

Department of Finance		Fund: 0611a
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Community College District Organization Revolving Fund		
<u>Legal Citation/Authority</u> Chapter 940, Statutes of 1973, Section 24 Education Code section 84340		
<u>Fund Classification</u> <u>GAAP Basis</u> Fiduciary/Trust and Agency-Other	<u>Fund Classification</u> <u>Legal Basis</u> Nongovernmental/Working Capital and Revolving Funds	
<u>Purpose</u> Loans may be made from the fund to newly organized community college districts during their first three years of operation to aid the districts in meeting their current expenses of operation. During each of the five fiscal years following the year such a loan is made, one-fifth of the amount loaned to such districts is withheld from appropriations made from Part B of the State School Fund and paid into the fund for repayment of the loan. In order for a district to qualify for a loan, its general purpose tax rate must be at least be equal to the average of such rates in other districts maintaining community colleges in the same county or adjacent counties.		
<u>Administering Agency/Organization Code</u> Board of Governors of the California Community Colleges/Org 6870		
<u>Major Revenue Source</u> Repayment of school district loans.		
<u>Disposition of Fund (upon abolishment)</u> Loans to newly formed community college districts.		
<u>Appropriation Authority</u> Section 84340 of the Education Code provides that the money in the fund may be used for the purposes of making loans to newly organized community college districts.		
<u>State Appropriations Limit</u> Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source if derived from a Working Capital and Revolving Fund.		
<u>Comments/Historical Information</u> Chapter 1710, Statutes of 1963 created the School District Revolving Fund and appropriated \$500,000 to the fund from the County School Service Fund Surplus Account in the General Fund. Chapter 1595, Statutes of 1967 appropriated an additional \$100,000 to the fund from the General Fund. Chapter 940,		

Statutes of 1973 dissolved the fund and created in its place the Community College District Organization Revolving Fund and the Public School District Organization Revolving Fund. The balance remaining in the original fund and all loan payments due the fund were divided so that one-third was deposited in this fund and two-thirds were deposited to the Public School District Organization Revolving Fund.

Fund abolished per Government Code section 13306(b).