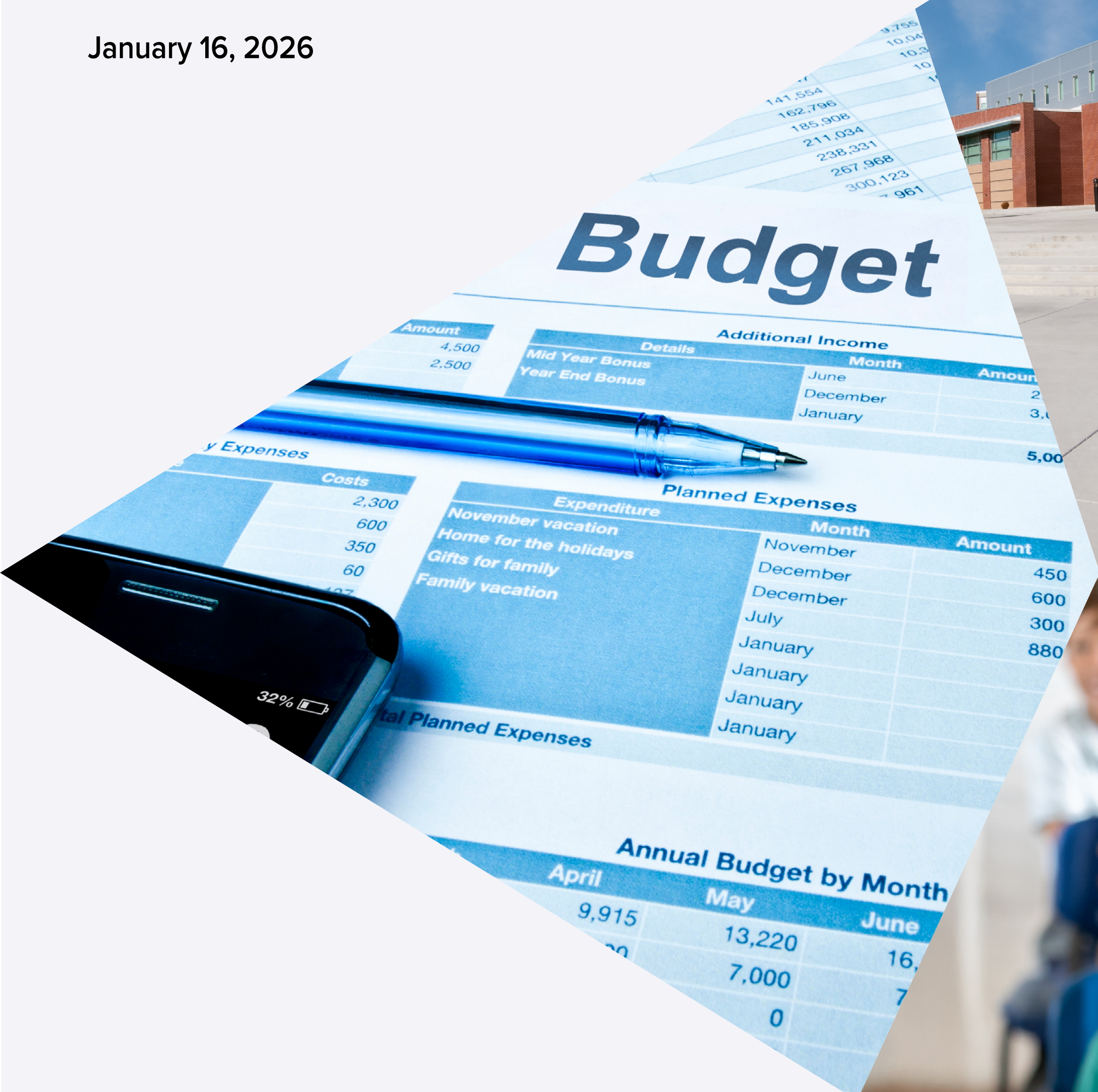
FCMAT

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM

Fiscal Review

January 16, 2026



San Ramon Valley Unified School District

Michael H. Fine
Chief Executive Officer

FCMAT FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM

January 16, 2026

CJ Cammack, Superintendent
San Ramon Valley Unified School District
699 Old Orchard Drive
Danville, CA 94526

Dear Superintendent Cammack:

In April 2025, the San Ramon Valley Unified School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for FCMAT to conduct a review of the district's multiyear financial projection for the current and two subsequent fiscal years. The final amended agreement stated that FCMAT would perform the following:

1. Review the district's 2025-26 adopted general fund budget and use it as a baseline to develop an independent multiyear financial projection (MYFP) for the current and two subsequent years; the MYFP will be a snapshot in time of the district's financial status.

2. Make recommendations for expenditure reductions and/or revenue increases to help the district eliminate its structural budget deficit, if any.

This report contains the study team's findings and recommendations.

FCMAT appreciates the opportunity to serve the San Ramon Valley Unified School District and extends thanks to all the staff for their assistance during fieldwork.

Sincerely,

Michael H. FIne
Chief Executive Officer

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About FCMAT

Purpose and Services

FCMAT was created by the California Legislature to help California's transitional kindergarten through grade 14 (TK-14) local educational agencies (LEAs) avoid fiscal insolvency. Today, FCMAT helps LEAs identify, prevent and resolve financial, management, program, data, and oversight challenges; provides professional learning; produces and provides software, checklists, manuals and other tools; and offers other related school business and data services.

FCMAT may be asked to provide fiscal crisis or management assistance by a school district, charter school, community college, county superintendent of schools, the state superintendent of public instruction, or the Legislature.

When FCMAT is asked for help with management assistance or a fiscal crisis, FCMAT management and staff work closely with the requesting LEA to meet their needs. Often this means conducting a formal study using a FCMAT study team that coordinates with the LEA for on-site fieldwork to evaluate specified operational areas and subsequently produces a written report with findings and recommendations for improvement.

For more immediate needs in a specific area, FCMAT offers short-term technical assistance from a FCMAT staff member with the required expertise.

To help meet the need for qualified chief business officials (CBOs) in LEAs, FCMAT offers four different CBO training and mentoring programs that consist of 11 or 12 diverse two-day training sessions over the course of a full year.

For agencies with professional learning needs, FCMAT offers workshops on specific topics. Popular topics include associated student body operations, use of FCMAT's Projection-Pro online financial forecasting software, use of FCMAT's Local Control Funding Formula (LCFF) Calculator, and data reporting for the California Longitudinal Pupil Achievement Data System (CALPADS). FCMAT staff and management also frequently make presentations at various professional conferences.

The California School Information Services (CSIS) service of FCMAT helps the California Department of Education (CDE) operate CALPADS; helps LEAs learn about CALPADS, resolve data issues and meet reporting requirements; and provides LEAs with training and leadership in data management. CSIS also developed and continues to host and improve the Standardized Account Code Structure (SACS) web-based financial reporting system for all California LEAs, and provides ed-data.org, which gives educators, policymakers, the Legislature, parents and the public quick access to timely and comprehensive data about TK-12 education in California.

Since it was formed, FCMAT has provided LEAs with the types of help described above on more than 2,000 occasions.

FCMAT's administrative agent is the Kern County Superintendent of Schools. FCMAT is led by Michael H. Fine, Chief Executive Officer, and is funded by appropriations in the state budget and modest fees to requesting agencies.

Workshop schedules, manuals, presentation slide decks, Projection-Pro software, LCFF calculators, past reports, an online help desk, and many other resources are available for download or use at no charge on FCMAT's website.

History

FCMAT was created by Assembly Bill (AB) 1200 (Chapter 1213, Statutes of 1991) and Education Code (EC) 42127.8. Assembly Bill 107 (Chapter 282, Statutes of 1997) added Education Code 49080, which charged FCMAT with responsibility for CSIS and its statewide data management work, and Assembly Bill 1115 (Chapter 78, Statutes of 1999) codified CSIS' mission.

Assembly Bill 1200 created a statewide plan for county offices of education and school districts to work together locally to improve fiscal procedures and accountability standards. Assembly Bill 2756 (Chapter 52, Statutes of 2004) gave FCMAT specific responsibilities for districts that have received emergency state loans.

