



MUSD STRATEGIC PLAN

Madera: Unified to ensure every student is educated for COLLEGE, equipped for CAREER,
and empowered with CHARACTER

AGENDA ITEM COVER PAGE

Meeting Date: June 11, 2019

Agenda Item:

Request Adoption of Resolution No. 34-2018/19 Education Protection Account.

Responsible Staff:

Todd Life, Superintendent
Arelis Garcia, Chief Financial Officer

Agenda Placement:

Consent

Background:

The Educational Protection Plan (EPA) was approved by the voter in California under Proposition 30 on November 6, 2012. The provisions of Article XIII, Section 36 created in the state General Fund an Education Protection Account (EPA) to receive and disburse the revenues derived from the incremental increases in taxes imposed by Article XIII, Section 36(f). All monies in the EPA are continuously appropriated for the support of school district, county offices of education, charter schools, and community college districts. It is the intent of the legislature that all districts shall have the authority to determine how the monies received from the EPA are spent. However, in maintaining transparency, the Board of the Trustees is required to make the spending determinations with respect to the funds received from the EPA in open sessions of a public meeting of the Board. Further, the funds received from EPA shall not be used for any administrative costs. The only exception is the payment of the additional audit costs pursuant to the audit requirements imposed by Article XIII, Section 36 of the Constitution.

Rationale:

Based on foregoing, The Board of Trustees directs that the funds received from the EPA shall be spend as presented, thus satisfying the requirements imposed by Article XIII, Section 36 of the Constitution. Education Protection Account (EPA) 2019-20 Teacher Salaries \$ _____

Financial Impact:

The District is receiving quarterly apportionments from the State.

Effective Dates:

6/12/2019

THIS ITEM FULFILLS THE MUSD MISSION IN THE FOLLOWING AREA(S):

- Financially Sound and Effective Organization

THIS ITEM WILL HELP ACHIEVE THE DISTRICT GOALS IN THE STRATEGIC PLAN FOR:

- Pillar 1: Equitable access to rigorous high-level programs

THIS ITEM COMPLIES WITH BOARD POLICY(IES)/BOARD BYLAWS(S) NO.:

BP3460

THIS ITEM COMPLIES WITH BOARD POLICY BY:

The Governing Board is committed to ensuring public accountability and the fiscal health of the district. The Board shall adopt sound fiscal policies, oversee the district's financial condition, and continually evaluate whether the district's budget and financial operations support the district's goals for student achievement.

Superintendent's Recommendation:

Superintendent recommends adoption of this resolution as detailed, provided by Proposition 30 deposited in the EPA for Fiscal Year

MUSD BOARD APPROVED: JUNE 11, 2019
MOTION NO. 194-2018/19
RESOLUTION NO. 34-2018/19

2019-20.

ATTACHMENTS:

Description

EPA Resolution No. 34-2018/19

**MUSD BOARD APPROVED: JUNE 11, 2019
MOTION NO. 194-2018/19
RESOLUTION NO. 34-2018/19**

MADERA UNIFIED SCHOOL DISTRICT

Education Protection Account

Revenue & Expenditures

Expenditures through: June 30, 2019

Fund 01 (General) - Resource 1400 (Education Protection Account)

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	\$ -
Revenue Limit Sources	8010-8099	\$ 28,983,108.00
Federal Revenue	8100-8299	-----
Other State Revenue	8300-8599	-----
Other Local Revenue	8600-8799	-----
All Other Financing Sources and Contributions	8900-8999	-----
Deferred Revenue	9650	-----
TOTAL AVAILABLE		\$ 28,983,108.00
EXPENDITURES AND OTHER FINANCING USES		
	Function Codes	
Instruction	1000-1999	\$ 28,983,108.00
Instruction-Related Services		
Instructional Supervision and Administration	2100-2150	-----
AU of a Multidistrict SELPA	2200	-----
Instructional Library, Media, and Technology	2420	\$ -
Other Instructional Resources	2490-2495	\$ -
School Administration	2700	-----
Pupil Services		
Guidance and Counseling Services	3110	\$ -
Psychological Services	3120	\$ -
Attendance and Social Work Services	3130	\$ -
Health Services	3140	\$ -
Speech Pathology and Audiology Services	3150	\$ -
Pupil Testing Services	3160	\$ -
Pupil Transportation	3600	\$ -
Food Services	3700	\$ -
Other Pupil Services	3900	\$ -
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		\$ 28,983,108.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		\$ -

Prepared by: Arelis Garcia

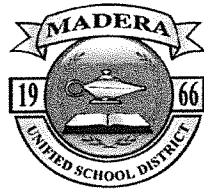
MUSD BOARD APPROVED: JUNE 11, 2019
MOTION NO. 194-2018/19
RESOLUTION NO. 34-2018/19

