SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

Agenda Item #_____

Meeting Date: December 19, 2013

Subject: **Business and Financial Information**

☒ Information Item Only
☐ Approval on Consent Agenda
☐ Conference (for discussion only)
☐ Conference/First Reading (Action Anticipated: _____)
☐ Conference/Action
☐ Action
☐ Public Hearing

Division: Business Services

Recommendation: Receive business and financial information.

Background/Rationale:

- Cash Flow Report for the Period Ending October 31, 2013

Financial Considerations: Reflects standard business information.

Documents Attached:

1a.   Executive Summary: Cash Flow Report for the Period Ending October 31, 2013

1b.   Cash Flow Report for the Period Ending October 31, 2013

Estimated Time: N/A	
Submitted by:	Ken A. Forrest, Chief Business Officer
	Amari Watkins, Director, Accounting Services
Approved by:	Sara Noguchi, Ed.D., Interim Superintendent

I. OVERVIEW/HISTORY:

School districts in California have suffered devastating reductions in funding over the past several years. Cash reserves for most districts are low and Sacramento City Unified School District is no exception. The continued deferral of state revenues has impacted the district to the extent that staff project a negative cash flow in the General Fund by June 30, 2014. The review of cash flows has become more important than ever. At the January, 2012 Board meeting, a request by the Board was made to review system generated cash flow reports. Sample reports were brought to prior Board meetings. This cash flow report is brought forward as an information item under the Business and Financial section of the Board agenda. Staff will provide a cash flow report at the second Board meeting of every month.

The report is mostly self-explanatory. Receipts indicate cash that the district has received for the Revenue Limit/Local Control Funding Formula (LCFF), federal, other state and local funds, as well as transfers in from other funds. Disbursements reflect actual payments for salaries and benefits, supplies, services, capital outlay, interfund transfers out, and other financing uses. Assets include accounts receivables which are funds owed to the general fund, funds due from other funds, stores, prepaid expenditures, and other types of assets. Liabilities include accounts payable which are funds that the district owes to other entities, funds due to other funds, and other liabilities. The most important line to focus on is the ending cash bottom line. That figure reflects whether the district has sufficient cash to meet its needs or if we need to rely on other sources for cash.

II. DRIVING GOVERNANCE:

- Request by Board of Education to receive monthly cash flow reports.

III. BUDGET:

It is important to note that cash information is not the same as budget information. While the district may have a budget set up for a particular program, and funds may be expended, it is possible that the district hasn't yet received the cash from the granting agency. However, the majority of our cash issues are due to the deferral of state funds, which make up the majority of our overall revenues.

IV. GOALS, OBJECTIVES AND MEASURES:

Provide cash flow information to the Board. In addition, this report will provide information related to the need for a borrowing instrument, such as a TRAN, as a source of cash.   The Sacramento County Office of Education reviews cash flow information to ensure that the district is able to meet its financial obligations and maintain a positive cash balance as of June 30, 2014.

V. MAJOR INITIATIVES:

- Maintain positive cash flow through June 30, 2014.
- Continuous review of financial options available to the district.

VI. RESULTS:

Continuous review of cash flow information will inform the Board and public of cash flow issues.

VII. LESSONS LEARNED/NEXT STEPS:

- Cash flow reports will be provided monthly to the Board as an information item.

