

**Sacramento Valley Charter School  
Education Protection Account  
2023-24 Spending Plan  
For Action on June 9, 2023**

**BACKGROUND**

The creation of the Education Protection Account (EPA) by Proposition 30, *The Schools and Local Public Safety Protection Act of 2012*, approved by the voters on November 6, 2012, temporarily increased the states sales tax rate for all taxpayers and the personal income tax rates for upper-income taxpayers.

Revenues generated from Proposition 30 have been deposited into the state account called the EPA and local agencies have the sole authority to determine how the funds received from the EPA are spent, with these provisos:

- 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
- 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

*EPA funds are not additional revenue. it is an offset to the funds due under the LCFF. Approximately 20% of the school's total LCFF funding must be accounted for under the SACS resource code 1400.*

In addition to the above requirements, the school's annual financial audit must include verification that the EPA funds were used as specified by Proposition 30.

**RECOMMENDATION**

Approve the 2023-24 EPA Spending Plan. For 2023-24 and all years that Proposition 30 is effective, the EPA spending plan should be approved by the Board at the time the budget is adopted. To better handle the dramatic funding swings in EPA in recent years and because other funding resources have been received, the Board approves use the funds for teachers' salaries and the related statutory and health and welfare benefits. The use of QuickBooks and ADP make it impractical to code specific staff to the EPA resource code so the accounting will continue to be by journal entry following the quarterly wire transfer of funds from Yolo County Office of Education/Yolo County Treasury to SVCS.

<b>EPA Spending Plan 2023-24</b>			
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<b><u>REVENUE (EST.)</u></b>	<b>SACS Resourc e</b>	<b>SACS Object</b>	
LCFF Redirected to EPA	1400	8012	\$894,801*
<b><u>EXPENDITURES (EST.)</u></b>			
Teacher Salaries (non-admin)	1400	1100	\$821,737
Teacher Benefits (non-admin)	1400	3000's	\$ 73,064

\*As calculated using the FMCAT LCFF Calculator prior to the May Revise Release and State Budget Adoption.

*All EPA funds will be expended on non-administrative costs.*