

GORMAN SCHOOL DISTRICT

Education Protection Account – Prop 30 – Spending Plan

Presented to the Board of Directors on April 25, 2017

Proposition 30, *The Schools and Local Public Safety Protection Act of 2012*, approved by the voters on November 6, 2012, temporarily increases the state's sales tax rate for all taxpayers and the personal income tax rates for upper-income taxpayers. The revenue generated by the measure's temporary tax increases is included in the calculations of the Proposition 98 minimum guarantee—raising the guarantee by billions of dollars each year. A portion of the revenues therefore would be used to support increased school funding, with the remainder helping to balance the state budget.

The revenues generated from Proposition 30 are being deposited into a state account called the Education Protection Account (EPA). School districts, county offices of education, and charter schools (LEAs) will receive funds from the EPA based on their proportionate share of the statewide revenue limit amount. A corresponding reduction is made to the LEA's revenue limit EPA entitlement for the year. LEAs began receiving EPA payments quarterly in the 2013-2014 fiscal year.

Proposition 30 provides that all K-14 local agencies have the sole authority to determine how the funds received from the EPA are to be 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 the salaries or benefits of administrators or any other administrative costs
- EPA funds are only allowed to be spent on specific functions representing the types of activities
- 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

Gorman School District

2016-2017 EPA Entitlement

\$ 147,617.00

It is being proposed that the EPA funds be used to cover salary and benefits costs of non-administrative certificated and classified staff as shown on the following budget plan.

Object	Function	Purpose	# of FTEs	Employee Group	2015-2016 Actual Costs	2016-2017 Projected Costs
1110	1000	Teachers	1.5	Certificated	85,882.93	70,651.02
1160	1000	Substitutes	1	Certificated	3,507.50	5,750.00
2210	3600	Aides - Van drivers - Pupil transportation	0.6	Classified	8,679.70	11,823.13
3111	1000	Benefits	1.5	Certificated	22,644.34	21,886.39
3000	3600	Benefits - Pupil transportation	0.6	Classified	7,115.59	6,507.07
4360						
5630	3600	Pupil transportation			35,995.79	30,999.39
		Total Expenditures			\$163,825.85	\$147,617.00
8012		EPA funds			\$155,910.00	\$147,617.00

The Board will be discussing the EPA Spending Plan at the April 25, 2017 board meeting.

The administration is requesting approval of the EPA Spending Plan.