

## Hamilton Unified School District's

### 2015-16 Education Protection Account (EPA) Expenditures

**Background:** Proposition 30, *The Schools and Local Public Safety Protection Act of 2012*, approved by the voters on November 6, 2012, temporarily increases the state sales tax rate for all taxpayers and the personal income tax rates for upper-income taxpayers.

**Implementation:**

- These new state revenues will be deposited into a state account called the *Education Protection Account* (EPA).
- School districts will receive funds from the EPA based on their proportionate share of the statewide revenue limit amount. Then, **a corresponding reduction is made to the school district's revenue limit equal to the amount of their EPA revenues.**
- Beginning in 2013-14 the entitlement will be made quarterly.

**Further Reporting Requirements:**

- Each year, a spending plan must be approved by the governing board during a public meeting.
- EPA funds cannot be used for salaries or benefits of administrators or any other administrative costs.
- Each year, the district must publish on its website an accounting of how much money was received from the EPA and how the funds were expended.
- There will be a requirement for the annual financial audit to include verification that the EPA funds were used as specified by Proposition 30.
- The EPA entitlement and expenditures will be recorded in Resource Code 1400.

**District Actual Expenditures:**

As specified by Proposition 30, it is the district's intent to spend the EPA funds on "instructional activities"; primarily teacher salaries and benefits as detailed below.

<u>Teacher Salaries</u>	<u>STRS/PERS</u>	<u>Medicare</u>	<u>UI</u>	<u>Work Comp</u>	<u>H&amp;W</u>	<u>TOTAL</u>
\$950,761	\$102,307	\$14,320	\$475	\$14,357	\$169,082	\$1,251,302
<b><u>Books &amp; Supplies</u></b>						\$128,204
				<b>Total Expenditures</b>		<b>\$1,379,506</b>
				Carryover 2014-15		\$768,759
				2015-16 Entitlement		\$1,066,737
				Current Reserve		\$455,990