North Monterey County USD

Meeting: Regular Board Meeting : N. DISCUSSION

Created : January 10, 2014 at 11:41 AM

iii. Approve Resolution #2013-1407 for the 2013-14 Education Protection Account (EPA) Public Disclosure of Funding and Disbursement *(D) (V)*

September 05, 2013
Status: Ready for approval
Discussion Item

Motion Made By : Sam Laage.
Motion Seconded By : Polly Jimenez.

RECOMMENDATION:
Approve Resolutions #2013-1407 for the 2013-2014 Education Protection Account (EPA) Public Disclosure of Funding and Disbursement as required for compliance with Article XIII, Section 36, of the California Constitution.

INFORMATION:
At the beginning of the 2012-13 fiscal year, the District's adopted budget was required to include a mid-year trigger cut should Proposition 30 fail to pass with the voters. When Proposition 30 did pass, it guaranteed flat funding to the prior years' revenue limit. As a result, and pursuant to Article XIII, Section 36, of the California Constitution, school districts are now required to publicly disclose the estimated amount of money received and how these monies will be spent as a result of the passage of Proposition 30.

The Education Protection Account (EPA) was created to enable Districts to fulfill their requirement to separately account for these dollars. One of the directives of this Article is that the governing board is required to make the spending determinations in an open session of a public meeting prior to June 30th of each year. In addition, this information must be published annually on the District's internet website. The District is recommending the Education Protection Account dollars be spent exclusively on Instruction.

SUPPORTING DATA:
A worksheet estimating the amount of EPA funds available for 2013-14 and the District's plan for spending the monies is attached.

FISCAL IMPACT:
None. Since EPA funding is a sub-set of State Aid, there is no additional financial gain to the District. The District is simply accounting for these dollars in a new resource number (Resource 1400 Education Protection Account) in order to comply with the new disclosure requirements for uses of funds.

SUPERINTENDENT'S COMMENTS:
It is recommended that the Board of Trustees approve the Resolution #2013-1407 as presented.

PREPARED BY:
Liann Reyes, Assistant Superintendent of Business Services

Associated File Attachments
- Education Protection Acct 2013-14 Exp by Function (Files)
- Education Protection Act 2013-14 Resolution (Files)

Minutes

Ms. Liann Reyes gave an explanation in regards to Proposition 30 . She explained that this means that that monies will be spent on instruction, and added that it can not be spent on administrative cost. She added that this is not new money and is tied in to proposition 30.

Votes
Motion Made By : Sam Laage.
Motion Seconded By : Polly Jimenez.
Sam Laage - **Yes**
Polly Jimenez - **Yes**
Gary De Amaral - **Yes**

NORTH MONTEREY COUNTY UNIFIED SCHOOL DISTRICT
BOARD RESOLUTION

On a Motion by Trustee: Samuel Laage
Seconded by Trustee: Polly Jimenez
Approved On: 9/5/13

RESOLUTION #2013-1407
EDUCATION PROTECTION ACCOUNT (EPA) PUBLIC DISCLOSURE OF FUNDING AND DISBURSEMENT

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 30th of each year, the District 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 **2013-14** 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 school district and 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, school districts and charter schools 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 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 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 for fiscal 2013-14 shall be made in open session of a public meeting of the governing board on **September 5, 2013**;

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

DATED: September 5, 2013

Board Member

Board Member

Board Member

Board Member

Board Member

North Monterey County Unified School District
2013-14 Education Protection Account
Program by Resource Report
Expenditures by Function - Detail

Estimated Expenditures through: June 30, 2014
For Fund 01, Resource 1400 Education Protection Account

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	0.00
Revenue Limit Sources	8010-8099	4,031,601.00
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
TOTAL AVAILABLE		4,031,601.00
EXPENDITURES AND OTHER FINANCING USES		
(Objects 1000-7999)		
Instruction	1000-1999	4,031,601.00
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
TOTAL EXPENDITURES AND OTHER FINANCING USES		4,031,601.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0.00

Specifically, for what types of activities may EPA funds be used?