Madera Unified School District
1 Budget/expense

Resource 1400 Education Protection Account

(Pseudo) Account Number	Description	Adopted Budget	Current Budget	Encumbrances	Expend/Income	Balance
(112783) 01-1400-0-1200-1000-1100-000-0000-00	Certificated Teachers Salaries	\$17,023,320.00	\$18,402,287.00	\$0.00	\$13,557,688.41	\$4,844,598.59
(111770) 01-1400-0-1200-1000-1100-260-0000-00	Certificated Teachers Salaries	\$0.00	\$2,718,999.00	\$0.00	\$0.00	\$2,718,999.00
(113598) 01-1400-0-1200-1000-1120-000-0000-03	Certificated Teacher Substitute	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Object 1000: Certificated Personnel D N Use		\$17,023,320.00	\$21,121,286.00	\$0.00	\$13,557,688.41	\$7,563,597.59
(312793) 01-1400-0-1200-1000-3101-000-0000-00	Sirs Certificated	\$2,725,145.00	\$2,939,104.00	\$0.00	\$2,181,861.46	\$757,242.54
(322344) 01-1400-0-1200-1000-3201-000-0000-00	Pers Certificated	\$51,320.00	\$63,006.00	\$0.00	\$28,101.84	\$34,904.16
(338461) 01-1400-0-1200-1000-3301-000-0000-00	Social Security Certificated	\$17,616.00	\$21,627.00	\$0.00	\$9,400.58	\$12,226.42
(338414) 01-1400-0-1200-1000-3311-000-0000-00	Medicare - Certificated	\$245,488.00	\$266,832.00	\$0.00	\$190,611.63	\$76,220.37
(331199) 01-1400-0-1200-1000-3311-000-0000-03	Medicare - Certificated	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(342681) 01-1400-0-1200-1000-3401-000-0000-00	Health & Welfare Certificated	\$3,768,351.00	\$3,993,607.00	\$0.00	\$2,970,482.84	\$1,023,124.16
(355106) 01-1400-0-1200-1000-3501-000-0000-00	Unemployment - Certificated	\$8,510.00	\$9,201.00	\$0.00	\$6,633.96	\$2,567.04
(355106) 01-1400-0-1200-1000-3501-000-0000-03	Unemployment - Certificated	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(362) 01-1400-0-1200-1000-3601-000-0000-00	Workers Comp - Certificated	\$281,226.00	\$329,217.00	\$0.00	\$237,417.01	\$91,799.99
(362) 01-1400-0-1200-1000-3601-000-0000-03	Workers Comp - Certificated	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(372) 01-1400-0-1200-1000-3701-000-0000-00	Retiree H&w Benefits Certificated	\$258,756.00	\$239,228.00	\$0.00	\$177,711.80	\$61,516.20
(372) 01-1400-0-1200-1000-3701-000-0000-03	Retiree H&w Benefits Certificated	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Object 3000: Employee Benefits		\$7,356,412.00	\$7,861,822.00	\$0.00	\$5,802,221.12	\$2,059,600.88
Total Resource 1400: Education Protection Account		\$24,379,732.00	\$28,983,108.00	\$0.00	\$19,359,909.53	\$9,623,198.47
Grand Total		\$24,379,732.00	\$28,983,108.00	\$0.00	\$19,359,909.53	\$9,623,198.47

MUSD BOARD APPROVED: JUNE 11, 2019
 RESOLUTION NO. 24-2018/19
 (372) 01-1400-0-1200-1000-3701-000-0000-03



Prop 30/55

Proposition 30, the Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012, temporarily increases the State sales tax rate for all taxpayers, and the personal income tax rates for upper-income taxpayers. New revenues generated from Proposition 30 are deposited into a State account called the Education Protection Account (EPA). EPA funds are based on the proportionate share of the Statewide revenue amount. A corresponding reduction is made to the Local Education Agency's revenue equal to the amount of its EPA entitlement.

The District's State revenue is now comprised of three funding sources: State aid, EPA, and property taxes. The addition of a new funding source does not increase the District's revenue funding because the State aid revenue is decreased according to the amount of EPA funds received.

At the beginning of each year, the Department of Finance estimates the amount to be transferred into the EPA for districts. EPA revenue funds for Madera Unified will be deposited into restricted resource 1400. These funds must, therefore, be accounted for under the following reporting requirements:

1. Each year the Governing Board must approve a spending plan for the EPA money.
2. The EPA funds cannot be used for the salaries or benefits of administrators or for administrative costs.
3. The District must publish on its website the amount of EPA money received and how it was spent.
4. An annual audit will be required to verify that EPA funds were spent in accordance with the requirements of Proposition 30. The cost of this audit can be paid using EPA funds.
5. The spending plan must be approved at the time the District's annual budget is adopted.

The temporary sales tax approved with the passage of Proposition 30 expired at the end of the 2016 calendar year. The personal income tax rates for upper-income taxpayers was due to expire at the end of the 2018 calendar year. On the November 2016 ballot, California voters approved Proposition 55, extending the Proposition 30 income tax increase for upper-income taxpayers through 2030.

MADERA UNIFIED SCHOOL DISTRICT
EDUCATION PROTECTION ACCOUNT RESOLUTION No.34-2018/19

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 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;

<p style="text-align:center">MUSD BOARD APPROVED: JUNE 11, 2019 MOTION NO. 194-2018/19 RESOLUTION NO. 34-2018/19</p>

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 Madera Unified School District;
2. In compliance with Article XIII, Section 36(e), with the California Constitution, the governing board of the Madera Unified School District has determined to spend the monies received from the Education Protection Act as attached.

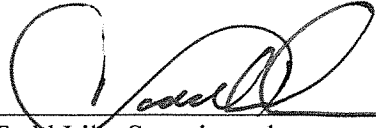
PASSED AND ADOPTED by the Governing Board of the Madera Unified School District on this 11th day of June, by the following votes:

Madera Unified School District Board of Education

AYES: 6 ABSENT: 1

NOES: 0 ABSTAINED: 0

ATTEST:



Todd Life, Superintendent

MUSD BOARD APPROVED: JUNE 11, 2019
MOTION NO. 194-2018/19
RESOLUTION NO. 34-2018/19