



## **2019-20 Education Protection Account Expenditures**

The voters' approval of Proposition 30 in November 2012 added language to the California Constitution (specifically Article XIII, Section 36) creating in the state General Fund an Education Protection Account (EPA) to receive and disburse revenues generated by Proposition 30 tax increases through the end of 2018. The added language requires all school district, county office, and charter school governing boards to determine and approve how EPA revenues are expended each year. This determination is to be made in open session of a public board meeting, and funds cannot be used for administrative salaries and benefits or any other administrative costs. In addition, each local education agency is required to annually publish on its website an annual accounting of how much money was received from the EPA and how that money was spent.

Proposition 55, the ballot measure approved by voters in November 2016, extended the increased income tax rates on high-income earners – not the increased sales taxes – contained in Proposition 20 for 12 years, thereby continuing related EPA spending requirements through December 31, 2030.

EPA funds offset the state's General Fund contribution to K-12 education funding calculated pursuant to the Local Control Funding Formula (LCFF). In-lieu property tax payments for charter schools make up the balance of LCFF dollars. EPA funding (at a rate of \$200 per unit of average daily attendance) is a separate part of the school's LCFF entitlement.

During the 2019-20 fiscal year, the Academy of Media Arts Governing Board did not hold a public hearing or approve a plan for expenditure of Education Protection Account (EPA) funding to be received during the year. This funding, anticipated to be finalized at \$5,854, will be carried over for expenditure during the 2020-21 fiscal year.