In January 2006, Senate Bill 430 (Chapter 357, Statutes of 2005) amended Education Code 42127.8, and Assembly Bill 1366 (Chapter 360, Statutes of 2005) amended Education Codes 42127.8 and 84041. These new laws expanded FCMAT's services to include charter schools and community colleges, respectively.

Assembly Bill 1840 (Chapter 426, Statutes of 2018) changed how fiscally insolvent districts are administered once an emergency appropriation has been made, shifting oversight responsibilities from the state to the local county superintendent to be more consistent with the principles of local control, and giving FCMAT new responsibilities associated with the process.

Introduction

Background

The San Ramon Valley Unified School District is located in Contra Costa County and serves the communities of Alamo, Danville, Blackhawk, Diablo and San Ramon. Governed by a five-member board, the district serves close to 28,000 students from transitional kindergarten through grade 12. The district operates two state preschool programs, 22 elementary schools, eight middle schools, four high schools and one alternative education/continuation school. As of the 2024-25 second principal apportionment (the most recent data available), 11.4% of the district's students were identified as English learners, foster youth, or eligible for free or reduced-price meals.

Study and Report Guidelines

FCMAT visited the district on August 26-28, 2025 to conduct interviews with district staff, collect data and review documents. Following fieldwork, FCMAT continued to review and analyze documents. This report is the result of those activities.

FCMAT's reports focus on systems and processes that may need improvement. Those that may be functioning well are generally not commented on in FCMAT's reports. In writing its reports, FCMAT uses the Associated Press Stylebook and its own short internal style guide, which emphasize plain language, capitalize relatively few terms, and strive for conciseness, clarity and simplicity.

Study Team

The study team was composed of the following members:

Erin Lillibridge, CFE
FCMAT Chief Analyst

Jennifer Noga, CFE
FCMAT Intervention Specialist

Leonel Martínez
FCMAT Technical Writer

All team members reviewed the draft report to confirm accuracy and achieve consensus on the final recommendations.

Executive Summary

Declining enrollment, rising costs, and the expiration of COVID-19 relief funds have created structural deficits for many LEAs as expenditures outpace sustainable revenues. While the expansion of TK and partial average daily attendance (ADA) recovery has helped offset some revenue losses, rising costs — including insurance premiums, utilities, and special assessments related to childhood sexual assault claims — continue to strain budgets. Uncertainty in federal policy and more modest cost-of-living adjustments (COLAs) in the range of 2% to 3% add further pressure on unrestricted general funds.

To address a structural deficit in its unrestricted general fund, the district developed a $26 million fiscal stabilization plan for 2025-26, which included major staffing reductions and three furlough days for all employees. However, mediation with the certificated bargaining unit and one-time state funds led the district to modify the plan, restoring positions and reducing furlough days for 2025-26. Only one furlough day remains for certificated staff in 2025-26, which will increase to three days in 2026-27 and 2027-28. The district adopted a Supplemental Early Retirement Plan (SERP) on November 19, 2025, projected to save a net $16.3 million over five years. These savings are not reflected in FCMAT's multiyear financial projection (MYFP), which assumes no measures that could not be validated or occurred after the revised 45-day budget.

FCMAT based its 2025-26 projection largely on 2024-25 unaudited actuals, with adjustments for step-and-column costs, layoffs, staffing changes and the elimination of known one-time costs. The projection did not incorporate any year-to-date actuals for 2025-26 and was developed without a fully reconciled position control report tied to adopted budget assumptions. Position control ensures staffing and salary costs align with budget and payroll activity; without reconciliation, program-level variances increase the risk of inaccurate projections.

The district's 2025-26 unrestricted general fund adopted budget shows compliance with the state reserve requirement in all years, despite minor operating deficits in 2025-26 and 2026-27. However, FCMAT's projections differ from the district's, primarily because of differences in estimated health-and-welfare cost increases and assumptions about certificated staffing levels.

The district assumed approximately $2.5 million in annual savings from reducing about 27 certificated FTEs in both 2026-27 and 2027-28 due to declining enrollment, along with an 8% annual increase in health-and-welfare costs. FCMAT did not include these assumed staffing reductions, consistent with its practice of excluding future personnel cuts that require board approval until those actions are formally adopted. In addition, because of the timing of its review, FCMAT used the district's 2026 health care rates to estimate cost increases for 2025-26 and 2026-27, resulting in projections that were 2.7% and 5.1% higher than the district's assumptions, respectively.

As shown in Table 1, FCMAT projects a modest deficit of $65,764 in 2025-26, followed by significant deficit spending of $13.0 million in 2026-27 and $17.9 million in 2027-28. By 2026-27, the district's ending unrestricted general fund balance is projected to fall to negative $11.6 million, and by 2027-28, total reserves — including the Special Reserve Fund for Other than Capital Outlay Projects (Fund 17) — are projected to fall below the 3% minimum, reaching negative 2.55%.

The district should monitor its budget closely and update projections at the first interim, incorporating actuals through October 31, 2025, and adjustments for enrollment and staffing. It should also revise its fiscal stabilization plan to address any structural deficits identified, maintain a positive fund balance, and restore reserves to comply with the board's 7% policy, including the state minimum and a strategic reserve for flexibility and stability. LEAs that spend more than they receive deplete cash resources; insolvency has severe consequences, including county and state intervention and a loss of local governance.

Table 1. FCMAT Multiyear Financial Projection Summary, Unrestricted General Fund, 2025-26 — 2027-28

Description	Adjusted Base Year 2025-26	Year 1 2026-27	Year 2 2027-28
Revenues and Other Sources	$287,475,689	$290,748,507	$292,123,541
Expenditures and Other Uses	$287,541,452	$303,697,934	$310,024,966
Net Increase/Decrease in Fund Balance	($65,764)	($12,949,427)	($17,901,425)
Beginning Fund Balance, July 1	$1,456,387	$1,390,623	($11,558,804)
Ending Fund Balance, June 30	**$1,390,623**	**($11,558,804)**	**($29,460,229)**
Components of Ending Fund Balance			
Nonspendable	$2,020,440	$2,020,440	$2,020,440
Reserve for Economic Uncertainties	$0	$0	$0
Unassigned/Unappropriated	($629,817)	($13,579,244)	($31,480,669)
Special Reserve Fund - Noncapital Outlay (Fund 17)	$18,489,793	$18,889,793	$19,289,793
Total Available Reserves – by Amount	**$17,859,976**	**$5,310,549**	**($12,190,876)**
Total Available Reserves – by Percent of Total Combined General Fund Expenditures and Uses	**3.76%**	**1.13%**	**-2.55%**

Source: FCMAT's MYFP.

Findings and Recommendations

Multiyear Financial Projections

Assembly Bill (AB) 1200 and AB 2756 require MYFPs as part of budget adoption and interim reporting. AB 2756, signed into law in June 2004, made substantive changes to the accountability and oversight process for monitoring the fiscal health of school districts and county offices of education. These changes include granting greater authority and responsibility for the superintendent of public instruction (SPI) and county superintendents of schools to intervene during fiscal crises and request assistance from FCMAT.

At any time during the fiscal year, if a school district cannot meet its financial obligations for the current or two subsequent fiscal years, or if it receives a qualified or negative interim report certification, the county superintendent must notify the district's board and the SPI. Under EC 42127.6, the county superintendent may help develop a multiyear financial recovery plan that will enable the district to meet its future obligations. The MYFP is the primary tool used to develop this plan and restore a district's required reserve for economic uncertainties.

MYFPs offer a structured approach to evaluating the long-term impact of current decisions. However, they are inherently limited by assumptions such as enrollment trends, COLAs, and fluctuations in federal, state, and local funding. As such, projections should be treated as point-in-time estimates and updated regularly, at each financial reporting period, when economic forecasts change, and before major decisions such as salary increases or other significant financial commitments. Preparing multiple MYFPs for different funding scenarios can help identify a range of possibilities. Regular and frequent budget monitoring is essential, particularly during fiscal uncertainty, when MYFPs become less reliable due to frequent changes in projected federal and state revenues.

