Public Policy Charter School

**RECOMMENDATION**: Adopt the Resolution to determine the use of Education Protection Account (EPA) spending requirements.

**BACKGROUND INFORMATION**:

The voter’s approved Proposition 30 in November of 2012, which established the Education Protection Account (EPA). All temporary tax revenues collected from Proposition 30 over the next seven years for income tax and four years for sales tax, will be collected into the Education Protection Account and distributed to K-12 and Higher Education. There are several requirements for spending determination, disclosing and reporting on the use of the EPA funds. The board of directors must determine the use of the EPA funds in an open session of a public meeting through the attached resolution.

The EPA funds must be accounted for separately and not used for administrative costs. Increased cash management planning and analysis should also be emphasized with the establishment of the EPA due to the timing of revenues received. Additionally, districts are required to annually report on their website an accounting of the EPA funds received and how those funds were spent.

**CURRENT INFORMATION**:

Proposition 30 is estimated to generate $6 billion in revenue to the State of California. The budget implication is additional revenue that cannot be spent on administrative expense.

**Estimated EPA Amount 17/18:**

**25,760**

Intended Use and Purpose of EPA funds for 17/18:

**25,760**

Teacher Salaries (object code 1,000)- non-administrative instructional salary only.