

**Alpine County Office of Education
2019-20 Education Protection Account (EPD) Spending Plan**

As approved by the voters on November 6, 2012, *The Schools and Local Public Safety Protection Act of 2012* (Proposition 30) temporarily increased the state's sales tax rate and the personal income tax rates for taxpayers in high tax brackets. Subsequently, on November 8, 2016, the voters approved the California Children's Education and Health Care Protection Act (Proposition 55) that maintains increased personal income tax rates for taxpayers in high tax brackets through 2030. Proposition 55 did not extend the sales tax increase; therefore the temporary sales tax increase expired at the end of calendar year 2016.

The creation of the EPA by Proposition 30 provided that a portion of K-14 general purpose funds must be utilized for instructional purposes. Revenues generated from Proposition 30 are deposited into a State account called the Education Protection Account (EPA). School districts, county offices of education, and charter schools (LEAs) will receive funds from the based on the proportionate share of the statewide revenue limit amount. A corresponding reduction is made to LEA's revenue limit EPA entitlement.

K-14 local agencies have the sole authority to determine how the funds received from the EPA are spent, but with these provisions:

- The spending plan must be approved by the governing board during a public meeting
- EPA funds cannot be used for the salaries or benefits of administrators or any other
- administrative costs (as determined through the account code structure)
- 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

Further, the annual financial audit includes verification that the EPA funds were used as specified by Propositions 30/Prop 55. If EPA funds are not expended in accordance with the requirements of Propositions 30/55, civil or criminal penalties could be incurred.

Illustrated below is how the County Office of Education EPA funds are appropriated for 2019-20. The amounts will be revised throughout the year based on information received from the state.

Alpine County Office of Education estimates a 2019-20 EPA Entitlement of **\$196,062**

It is proposed that EPA funds be used to cover a portion of the tuition of Douglas County students.