California LEAs use various tools to prepare MYFPs. Given recent investments in one-time and ongoing restricted programs, projections by resource are essential to ensure accurate planning and compliance. This approach accounts for both one-time and restricted funds available for expenditure over multiple years, helps ensure that restricted funds are spent before unrestricted, and provides for accurate general fund balance projections. FCMAT's free Projection-Pro software, a web-based multiyear and cash flow forecasting tool, supports this process for school districts, charter schools, and county offices. The district used FCMAT's Projection-Pro software to prepare its MYFP by resource.

One-time funding, such as federal and state COVID-19 relief, can temporarily mask ongoing operational deficits, making prudent financial planning critical for all LEAs. MYFPs help districts align resources with goals, programs and Local Control and Accountability Plans (LCAPs) while monitoring trends that signal fiscal risk. The primary objective is to maintain a balanced budget to ensure fiscal solvency and avoid loss of local governance.

Maintaining fiscal solvency while maximizing services is a continuing challenge for boards, which have a fiduciary responsibility to ensure their district's financial health. Each district faces unique risks based on reserve levels, enrollment trends, employee compensation, revenue volatility, and other local factors, but those that plan carefully can meet program goals while sustaining fiscal stability.

Adjustment Analysis

When developing the MYFP, FCMAT reviewed the district's revenue and expenditure trends for the prior three years (2022-23 through 2024-25) to understand its financial history. The adjusted 2025-26 adopted budget served as the base year for projections, which applied industry-standard criteria from the Department of Finance (DOF), the CDE and School Services of California Inc. (SSC).

Establishing accurate revenue and expenditure estimates for 2025-26 was critical to building reliable projections for subsequent years. Table 2 shows the differences between the district's adopted budget and FCMAT's analysis.

The district used 2024-25 estimated actuals to determine the beginning fund balance, nonspendable amounts, and restricted ending balance. FCMAT instead relied on the district's 2024-25 unaudited actuals, completed in September 2025, for those amounts. The district's estimated 2025-26 general fund beginning balance was $14.4 million lower than its actual 2025-26 beginning balance, with most of the variance in the restricted general fund.

The district designated a portion of its Fund 17 balance for the reserve for economic uncertainties and assigned the remainder for declining enrollment protection. FCMAT included the entire Fund 17 balance toward meeting the reserve requirement.

Differences in projected revenues and expenditures are detailed in the Multiyear Financial Projection Assumptions section of this report.

Table 2. Multiyear Financial Projection Comparison Summary, Combined General Fund, 2025-26

Description	Object Code	District 2025-26 Budget	Adjustment to Base Year	FCMAT 2025-26 Budget
A. Revenues				
LCFF Sources	8010-8099	$333,428,493	$2,299,332	$335,727,825
Federal Revenue	8100-8299	$7,268,460	$222,161	$7,490,621
Other State Revenues	8300-8599	$67,636,981	$16,801,735	$84,438,716
Other Local Revenues	8600-8799	$34,179,338	$2,591,952	$36,771,290
Other Financing Sources - Transfers In	8900-8929	$0	$0	$0
Total Revenue		**$442,513,272**	**$21,915,180**	**$464,428,452**
B. Expenditures				
Certificated Salaries	1000-1999	$183,899,680	$4,572,934	$188,472,614
Classified Salaries	2000-2999	$71,800,505	($2,036,554)	$69,763,951
Employee Benefits	3000-3999	$132,672,018	$3,523,365	$136,195,383
Books and Supplies	4000-4999	$10,940,854	$813,277	$11,754,131
Services and Other Operating Expenditures	5000-5999	$46,061,369	$19,289,976	$65,351,345
Capital Outlay	6000-6999	$101,150	$687,125	$788,275
Other Outgo (excluding Transfers of Indirect Costs)	7100-7299 7400-7499	$704,146	$0	$704,146
Other Outgo - Transfers of Indirect Costs	7300-7399	$0	($476,215)	($476,215)
Other Financing Uses - Transfers Out	7600-7629	$2,367,808	$0	$2,367,808
Total Expenditures		**$448,547,530**	**$26,373,908**	**$474,921,438**
C. Net Increase/Decrease in Fund Balance		($6,034,258)	($4,458,728)	($10,492,986)

Description	Object Code	District 2025-26 Budget	Adjustment to Base Year	FCMAT 2025-26 Budget
D. Fund Balance				
Beginning Fund Balance, July 1	9791	$18,378,733	$14,359,210	$32,737,944
Audit Adjustments / Other Restatements	9793, 9795	$0	$0	$0
Adjusted Beginning Balance		$18,378,733	$14,359,210	$32,737,944
Ending Fund Balance, June 30		$12,344,475	$9,990,483	$22,244,958
Components of Ending Fund Balance				
Nonspendable	9710-9719	$365,552	$1,654,888	$2,020,440
Restricted	9740	$11,477,080	$9,377,256	$20,854,335
Committed				
Stabilization Arrangements	9750	$0	$0	$0
Other Commitments	9760	$0	$0	$0
Assigned	9780	$501,844	($501,844)	$0
Unassigned/Unappropriated				
Reserve for Economic Uncertainties	9789	$0	$0	$0
Unassigned/Unappropriated	9790	$0	($629,817)	($629,817)
Special Reserve Fund - Noncapital Outlay (Fund 17)	9780,9789	$13,456,427	$5,033,366	$18,489,793
Total Available Reserves – by Amount		**$13,456,427**	**$4,403,549**	**$17,859,976**
Total Available Reserves – by Percent of Total Expenditures and Uses		**3.00%**	**--**	**3.76%**

Sources: District's 2025-26 adopted budget, 2024-25 unaudited actuals, and FCMAT's MYFP.

Note: Minor discrepancies in reported figures are the result of rounding applied during calculations.

Enrollment, Unduplicated Pupils, and Average Daily Attendance Projections

LEAs develop accurate and timely projections to support budget development and resource planning. Enrollment, unduplicated pupil count (UPC)[1], and ADA projections are essential components of any MYFP, as student demographics, counts, and attendance directly impact funding through the Local Control Funding Formula (LCFF), the primary revenue source for school districts.

Accurate projections help identify changes that may significantly affect revenues and expenditures in both the current and future fiscal years. Failure to anticipate enrollment shifts and adjust staffing accordingly can jeopardize a district's financial stability. Inaccurate or outdated projections often lead to staffing misalignments, inefficient resource allocation, or budget shortfalls.

Preparing enrollment projections regularly and in sufficient detail is essential for monitoring class sizes and supporting long-term planning. Timely preparation allows for responsive adjustments to staffing levels and budget allocations as enrollment changes occur. These projections also guide decisions on instructional priorities, staffing ratios, grade-level configurations, and potential boundary adjustments.

Enrollment, UPC, and ADA projections are inherently limited because they rely on assumptions rather than precise calculations. Influencing factors include housing developments, demographic shifts, birth-rate trends, interdistrict transfers, and unforeseen events such as the COVID-19 pandemic. Additional considerations include historical grade progression patterns and changes in educational programs. As such, projections are best interpreted as reasonable forecasts or trend indicators, not exact predictions.

FCMAT reviewed the district's projection methodology and found it reasonable. Projections are developed by the executive director, business services, starting with a cohort-based analysis and incorporating adjustments for special education and historical trends. Updates occur at each reporting period and are supported by consistent methodologies and tools, such as Projection-Pro, to ensure accuracy. The district also monitors and analyzes enrollment and ADA monthly, as well as at each reporting period for each school site. This approach provides a reliable foundation for planning and decision-making.

In addition, FCMAT analyzed district data from 2014-15 through 2025-26 and used its Projection-Pro software to develop enrollment, UPC, and ADA projections for the base year and two subsequent years. These projections served as the basis for estimating LCFF and other state and federal revenues.

