

Board Office Use: Legislative File Info.	
File ID Number	17-1547
Introduction Date	8/23/2017
Enactment Number	17-1194
Enactment Date	8/23/17 OR



OAKLAND UNIFIED  
SCHOOL DISTRICT

Community Schools, Thriving Students

# Memo

**To** Board of Education

**From** Kyla Johnson-Trammell, Superintendent  
Vernon Hal, Deputy Superintendent, Senior Business Officer  
Gloria Gamblin, Interim Chief Financial Officer

**Board Meeting Date** August 23, 2017

**Subject** Approval of Resolution No.1718-0020 for Fiscal Year 2017-2018 Spending Plan for Education Protection Account (Proposition 30 Fund)

**Action Requested** Approval of Resolution No.1718-0020 for the spending plan for Proposition 30 funds for Fiscal Year 2017-2018.

**Background** On November 6, 2012, voters approved Proposition 30: The Schools and Local Public Safety Protection Act of 2012. Pursuant to Article XIII, Section 36 of the California Constitution, each school district, charter school, county offices of education, and community college district are required to determine how the funds received from the Education Protection Account (EPA) will be spent in the schools within its jurisdiction, provided that the governing board makes the spending determinations in an open session of a public meeting (see **Exhibit A**). The language in the constitutional amendment requires that funds shall not be used for the salaries and benefits of administrators or any other administrative costs. (see **Exhibit C**)

**Discussion** Proposition 30 provides that all K-14 local agencies have the sole authority to determine how the funds received from the EPA are spent. The revenues generated from Proposition 30 are deposited into a newly created state account called the Education Protection Account (EPA). School districts, county offices of education, and charter schools (LEAs) will receive funds from the EPA based on their proportionate share of the statewide revenue limit amount. A corresponding reduction is made to an LEA's Local Control Funding Formula (LCFF) EPA entitled. OUSD receives EPA payments quarterly, beginning with the 2013-14 Fiscal Year.

**Recommendation** Approval by the Board of Education of Resolution No.1718-0020 – Spending Plan of the Education Protection Account - Proposition 30 Funds - estimated for Fiscal Year 2017-2018 in the EPA entitlement amount of \$44,473,721.00. A copy of the District's EPA report for revenue and expenditures through June 30, 2018 is attached as **Exhibit A**.

- Attachments**
- EXHIBIT "A" (2017-2018 EPA Estimated Revenue and Expenditure Plan)
  - EXHIBIT "B" (2017-2018 EPA Advance Apportionment per CDE)
  - EXHIBIT "C" (Approved Activities for EPA fund expenditures)
  - Board Resolution No.1718-0020

**BOARD OF EDUCATION OF THE  
OAKLAND UNIFIED SCHOOL DISTRICT**

**RESOLUTION NO. 1718-0020  
SPENDING OF THE EDUCATION PROTECTION ACT –  
PROPOSITION 30 FUNDS – FISCAL YEAR 2017-2018**

**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 30<sup>th</sup> 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;

**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, BE IT 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 **Oakland Unified School District**; and
2. In compliance with Article XIII, Section 36(e), with the California Constitution, the Governing Board of the **Oakland Unified School District** has determined to spend the monies received from the Education Protection Act - \$44,473,721.00 - attached as Exhibit "A."

**PASSED BY THE FOLLOWING VOTE:**

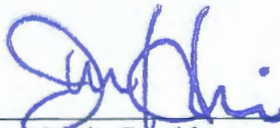
Ayes: Roseann Torres, Aimee Eng, Jumoke Hinton Hodge, Jody London, Vice President Nina Senn, President James Harris

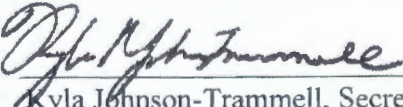
Nays: None


Abstained: None

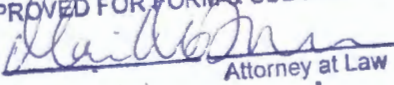
Absent: Shanthi Gonzales

We, James Harris and Kyla Johnson-Trammell, President and Secretary of the Board of Education of the Oakland Unified School District, respectively, do hereby certify that the foregoing Resolution was duly approved and adopted by the Board of Education of said District at a Regular Meeting held on the 23<sup>rd</sup> Day of August, 2017 with a copy of the Resolution being on file in the Office of the Board of Education of the District.

By:   
 James Harris, President  
 Board of Education

  
 Kyla Johnson-Trammell, Secretary  
 Board of Education

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OAKLAND UNIFIED SCHOOL DISTRICT  
 Office of General Counsel  
 APPROVED FOR FORM & SUBSTANCE  
 By:   
 Attorney at Law

# EXHIBIT A

## 2017-18 Education Protection Account Program by Resource Report (Detail Expenditures by Function)

Oakland Unified School District  
Expenditures through: June 30, 2018  
For Fund 01, Resource 1400 Education Protection Account

Description	Object Codes	Amount
<b>AMOUNT AVAILABLE FOR THIS FISCAL YEAR</b>		
Adjusted Beginning Fund Balance	9791-9795	
Revenue Limit Sources	8010-8099	\$ 44,473,721.00
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		\$ 44,473,721.00
	<b>Function Codes</b>	<b>Amount</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Instruction	1000-1999	\$ 44,473,721.00
Instruction-Related Services	2100-2150	
Instruction Supervision and Administration	2100-2150	
AU of a Multidistrict SELPA	2200	
Instruction 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		\$ 44,473,721.00
<b>BALANCE (Total Available minus Total Expenditures and Other Financing Uses)</b>		\$ -

