

**BOARD REPORT**

**6/25/13**

**14.3b**

**14.3b Resolution #20 / 2012-2013 - Education Protection Account**

The Education Protection Account (EPA) is the vehicle for collecting and distributing funds which are generated by the temporary increases, beginning in 2012-13, to personal income taxes (retroactive to 1/1/12, and in place for seven years, ending in 2018), and sales tax (effective 1/1/13, and in place for four years, ending in 2016) authorized by Proposition 30. Similar to local property taxes, districts' State Aid is reduced by one dollar for each dollar received from the EPA.

EPA funds should be accounted for in Object Code 8012 and Resource Code 14000. Districts may not use EPA funds for administrative costs.

Proposition 30 requires that Districts' governing boards determine the use of EPA funds in an open session of a public board meeting. This meeting should precede the recording of EPA expenditures and must be held annually. As such, the attached resolution is brought before the board to fulfill the spending determinations requirement.

**RECOMMENDATION** That the governing Board of Education of Culver City Unified School District adopt the attached resolution and authorize the use of EPA funds as shown in the attached spreadsheet.

**Moved by:** N. Goldberg **Seconded by:** L. Chardiet

**Vote:** Unanimously approved

**RESOLUTION #20 / 2012-2013**  
**Resolution of the Governing Board of Culver City Unified School District**  
**for**  
**Education Protection Account**

WHEREAS, the voters approved Proposition 30 on November 6, 2012;

WHEREAS, 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 III, Section 36(f);

WHEREAS, before June 30<sup>th</sup> of each year, the Director of Finance 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 Culver City Unified School District;

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

Dated: June 25, 2013

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Board Member

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Board Member

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Board Member

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Board Member

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Board Member

**Culver City USD**  
**Education Protection Account**

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	<u>Fiscal Year 2012-13</u>
Revenue Limit Sources:	\$ 7,139,050
Expenditures:	
Teacher Salaries	<u>\$ 7,139,050</u>
Difference	\$ -
	<u>Fiscal Year 2013-14</u>
Revenue Limit Sources:	\$ 5,644,951
Expenditures:	
Teacher Salaries	<u>\$ 5,644,951</u>
Difference	\$ -