

Auditor–Controller/Treasurer/Tax Collector

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March 10, 2022

Thomas Cassida, Director
San Bernardino County Superintendent of Schools
Business Advisory Services
760 E. Brier Drive
San Bernardino, CA 92408

RE: Temporary Transfer of Funds Timeline and Requirements for Fiscal Year 2022-23

The Auditor-Controller/Treasurer/Tax Collector's Office (ATC) has established the following timeline and submittal requirements to process Temporary Transfer of Funds (TTF) requests for fiscal year 2022-23. If you choose to participate in the TTF process, please review and ensure all necessary documents are submitted accordingly.

- 05/02/2022 Deadline to submit TTF request.
- 06/28/2022 TTF requests presented to the Board of Supervisors for approval.
- 07/05/2022 Approved TTFs are processed and posted to SAP.

Legal Authority

In accordance with California Education Code §42620, the County shall make a TTF from any funds that are not immediately needed for the County's own use to a requesting school district that does not have sufficient money to its credit to meet current operating expenses of maintenance.

Submittals – Request for TTF

Districts are required to demonstrate a cash need by submitting the following:

1. Cash flows for the period of July 1 through June 30 of the fiscal year for which the TTF is requested, showing a cash deficit accompanied by a certification.
2. District board resolution approving a request for TTF.
3. A Board resolution identifying and authorizing the District to borrow cash from its other funds held in the County treasury.

Transfer Period

TTFs will be processed from July 1 up to the date of the first property tax apportionment occurring after November 1.

Recommended TTF amount will be the lowest of the following three amounts:

1. District's requested TTF amount.
2. 125% of the deepest cash deficit.
3. 85% of the District's anticipated property tax revenue.

Transfer Method

The enabling statutes mandate that the County transfer monies to the districts interest-free if certain conditions are met. The statutes also require the County recover those transfers immediately from the first monies received by the borrowing district before any other obligation of the district is paid from those receipts. ATC will continue to use the "line of credit" method, as it does not result in a draw on the County treasury until the district issues payments in excess of its cash in the treasury.

Repayment

Repayment shall be taken from the first monies accruing to the District before any other obligation of the District is paid. ATC will execute two scheduled repayments of the TTF beginning with the first full property tax apportionment following November 1 of every year:

- 12/28/2022 First scheduled repayment date.
- 04/24/2023 Second scheduled repayment date.

If you have any questions, please contact Gina Lombardo at (909) 382-3198 or by email at Gina.Lombardo@sbcountyatc.gov.

Sincerely,

Ensen Mason CPA, CFA
Auditor-Controller/Treasurer/Tax Collector
San Bernardino County

By: Vanessa Doyle
Vanessa Doyle
Chief Deputy Controller

EM:TR:VJD:CH:MU:adp