

# GRANADA HILLS CHARTER HIGH SCHOOL

June 30, 2016

When the voters passed Proposition 30 in November 2012, the Education Protection Account (EPA) was created in the state budget. All of the funds generated by the approved increase in state sales tax rate and an increase in personal income tax for upper-income taxpayers are deposited in this account. The revenue generated by the measure's temporary tax increases is included in the calculations of the Proposition 98 minimum guarantee which has raised the guarantee by billions of dollars each year. A portion of the new revenues, therefore, continue to be used to support increased school funding, with the remainder helping to balance the state budget. Of the funds in the account, 89% go to K-12 and 11% go to community colleges.

Proposition 30 requires all districts, county offices, and charter schools to post on their websites an accounting of how much money was received from the EPA and how that money was spent. Local Education Agencies (LEAs), including charter schools, continue to receive funds from the EPA based on their proportionate share of the statewide local control funding formula revenues, which includes charter school general purpose funding. For the 2015-16 fiscal year, the fourth year of the EPA, LEAs received four quarterly payments in September, December, March and June. GHCHS received a total 2015-16 EPA payment of \$6,896,334. **Our general state aid payments through-out the year were reduced accordingly in order to make this distribution.**

Proposition 30 requires that the use of EPA funds be determined by the governing board at an open public meeting. Because the EPA funding is part of our general unrestricted state aid, we may allocate any unrestricted expenditures there, except for administrative costs. Since the expenditure for classroom teacher salaries and employee benefits is a major part of our school budget, the GHCHS Governing Board approved a recommendation at its June 29, 2015 meeting that the EPA funding for 2015-16 be used to cover a portion of these expenses and a prorated share of classroom teacher salary and benefit expenditures were transferred to the EPA account.

The final accounting of the expenditure of the 2015-16 EPA funding is as follows:

Classroom Teacher Salaries	\$5,341,712.83
Employee Benefits	<u>1,554,621.17</u>
Total Expenditures	\$ 6,896,334.00

cc: Brian Bauer, Executive Director