March 28th.

This plan has been reviewed and approved by bond counsel, VCOE, and with the District's audit firm.

ALTERNATIVES:

1. Approve temporary borrowing from VCOE, in the amount of \$600,000, and from the Measure R bond fund, in the amount of \$500,000, as authorized by Education Code (EC) Section 42603.
2. Do not approve temporary borrowing.

RECOMMENDATION: Alternative No. 1

Prepared by: Martin Klauss, Assistant Superintendent, Business and Administrative Services

Respectfully submitted,

Anthony W. Knight, Ed.D.  
Superintendent

Board Action: On motion of _____, seconded by _____, the Board of Education:				
VOTE:	AYES	NOES	ABSTAIN	ABSENT
Iceland	_____	_____	_____	_____
Laifman	_____	_____	_____	_____
Pallant	_____	_____	_____	_____
Rosen	_____	_____	_____	_____
Yeoh	_____	_____	_____	_____
Student Rep	_____	_____	_____	_____