

About the Education Protection Account

With the November 2012 passage of Proposition 30, which temporarily increases the personal income tax rates for upper-income taxpayers and the sales tax rate for all taxpayers, the state officially established the Education Protection Account (EPA). Revenue generated from the increased taxes are deposited into the EPA and distributed to districts and charter schools on a quarterly basis.

While funds from the EPA are part of a district's or charter school's LCFF funding, Proposition 30 specifies that EPA funds may not be used for salaries or benefits of administrators or any other administrative costs.

From an accounting perspective, EPA revenue and expenditures must be coded separately (under resource code, 1400, created specifically for EPA funds) and **from an operational perspective, governing boards must determine the use of EPA funds at an open public meeting. This determination must occur annually.**

FY 2016-17 Education Protection Account Spending Plan

For schools open prior to FY13/14, EPA funding is estimated at 25% of a school's FY12/13 funding rate multiplied by current year Average Daily Attendance (ADA). For schools that opened in 2013/14 or later, EPA is apportioned at \$200/ADA. In FY17/18, EPA funding for UPCS is estimated at \$939,071. The spending plan for UPCS allocates these funds to support teacher salaries and benefits.