



YPI CHARTER SCHOOLS

June 17, 2019

TO: YPI Charter Schools
Board of Directors

FROM: Yvette King-Berg
Executive Director

SUBJECT: Recommendation to approve Education Protection Account spending Plans and Board Resolution for the 2019-2020 school year for BCCS, MORCS, and BCHS

BACKGROUND

Proposition 30, *The Schools and Local Public Safety Protection Act of 2012*, approved by the voters on November 6, 2012, temporarily increased the state's sales tax rate for all taxpayers and the personal income tax for upper-income taxpayers. The measure was to end in 2018, but with the passage of Proposition 55 (*The California Children's Education and Health Care Protection Act of 2016*) on November 8, 2016, the increased tax rates for upper-income taxpayers (individuals earning more than \$263,000 and couples earning more than \$526, 000) will end in 2030. Proposition 55 did not extend the Proposition 30 sales and use tax (SUI) increase, and that portion of the tax expired on December 31, 2016.

The revenues generated from Proposition 30/55 are deposited into a state account called the Education Protection Account (EPA). School districts, county offices of education, and charter schools (LEAs) receive funds from the EPA based on their proportionate share of the statewide revenue limit amount.

Proposition 30/55 provides that all k-14 local agencies have the sole authority to determine how the funds received from the EPA are spent, but with these provisions:

- 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.

ANALYSIS

The YPI Charter Schools have been allocated the amounts as presented by Exed, see attachment, in EPA funding. It is proposed that EPA funds be used to cover allowable cost of non-administrative certificated staff.

The attached documents list how EPA funds will be expended by the three schools (BCCS, MORCS, and BCHS) and will be placed on the YPICS website as required by law after Board approval of the spending plan. This plan separates the EPA allocation and verifies that the funds are not expended on administrative salaries or costs.

RECOMMENDATION

It is recommended that the Board of YPI Charter Schools approve the EPA spending plans and resolutions for 2019-2020.

Attachments: EPA Spending Plans for BCCS, MORCS, and BCHS