



# Monterey County Office of Education

Leadership, Support, and Service to Prepare All Students for Success

Dr. Nancy Kotowski  
County Superintendent of Schools

**District Advisory and Financial Services**

**Finance and Business Services**

**Bulletin No. 13-035**

**To: Assistant Superintendents and Chief Business Officials**  
**From: Karen Hennessy, Director, District Advisory and Financial Services**  
**Date: March 18, 2013**  
**Subject: Education Protection Account (EPA) Requirements**

Pursuant to Article XIII, Section 36 of the California Constitution, school districts, county offices of education and community college districts are required to determine how the moneys received from the Education Protection Account are spent in the school or schools within their jurisdiction. The governing board makes the spending determinations in an open session of a public meeting. 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. Enclosed is a sample resolution that your district may utilize to fulfill the spending determinations requirement. There is also a requirement that districts must annually post on its website an accounting of how much money was received from EPA and how that money was spent.

For your convenience, enclosed with the sample resolution is a sample exhibit that districts may use for both the spending determinations and website posting requirements. However, districts are not required to use this format. The sample exhibit mirrors the Program by Resource Report from the CDE's Standardized Account Code Structure (SACS) software. Please note that in the sample exhibit, expenditures are displayed by function code and not by object code.

Due to the annual requirement for board action and the fact that EPA apportionments will not be certified until late in the 2012-13 fiscal year, districts must estimate EPA revenue. The EPA revenue can be estimated by multiplying total 2012-13 deficated revenue limit by 20%. If the result of that calculation is greater than revenue limit state aid, it is recommended that the district reduce EPA revenue down to the amount of revenue limit state aid. Basic aid school districts, may estimate EPA to be \$200 per 2012-13 second principal average daily attendance.

If you have any questions or concerns about EPA reporting requirements, please contact me at (831) 755-0376 or your financial analyst either Joyce Reese (831)-755-6461 or Marvalee English (831)-755-0320.

## Attachments (2)

cc: Garry P. Bousum, Associate Superintendent  
Colleen Stanley, Executive Director  
Marvalee English, Financial Analyst  
Joyce Reese, Financial Analyst