

RCW 28A.320.340 Temporary interfund loans. (1) A school district that is in binding conditions pursuant to RCW 28A.505.110 or under enhanced financial oversight pursuant to RCW 28A.315.221 may take a temporary interfund loan from its capital projects fund, subject to the following conditions:

(a) The borrowing fund must repay the full loan amount to the loaning capital projects fund within one calendar year;

(b) The loaning capital projects fund may not charge interest on the amounts loaned;

(c) The loan may not be made to the detriment of any function or project for which the loaning capital projects fund was established;

(d) The school district's financial reports, including monthly financial reports provided to the board of directors of the district, must specify all outstanding interfund loan balances.

(2) (a) The board of directors of a qualifying school district must adopt a resolution to approve a temporary interfund loan transaction. The resolution must contain the exact amount of the loan, the funds involved, the specific source of funds for repayment, and the schedule for repayment.

(b) If a school district is under enhanced financial oversight pursuant to RCW 28A.315.221, the temporary interfund loan transaction must additionally be approved by the special administrator appointed to oversee and carry out financial conditions imposed on the district as recommended by the financial oversight committee.

(3) The office of the superintendent of public instruction shall adopt rules as necessary to implement this section. [2025 c 384 s 1.]