Enrollment

Cohort Survival Methodology

The cohort survival method is commonly used by LEAs and is the approach implemented in FCMAT's Projection-Pro software to project enrollment. This method groups students by grade level when they enter the system and tracks their progression over time, accounting for retention and grade-level entry or exit. It applies cohort survival rates, calculated as either a simple or weighted average, to estimate future grade-level enrollments.

Cohort survival rates are based on historical enrollment data certified on Fall 1 census day in the California Longitudinal Pupil Achievement Data System (CALPADS), which occurs on the first Wednesday in October.

1 UPC refers to the number of students who are English learners, foster youth or eligible for free or reduced-price meals. Each student is counted only once, even if they meet more than one of these criteria.

These rates represent the percentage increase or decrease in enrollment from one grade to the next in successive years. For example, if 1,000 students were enrolled in grade one in 2023-24 and 1,040 in grade two in 2024-25, the survival rate would be 104.0%, or a ratio of 1.04.

Ratios are calculated for each grade-level pair across multiple years. To improve accuracy and reflect recent patterns, Projection-Pro uses a weighted average, which places greater emphasis on more recent data. The reliability of these projections depends on the consistency and quality of historical data, as each ratio reflects the cumulative effects of demographic changes, student mobility, and programmatic shifts that influence cohort size over time.

Enrollment Projections and Methods

FCMAT used the cohort survival method and applied a five-year weighted average to project enrollment, its generally recommended approach for improved accuracy.

Projecting enrollment for TK and kindergarten is particularly challenging due to limited historical data on incoming four- and five-year olds. Common methods include estimating TK and kindergarten enrollment as a percentage of countywide live births from four and five years earlier or applying a historical average of prior enrollment. While both approaches are effective, the historical average offers a simpler and comparatively reliable method. For this analysis, FCMAT used a five-year weighted average to project TK and kindergarten enrollment, incorporating adjustments for the phased implementation of the universal TK program. This program expands eligibility to four-year olds and is scheduled for full implementation in 2025-26.

According to DataQuest, after modest enrollment growth between 2015-16 and 2017-18, the district experienced an average annual decline of approximately 1.8%, resulting in a 12.0% total decrease from 32,504 students in 2017-18 to 28,615 in 2024-25. The district's 2025-26 adopted budget projects an annual decline of approximately 750 students per year through 2027-28. FCMAT's projections, as shown in Table 3, are slightly higher than the district's estimates. For 2025-26, FCMAT used actual grade-level enrollment data provided by the district as of October 1, 2025.

Table 3. Historical Data and FCMAT Enrollment Projections, 2020-21 – 2027-28

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28
Enrollment by Grade								
Grade TK	399	419	639	787	889	989	949	911
Grade K	1,692	1,677	1,624	1,549	1,506	1,479	1,419	1,362
Grade 1	1,859	1,787	1,832	1,741	1,630	1,583	1,567	1,504
Grade 2	1,852	2,026	1,792	1,872	1,786	1,672	1,619	1,603
Grade 3	2,025	1,911	2,080	1,858	1,918	1,822	1,715	1,660
Subtotal TK-3	**7,827**	**7,820**	**7,967**	**7,807**	**7,729**	**7,545**	**7,269**	**7,040**
Grade 4	2,208	2,134	2,001	2,124	1,908	1,951	1,866	1,756
Grade 5	2,312	2,220	2,181	2,043	2,173	1,960	1,998	1,911
Grade 6	2,339	2,379	2,273	2,242	2,085	2,233	2,009	2,048
Subtotal 4-6	**6,859**	**6,733**	**6,455**	**6,409**	**6,166**	**6,144**	**5,873**	**5,715**
Grade 7	2,433	2,326	2,365	2,310	2,261	2,117	2,258	2,032
Grade 8	2,563	2,450	2,378	2,405	2,335	2,275	2,141	2,284

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28
Subtotal 7-8	**4,996**	**4,776**	**4,743**	**4,715**	**4,596**	**4,392**	**4,399**	**4,316**
Grade 9	2,775	2,568	2,524	2,468	2,493	2,413	2,354	2,216
Grade 10	2,719	2,717	2,572	2,537	2,469	2,478	2,410	2,394
Grade 11	2,764	2,663	2,698	2,565	2,530	2,441	2,462	2,351
Grade 12	2,786	2,791	2,721	2,734	2,632	2,575	2,489	2,511
Subtotal 9-12	**11,044**	**10,739**	**10,515**	**10,304**	**10,124**	**9,907**	**9,715**	**9,472**
Enrollment Total and Change								
Total Enrollment	30,726	30,068	29,680	29,235	28,615	27,988	27,256	26,543
Change from Prior School Year	-1,185	-658	-388	-445	-620	-627	-732	-713

Sources: DataQuest and FCMAT's MYFP.

Unduplicated Pupil Percentage

The district's unduplicated pupil percentage (UPP) is used to calculate LCFF supplemental and concentration grants. The UPP represents the percentage of students identified as English learners, foster youth, or eligible for free or reduced-price meals. Each student is counted only once, even if they meet multiple criteria. For LCFF purposes, the UPP is calculated as a three-year rolling average.

According to the 2024-25 UPC data from the CDE, the district's UPP remains among the lowest in the state. From 2018-19 through 2022-23, the district's three-year rolling average UPP ranged from 9.33% to 9.76%, exceeding 10% for the first time in 2023-24.

FCMAT used Projection-Pro to calculate a five-year weighted trend ratio of the district's UPC to total enrollment. This ratio was applied to projected enrollment to estimate the UPP for the forecast years, as shown in Table 4. FCMAT's projected UPP for 2025-26 is slightly lower than the district's, and projections for 2026-27 and 2027-28 are progressively higher than the district's estimates each year.

Table 4. Historical Data and FCMAT Projections of Enrollment and Unduplicated Pupil Count and Percentages, 2020-21 – 2027-28

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28
UPC	2,790	2,948	3,071	3,192	3,263	3,362	3,449	3,538
Total Enrollment	30,726	30,068	29,680	29,235	28,615	27,988	27,256	26,543
Single-Year UPP	9.08%	9.80%	10.35%	10.92%	11.40%	12.01%	12.65%	13.33%
Three-Year Rolling LCFF UPP	9.51%	9.33%	9.75%	10.36%	10.89%	11.44%	12.01%	12.65%

Sources: CDE Apportionment Funding Exhibits-School District Unduplicated Pupil Percentage and FCMAT's MYFP.

Average Daily Attendance

ADA is calculated by dividing the total number of days students attend school by the number of instructional days in a school year. Under the LCFF, school district funding has traditionally been based on the greater of the current year's or prior year's ADA, as reported during the second reporting period (P-2). The

P-2 ADA reflects student attendance from the first day of school through the last school month ending on or before April 15.

Beginning in 2022-23, the state revised the formula to fund districts based on the highest ADA from three measures: the current year, the prior year, or the average of the three most recent years. During the COVID-19 pandemic, the state temporarily modified ADA reporting and funding policies as follows:

- 2019-20: ADA for the P-2 reporting period was based on attendance through the last full school month ending on or before February 29, 2020.
- 2020-21: Districts used the 2019-20 ADA due to campus closures.
- 2021-22: LCFF funding was based on either actual 2021-22 ADA or the 2019-20 ADA-to-enrollment ratio applied to 2021-22 enrollment, provided districts met independent study requirements.

FCMAT reviewed enrollment and ADA data from 2018-19 through 2024-25, comparing October CALPADS enrollment counts to P-2 ADA to determine average ADA-to-enrollment ratios by LCFF grade spans (TK-3, 4-6, 7-8, 9-12). Excluding the pandemic-affected years (2019-20 through 2021-22), historical attendance rates ranged from 95.03% to 96.84%. Using the Projection-Pro software, FCMAT applied a three-year historical average ADA-to-enrollment ratio by grade span to calculate projected ADA for the base year and two subsequent years, as shown in Table 5. FCMAT's overall weighted average ratio was 95.69%, slightly higher than the district's 95.54%.

