

**Meeting of: June 19, 2014**  
**FOR: Action**

**VICTOR VALLEY UNION HIGH SCHOOL DISTRICT**

**TO: MEMBERS OF THE BOARD OF TRUSTEES**

**RE: Resolution 14-24 Education Protection Account (EPA)**

**BACKGROUND INFORMATION:**

Pursuant to Article XIII, Section 36 of the California Constitution the district is required to report the Education Protection Account (EPA) Requirements

**CURRENT CONSIDERATIONS / FINANCIAL IMPLICATIONS:**

**None.**

**STAFF RECOMMENDATION:**

**Approve donation as submitted.**

**SUBMITTED BY: Jean Aldrete,**  
**Assistant Superintendent, Business Services**



# San Bernardino County Superintendent of Schools

Gary S. Thomas, Ed.D.  
County Superintendent

**Business Services**  
Business Advisory Services  
Cynna Hinkle, Director

April 30, 2014

Bulletin No. 14-073

**TO: Chief Business Officials (K-12, COEs, Charters, Community Colleges)  
San Bernardino School Districts**

**SUBJECT: Education Protection Account (EPA) Requirements**

Pursuant to Article XIII, Section 36 of the California Constitution, school districts, county offices of education, and community college districts (LEAs) are required to report on their Web sites an accounting of how much money was received from the Education Protection Account (EPA) and how that money was spent. Additionally, the LEA's governing board is also required to determine and discuss the use of EPA funds at an open public meeting prior to June 30 annually. Although the language is not specific, it is our recommendation that districts both make an accounting of current year EPA revenues received and how they are spent and provide an estimate for EPA funds and a plan to spend those funds for the upcoming budget year.

For your convenience, enclosed with the sample resolution is a sample exhibit that districts may use for both the spending determinations and website posting requirements. However, districts are not required to use this format. The sample exhibit mirrors the Program by Resource Report from the CDE's Standardized Account Code Structure (SACS) software. Please note that in the sample exhibit, expenditures are displayed by function code and not by object code. The language in the constitutional amendment requires that funds shall not be used for the salaries and benefits of administrators or any other administrative costs.

Entitlements for current year EPA can be found on CDE's Web site at <http://www.cde.ca.gov/fg/aa/pa/epa.asp>. Budget year EPA revenue can be estimated by multiplying total Local Control Funding Formula (LCFF) revenues by 17.92%. If the result of that calculation is greater than LCFF state aid, it is recommended that the district reduce EPA revenue to the amount of LCFF state aid. However, districts are guaranteed the minimum of \$200 per ADA in EPA revenues.

If you have any questions or concerns about EPA reporting requirements, please call your Business Services Advisor at (909) 386-9676.

Sincerely

Gary S. Thomas, Ed.D.  
County Superintendent of Schools  
*Signed by Cynna Hinkle, Director*  
Business Advisory Services

CH:ls

Attachments: Sample Resolution and Sample Exhibit (Excel)

J:\Bulletin\2013-14\14-073 Education Protection Account (EPA) Requirements

**Victor Valley Union High School District**  
**Education Protection Account Entitlement (EPA)**  
**Resolution no. 14-24**

WHEREAS, the voters approved Proposition 30 on November 6, 2012;

WHEREAS, Proposition 30 added Article XIII, Section 36 to the California Constitution effective November 7, 2012;

WHEREAS, the provisions of Article XIII, Section 36(e) create in the state General Fund an Education Protection Account to receive and disburse the revenues derived from the incremental increases in taxes imposed by Article XIII, Section 36(f);

WHEREAS, before June 30<sup>th</sup> of each year, the Director of Finance shall estimate the total amount of additional revenues, less refunds that will be derived from the incremental increases in tax rates made pursuant to Article XIII, Section 36(f) that will be available for transfer into the Education Protection Account during the next fiscal year;

WHEREAS, if the sum determined by the State Controller is positive, the State Controller shall transfer the amount calculated into the Education Protection Account within ten days preceding the end of the fiscal year;

WHEREAS, all monies in the Education Protection Account are hereby continuously appropriated for the support of school districts, county offices of education, charter schools and community college districts;

WHEREAS, monies deposited in the Education Protection Account shall not be used to pay any costs incurred by the Legislature, the Governor or any agency of state government;

WHEREAS, a community college district, county office of education, school district, or charter school shall have the sole authority to determine how the monies received from the Education Protection Account are spent in the school or schools within its jurisdiction;

