

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT
2930 Gay Avenue, San Jose, CA 95127

Office of Superintendent of Schools

11.06

ITEM REQUIRING ATTENTION - BOARD OF EDUCATION

To the Board of Trustees:

Date: July 14, 2016

Subject: Approve Education Protection Account (EPA)
Spending Plan for 2016-17

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 \$12,868,286 (the estimated amount of EPA funds to be received quarterly during the last ten days of September, December, March, and June for the 2016-17 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 2016-17.

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

To the Board of Trustees:

Meeting: July 14, 2016
Regular Board Meeting

Recommend Approval

11.06
Agenda Placement

Hilaria Bauer, Ph.D., Superintendent

DISPOSITION BY BOARD OF TRUSTEES

Motion by: Andrés Gumbao Seconded by: Esau Herrera

Approved: 4 Not Approved: 1 absent Tabled: Karen Martinez

Aptitud Community Academy at Goss (6046247) - Aptitud 2016-17 Budget

PROPOSITION 30 - EDUCATION PROTECTION ACCOUNT

EPA Entitlement as % of statewide adjusted Revenue Limit	21.5165%	21.1229%	26.7669%	25.9474%	25.0000%
Education Protection Account (EPA)	<i>Certified*</i> 2012-13	<i>Certified*</i> 2013-14	<i>Certified*</i> 2014-15	2015-16	2016-17
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	744,382	744,382
(C) ADA Used for EPA Minimum	-	368.29	403	423.63	406.80
(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	81,360
(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	81,360
(I) PY Adjustment: Change in Entitlement from P-2 to Annual <i>Adjusted EPA Allocation (used to calculate LCFF Revenue)</i>	-	73,658	80,550	84,726	81,360
(J) P2 Entitlement Net of PY Adjustment	-	73,658	80,550	84,726	81,360
Calculation of Net State Aid before Minimum State Aid					
Phase-In Entitlement	-	2,898,579	3,451,422	4,009,565	4,027,115
Less Property Taxes/In-Lieu	-	578,027	693,221	744,382	744,382
Gross State Aid	-	2,320,552	2,758,201	3,265,183	3,282,733
Less EPA Allocation	-	73,658	80,550	84,726	81,360
Net State Aid	-	2,246,894	2,677,651	3,180,457	3,201,373
Minimum State Aid					
Adjusted Total Revenue Limit	-	-	-	-	-
2012-13 Deficitd NSS Allowance	-	-	-	-	-
Less Property Taxes/In-Lieu	-	578,027	693,221	744,382	744,382
Less EPA Allocation	-	73,658	80,550	84,726	81,360
Revenue Limit Minimum State Aid	-	-	-	-	-
Categorical Minimum State Aid	-	-	-	-	-
Minimum State Aid Guarantee	-	-	-	-	-
Charter School Minimum State Aid Offset (<i>effective 2014-15</i>)	-	-	-	-	-
LCFF State Aid	-	2,246,894	2,677,651	3,180,457	3,201,373
EPA in Excess to LCFF Funding	-	-	-	-	-

*EPA proportionate share is based on the adjusted revenue limit in the Floor calculation

Alum Rock Union Elementary (69369) - ARUSD 2016-17 Budget

PROPOSITION 30 - EDUCATION PROTECTION ACCOUNT

EPA Entitlement as % of statewide adjusted Revenue Limit	21.5165%	21.1229%	26.7669%	25.9474%	25.0000%
Education Protection Account (EPA)	<i>Certified*</i> 2012-13	<i>Certified*</i> 2013-14	<i>Certified*</i> 2014-15	2015-16	2016-17
Calculation of EPA Entitlement					
Adjusted Total Revenue Limit				53,371,339	51,147,703
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	51,147,703
(B) Property Taxes/In-Lieu		17,533,564	18,739,057	18,545,579	18,323,276
(C) ADA Used for EPA Minimum		11,385.95	11,091	10,509.21	10,071.36
(D) Gross State Aid for Purposes of EPA (A - B; if < 0, then 0)		40,290,324	37,587,834	34,825,760	32,824,427
(E) Proportionate Share* (A * %)		12,161,332	15,018,827	13,848,453	12,786,926
(F) Minimum EPA (C x \$200)		2,277,190	2,218,236	2,101,842	2,014,272
(G) Adjusted EPA Proportionate Share (Reduced for Amounts in Excess of State Aid, lesser of D or E.		12,161,332	15,018,827	13,848,453	12,786,926
(H) P-2 Entitlement: (Greater of F or G)	13,097,602	12,161,332	15,018,827	13,848,453	12,786,926
(I) PY Adjustment: Change in Entitlement from P-2 to Annual <i>Adjusted EPA Allocation (used to calculate LCFF Revenue)</i>	72,529 13,170,131	53,728 12,215,060	(83,064) 14,935,763	- 13,848,453	- 12,786,926
(J) P2 Entitlement Net of PY Adjustment	13,097,602	12,233,861	15,072,555	13,765,389	12,786,926
Calculation of Net State Aid before Minimum State Aid					
Phase-In Entitlement	61,209,435	81,617,571	89,910,901	98,972,189	101,040,785
Less Property Taxes/In-Lieu	22,083,499	17,871,471	18,911,543	18,545,579	18,323,276
Gross State Aid	39,125,936	63,746,100	70,999,358	80,426,610	82,717,509
Less EPA Allocation	13,170,131	12,215,060	14,935,763	13,848,453	12,786,926
Net State Aid	25,955,805	51,531,040	56,063,595	66,578,157	69,930,583
Minimum State Aid					
Adjusted Total Revenue Limit	61,209,435	57,828,409	55,799,333	53,371,338	51,147,704
2012-13 Deficitd NSS Allowance	-	-	-	-	-
Less Property Taxes/In-Lieu	22,083,499	17,871,471	18,911,543	18,545,579	18,323,276
Less EPA Allocation	13,170,131	12,215,060	14,935,763	13,848,453	12,786,926
Revenue Limit Minimum State Aid	25,955,805	27,741,878	21,952,027	20,977,306	20,037,502
Categorical Minimum State Aid	18,935,744	18,935,744	18,935,744	18,935,744	18,935,744
Minimum State Aid Guarantee	44,891,549	46,677,622	40,887,771	39,913,050	38,973,246
Charter School Minimum State Aid Offset (effective 2014-15)	-	-	-	-	-
LCFF State Aid	44,891,549	51,531,040	56,063,595	66,578,157	69,930,583
EPA in Excess to LCFF Funding	-	-	-	-	-

*EPA proportionate share is based on the adjusted revenue limit in the Floor calculation