Table 5. Historical Data and FCMAT Projections of Enrollment and ADA by LCFF Grade Span, 2020-21 — 2027-28

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28
Grade TK (for LCFF TK Add-On)								
ADA	n/a	n/a	575.25	732.51	842.91	916.19	887.41	853.19
Enrollment	n/a	n/a	639	787	889	989	949	911
ADA-to-Enrollment Ratio	n/a	n/a	90.02%	93.08%	94.82%	92.64%	93.51%	93.65%
Grades TK-3								
ADA	8,137.03	7,569.01	7,513.53	7,441.28	7,404.99	7,197.46	6,934.18	6,715.72
Enrollment	7,827	7,820	7,967	7,807	7,729	7,545	7,269	7,040
ADA-to-Enrollment Ratio	103.96%	96.79%	94.31%	95.32%	95.81%	95.39%	95.39%	95.39%
Grades 4-6								
ADA	6,957.09	6,559.23	6,181.65	6,181.26	5,945.34	5,917.93	5,656.90	5,504.71
Enrollment	6,859	6,733	6,455	6,409	6,166	6,144	5,873	5,715
ADA-to-Enrollment Ratio	101.43%	97.42%	95.77%	96.45%	96.42%	96.32%	96.32%	96.32%
Grades 7-8								
ADA	5,197.65	4,671.06	4,545.04	4,538.60	4,427.43	4,226.13	4,232.87	4,153.00
Enrollment	4,996	4,776	4,743	4,715	4,596	4,392	4,399	4,316
ADA-to-Enrollment Ratio	104.04%	97.80%	95.83%	96.26%	96.33%	96.22%	96.22%	96.22%
Grades 9-12								
ADA	10,656.84	10,362.80	9,964.07	9,829.94	9,659.42	9,441.24	9,258.27	9,026.69
Enrollment	11,044	10,739	10,515	10,304	10,124	9,907	9,715	9,472
ADA-to-Enrollment Ratio	96.49%	96.50%	94.76%	95.40%	95.41%	95.30%	95.30%	95.30%

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28
Grades TK-12								
ADA	30,948.61	29,162.10	28,204.29	27,991.08	27,437.18	26,782.76	26,082.22	25,400.12
Enrollment	30,726	30,068	29,680	29,235	28,615	27,988	27,256	26,543
ADA-to-Enrollment Ratio	100.72%	96.99%	95.03%	95.75%	95.88%	95.69%	95.69%	95.69%

Sources: DataQuest, CDE Apportionment Funding Exhibits-School District ADA and FCMAT's MYFP.

Note: Minor discrepancies in reported figures are the result of rounding applied during calculations.

Comparison of District and FCMAT Projections

FCMAT's enrollment, UPC, and ADA projections are consistently higher than the district's projections across all years, which resulted in corresponding differences in UPP and ADA-to-enrollment ratios. Table 6 compares the district's adopted budget projections with FCMAT's projections.

Table 6. Comparison of District and FCMAT MYFP Projections, 2025-26 — 2027-28

	2025-26	2026-27	2027-28
Enrollment			
FCMAT	27,988	27,256	26,543
District	27,868	27,119	26,369
Difference from District	120	137	174
Unduplicated Pupil Count			
FCMAT	3,362	3,449	3,538
District	3,344	3,322	3,296
Difference from District	18	127	242
Average Daily Attendance			
FCMAT	26,782.76	26,082.22	25,400.12
District	26,624.21	25,908.94	25,192.74
Difference from District	158.55	173.28	207.38
ADA-to-Enrollment Ratio			
FCMAT	95.69%	95.69%	95.69%
District	95.54%	95.54%	95.54%
Difference from District	0.16%	0.16%	0.16%

Sources: District's 2025-26 adopted budget and FCMAT's MYFP.

Note: Minor discrepancies in reported figures are the result of rounding applied during calculations.

Recommendations

The district should:

1. Continue to consistently monitor and project enrollment, UPC and ADA using reasonable projection methods adjusted for local factors.

2. Continue to update projections at each financial reporting period to incorporate the most recent data into budget assumptions.

3. Continue to regularly analyze enrollment and ADA projections, compare projections to actual enrollment and attendance, and adjust budgets and staffing as appropriate.

Multiyear Financial Projection Assumptions

FCMAT's MYFP is built on the district's 2025-26 adopted budget and includes the impacts of the 2024-25 unaudited actuals and the state's enacted 2025-26 budget. To develop the MYFP, the study team reviewed district records, interviewed staff, and analyzed various financial documents. Assumptions reflect conservative economic estimates and are grouped into major revenue and expenditure categories in accordance with the state's SACS.

FCMAT used Projection-Pro to update each funding source at the SACS resource code level for the base year and subsequent two fiscal years. Key planning factors and budget assumptions are based on the most current information available at the time, as summarized in Table 7 and detailed in the following paragraphs.

As a best practice, budgets and MYFPs should be updated regularly, at least at each financial reporting period, using the latest assumptions to maintain accuracy.

Table 7. FCMAT MYFP Budget Assumptions, 2025-26 — 2027-28

Description	2025-26	2026-27	2027-28
Statutory COLA	2.30%	3.02%	3.42%
LCFF COLA	2.30%	3.02%	3.42%
State Categorical COLA	2.30%	3.02%	3.42%
Federal COLA	0.00%	0.00%	0.00%
California Consumer Price Index (CPI)	3.09%	2.82%	2.72%
California Lottery, Unrestricted per ADA	$190	$190	$190
California Lottery, Restricted per ADA (Proposition 20)	$82	$82	$82
Mandate Block Grant, District (Grades TK-8), per ADA	$39.09	$40.27	$41.65
Mandate Block Grant, District (Grades 9-12), per ADA	$76.48	$78.79	$81.48
Interest Rate Trend for 10-Year Treasuries	4.50%	4.36%	4.40%
STRS Employer Rate	19.10%	19.10%	19.10%
PERS Employer Rate	26.81%	26.90%	27.80%
Certificated Staff Step-and-Column Increases	1.00%	1.00%	1.00%
Classified Staff Step Increases	1.00%	1.00%	1.00%
Health & Welfare Benefits Percent Change	10.7%	13.1%	10.6%
State Unemployment Insurance Rate	0.05%	0.05%	0.05%
Workers' Compensation Insurance Rate	1.7641%	1.7641%	1.7641%
District Indirect Cost Rate	4.96%	4.44%	4.44%

Sources: FCMAT, DOF, CDE, SSC and district-provided data.

Notes: The acronym "STRS" stands for California State Teachers' Retirement System. The acronym "PERS" stands for California Public Employees' Retirement System.

Revenues

FCMAT validated the district's revenue using data from the CDE, grant award letters, and an analysis of district estimates for sources that could not be independently verified. Adjustments were made for any one-time or carryover[2] funds from previous years.

2 The term "carryover" refers to unspent funds from one fiscal year that are retained for use in the next year, in accordance with applicable grant or program expenditure requirements.

Local Control Funding Formula Sources

The LCFF, implemented in the 2013-14 fiscal year, is the primary funding source for California school districts. It consists of the following components:

- A base grant per-pupil amount that varies by grade level, with an add-on for TK and grade span adjustments for grades TK-3 and 9-12.
- A supplemental grant equal to 20% of the adjusted base grant, multiplied by the district's percentage of unduplicated pupils, as measured by the UPP.
- A concentration grant equal to 65% of the adjusted base grant, multiplied by the percentage of unduplicated pupils exceeding 55% of total enrollment. (The district does not receive concentration funding because its UPP is below 55%).

The LCFF requires districts to increase or improve services for unduplicated students in proportion to the supplemental and concentration funds they receive relative to base funds. This requirement is called the minimum proportionality percentage (MPP). Beginning in 2021-22, if a district does not meet its MPP, any unspent supplemental and concentration funds must be identified in the next year's LCAP and used to increase or improve services for unduplicated students.

For most districts, LCFF funding comes from a combination of local property taxes and state aid. Property taxes are applied first toward the total LCFF entitlement, with the state providing any remaining amount. If property tax revenue meets or exceeds the LCFF entitlement, the district is classified as basic aid or community funded. The district is not currently or projected to be a basic aid district.