Fund 01 - Actuals through October   Fiscal Year 2013/14

	Object	Beginning Balance	July	August	September	October	November	Total	Budget
A. BEGINNING CASH	9110		9,329,475.19	59,451,537.05	77,794,575.55	26,561,855.69			
B. RECEIPTS									
Revenue Limit									
Principal Apportionment	8010-8019		9,927,832.00	9,927,927.00	27,784,855.00	17,870,380.00		65,510,994.00	227,667,560.26
Property Taxes	8020-8079		1,202,013.28		864.88			1,202,878.16	55,912,537.00
Miscellaneous Funds	8080-8099		916.26		753,481.11-	672,699.00-		1,425,263.85-	5,749,082.76-
Federal Revenues	8100-8299		165,015.38	107,747.69	4,359,721.90	81,913.88		4,714,398.85	52,306,676.54
Other State Revenues	8300-8599		1,324,716.89	2,416,508.00	6,267,456.00	2,501,691.66		12,510,372.55	63,132,427.21
Other Local Revenues	8600-8799		2,525,020.76	889,154.18	489,260.13	1,957,267.48		5,860,702.55	9,713,898.62
Interfund Transfers In	8910-8929								1,617,168.00
All Other Financing Sources	8930-8979								
Undefined Objects									
TOTAL RECEIPTS		.00	15,145,514.57	13,341,336.87	38,148,676.80	21,738,554.02	.00	88,374,082.26	404,601,184.87
C. DISBURSEMENTS									
Certificated Salaries	1000-1999		1,579,120.24	3,222,611.65	14,775,296.74	15,017,570.04		34,594,598.67	173,799,058.53
Classified Salaries	2000-2999		2,210,870.26	3,353,734.52	4,271,201.23	4,323,032.26		14,158,838.27	49,884,203.79
Employee Benefits	3000-3999		1,691,069.73	2,558,897.92	9,828,174.95	9,893,265.34		23,971,407.94	110,514,984.57
Books and Supplies	4000-4999		389,231.15	510,634.22	472,223.37	1,193,656.36			
Services	5000-5999		661,323.85	2,228,520.75	3,320,084.27	5,836,541.05		12,046,469.92	52,898,352.68
Capital Outlays	6000-6599		37.66-	14,122.62	44,962.37	11,044.58		70,091.91	287,655.25
Other Outgo	7000-7499			49,671.99-	6,944.20-	193,457.12-		250,073.31-	446,548.95
Interfund Transfers Out	7600-7629								934,874.00
All Other Financing Uses	7630-7699								
Undefined Objects									
TOTAL DISBURSEMENTS		.00	6,531,577.57	11,838,849.69	32,704,998.73	36,081,652.51	.00	87,157,078.50	414,804,146.40
D. BALANCE SHEET TRANSACTIONS									
Assets									
Cash Not In Treasury	9111-9199	735,691.28-	92,514.86	44,743.34	56,846.27-	52,893.35		133,305.28	
Accounts Receivable	9200-9299	87,158,809.40-	50,854,142.04	19,434,178.18	3,168,833.80	4,204,189.52		77,661,343.54	
Due From Other Funds	9310	1,827,097.34-	33,375.39	1,580.70				34,956.09	
Stores	9320	129,179.95-	204.67	1,665.34	658.20	454.29		2,982.50	
Prepaid Expenditures	9330	55,685.64-	55,685.64			745.00-		54,940.64	
Other Current Assets	9340								
Undefined Objects									
SUBTOTAL ASSETS		89,906,463.61-	51,035,922.60	19,482,167.56	3,112,645.73	4,256,792.16	.00	77,887,528.05	
(continued)									

Selection   Grouped by Org, Fund, Filtered by (Org = 97, Actuals Thru Period = 4, Fund = 01, Use SACS? = Y, Restricted? = Y, Cash JE Only? = N, Separate? = Y)

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Fund 01 - Actuals through October									Fiscal Year 2013/14
	Object	**Beginning Balance**	**July**	**August**	**September**	**October**	**November**	**Total**	**Budget**
Liabilities									
Accounts Payable	9500-9599	12,939,016.31	7,818,321.21-	2,641,616.24-	419,156.34	23,921.18		10,016,859.93-	
Due To Other Funds	9610	5,178,101.16							
Current Loans	9640	60,000,000.00			60,208,200.00-			60,208,200.00-	
Deferred Revenues	9650	1,709,476.53	1,709,476.53-					1,709,476.53-	
Undefined Objects									
SUBTOTAL LIABILITIES		79,826,594.00	9,527,797.74-	2,641,616.24-	59,789,043.66-	23,921.18	.00	71,934,536.46-	
Nonoperating									
Suspense Clearing	9910								
TOTAL BALANCE SHEET TRANSACTIONS		10,079,869.61-	41,508,124.86	16,840,551.32	56,676,397.93-	4,280,713.34	.00	5,952,991.59	
E. NET INCREASE/DECREASE B - C + D			**50,122,061.86**	**18,343,038.50**	**51,232,719.86-**	**10,062,385.15-**	**.00**	**7,169,995.35**	**10,202,961.53-**
F. ENDING CASH (A + E)			**59,451,537.05**	**77,794,575.55**	**26,561,855.69**	**16,499,470.54**			
G. Ending Cash, Plus Cash Accruals and Adjustments									

Selection   Grouped by Org, Fund, Filtered by (Org = 97, Actuals Thru Period = 4, Fund = 01, Use SACS? = Y, Restricted? = Y, Cash JE Only? = N, Separate? = Y)

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