

AGENDA ITEM: 11.9

CATEGORY: Action Item

SUBJECT: 2013-14 Education Protection Account (EPA) Expenditure Plan

SUMMARY INFORMATION:

The creation of the Education Protection Account (EPA) by Proposition 30 not only impacts cash flow patterns but also has an accountability component. 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 provisos:

- 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 (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. If EPA funds are not expended in accordance with the requirements of Proposition 30, civil or criminal penalties could be incurred.

2013-14 Revenue and Expenditure Plan for EPA funds
Revenue: \$354,595
Expense: \$181,135 Elementary teacher salaries only
\$173,460 Secondary teacher salaries only
Net: - 0 -

Revenue based on CDE P1 Apportionment
4/8/14

RECOMMENDATION:

Administration recommends approval of the 2013-14 EPA expenditure plan.

REFERENCE

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DATE April 16, 2014