

**SAN JUAN UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION**

AGENDA ITEM
MEETING DATE: 06/14/2016

SUBJECT: Public Hearing and Presentation of
2016-17 Budget

CHECK ONE:
For Discussion:
For Action
Report:
Workshop:
Recognition:
Emergency Action:

DEPARTMENT: Fiscal Services

ACTION REQUESTED:

The superintendent is recommending that the board hold a public hearing and discuss the proposed 2016-17 Budget, including Staffing Standards, the use of Education Protection Account funds, and the substantiation of excess reserves (required by Senate Bill 858) as presented by the administration.

Action Anticipated 6/28/16: Adoption of 2016-17 budget, approval of 2016-17 EPA expenditure plan, and approval of excess reserves.

RATIONALE/BACKGROUND:

In accordance with Education Code 42127, the administration will present the 2016-17 Budget in preparation for anticipated adoption on June 28, 2016. The budget to be adopted shall be prepared in accordance with Education Code 42126. On December 8, 2015, the Board of Education received and approved the 2015-16 First Interim Report representing the district's budget status for the 2015-16 fiscal year and two subsequent years. On March 8, 2016, the 2015-16 Second Interim Report was submitted. A Third Interim report was not required this year, therefore proposed 2016-17 school site staffing guidelines were not presented for approval in May. Proposition 30 requires the use of EPA funds be determined by the governing board at an open public meeting. This requirement is at the annual budget adoption meeting. The district General Fund (Fund 01) and the dependent charter schools, Vision in Education and Choices (Fund 09), request approval by the governing board.

The governing board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties, shall, at the budget adoption public hearing, provide: The minimum recommended reserve for economic uncertainties; The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget; And per Education Code Section 42127(a)(2)(B), a statement of the reasons that substantiate the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties. This information is in the budget report.

BOARD COMMITTEE ACTION/COMMENT:

Facilities Transportation and Finance Committee
11/3/15; 1/5/16; 2/2/16; 5/3/16; 6/7/16

PREVIOUS STAFF/BOARD ACTION:

Staffing Standards 2015-16: 6/9/15
First Interim: 12/8/15
Second Interim: 3/8/16

FINANCIAL DATA:

See attached budget document

PREPARED BY: Kent Stephens, Chief Financial Officer

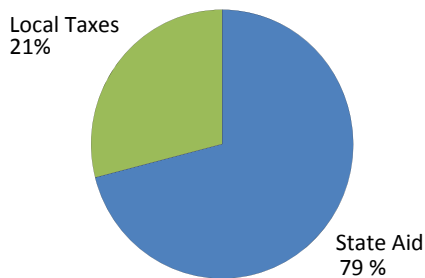
APPROVED BY: Kent Kern, Superintendent of Schools

Education Protection Account (EPA)

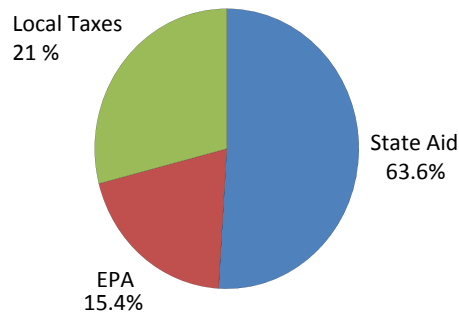
The Education Protection Account (EPA) provides local educational agencies (LEAs) with general purpose state aid funding pursuant to Proposition 30, the Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012. The EPA funding is a component of an LEA's or Charter School's total Local Control Funding Formula (LCFF) revenue.

The revenues generated from Proposition 30 are deposited into the EPA and a corresponding reduction is made to the district's or charter school's LCFF revenue. For 2016-17, the reduction is approximately 15.4% of the total LCFF funding. The district began receiving EPA payments quarterly in Fiscal Year 2013-14.

Funding Before Proposition 30



Funding After Proposition 30



Proposition 30 requires that each LEA shall have sole authority to determine how the moneys received from the Education Protection Account are spent in the school or schools within its jurisdiction, provided, however, that **the appropriate governing board or body shall make these spending determinations in open session of a public meeting of the governing board or body and shall not use any of the funds from the Education Protection Account for salaries or benefits of administrators or for any other administrative costs.** An LEA may allocate the EPA entitlement entirely to one program for expenditure.

Proposition 30 requires all districts, counties, and charter schools to report on their Web sites an accounting of how much money was received from the EPA and how that money was spent. District EPA information for previous years can be found by selecting the Budget Info link on the District's website.

Listed on the next page is the Education Protection Account Expenditure plan listing how the moneys received from the Education Protection Account are proposed to be spent in 2016-17.

Education Protection Account, Fund 01, Resource 1400
Projected Expenditures through: June 30, 2017

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	
Revenue Limit Sources	8010-8099	50,002,568
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		50,002,568
EXPENDITURES AND OTHER FINANCING USES		
(Objects 1000-7999)	Function Code	
Instruction	1000-1999	50,002,568
Instruction-Related Services		
Instructional Supervision & Administration	2100-2150	
AU of a Multidistrict SELPA	2200	
Instructional 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 Pathaology 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	
Genral Administration	7000-7999	
Plant Services	8000-8999	
Other Outgo	9000-9999	
TOTAL EXPENDITURES AND OTHER FINANCING USES		50,002,568
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		-

Education Protection Account, Fund 09, Resource 1400

Expenditures through; June 30, 2017

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	
Revenue Limit Sources	8010-8099	7,472,622
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		7,472,622
EXPENDITURES AND OTHER FINANCING USES		
(Objects 1000-7999)	Function Code	
Instruction	1000-1999	7,472,622
Instruction-Related Services		
Instructional Supervision & Administration	2100-2150	
AU of a Multidistrict SELPA	2200	
Instructional 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 Pathaology 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	
Genral Administration	7000-7999	
Plant Services	8000-8999	
Other Outgo	9000-9999	
TOTAL EXPENDITURES AND OTHER FINANCING USES		7,472,622
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		-