Proposition 30 (2012) temporarily added a quarter-cent sales tax and increased state income tax rates on high earners. The sales tax expired in 2016, while Proposition 55 extended the income tax increase through 2030. These revenues go into the Education Protection Account (EPA) and count as part of LCFF state aid. All LEAs, including basic aid districts, receive EPA funds, with a minimum of $200 per ADA.

LCFF Projections

School districts are encouraged to use the FCMAT LCFF Calculator for School Districts and Charter Schools to estimate LCFF revenue. FCMAT used this tool to calculate the district's LCFF entitlement, using updated data from the 2025-26 enacted state budget and the 2024-25 second principal apportionment, which were released after the district adopted its 2025-26 budget.

These updates, along with FCMAT's projections for enrollment, ADA, and UPP, produced higher LCFF entitlement estimates for the current year and the following two years than the district originally projected. These increases were primarily driven by increased TK ADA estimates and an additional $2,397 per TK ADA provided by the state to support lowering the student-to-adult ratio from 12-to-1 to 10-to-1. Table 8 compares the district's adopted budget LCFF assumptions and projections with FCMAT's.

Table 8. Comparison of District and FCMAT LCFF Assumptions and Projections, 2025-26 — 2027-28

	2025-26	2026-27	2027-28
LCFF Funded ADA			
FCMAT	27,887.28	27,408.72	26,771.19
District	27,886.36	27,354.93	26,659.59
Difference from District	0.92	53.79	111.60

	2025-26	2026-27	2027-28
TK ADA (for LCFF Add-On)			
FCMAT	916.19	887.41	853.19
District	882.90	858.60	835.20
Difference from District	33.29	28.81	17.99
Unduplicated Pupil Percentage			
FCMAT	11.44%	12.01%	12.65%
District	11.46%	11.90%	12.25%
Difference from District	-0.02%	0.11%	0.40%
LCFF Entitlement			
FCMAT	$335,727,825	$340,217,432	$344,095,025
District	$333,428,493	$337,287,174	$340,310,865
Difference from District	$2,299,332	$2,930,258	$3,784,160
Supplemental Grant			
FCMAT	$7,354,914	$7,817,885	$8,320,034
District	$7,367,520	$7,732,933	$8,026,279
Difference from District	($12,606)	$84,952	$293,755

Sources: District and FCMAT LCFF calculator projections.

Federal Revenue

FCMAT reviewed, verified, and adjusted the district's federal revenue estimates for the 2025-26 base year. Where available, FCMAT used the CDE's most recent allocations and the district's 2024-25 carryover. When current year allocations were not available, FCMAT applied either a five-year historical average or calculated an estimate based on projected enrollment or ADA, depending on the funding source.

These adjustments resulted in a net increase of $222,161 compared to the district's projections, as detailed below:

- Title Programs: A net increase of $342,119 reflecting prior year carryover added in each program, including Titles I, II, III and IV.
- Special Education: A decrease of $119,958, primarily in the Individuals with Disabilities Education Act Basic Local Assistance Entitlement, partially offset by increases in other special education sources.

Budgeting federal revenue requires caution due to ongoing uncertainty in the federal budget, particularly since the district has allocated much of this funding to salaries, benefits, and contracted services. For 2026-27 and 2027-28, FCMAT assumed flat federal funding with no COLA, using the same methodology, either historical averages or adjustments based on projected enrollment or ADA, when allocations were not yet available.

FCMAT also excluded carryover from projections in 2026-27 and 2027-28. Consistent with best practices, the district's 2025-26 adopted budget did not include prior-year carryover. Carryover should not be included in the current year budget until prior year unaudited actuals are finalized and should be excluded from subsequent years of the MYFP. Including these revenues prematurely can lead to overbudgeting and overspending.

Title I, Part A Program

The district's Title I, Part A program carryover from 2024-25 exceeded 15% of its allocation, which triggers the requirement to apply for a State Board of Education (SBE) waiver to carry funds forward into the next fiscal year. Federal regulations under the Every Student Succeeds Act (ESSA) limit Title I carryover to 15% unless a waiver is granted, and waivers are allowed only once every three years. Exceeding this threshold without an approved waiver poses a compliance risk. The best practice is to expend restricted funds before unrestricted funds to minimize carryover, maximize unrestricted resources and maintain compliance.

The district operates a Targeted Assistance School (TAS) program rather than a schoolwide program, restricting Title I services to students identified as failing or most at risk of failing to meet state academic standards. This narrower scope adds planning complexity and has contributed to delays in obligating funds. Much of the district's Title I funding is allocated to salaries, benefits and contracted services, making timely planning critical to avoid overbudgeting and underspending.

Other State Revenue

State revenue allocations fluctuate throughout the year, requiring districts to monitor funding closely and adjust budgets accordingly. Without careful oversight, districts risk leaving grant funds unused or exceeding available resources.

In developing the MYFP, FCMAT confirmed the district's 2025-26 state grant award amounts using CDE schedules and grant award letters. When current year allocations were unavailable, estimates relied on an analysis of actual revenues from the prior three fiscal years or projected per ADA amounts, depending on the source. Where applicable, 2025-26 state revenues were projected into subsequent years and adjusted for COLA, ADA changes, and, for the home-to-school transportation reimbursement, anticipated cost increases such as salaries and other expenses.

FCMAT adjusted other state revenues by a net increase of $16.8 million in 2025-26. These adjustments include:

- $8,589,154 added for the new Student Support and Professional Development Discretionary Block Grant (SSPDBG).
- $4,311,327 in remaining allocations for the California Schools Healthy Air, Plumbing, and Efficiency (CalSHAPE) Plumbing and Ventilation Programs.
- $1,326,525 added for STRS on-behalf payments, aligned with prior year actuals.
- $821,021 added for the Classified School Employee Summer Assistance Program.
- $724,615 added to increase the home-to-school transportation reimbursement based on prior year eligible expenses.
- $602,709 added for Arts and Music in Schools — Proposition 28 (AMS) funding based on CDE's advance apportionment schedule.
- $307,591 added for restored Learning Recovery Emergency Block Grant funds.
- $118,793 in net adjustments to the Expanded Learning Opportunities Program (ELOP), mandate block grant, state lottery, assessments and special education programs.

Student Support and Professional Development Discretionary Block Grant

The state's 2025-26 enacted budget established the SSPDBG, which provides one-time funding intended to support professional development in English language arts, English language development, literacy, and mathematics; teacher recruitment and retention; and career pathways and dual enrollment programs. Although these areas are emphasized, the funds are fully discretionary and may be used for any general purpose.

Allocations are based on the district's 2024-25 TK-12 P-2 ADA, at an estimated $313 per ADA. According to the CDE's August 2025 schedule, the district's allocation is $8,589,154. Funds are available through June 30, 2029, with a final expenditure report due to the CDE by September 30, 2029.

The district plans to use these one-time funds to restore certain certificated positions for the 2025-26 year only, eliminate two of three certificated furlough days in 2025-26, and eliminate all classified and management furlough days for 2025-26 through 2027-28. To follow the best practice of using restricted funds before unrestricted, FCMAT budgeted a direct cost transfer in 2025-26 from the unrestricted general fund to the grant to show as fully spent in 2025-26.

Arts and Music in Schools—Proposition 98

The state annually determines total AMS funding in the May Revision. For 2025-26, the appropriation is approximately $1.04 billion. Of this amount, 70% is allocated based on each district's share of statewide enrollment, and 30% is distributed according to the prior year enrollment of economically disadvantaged pupils.

Funding is calculated at the school site level, and districts must allocate funds to each site as determined by the CDE. Although final allocations are certified in the second principal apportionment in June, significant changes are not anticipated. FCMAT increased the district's 2025-26 AMS allocation by $602,709 and projected a 2% annual decrease for the subsequent fiscal years.

Learning Recovery Emergency Block Grant

The 2025-26 enacted state budget restored approximately $114 per ADA and UPP to the Learning Recovery Emergency Block Grant. This program funds learning recovery initiatives through 2027-28 that support academic learning recovery and the social and emotional well-being of staff and students. Based on this restoration, FCMAT estimated an additional one-time allocation of $307,591 for the district in 2025-26.

