TOPIC: **RESOLUTION 44-21 OF SANTIAGO CHARTER BOARD TO DETERMINE THE SPENDING PRIORITY OF THE MONIES RECEIVED FROM THE EDUCATION PROTECTION ACCOUNT**

DESCRIPTION: On November 6, 2012, the voters of the State of California, approved Proposition 30, which added Article XIII, Section 36(e)(f), to California Constitution, effective November 7, 2012, which avoided deeper cuts to school agencies. The provisions of article XIII created in the State General Fund, an Education Protection Account (EPA) to receive and disburse the revenues derived from the incremental increases in taxes imposed.

By June 30th of each year, the school shall estimate the total amount of additional revenues less refunds that will be derived from the incremental increase in tax rates, for the following fiscal year. The calculated amount will be transferred into the EPA within ten days preceding the end of the fiscal year.

The constitutional language requires that the funds shall not be used for the salaries and benefits of administrators or any other administrative costs. In addition, the districts are required to annually post on its website an accounting of how much money was received from EPA and how that money was spent.

FISCAL IMPACT: Estimated 2020-21 State Aid Revenue Restoration - $196,360

Estimated 2021-22 State Aid Revenue Restoration - $229,656

RECOMMENDATION: It is recommended that the Charter Board approve Resolution 44-21, designating how to spend the monies received from the Education Protection Account for the 2021-22 Fiscal Year and directing staff to post an annual accounting on the school website, as required by law.

Charter Board approved
June 16, 2021

Jim D'Agostino
Principal/Executive Director

CHARTER BOARD RESOLUTION #44-21

SANTIAGO MIDDLE SCHOOL
ORANGE COUNTY, CALIFORNIA
TO
DETERMINE THE SPENDING PRIORITY OF THE MONIES RECEIVED FROM THE EDUCATION PROTECTION ACCOUNT FOR THE FISCAL YEAR 2021-2022

WHERE AS, the voters approved Proposition 30 on November 6, 2012;

WHERE AS, 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 Business Services Coordinator 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 Santiago Charter Middle School;

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

AYES: 10 NOES: 0 ABSENT: 1 ABSTAIN: 0

STATE OF CALIFORNIA
COUNTY OF ORANGE

Ashley Pedroza, the Secretary of the Charter Board Directors of Santiago Middle School of Orange County, California, hereby certifies that the above foregoing resolution was duly and regularly adopted by said Santiago at a regular meeting thereof held on the 16 of June, and passed by a 10-0 vote of said Board.

IN WITNESS WHEREOF I have hereunto set my hand and seal this June, 2021.

Board Secretary

Santiago Charter Middle School
2020-21 Education Protection Account
Program by Resource Report
Expenditures by Function - Detail

Expenditures through: June 30, 2021
For General Fund, 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 (LCFF)	8010-8099	196,360.00
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		196,360.00
EXPENDITURES AND OTHER FINANCING USES		
(Functions 1000-9999)	**Function Codes**	
Instruction	1000-1999	196,360.00
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		196,360.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0.00

Santiago Charter Middle School
2021-22 Education Protection Account
Program by Resource Report
Expenditures by Function - Detail

Expenditures through: June 30, 2022
For General Fund, 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 (LCFF)	8010-8099	229,656.00
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		229,656.00
EXPENDITURES AND OTHER FINANCING USES		
(Functions 1000-9999)	**Function Codes**	
Instruction	1000-1999	229,656.00
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		229,656.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0.00