

TO: Governing Board

DATE: June 22, 2026

FROM: Tammy Stanton, CFO

SUBJECT: APPROVAL - Education Protection Account
Spending Plan 2026-2027

Staff requests the Governing Board to approve the determination of uses for the GHC fiscal year **2026-27 \$19,247,065 of Education Protection Account (EPA) funds**. Since 2012-23 GHC has used EPA funds for classroom teacher salaries and benefits. Consistent with prior years, staff recommends the same use for 2026-27.

California created the Education Protection Account (EPA) in November 2012 after the passage of Proposition 30, *The Schools and Local Public Safety Protection Act of 2012*. Proposition 30 temporarily increased the personal income tax rates for upper-income taxpayers and the sales tax rate for all taxpayers. The .25 sales tax increase expired in 2016. The income tax increase was set to expire in 2018, but was extended by voters through 2030 via Proposition 55 in November 2016.

Revenue generated from the increased taxes are deposited into the EPA and distributed to districts and charter schools on a quarterly basis. While funds from the EPA are part of a district's or charter school's LCFF state aid funding, Proposition 30 specifies that EPA funds may not be used for administrative salaries or benefits or any other administrative costs. Governing boards must determine the use of EPA funds at an open public meeting annually. Proposition 30 also requires all districts, counties and charter schools to report on their websites an accounting of how much money was received from the EPA and how that money was spent. For schools open prior to FY 13/14, EPA funds are estimated to be roughly equal to 45% of a school's FY 12/13 funding rate multiplied by the current year Average Daily Attendance.

The table below presents a comparison of the 2025-2026 P1 Certified EPA entitlement to the estimated 2026-27 EPA entitlement.

2025-26	\$ 18,164,239
2026-27	\$ 19,247,065

Approved by the GHC Governing Board June 22, 2026

cc: Brian Bauer, CEO/Superintendent

David Bensinger
Board Secretary