Except as provided below for COEs, the following tables of SACS functions show the activities for which EPA funds may and may not be used:

1000–1999 INSTRUCTION

SACS Function	Chargeable to EPA?
1000 Instruction	Yes
1110 Special Education: Separate Classes	Yes
1120 Special Education: Resource Specialist Instruction	Yes
1130 Special Education: Supplemental Aids and Services in Regular Classrooms	Yes
1180 Special Education: Nonpublic Agencies/Schools	Yes
1190 Special Education: Other Specialized Instructional Services	Yes

2000–2999 INSTRUCTION-RELATED SERVICES

SACS Function	Chargeable to EPA?
2100 Instructional Supervision and Administration	No
2110 Instructional Supervision (optional)	No
2120 Instructional Research (optional)	No
2130 Curriculum Development (optional)	No
2140 In-house Instructional Staff Development (optional)	No
2150 Instructional Administration of Special Projects (optional)	No
2200 Administrative Unit (AU) of a Multidistrict SELPA	No
2420 Instructional Library, Media, and Technology	Yes
2490 Other Instructional Resources	Yes
2495 Parent Participation (optional)	Yes
2700 School Administration	No

3000–3999 PUPIL SERVICES

SACS Function	Chargeable to EPA?
3110 Guidance and Counseling Services	Yes
3120 Psychological Services	Yes
3130 Attendance and Social Work Services	Yes
3140 Health Services	Yes
3150 Speech Pathology and Audiology Services	Yes
3160 Pupil Testing Services	Yes
3600 Pupil Transportation	Yes
3700 Food Services	Yes
3900 Other Pupil Services	Yes

4000–4999 ANCILLARY SERVICES

SACS Function		Chargeable to EPA?
4000	Ancillary Services	Yes
4100	School-Sponsored Co-curricular (optional)	Yes
4200	School-Sponsored Athletics (optional)	Yes
4900	Other Ancillary Services (optional)	Yes

5000–5999 COMMUNITY SERVICES

SACS Function		Chargeable to EPA?
5000	Community Services	Yes
5100	Community Recreation (optional)	Yes
5400	Civic Services (optional)	Yes
5900	Other Community Services (optional)	Yes

6000–6999 ENTERPRISE

SACS Function		Chargeable to EPA?
6000	Enterprise	No

7000–7999 GENERAL ADMINISTRATION

SACS Function		Chargeable to EPA?
7100	Board and Superintendent	No
7110	Board	No
7120	Staff Relations and Negotiations (optional)	No
7150	Superintendent (optional)	No
7180	Public Information (optional)	No
7190	External Financial Audit—Single Audit	No
7191	External Financial Audit—Other	No
7200	Other General Administration	No
7210	Indirect Cost Transfers	No
7300	Fiscal Services (optional)	No
7310	Budgeting (optional)	No
7320	Accounts Receivable (optional)	No
7330	Accounts Payable (optional)	No
7340	Payroll (optional)	No
7350	Financial Accounting (optional)	No
7360	Project-Specific Accounting (optional)	No
7370	Internal Auditing (optional)	No
7380	Property Accounting (optional)	No

7390	Other Fiscal Services (optional)	No
7400	Personnel/Human Resources Services (optional)	No
7410	Staff Development (optional)	No
7430	Credentials (optional)	No
7490	Other Personnel/Human Resources Services (optional)	No
7500	Central Support (optional)	No
7510	Planning, Research, Development, and Evaluation (optional)	No
7530	Purchasing (optional)	No
7540	Warehousing and Distribution (optional)	No
7550	Printing, Publishing, and Duplicating (optional)	No
7600	All Other General Administration (optional)	No
7700	Centralized Data Processing	No

8000–8999 PLANT SERVICES

SACS Function		Chargeable to EPA?
8100	Plant Maintenance and Operations	Yes
8110	Maintenance (optional)	Yes
8200	Operations (optional)	Yes
8300	Security (optional)	Yes
8400	Other Plant Maintenance and Operations (optional)	Yes
8500	Facilities Acquisition and Construction	Yes
8700	Facilities Rents and Leases	Yes

9000–9999 OTHER OUTGO

SACS Function		Chargeable to EPA?
9100	Debt Service	Yes
9200	Transfers Between Agencies	Yes

County Office of Education only

SACS Goal		Chargeable to EPA?
8600	County Services to Districts (without regard to function)	Yes