Expanded Learning Opportunities Program

Since the 2021-22 fiscal year, ELOP has provided districts with funding to offer after-school and summer enrichment programs for students in grades TK-6. According to the CDE, expanded learning refers to before-school, after-school, summer and intersession programs that address students' academic, social, emotional, and physical needs and interests through hands-on, engaging experiences.

Beginning in 2023-24, ELOP funds must be spent by June 30 of the fiscal year following the allocation year, with any unspent funds returned to the state. The district reported returning about $180,000 from its 2022-23 allocation. Because the district's UPP is less than 75%, program requirements mandate offering ELOP to all unduplicated pupils in grades TK-6 and providing access upon parent or guardian request. However, with one of the state's lowest UPPs, demand has not met funded levels.

Beginning in the 2025-26 fiscal year, districts may opt out of ELOP funding under Senate Bill 153, which amended EC 46120 to require districts to annually declare whether they will operate the program. The district reports it will continue operating ELOP in the base year and throughout the MYFP period. FCMAT assumed continued funding at Rate 2 (for districts with UPPs of 74.99% or less), estimated at $1,575, and projected ELOP revenues by multiplying this rate by the projected prior year UPP and P-2 ADA for TK-6 for each year in the projection.

Mandated Costs Funding

The Mandate Block Grant provides districts funding for state-mandated programs and activities, as outlined in Government Code (GC) 17581.6(f). Districts may apply annually through the CDE or submit individual mandate reimbursement claims to the State Controller's Office.

The district has historically opted into the Mandate Block Grant, which is based on prior year P-2 ADA by grade level and uses a per-ADA rate adjusted annually for COLA. For 2025-26, FCMAT estimated this funding using its P-2 ADA projections and added an additional $1.17 per ADA for grades 9-12 to account for a new Free Application for Federal Student Aid-related mandate included in the 2025-26 enacted state budget. These adjustments increased the base year amount by $13,766.

Other Local Revenue

The district receives local revenues from sources such as leases and rentals, interest earnings, donations, and other miscellaneous items. To assess reasonableness, FCMAT compared budgeted amounts to actual revenues from the prior three years and interviewed staff regarding other restricted local sources.

Based on this analysis, FCMAT increased other local revenue by a net $2.6 million, as detailed below:

- $2,598,614 added for miscellaneous revenue, primarily school site support donations from educational foundations, parents and booster clubs.
- $144,294 added for parcel taxes based on prior year actuals.
- $88,000 reduced from sales of equipment and supplies and leases and rentals income.
- $62,956 reduced from interagency services, fees and contracts based on prior year actuals.

Because these revenues often cannot be guaranteed from year to year, budgets and MYFPs for these items should be conservative, consider historical trends and identify one-time revenues. These items should also be monitored and updated throughout the year based on amounts received to date.

Donation Support for Core Operations

In 2024-25, the district received more than $22.5 million in donations from its educational foundation, parents and community to support school sites, activities and athletics, representing 5.0% of total revenues. In some cases, these donations help offset costs that would otherwise be borne by the district's base program, allowing the district to maintain programs and services that might not be sustainable within its primary funding sources. While this support has been consistent and substantial, it is voluntary and cannot be guaranteed from year to year, creating fiscal uncertainty.

This reliance on donations exists because the district is one of the lowest LCFF-funded districts in the state, with a UPP of around 10%. In addition, the district is experiencing reduced revenues from declining enrollment and increased costs due to inflation and other economic factors, which place additional pressure on unrestricted resources. As a result, donations have become a structural component of maintaining programs and staffing.

The risk inherent in this funding structure is significant. If donations decline, the district may be forced to reduce school site programs, academic supports and positions funded through these dollars. This uncertainty complicates long-term planning and exposes the district to operational instability.

The district allocates one full-time equivalent (FTE) budget analyst from the unrestricted general fund to manage these funds across 35 school sites and does not collect indirect costs on these dollars. While most donations are spent annually, some funding sources have been carried forward or accumulated modest balances. Implementing indirect or direct cost recovery and developing a contingency plan focused on increasing reserve levels could help reduce uncertainty associated with structural reliance on donations.

Recommendations

The district should:

1. Continue to update budgets and MYFPs regularly and at each financial reporting period.
2. Continue to use the most current information available and assumptions that align with industry standards to develop budgets and MYFPs.
3. Continue using the most recent version of the LCFF calculator, along with updated enrollment, UPC, and ADA estimates, when preparing and revising LCFF revenue projections.
4. Continue to update revenue budgets throughout the year as entitlements and grant amounts become known, ensuring budgets match award letters and allocations provided by the CDE and other grantor agencies.
5. Continue to track and monitor one-time revenues to ensure they are removed from budgets and projections as appropriate.
6. Continue to recognize carryover in the current year budget after the prior year unaudited actuals are completed and ensure that carryover is removed as appropriate in the subsequent years of the MYFP.
7. Continue to estimate federal revenues conservatively considering historical funding levels and enrollment and ADA changes.
8. Apply for a SBE waiver and implement procedures to ensure Title I funds are expended or obligated during the year they are allocated, prioritizing the use of restricted funds.
9. Develop a targeted planning process for Title I that accounts for the complexity of the TAS program serving only eligible students.
10. Monitor federal carryover levels regularly to prevent exceeding any limiting thresholds in future years.
11. Base other state revenue projections on the enrollment and ADA forecasts, as appropriate.
12. Regularly communicate program balances to department administrators to support effective planning and ensure funds are spent within grant and program deadlines.

13. Develop and implement strategies to fully utilize ELOP funding, including outreach to increase participation and adjusting program delivery to match student demand.
14. Ensure local revenues are budgeted conservatively and adjusted as needed to reflect actual amounts received.
15. Consider historical trends and one-time revenues when developing budgets and MYFPs for local revenues.
16. Implement indirect cost recovery on donated funds where possible to offset administrative and operational expenses.
17. Consider funding the budget analyst position that manages donations from these funds to reduce pressure on the unrestricted general fund.
18. Develop a contingency plan that prioritizes increasing reserve levels to mitigate uncertainty in donation revenue.

Expenditures

In developing its MYFP, FCMAT reviewed the 2025-26 adopted general fund expenditure budget for reasonableness, comparing base year projections with the prior three years of actual expenditures. FCMAT's MYFP assumes that ongoing costs recorded in the 2024-25 unaudited actuals report will continue unless adjusted, as described in detail in the sections that follow.

FCMAT also removed known one-time expenditures, shifted ongoing costs from expired restricted programs to the unrestricted general fund, and applied the most recent CPI inflation factors to approved textbooks and core curricula materials (object 4100), materials and supplies (object 4300) and professional/consulting services and other operating expenditures (object 5800).

While the district's MYFP expenditures appeared reasonable based on the preparation timing, the narrative supporting key assumptions, particularly salary adjustments on lines B1d and B2d, lacked sufficient detail and did not reconcile with the amounts shown. The budget narrative also failed to clearly explain how the district's $26.0 million fiscal stabilization plan was incorporated, creating uncertainty about which elements were included or excluded. This lack of clarity was compounded by timing issues related to securing concessions and the outcome of mediation with the certificated bargaining unit. A more comprehensive narrative would improve transparency and help interested parties understand the district's fiscal strategy, including what was assumed, implemented, and still pending.

Salaries

During 2024-25, the district worked with its bargaining units to implement its $26 million fiscal stabilization plan to eliminate a structural deficit in its unrestricted general fund. The district remained in mediation with its certificated bargaining unit until late May, seeking reductions comparable to those agreed upon with other employee groups.

As a result of its mediated certificated agreement, the district committed to using one-time funds from the state's 2025-26 budget, specifically the SSPDBG, to restore certain certificated positions for the 2025-26 school year only. These funds also reduced proposed furlough days for certificated staff to one day in 2025-26, maintaining two additional furlough days in 2026-27 and 2027-28, for a total of three days in each of those years. Classified and management furlough days were eliminated for all three years, except for the superintendent, who retained one day in 2025-26.