# EXHIBIT B

CALIFORNIA DEPARTMENT OF EDUCATION  
 2017-18 Advance Apportionment  
 Principal Apportionment Summary  
 Legend:  
 AB 602: Assembly Bill 602, ADA: Average Daily Attendance,  
 COE: County Office of Education,  
 LCFF: Local Control Funding Formula, PY: Prior Year  
 Payment Type: 1 = Paid pursuant to California Education  
 Code (EC) Section 14041(a)(2)  
                   2 = Paid pursuant to EC Section 14041(a)(7)  
                   3 = Paid pursuant to EC Section 14041(a)(8)

## CALIFORNIA DEPARTMENT OF EDUCATION 2017-18 Advance Apportionment Principal Apportionment Summary

County Code	District Code	Local Educational Agency	District Type	School District LCFF State Aid (0000-8011)	Special Education AB 602 (6500-8311)	Total Principal Apportionment	Education Protection Account (EPA) Entitlement as of 2017-18 Advance (1400-8012)	Total of LCFF State Aid and EPA Entitlement (Line A-1 + Line A-2 + Line A-3 + EPA)
				A-2	A-9	B-1		
01	61259	Oakland I UNIFIED					<b>44,473,721</b>	

## EXHIBIT C: Approved Activities for EPA Fund Expenditures

### Specifically, for what types of activities may EPA funds be used?

Except as provided below for COEs, the following tables of SACS functions show the activities for which EPA funds may and may not be used:

#### 1000–1999 INSTRUCTION

SACS Function	Chargeable to EPA?
1000 Instruction	Yes
1110 Special Education: Separate Classes	Yes
1120 Special Education: Resource Specialist Instruction	Yes
1130 Special Education: Supplemental Aids and Services in Regular Classrooms	Yes
1180 Special Education: Nonpublic Agencies/Schools	Yes
1190 Special Education: Other Specialized Instructional Services	Yes

#### 2000–2999 INSTRUCTION-RELATED SERVICES

SACS Function	Chargeable to EPA?
2100 Instructional Supervision and Administration	No
2110 Instructional Supervision (optional)	No
2120 Instructional Research (optional)	No
2130 Curriculum Development (optional)	No
2140 In-house Instructional Staff Development (optional)	No
2150 Instructional Administration of Special Projects (optional)	No
2200 Administrative Unit (AU) of a Multidistrict SELPA	No
2420 Instructional Library, Media, and Technology	Yes
2490 Other Instructional Resources	Yes
2495 Parent Participation (optional)	Yes
2700 School Administration	No

#### 3000–3999 PUPIL SERVICES

SACS Function	Chargeable to EPA?
3110 Guidance and Counseling Services	Yes
3120 Psychological Services	Yes
3130 Attendance and Social Work Services	Yes
3140 Health Services	Yes
3150 Speech Pathology and Audiology Services	Yes
3160 Pupil Testing Services	Yes
3600 Pupil Transportation	Yes
3700 Food Services	Yes
3900 Other Pupil Services	Yes

#### 4000–4999 ANCILLARY SERVICES

SACS Function	Chargeable to EPA?
4000 Ancillary Services	Yes
4100 School-Sponsored Co-curricular (optional)	Yes
4200 School-Sponsored Athletics (optional)	Yes
4900 Other Ancillary Services (optional)	Yes

#### 5000–5999 COMMUNITY SERVICES

**EXHIBIT C: Approved Activities for EPA Fund Expenditures**

SACS Function	Chargeable to EPA?
5000 Community Services	Yes
5100 Community Recreation (optional)	Yes
5400 Civic Services (optional)	Yes
5900 Other Community Services (optional)	Yes

**6000–6999 ENTERPRISE**

SACS Function	Chargeable to EPA?
6000 Enterprise	No

**7000–7999 GENERAL ADMINISTRATION**

SACS Function	Chargeable to EPA?
7100 Board and Superintendent	No
7110 Board	No
7120 Staff Relations and Negotiations (optional)	No
7150 Superintendent (optional)	No
7180 Public Information (optional)	No
7190 External Financial Audit—Single Audit	No
7191 External Financial Audit—Other	No
7200 Other General Administration	No
7210 Indirect Cost Transfers	No
7300 Fiscal Services (optional)	No
7310 Budgeting (optional)	No
7320 Accounts Receivable (optional)	No
7330 Accounts Payable (optional)	No
7340 Payroll (optional)	No
7350 Financial Accounting (optional)	No
7360 Project-Specific Accounting (optional)	No
7370 Internal Auditing (optional)	No
7380 Property Accounting (optional)	No
7390 Other Fiscal Services (optional)	No
7400 Personnel/Human Resources Services (optional)	No
7410 Staff Development (optional)	No
7430 Credentials (optional)	No
7490 Other Personnel/Human Resources Services (optional)	No
7500 Central Support (optional)	No
7510 Planning, Research, Development, and Evaluation (optional)	No
7530 Purchasing (optional)	No
7540 Warehousing and Distribution (optional)	No
7550 Printing, Publishing, and Duplicating (optional)	No
7600 All Other General Administration (optional)	No
7700 Centralized Data Processing	No

**8000–8999 PLANT SERVICES**

SACS Function	Chargeable to EPA?
8100 Plant Maintenance and Operations	Yes
8110 Maintenance (optional)	Yes
8200 Operations (optional)	Yes
8300 Security (optional)	Yes
8400 Other Plant Maintenance and Operations (optional)	Yes
8500 Facilities Acquisition and Construction	Yes

**EXHIBIT C:** Approved Activities for EPA Fund Expenditures

8700 Facilities Rents and Leases	Yes
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**9000-9999 OTHER OUTGO**

SACS Function	Chargeable to EPA?
9100 Debt Service	Yes
9200 Transfers Between Agencies	Yes

**County Office of Education only**

SACS Goal	Chargeable to EPA?
8600 County Services to Districts (without regard to function)	Yes