

ITEM REQUIRING ATTENTION - BOARD OF EDUCATION

To the Board of Trustees:

Date: October 30, 2017

Subject: Approve Education Protection Account (EPA)
Spending Plan for 2017-18

Staff Analysis: Proposition 30 provides that all K-14 local agencies have the sole authority to determine how the funds received from the EPA are spent, but with these provisions:

The 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 (as determined through the account code structure);

Each year, the local agency must publish on its website an accounting of how much money was received from the EPA, and how the funds were expended.

In addition, there will now be a requirement for the annual financial audit to include verification that the EPA funds were used as specified by Proposition 30, and the additional costs of the audit would be an allowable expense from the EPA. If EPA funds are not expended in accordance with the requirements of Proposition 30, civil or criminal penalties could be incurred.

The District's spending plan is as follows: salary and benefit expenditures for teachers in the amount of \$11,699,646 (the estimated amount of EPA funds to be received quarterly during the last ten days of September, December, March, and June for the 2017-18 fiscal year) will be transferred from resource 0000 (unrestricted) to resource 1400 (Education Protection Act). No administrative costs will be charged to the EPA resource.

Recommendation: Staff recommends that the Board of Trustees approve the Education Protection Account (EPA) Spending Plan for 2017-18.

Approved by: Kolvira Chheng Title: Director of Fiscal Services, Business Services

To the Board of Trustees:

Meeting: November 9, 2017
Regular Board Meeting

Recommend Approval

10-05
Agenda Placement

Hilaria Bauer, Ph.D., Superintendent

ARUESD
Board Approved
P. 2
11/9/17

DISPOSITION BY BOARD OF TRUSTEES

Motion by: AG

Seconded by: KM

Approved: 5-0

Not Approved: _____

Tabled: _____

Alum Rock Union Elementary (69369) - 2017-18 Adopted Budget

PROPOSITION 30 - EDUCATION PROTECTION ACCOUNT

Entitlement as % of statewide adjusted Revenue Limit	21.1229%	26.7669%	25.9212%	25.4000%	23.7000%
Education Protection Account (EPA)	Certified* 2013-14	Certified* 2014-15	Certified* 2015-16	2016-17	2017-18
Calculation of EPA Entitlement					
Adjusted Total Revenue Limit				51,107,380	48,991,411
Current Year Adjusted NSS Allowance				-	-
(A) Total: Adj. Rev. Limit or General Purpose Funding in LCFF Floor	57,823,888	56,326,891	53,371,339	51,107,380	48,991,411
(B) Property Taxes/In-Lieu	17,533,564	18,739,057	19,080,080	28,148,960	30,030,159
(C) ADA Used for EPA Minimum	11,385.95	11,091.18	10,509.21	10,063.42	9,646.77
(D) Gross State Aid for Purposes of EPA (A - B; if <0, then 0)	40,290,324	37,587,834	34,291,259	22,958,420	18,961,252
(E) Proportionate Share* (A * %)	12,161,332	15,018,827	13,725,793	12,981,275	11,610,964
(F) Minimum EPA (C x \$200)	2,277,190	2,218,236	2,101,842	2,012,684	1,929,354
(G) Adjusted EPA Proportionate Share (Reduced for Amounts in Excess of State Aid, lesser of D or E.	12,161,332	15,018,827	13,725,793	12,981,275	11,610,964
(H) P-2 Entitlement: (Greater of F or G)	12,161,332	15,018,827	13,725,793	12,981,275	11,610,964
(I) PY Adjustment: Change in Entitlement from P-2 to Annual	53,728	(83,064)	108,954	-	-
Adjusted EPA Allocation (used to calculate LCFF Revenue)	12,215,060	14,935,763	13,834,747	12,981,275	11,610,964
(J) P2 Entitlement Net of PY Adjustment	12,233,861	15,072,555	13,642,729	13,090,229	11,610,964
Calculation of Net State Aid before Minimum State Aid					
Phase-In Entitlement	81,617,571	89,910,901	99,313,126	101,458,171	100,367,653
Less Property Taxes/In-Lieu	17,871,471	18,913,609	19,562,384	28,148,960	30,030,159
Gross State Aid	63,746,100	70,997,292	79,750,742	73,309,211	70,337,494
Less EPA Allocation	12,215,060	14,935,763	13,834,747	12,981,275	11,610,964
Net State Aid	51,531,040	56,061,529	65,915,995	60,327,937	58,726,529
Minimum State Aid					
Adjusted Total Revenue Limit	57,828,409	55,799,333	53,372,405	51,107,380	48,991,411
2012-13 Deficitd NSS Allowance	-	-	-	-	-
Less Property Taxes/In-Lieu	17,871,471	18,913,609	19,562,384	28,148,960	30,030,159
Less EPA Allocation	12,215,060	14,935,763	13,834,747	12,981,275	11,610,964
Revenue Limit Minimum State Aid	27,741,878	21,949,961	19,975,274	9,977,145	7,350,288
Categorical Minimum State Aid	18,935,744	18,935,744	18,935,744	18,935,744	18,935,744
Minimum State Aid Guarantee	46,677,622	40,885,705	38,911,018	28,912,889	26,286,032
Charter School Minimum State Aid Offset (effective 2014-15)	-	-	-	-	-
LCFF State Aid	51,531,040	56,061,529	65,915,995	60,327,937	58,726,529
EPA in Excess to LCFF Funding	-	-	-	-	-

