

BOARD OF EDUCATION
LONG BEACH UNIFIED SCHOOL DISTRICT



SUBJECT: Resolution No. 060221-A
Regarding the Education Protection
Account for FY 2021-2022

Enclosure: Two

CATEGORY: New Business

Reason for Board
Consideration: Action

Fiscal Services

Date: June 2, 2021

BACKGROUND:

Proposition 30, The Schools and Local Public Safety Protection Act of 2012, was approved by the voters of California on November 6, 2012. This Act temporarily increased the state sales tax rate for all taxpayers for 4 years from 2013-2016. It also increased the personal income tax rates for upper-income taxpayers for 7 years from 2012-2018. These higher income tax rates were extended for 12 more years through the end of 2030 with the passage of Prop 55 in 2016.

The Proposition 30 initiative was intended to minimize deeper cuts to school agencies and other state-supported programs in California. Proposition 30 added Article XIII, Section 36 to the California Constitution, which created in the state General Fund an Education Protection Account (EPA) to receive and disburse the revenues derived from Proposition 30.

Revenues generated from Proposition 30 are deposited into the EPA and distributed to school districts, county offices of education, charter schools and community college districts based on the proportionate share of the statewide revenue limit (unrestricted general fund) amount.

Requirements

- EPA revenue is deposited into the Standardized Account Code Structure Resource code 1400. Qualified expenditures must be made against these funds.
- Each year, from 2012-13 to 2030-31, the Board of Education must approve a spending plan for the EPA funds. The spending plan must be approved at the time the budget is adopted.
- EPA funds may not be used for administrative costs, including salaries or benefits of administrators.
- Each year the District must publish on its website the amount of EPA money received and how it was spent.
- An annual audit will be required to verify that EPA funds were spent in accordance with the requirements of Proposition 30.

Spending Plan for 2021-2022

The estimated EPA for fiscal year 2020-2021 is \$133,415,110.

Staff proposes to use 100% of the EPA funding for expenditures related to instruction.

RECOMMENDATION:

Recommend approval of Resolution No. 060221-A:

A RESOLUTION OF THE GOVERNING BOARD OF EDUCATION OF THE LONG BEACH UNIFIED SCHOOL DISTRICT REGARDING THE EDUCATION PROTECTION ACCOUNT FOR FY 2021-2022

Approved:

Approved and Recommended:

Yumi Takahashi
Chief Business and Financial Officer

Dr. Jill A. Baker
Superintendent of Schools



RESOLUTION NO. 060221-A

**A RESOLUTION OF THE GOVERNING BOARD OF EDUCATION OF
THE LONG BEACH UNIFIED SCHOOL DISTRICT REGARDING THE
EDUCATION PROTECTION ACCOUNT FOR FY 2021-2022**

WHEREAS, the voters approved Proposition 30 on November 6, 2012; and extended certain provisions of Proposition 30 through the passage of Proposition 55 on November 8, 2016.

WHEREAS, Proposition 30 added Article XIII, Section 36 to the California Constitution effective November 7, 2012;

WHEREAS, the provisions of Article XIII, Section 36(e) create in the state General Fund an Education Protection Account to receive and disburse the revenues derived from the incremental increases in taxes imposed by Article XIII, Section 36(f);

WHEREAS, before June 30th of each year, the Director of Finance shall estimate the total amount of additional revenues, less refunds that will be derived from the incremental increases in tax rates made pursuant to Article XIII, Section 36(f) that will be available for transfer into the Education Protection Account (EPA) during the next fiscal year;

WHEREAS, if the sum determined by the State Controller is positive, the State Controller shall transfer the amount calculated into the EPA within ten days preceding the end of the fiscal year;

WHEREAS, all monies in the EPA are hereby continuously appropriated for the support of school districts, county offices of education, charter schools and community college districts;

WHEREAS, monies deposited in the EPA shall not be used to pay any costs incurred by the Legislature, the Governor or any agency of state government;

WHEREAS, a community college district, county office of education, school district, or charter school shall have the sole authority to determine how the monies received from the EPA are spent in the school or schools within its jurisdiction;

WHEREAS, the governing board of the district shall make the spending determinations with respect to monies received from the EPA in open session of a public meeting of the governing board;

WHEREAS, the monies received from the EPA shall not be used for salaries or benefits for administrators or any other administrative cost;

WHEREAS, each community college district, county office of education, school district and charter school shall annually publish on its Internet website an accounting of how much money was received from the EPA and how that money was spent;

WHEREAS, the annual independent financial and compliance audit required of community college districts, county offices of education, school districts and charter schools shall ascertain and verify whether the funds provided from the EPA have been properly disbursed and expended as required by Article XIII, Section 36 of the California Constitution;

WHEREAS, expenses incurred by community college districts, county offices of education, school districts and charter schools to comply with the additional audit requirements of Article XIII, Section 36 may be paid with funding from the EPA and shall not be considered administrative costs for purposes of Article XIII, Section 36.

NOW, THEREFORE IT IS HEREBY RESOLVED:

1. The monies received from the EPA shall be spent as required by Article XIII, Section 36 and the spending determinations on how the money will be spent shall be made in open session of a public meeting of the governing board of the Long Beach Unified School District;
2. In compliance with Article XIII, Section 36(e) of the California Constitution, the governing board of the Long Beach Unified School District has determined to spend the monies received from the EPA in 2021-2022 as indicated in Attachment A.

ADOPTED, SIGNED and APPROVED on this 2nd day of June, 2021.

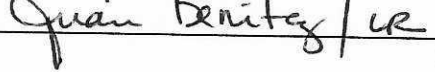
**BOARD OF EDUCATION OF THE
LONG BEACH UNIFIED SCHOOL DISTRICT
OF LOS ANGELES COUNTY, CALIFORNIA**

By:  _____
President

By:  _____
Vice-President

By:  _____
Member

By:  _____
Member

By:  _____
Member

**Long Beach Unified School District
2021-2022
Program by Resource Report
Estimated Expenditures by Function - Summary**

Resource 1400 Education Protection Account

Description		Amount
Amount Available for Fiscal Year 2021-2022		
Adjusted Beginning Fund Balance	Object Codes 9791-9795	
Revenue Limit Sources	8010-8099	133,415,110
Federal Revenue	8100-8299	
Other State Revenue	8300-8599	
Other Local Revenue	8600-8699	
All Other Financing Sources and Contributions	8900-8999	
Deferred Revenue	9650	
Total Available		133,415,110
Expenditures and Other Financing Uses		
(Objects 1000-7999)	Function Codes	
Instruction	1000-1999	133,415,110
Instruction-Related Services	2000-2999	
Pupil Services	3000-3999	
Ancillary Services	4000-4999	
Community Services	5000-5999	
Enterprise	6000-6999	
General Administration	7000-7999	
Plant Services	8000-8999	
Other Outgo	9000-9999	
Total Expenditures and Other Financing Uses		133,415,110
Balance (Total Available minus Total Expenditures and Other Financing Uses)		-0-