

**KENWOOD SCHOOL DISTRICT
EDUCATION PROTECTION ACCOUNT 2019-20**

Discussion/Issues:

Proposition 30, The Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012 temporarily increases the states 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 a newly created state account called the Education Protection Account (EPA). EPA funds are based on the proportionate share of the statewide revenue limit amount.

EPA revenue funds will be deposited into a new restricted resource 1400, using revenue object code 1200.

Along with the new funding source came additional reporting requirements:

- 1) Each year the Board of Education must approve a spending plan for the EPA money
- 2) The EPA funds cannot be used for the salaries or benefits of administrators or 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 with EPA funds.

The temporary taxes expire in fiscal year 2019-2020 however EPA funds are projected to be extended for subsequent fiscal years.

Spending Plan:

	Education Protection Account Actual 2018-19	Education Protection Account Budgeted 2019-20
Revenue:		
Period 2 Average Daily Attendance (P-2 ADA) X \$200 per student.	\$27,174	\$27,092
Expenditures:		
Teacher salaries (18-19 expenditures include prior year deferred EPA funds) Note: An accounting of the actual money received from the EPA and accounts where expenses were incurred will be posted when the funds have been received.	\$36,572	\$27,092