APPROVED FOR PROCESSING
BY SUPERINTENDENT'S OFFICE
6/13/23 ---
Date Signature

TITLE: ADOPTION OF RESOLUTION NO. 04-23/24, APPROVAL OF THE USE OF PROPOSITION 55 EDUCATION PROTECTION ACCOUNT (EPA) 2023-2024 FUNDED AMOUNTS

Business & Facilities
Action #3

June 13, 2023

Prepared by: Ron Todo Associate Superintendent
Business & Facilities

Background Information:

Passage of Proposition 30, Schools and Local Public Safety Protection Act of 2012, required the State Controller create a "new" state Education Protection Account (EPA) on behalf of all California Schools. This account was set up to capture the additional .25% tax on sales and certain personal income taxes, approved by the November 2012 election to support schools. This temporary tax expired in December 2018. Proposition 55 passed on the November 8, 2016 ballot and extended the temporary personal income tax increases enacted by Proposition 30 through 2030.

Simi Valley Unified School District is scheduled to receive approximately Forty and a Half Million Dollars ($40,450,496) at the end of the 2023-2024 fiscal year from this funding source. Each year, an estimated amount will be calculated by the Department of Finance and will fluctuate based on estimated tax receipts. It should be duly noted that these funds off-set state LCFF revenue funds and do not provide the district with any additional funding.

The Board of Education has sole authority to determine how the money received from the Education Protection Account is to be spent within the district, provided, that the governing board makes these spending determinations in open session of a public meeting of the governing board. Furthermore, the governing board shall not use any of the funds from the Education Protection Account for salaries or benefits of administrators or any other administrative costs. An annual independent audit of the district shall verify whether the funds have been properly disbursed and expended, given these guidelines. In addition, the district shall annually publish on its Internet Website an accounting of how much money was received and how that money was spent.

The district plans to expend these funds in support of certificated salaries and fringe benefits. These funds will be used to support only Instructional, Instruction-related Services and Pupil Services. Specifically, the district has identified approximately $40.5 million in support of all Elementary and Secondary Teachers.

On motion # 182 by Trustee Pine, seconded by Trustee Bagdasarian and carried by a roll-call vote of 5/0, the Board of Education approved Resolution No. 04-23/24, the Use of Proposition 55 Education Protection Account (EPA) 2023-2024 Funded Amounts.

Ayes: Pine, Smollen, Judnau, LaBelle, Bagdasarian Noes: 0 Absent: 0 Abstained: 0

TITLE: **ADOPTION OF RESOLUTION NO. 04-23/24, APPROVAL OF THE USE OF PROPOSITION 55 EDUCATION PROTECTION ACCOUNT (EPA) 2023-2024 FUNDED AMOUNTS**

Fiscal Analysis

This provision is an annual state funding source to off-set unrestricted general fund expenditures and to expend them under the Education Protection Act for reporting purposes and transparency of use.

Recommendation

It is recommended that the Board of Education adopt Resolution No. 04-23/24, the 2023-2024 Education Protection Act provisions to off-set unrestricted general fund expenditures.

The transferred expenditures will continue to support their designated function, with no change to their original adopted budget purpose.

Proposition 55 does not restrict the amount of Education Protection Account funds that may be carried over each fiscal year. It is the districts intention to expend all Education Protection Account each fiscal year, as funded.

SIMI VALLEY UNIFIED SCHOOL DISTRICT
RESOLUTION NO. 04-23/24

USE OF PROPOSITION 30 EDUCTION PROTECTION ACCOUNT (EPA) 2023-2024 FUNDED AMOUNTS

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, the sales tax portion of the Proposition 30 initiative expired in December 2016, and the income tax portion will expire in December 2018;

WHEREAS, the voters of California extended the income tax rates by passing Proposition 55 on November 8, 2016 allowing the Education Protection Account to continue receiving and disbursing the revenues derived from this increase in taxes;

WHEREAS, before June 30th of each year, the State Director of Finance shall estimate the total amount of additional revenues, that will be available for transfer into the Education Protection Account during the next fiscal year and 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 and county offices of education and shall not be used to pay any costs incurred by the Legislature, the Governor or any agency of state government;

WHEREAS, a county office of education or school district 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 county office of education or school district 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 Simi Valley Unified School District;

2. In compliance with Article XIII, Section 36(e), with the California Constitution, the governing board of Simi Valley Unified School District has determined to spend the monies received from the Education Protection Act for 2023-24 as attached.

PASSED AND ADOPTED this 13th day of June 2023, by the Governing Board of the Simi Valley Unified School District of Ventura County, California, by the following vote:

AYES: Pine, Smollie, Jubran, LaBelle + Bagdasarian NOES: 0 ABSENT: 0 ABSTAIN: 0

STATE OF CALIFORNIA }
COUNTY OF VENTURA }

I, Hani Youssef, Secretary to the Governing Board of the Simi Valley Unified School District of Ventura County, California, do hereby certify that the foregoing is a full, true and correct copy of a Resolution adopted by said Board, by a Roll-Call Vote as indicated above, held at the Board's regular meeting, time and place.

Dr. Hani Youssef, Superintendent
Secretary to the Board of Education