



## **RESOLUTION REGARDING THE EDUCATION PROTECTION ACCOUNT**

WHEREAS, the voters approved Proposition 30 on November 6, 2012 and Proposition 55 on November 8, 2016;

WHEREAS, Proposition 30 added Article XIII, Section 36 to the California Constitution effective November 7, 2012 (sun setting 12/31/2017), and Proposition 55 Article XIII, Section 36(e) to the California Constitution effective November 8, 2016 (commencing 01/01/2018);

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 30<sup>th</sup> 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 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 Education Protection Account within ten days preceding the end of the fiscal year;

WHEREAS, all monies in the Education Protection Account 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 Education Protection Account 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 Education Protection Account 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 Education Protection Account in open session of a public meeting of the governing board;

WHEREAS, the monies received from the Education Protection Account 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 Education Protection Account 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 Education Protection Account 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 Education

Protection Act 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 Education Protection Account 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 May 2nd, 2024;

2. In compliance with Article XIII, Section 36(e), with the California Constitution, the governing board of Elite Academic Academy - Lucerne has determined to spend the monies received from the Education Protection Act as attached.

DATED: 05/02/2024

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Board Member

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Board Member

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### **Elite Academic Academy-Lucerne (EPA) Spending Plan**

Proposition 30, “The Schools and Local Public Safety Protection Act of 2012,” temporarily increased the state sales tax rate for all taxpayers and the personal income tax rates for upper-income taxpayers. The new revenues generated from Proposition 30 are deposited into an account called the Education Protection Account (EPA). Charter schools such as Elite Academic Academy-Lucerne receive funds from the EPA based on their proportionate share of the statewide revenue limit amount.

Proposition 30 provides that governing boards of local agencies such as Elite Academic Academy-Lucerne have the sole authority to determine how they spend EPA funds, provided that the spending plan must be approved during a public meeting of the governing board. EPA funds cannot be used for the salaries or benefits of administrators or any other administrative costs.

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. The estimated EPA entitlement for Elite Academic Academy- Lucerne is as follows:

2018-19 School Year (audited)	\$	46,452
2019-20 School Year (audited)	\$	109,316
2020-21 School Year (audited)	\$	109,316
2021-22 School Year (audited)	\$	135,110
2022-23 School Year (audited)	\$	165,738
2023-24 School Year(budgeted)	\$	229,508

EPA funds have been and will be used to cover salaries of certain non-administrative certificated classroom teachers.

This plan will be updated to reflect the actual amount of EPA funds received each year. Additional information will also be available in Elite Academic Academy's financial report.