Aptitud Community Academy at Goss (6046247) - Aptitud 2017-18 Adopted Budget

PROPOSITION 30 - EDUCATION PROTECTION ACCOUNT

Entitlement as % of statewide adjusted Revenue Limit	21.1229%	26.7669%	25.9212%	25.4000%	23.7000%
Education Protection Account (EPA)	Certified* 2013-14	Certified* 2014-15	Certified* 2015-16	2016-17	2017-18
Calculation of EPA Entitlement					
Adjusted Total Revenue Limit	-	-	-	-	-
Current Year Adjusted NSS Allowance	-	-	-	-	-
(A) Total: Adj. Rev. Limit or General Purpose Funding in LCFF Floor	-	-	-	-	-
(B) Property Taxes/In-Lieu	567,141	680,462	769,126	1,251,680	1,251,680
(C) ADA Used for EPA Minimum	368.29	402.75	423.63	449.97	443.41
(D) Gross State Aid for Purposes of EPA (A - B; if <0, then 0)	-	-	-	-	-
(E) Proportionate Share* (A * %)	-	-	-	-	-
(F) Minimum EPA (C x \$200)	73,658	80,550	84,726	89,994	88,682
(G) Adjusted EPA Proportionate Share (Reduced for Amounts in Excess of State Aid, lesser of D or E.	-	-	-	-	-
(H) P-2 Entitlement: (Greater of F or G)	73,658	80,550	84,726	89,994	88,682
(I) PY Adjustment: Change in Entitlement from P-2 to Annual	-	-	-	-	-
Adjusted EPA Allocation (used to calculate LCFF Revenue)	73,658	80,550	84,726	89,994	88,682
(J) P2 Entitlement Net of PY Adjustment	73,658	80,550	84,726	89,994	88,682
Calculation of Net State Aid before Minimum State Aid					
Phase-In Entitlement	2,898,579	3,451,422	4,017,073	4,464,143	4,502,257
Less Property Taxes/In-Lieu	578,027	693,298	788,553	1,251,680	1,251,680
Gross State Aid	2,320,552	2,758,124	3,228,520	3,212,463	3,250,577
Less EPA Allocation	73,658	80,550	84,726	89,994	88,682
Net State Aid	2,246,894	2,677,574	3,143,794	3,122,469	3,161,895
Minimum State Aid					
Adjusted Total Revenue Limit	-	-	-	-	-
2012-13 Deficited NSS Allowance	-	-	-	-	-
Less Property Taxes/In-Lieu	578,027	693,298	788,553	1,251,680	1,251,680
Less EPA Allocation	73,658	80,550	84,726	89,994	88,682
Revenue Limit Minimum State Aid	-	-	-	-	-
Categorical Minimum State Aid	-	-	-	-	-
Minimum State Aid Guarantee	-	-	-	-	-
Charter School Minimum State Aid Offset (effective 2014-15)	-	-	-	-	-
LCFF State Aid	2,246,894	2,677,574	3,143,794	3,122,469	3,161,895
EPA in Excess to LCFF Funding	-	-	-	-	-