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### 2013-2014 Education Protection Account (EPA) Spending Plan Update-1

Proposition 30, The Schools and Local Public Safety Protection Act of 2012, was approved by California voters on November 6, 2012. It increased state tax revenues through FY2018-19, which serves the purpose of this proposition to stop further budget cuts to education. The main components of Proposition 30 are the following;

- (1) Increases the states sales tax for all taxpayers by ¼ cent for four years.
- (2) Increases the personal income tax rates for upper-income taxpayers with earnings over \$250,000.
- (3) Established a newly created state account called Education protection Account (EPA), where the new revenues generated from Proposition 30 are deposited into.

Starting in FY2012-13, LEAs (schools and community campuses across California) had received funds from EPA based on their proportionate share of statewide revenue limit (now Local Control Funding Formula or LCFF) amount. A corresponding reduction is made to a LEAs state revenue for the EPA entitlement. In other words, EPA is a portion of state revenue LCFF.

Proposition 30 provides that all K-14 local agencies have the sole authority to determine how EPA funds are spent.

The Guidance Charter School District 2013-2014 EPA Estimated Entitlement **\$584,386**

It is proposed that EPA funds are used to cover salary costs of non-administrative certificated staff. The funding percentage is as follows:

| Salary Category          | Estimated Gross Salary per Category | Percentage funded by EPA funds | Amount           |
|--------------------------|-------------------------------------|--------------------------------|------------------|
| Certificated Instruction | \$1,375,800                         | 42.4760866405007%              | \$584,386        |
| Classified Instruction   | \$300,000                           | Not funding                    | Not funding      |
| Administration           | Not eligible                        | Not eligible                   | Not eligible     |
| <b>Total</b>             | <b>\$1,675,800</b>                  |                                | <b>\$584,386</b> |

| Certificated Positions |                     |               |                    |
|------------------------|---------------------|---------------|--------------------|
| Position               | Number of Employees | SACS Function | Cost funded by EPA |
| Teachers               | Up to 26            | 1000          | \$584,386          |
| <b>Total</b>           |                     |               | <b>\$584,386</b>   |

| <b>2013-2014 Education Protection Account – SACS Fund 09.0, Resr. 1400</b> |                      |                    |                      |
|--|----------------------|--------------------|----------------------|
| <b>Expenditure by Function and Object Code</b>                             |                      |                    |                      |
| <b>Description</b>   | <b>SACS Function</b> | <b>Object Code</b> | <b>Amount</b>        |
| <b><i>Amount Available for FY2013-14</i></b>                               |                      |                    |                      |
| Adjusted Beginning Fund Balance  |                      | 9791-9795          | 0.00                 |
| Revenue Limit Sources  |                      | 8010-8099          | \$584,386.00         |
| Federal Revenue  |                      | 8100-8299          | 0.00                 |
| Other State Revenue  |                      | 8300-8599          | 0.00                 |
| Other Local Revenue  |                      | 8600-8799          | 0.00                 |
| Other Financing Sources and Contributions                                  |                      | 8900-8999          | 0.00                 |
| Deferred Revenue   |                      | 9650               | 0.00                 |
| <b>Total Available for FY2013-14</b>                                       |                      |                    | <b>\$584,386.00</b>  |
| <b><i>Expenditures (APPLICABLE ACCOUNTS ONLY)</i></b>                      |                      |                    |                      |
| Instructional-Certificated Salaries  | 1000                 | 1110-1999          | \$584,386.00         |
| <b>Total EPA Expenditures for FY2013-14</b>                                |                      |                    | <b>\$584,386.00</b>  |
| <b><u>Balance Available at the end of FY2013-14</u></b>                    |                      |                    | <b><u>\$0.00</u></b> |

**NOTE:** The EPA amount listed above for FY2013-14 matches California Department of Education March 2014 report. Re: *Schedule of Estimated Entitlements and the Third Quarterly Apportionment for the EPA FY2013-14.*