

**RESOLUTION  
OF  
THE DIRECTORS  
OF  
INNER CITY EDUCATION FOUNDATION,  
(d/b/a ICEF PUBLIC SCHOOLS, INC.)  
A California nonprofit public benefit corporation**

**RESOLUTION APPROVING THE EDUCATIONAL ACCOUNT SPENDING PLAN  
THE SCHOOLS OPERATED BY THE INNER CITY EDUCATION FOUNDATION  
(d/b/a) ICEF PUBLIC SCHOOLS, INC.**

We the Board of Directors of the INNER CITY EDUCATION FOUNDATION (d/b/a ICEF PUBLIC SCHOOLS, INC.) a California nonprofit public benefit corporation (“ICEF”) which currently operates eight (8) separate charter schools, six (6) of which are in the Los Angeles Unified School District and two (2) are in the Inglewood Unified School District, hereby consents to and adopts, as of the date below the following resolution:

WHEREAS, ICEF’s Board is required to adopt a spending plan for its Educational Protection Account (“EPA”) outlining the use of the account’s proceeds;

**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<sup>1</sup>, the state 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 general purpose funding, Proposition 30 specifies that EPA funds may not be used for administrative salaries or benefits or any other administrative costs.

From an accounting perspective, EPA revenue and expenditures must be coded separately (under a new 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 2019-20 Education Protection Account Spending Plan**

In FY 2019-20, EPA funds are estimated to be approximately 25% of a school’s total Local Control Funding Formula entitlement. For ICEF Public Schools, the breakdown per school of these funds are attached to this resolution for reference.

The spending plan allocates these funds to support teacher salaries and benefits.

**Proposed Motion Language:**

*“I hereby move to adopt the ICEF Public Schools EPA Spending Plan, which will allocate FY19-20 EPA funds estimated to be \$3,539,078 toward teacher salaries.*

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<sup>1</sup> The .25 sales tax increase expired in 2016; the income tax increase set to expire in 2018, was extended by voters through 2030 via Proposition 55.


RESOLVED FURTHER, that the spending plan for ICEF Public Schools allocates these funds to primarily support teacher salaries.

RESOLVED FURTHER, in accordance with the requirements of the State of California, the Board of Directors of the Inner City Education Foundation hereby approves the schools' use of their Educational Protection Account monies as outlined in their budgets;

FURTHER, the Board of Directors understands that the EPA monies will be used for staff salaries.

I certify that the foregoing resolution was adopted by the Board of Directors of the INNER CITY EDUCATION FOUNDATION (d/b/a ICEF PUBLIC SCHOOLS, INC.) on June 20, 2019 at Los Angeles, California.

By:

  
Tom Strickler, Secretary