

DATE: June 11, 2019

TO: Governing Board, Cold Spring School District

FROM: Amy Alzina, Ed.D., Superintendent/Principal
Yuri Calderon, Chief Business Officer

RE: Adoption of Resolution 2018/19-9 Approving the District's Education Protection Account (EPA) Expenditure Plan

The passage of Proposition 30 during the November 2012 general election created the Education Protection Account (EPA) to collect the temporary increase in taxes. The District in 2018-2019 collected and spent approximately \$33,962.00, and in 2017-2018 collected and spent \$34,854.00 in Proposition 30 EPA Funds. The District is estimating that the EPA will generate approximately \$33,256.00 for the Cold Spring School District. The District, as is required by Proposition 30, has developed and is recommending the adoption of the attached plan for the expenditure of these funds.

While Proposition provides that the local education agency has the sole authority and discretion for the expenditure of these EPA funds, the legislation requires the following:

- 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; and,
- The annual financial audit must include a verification that the EPA funds were expended consistent with the District EPA Plan and the requirements of Proposition 30.

Included in your packet is a Resolution for the adoption for the EPA expenditure plan for Cold Spring School District.

Recommendation: The Board adopt Resolution 2018/19-9 approving the District's EPA expenditure plan and direct that the actual expenditures to date be posted on the District website.

Expenditures through:

For Fund(s), Resource(s), and Project Year(s):

01 1400 0 Education Protection Account

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	0.00
LCFF Sources	8010-8099	33,256.00
Federal Revenue	8100-8299	0.00
Other State Revenue	8300-8599	0.00
Other Local Revenue	8600-8799	0.00
All Other Financing Sources and Contributions	8900-8999	0.00
Unearned Revenue	9650	0.00
TOTAL AVAILABLE		33,256.00
EXPENDITURES AND OTHER FINANCING USES		
Certificated Salaries	1000-1999	28,109.00
Classified Salaries	2000-2999	0.00
Employee Benefits	3000-3999	5,147.00
Books and Supplies	4000-4999	0.00
Services and Other Operating Expenditures	5000-5999, except 5100-5199	0.00
Subagreements for Services	5100-5199	0.00
Capital Outlay	6000-6999	0.00
Other Outgo (Excluding Indirect Costs)	7000-7299, 7400-7499	0.00
Indirect Costs	7310,7350	0.00
Other Financing Uses	7600-7999	0.00
TOTAL EXPENDITURES AND OTHER FINANCING USES		33,256.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0.00
INDIRECT COSTS AS A PERCENTAGE OF ELIGIBLE EXPENDITURES		
Eligible Expenditures (Objects 1000-5999 except objects 5100-5199)		33,256.00
Indirect Costs (Objects 7310 and 7350)		0.00
Indirect Costs divided by Eligible Expenditures		0.00%

**RESOLUTION OF THE GOVERNING BOARD OF
THE COLD SPRING SCHOOL DISTRICT
ADOPTING THE EDUCATION PROTECTION
ACCOUNT (EPA) EXPENDITURE PLAN AND
DIRECTING THE EXPENDITURES OF THE EPA
IN ACCORDANCE WITH THE PLAN**

RESOLUTION NO. 2018-19/9

WHEREAS, the voters approved Proposition 30 on November 6, 2012;

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 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 school district 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, a school district 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 the school district 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 a school district 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 Cold Spring School District;
2. In compliance with Article XIII, Section 36(e), with the California Constitution, the governing board of the Cold Spring School District has determined to spend the monies received from the Education Protection Act as attached;
3. The Governing Board directs the Superintendent/Principal and District staff to take such other and further actions as necessary to accomplish the intent of this resolution;

APPROVED AND ADOPTED by the Governing Board of the Cold Spring School District at a regularly scheduled board meeting held on the ___th day of June 2019, in Santa Barbara County, by the following vote:

AYES: 4

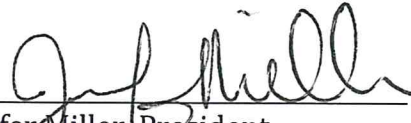
NOES: 0

ABSENT: 0

ABSTENTIONS: 0

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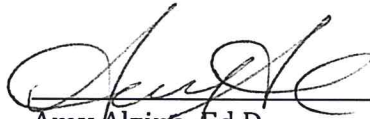
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Jennifer Miller, President
Governing Board of the
Cold Spring School District

I, Amy Alzina, Superintendent/Principal and Secretary to the Governing Board of the Cold Spring School District of Santa Barbara County, California, do hereby certify that the foregoing is a true, and correct copy of a resolution and reflection of its vote as duly adopted by said Board at a meeting thereof, which Resolution is on file and of record in the office of the Superintendent/Principal.

Date: 6/13/19



Amy Alzina, Ed.D.
Superintendent/Principal
And Secretary to the Governing Board
Cold Spring School District