

San Carlos School District

Education Protection Account (EPA) Report of Funds Received and Expended September 11, 2014, Board Meeting

- **What is the Education Protection Account (EPA)?**

Proposition 30, "The Schools and Local Public Safety Protection Act of 2012," approved by the voters on November 6, 2012, temporarily increased the state's sales tax rate for all taxpayers and the personal income tax rates for upper-income taxpayers*. Revenues generated from Proposition 30 are deposited into a separate state account called the Education Protection Account (EPA). EPA funding is a component of a local education agency's (LEAs) total Local Control Funding Formula. Except for excess tax LEAs, every dollar an LEA receives in EPA funding is a reduction to the state aid portion of the Local Control Funding Formula.

- **What are the reporting requirements of EPA?**

Proposition 30 requires that the use of EPA funds be determined by the governing board at an open public meeting and that the LEA report on their Web site an accounting of how much money was received from the EPA and how that money was spent.

The Board determined in a public meeting on March 13, 2014, that EPA funds would be used towards teacher salaries. The district received \$3,277,079 in EPA funds for 2013-14. Of the funds received, 100% was spent on instruction (function code 1000). Below is an accounting of EPA expenditures.

2013-14 Education Protection Account Expenditures (Resource Code 1400)

Object Code	Description	Amount
1110	Teacher's Salary	\$2,758,310
3101	State Teachers Retirement System (STRS)	219,641
3201	Public Employees Retirement System (PERS)	2,253
3311	FICA (Social Security) – Certificated	1,296
3321	Medicare – Certificated	40,125
3401	Health & Welfare Benefits – Certificated	184,320
3501	State Unemployment Insurance – Certificated	1,396
3601	Workers Compensation Insurance – Certificated	35,168
3901	Other Benefits (Cash in Lieu) – Certificated	34,570
Total Education Protection Account Expenditures		\$3,277,079

*The temporary sales tax increase from Prop. 30 expires December 31, 2016, and the temporary income tax increase expires December 31, 2018.