WHEREAS, the governing board of the district shall make the spending determinations with respect to monies received from the Education Protection Account in open session of a public meeting of the governing board;

WHEREAS, the monies received from the Education Protection Account shall not be used for salaries or benefits for administrators or any other administrative cost;

WHEREAS, each community college district, county office of education, school district and charter school shall annually publish on its Internet website an accounting of how much money was received from the Education Protection Account and how that money was spent;

WHEREAS, the annual independent financial and compliance audit required of community college districts, county offices of education, school districts and charter schools shall ascertain and verify whether the funds provided from the Education Protection Account have been properly disbursed and expended as required by Article XIII, Section 36 of the California Constitution;

WHEREAS, expenses incurred by community college districts, county offices of education, school districts and charter schools to comply with the additional audit requirements of Article XIII, Section 36 may be paid with funding from the Education Protection Act and shall not be considered administrative costs for purposes of Article XIII, Section 36.

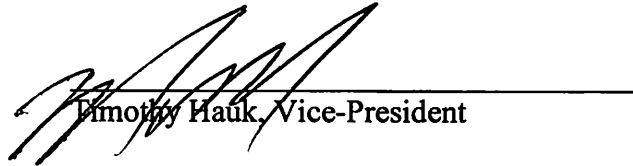
NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. The monies received from the Education Protection Account shall be spent as required by Article XIII, Section 36 and the spending determinations on how the money will be spent shall be made in open session of a public meeting of the governing board of the Victor Valley Union High School District;

2. In compliance with Article XIII, Section 36(e), with the California Constitution, the governing board of the Victor Valley Union High School District has determined to spend the monies received from the Education Protection Act as attached.

DATED: June 19, 2014 .

  
Barbara Dew, Board President

  
Timothy Hauk, Vice-President

  
Evelyn Glasper, Board Member

  
Dr. Duneen DeBruhl, Board Member

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Rita Jackson, Board Member

2014-15 Education Protection Account  
Program by Resource Report  
Expenditures by Function - Detail

Adopted Budget Expenditures through: June 30, 2015  
For Fund 01, Resource 1400 Education Protection Account

Description	Object Codes	Amount
<b>AMOUNT AVAILABLE FOR THIS FISCAL YEAR</b>		
Adjusted Beginning Fund Balance	9791-9795	0.00
Revenue Limit Sources	8010-8099	9,910,301.00
Federal Revenue	8100-8299	0.00
Other State Revenue	8300-8599	0.00
Other Local Revenue	8600-8799	0.00
All Other Financing Sources and Contributions	8900-8999	0.00
Deferred Revenue	9650	0.00
<b>TOTAL AVAILABLE</b>		<b>9,910,301.00</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
<b>(Function 1000-7999)</b>		
Instruction	1000-1999	9,910,301.00
Instruction-Related Services		
Instructional Supervision and Administration	2100-2150	0.00
AU of a Multidistrict SELPA	2200	0.00
Instructional Library, Media, and Technology	2420	0.00
Other Instructional Resources	2490-2495	0.00
School Administration	2700	0.00
Pupil Services		
Guidance and Counseling Services	3110	0.00
Psychological Services	3120	0.00
Attendance and Social Work Services	3130	0.00
Health Services	3140	0.00
Speech Pathology and Audiology Services	3150	0.00
Pupil Testing Services	3160	0.00
Pupil Transportation	3600	0.00
Food Services	3700	0.00
Other Pupil Services	3900	0.00
Ancillary Services	4000-4999	0.00
Community Services	5000-5999	0.00
Enterprise	6000-6999	0.00
General Administration	7000-7999	0.00
Plant Services	8000-8999	0.00
Other Outgo	9000-9999	0.00
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>		<b>9,910,301.00</b>
<b>BALANCE (Total Available minus Total Expenditures and Other Financing Uses)</b>		<b>0.00</b>

# Budget 2000 Comparative Report

District 68 Victor Valley Union High School District

## 2014-15 EPA

Function	Description	15-16
Summary By	Object	Budget Amt
0000	REVENUE & BAL SHEET TRANSACTS	
	8012 EDUCATION PROTECTION ACT	9,910,301.00
SubTotal: 0000		9,910,301.00
1000	REG & ADULT ED INSTRC - GENERA	
	1110 TEACHER SALARIES - REGULAR	9,910,301.00
SubTotal: 1000		9,910,301.00
Total		19,820,602.00