

Paramount Unified School District

TO: Herman Mendez, Superintendent
FROM: Michael Conroy, Assistant Superintendent-Business Services
DATE: June 23, 2014
SUBJECT: Resolution 13-32, The Education Protection Account

BACKGROUND INFORMATION:

The Education Protection Account (EPA) is the vehicle for collecting and distributing funds which are generated by the temporary tax increases authorized by Proposition 30. Similar to local property taxes, districts' State aid is reduced by one dollar for each dollar received from the EPA.

The funds received from the EPA cannot be used for salaries or benefits for administrators or any other administrative cost. Therefore, staff is recommending that the 2014-15 EPA funds be used for teacher salaries.

EPA funds will be paid in four quarterly payments made at the end of each quarter in September, December, March and June.

POLICY/ISSUE:

California Constitution – Article XIII, Section 36

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Adopt Resolution 13-32 determining that all EPA funds shall be used to pay teacher salaries.

PREPARED BY:

Ranita Browning, Director-Fiscal Services

DISTRICT PRIORITY 9:

Effectively manage resources in order to achieve the District's mission.

ACTION ITEM: 4.2-A

PARAMOUNT UNIFIED SCHOOL DISTRICT

RESOLUTION 13-32 The 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 XIII, Section 36(f);

WHEREAS, before June 30th 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 website an accounting of how much money was received from the Education Protection Account and how it 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.


BE IT THEREFORE RESOLVED:


1. The monies received from the Education Protection Account shall be spent as required by Article XIII, Section 36, and the spending

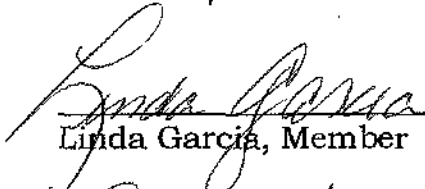
determinations on how the money will be spent shall be made in open session of a public meeting of the Governing Board of Paramount Unified School District;


2. In compliance with Article XIII, Section 36(e) of the California Constitution, the Governing Board of the Paramount Unified School District has determined to spend the monies received from the Education Protection Act on teacher salaries and fringe benefits.

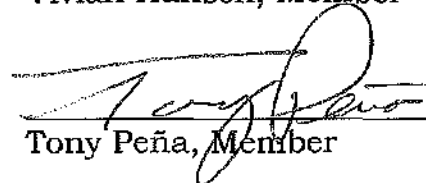
ADOPTED THIS 23rd day of June, 2014.


Sonya Cuellar, President


Alicia Anderson, Vice
President/Clerk


Linda Garcia, Member


Vivian Hansen, Member


Tony Peña, Member

Program by Resource Report
Expenditures by Function - Summary

Expenditures through:

Jun 30, 2015

For Fund(s), Resource(s), and Project Year(s):

01 1400 0 Education Protection Account

Description		Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
	Object Codes	
Adjusted Beginning Fund Balance	9791-9795	0.00
Revenue Limit Sources	8010-8099	14,784,868.00
Federal Revenue	8100-8299	0.00
Other State Revenue	8300-8599	0.00
Other Local Revenue	8600-8799	0.00
All Other Financing Sources and Contributions	8900-8999	0.00
Unearned Revenue	9650	0.00
TOTAL AVAILABLE		14,784,868.00
EXPENDITURES AND OTHER FINANCING USES		
	Function Codes	
(Objects 1000-7999)		
Instruction	1000-1999	12,934,821.00
Instruction-Related Services	2000-2999	0.00
Pupil Services	3000-3999	0.00
Ancillary Services	4000-4999	0.00
Community Services	5000-5999	0.00
Enterprise	6000-6999	0.00
General Administration	7000-7999	0.00
Plant Services	8000-8999	0.00
Other Outgo	9000-9999	0.00
TOTAL EXPENDITURES AND OTHER FINANCING USES		12,934,821.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		1,850,047.00
INDIRECT COSTS AS A PERCENTAGE OF ELIGIBLE EXPENDITURES		
Eligible Expenditures (Objects 1000-5999 except objects 5100-5199)		12,934,821.00
Indirect Costs (Objects 7310 and 7350)		0.00
Indirect Costs divided by Eligible Expenditures		0.00%