To validate salary assumptions in the district's 2025-26 adopted budget, FCMAT began with the 2024-25 unaudited actuals and applied a 1% step-and-column adjustment to monthly pay for all certificated and classified positions, consistent with the district's estimate of step-and-column costs. However, the district has not analyzed whether this 1% assumption accurately reflects actual costs. The best practice is to review actual step-and-column costs after the close of each fiscal year to determine if the estimate remains appropriate to use in projections, particularly during times of significant staffing adjustments, layoffs, and increased retirements. Failure to do so could lead to inaccurate salary projections and increase the risk of future deficit spending.

FCMAT then removed salaries that tied to final reduction-in-force notices approved by the board on May 9, 2025, and estimated an additional 35 FTE certificated teacher reductions using average salary data provided by the district. This estimate reflected positions not filled from resignations or retirements and was based on a comparison of school site enrollment and staffing allocations between 2024-25 and 2025-26.

For 2026-27 and 2027-28, FCMAT removed certificated positions restored in 2025-26 with one-time funds and added two additional certificated furlough days. The actual financial impact of furlough days will vary by each position's work year; for certificated staff, FCMAT assumed one furlough day equaled approximately 0.5% of total salary, excluding stipends, hourly, overtime, and substitute compensation. The MYFP also assumed a 1% cost for step-and-column adjustments in 2026-27 and 2027-28 for both classified and certificated salaries.

Position Control and Budget Alignment

The district uses Quintessential School Systems (QSS) software, a fully integrated administrative system for LEAs that includes modules for budgeting, accounting, payroll, personnel, and position control. The position control module connects staffing data with budget and payroll, allowing districts to track positions, funding sources and associated costs to ensure that salary and benefit projections align with adopted budgets and actual payroll activity.

As part of the MYFP process, FCMAT compared position control data to the 2025-26 adopted budget. While overall variances in total were minor, significant program-level differences, both underbudgeted and overbudgeted, indicate that the district's 2025-26 position control report did not reconcile to the adopted budget. With more than 4,000 employees, the district was still processing layoffs, position eliminations, resignations and new hires during budget development, as well as reallocating staff to new funding sources after the expiration of one-time funds. These circumstances are common in LEAs during budget development; however, it is critical that the position control report used for budget adoption reconcile to the budget amounts and clearly document the positions and funding assumptions included. This report should serve as a baseline for tracking changes and be updated and reconciled at least at each interim reporting period, or more frequently as needed.

The best practice for budget monitoring is to reconcile position control with budget and payroll at least at each fiscal reporting period (e.g., first interim, second interim, and estimated actuals). This practice helps ensure that salary and benefit encumbrances and budgets remain accurate and aligned. During interviews, business services and human resources staff acknowledged that the district could strengthen its reconciliation processes.

The district's position control system sometimes assigns a single position control number to groups of similar positions. For example, all teachers at a school site may share one position control number, representing multiple FTEs. The district has considered moving entirely to a one-position-per-employee structure. While grouped position numbers work well during times of growth, they become difficult to manage during reductions — such as the current situation — adding complexity to tracking staffing and funding adjustments.

Certificated Salaries

FCMAT increased certificated salaries for 2025-26 by a net $4.6 million, which includes a $5.1 million increase in the unrestricted general fund and a $541,438 decrease in the restricted general fund. The increase is primarily due to restoring certain certificated positions — 4.0 FTE social workers, 11.0 FTE elementary counselors and 2.0 FTE for class size adjustments in grades 4 and 5 — and eliminating savings from two furlough days included in the district's adopted budget. Because FCMAT used 2024-25 unaudited actuals as the salary base for projections, it budgeted a direct cost transfer (object 5710) to reflect the shift of certain one-time salaries added into the SSPDBG.

Ongoing salaries were reallocated to the unrestricted general fund in 2026-27 from the following expiring resources: $464,553 in teachers', administrators' and other certificated salaries from the Educator Effectiveness — FY 2021-22, $1.4 million in pupil support salaries from the Learning Recovery Emergency Block Grant, and $110,492 in administrators' salaries from the Universal Prekindergarten Planning and Implementation Grant.

Overall, combined general fund certificated salaries are projected to decrease $7.8 million from 2024-25 to $188.5 million in 2025-26, decline by another $1.8 million in 2026-27, and then increase by $1.7 million in 2027-28.

Classified Salaries

FCMAT decreased classified salaries for 2025-26 by a net $2.0 million, which includes a $281,137 increase in the unrestricted general fund and a $2.3 million decrease in the restricted general fund. The change is primarily due to reduced salary expenditures for the special education program, offset by increases for the Classified School Employee Summer Assistance Program and Other Restricted Local resources.

The special education decrease reflects the district's practice of budgeting all projected personnel costs at the start of the year in salaries and benefits, then transferring budget to services and other operating expenses as contracts are executed to cover temporary staffing for vacancies or hard-to-fill positions. The offsetting expenditure increase appears in the services and other operating expenses budget, consistent with prior year expenditure patterns.

Because FCMAT used 2024-25 unaudited actuals as the salary base for projections, it budgeted a direct cost transfer (object 5710) to reflect the one-time shift of three classified furlough days to the SSPDBG.

Overall, combined general fund classified salaries are projected to decrease $2.4 million from 2024-25 to $69.8 million in 2025-26, and then increase by $697,102 in 2026-27 and by $704,074 in 2027-28.

Employee Benefits

FCMAT increased employee benefits for 2025-26 by a net $3.5 million, almost entirely in the unrestricted general fund with only $54,372 in the restricted general fund.

Statutory payroll benefits (i.e., STRS and PERS contributions, Medicare, social security, unemployment and workers' compensation insurance) were calculated in proportion to adjusted salaries budgeted for each fiscal year; however, the STRS on-behalf contribution estimate was increased by $1.3 million to align with 2024-25 unaudited actuals.

The district does not publish its workers' compensation rate assumptions in its budget materials; it carried the 2024-25 rate into the current and subsequent year projections. The workers' compensation rate decreased from approximately 1.90% in 2024-25 to 1.76% in 2025-26, and FCMAT applied the current rate in each subsequent year of the projection.

Other statutory benefits in subsequent years changed in proportion to adjustments in certificated and classified salaries, and rates matched the district's assumptions.

Health-and-Welfare Benefits

FCMAT increased health and welfare benefit costs by $1.6 million in 2025-26, including a $2.1 million increase in the unrestricted general fund and a $508,632 decrease in the restricted general fund.

The district's collective bargaining agreements include a soft cap on health benefits, under which the district fully covers Kaiser health plan premiums for full-time employees. As a result, the district absorbs all Kaiser premium increases, which have averaged 8.21% annually since 2022. The plan year aligns with the calendar year. For 2026, Kaiser rates rose by 15.94%, which annualizes to a 10.7% increase in 2025-26 health-and-welfare costs. The district also provides an in-lieu payment of $464 per month or up to $5,568 annually for employees who decline medical coverage. District contributions are prorated for certain part-time employees.

Because the district's other health plan premiums are higher than Kaiser's, FCMAT assumed health-and-welfare benefit costs would increase by 10.7% in 2025-26, 13.1% in 2026-27, and 10.6% in 2027-28, based on an average Kaiser increase of 10.58% with no change to the in-lieu amount. In comparison, the district's adopted budget MYFP assumed an 8.05% increase for health and welfare benefits in each year.

Books and Supplies

FCMAT increased the 2025-26 books and supplies budget by a net $813,276, which includes an $8,567 decrease in the unrestricted general fund and an $821,843 increase in the restricted general fund due to various program adjustments.

In its MYFP, FCMAT removed one-time books and supplies expenditures from subsequent years for the following programs: Universal Prekindergarten Planning and Implementation Grant, Kitchen Infrastructure and Training Funds, Other Restricted State — Children & Youth Behavioral Health Initiative (CYBHI), and Other Restricted Local. Because expenditure budgets exceeded projected revenues, FCMAT also reduced books and supplies expenditures for the following restricted programs: Title I, Title III, Title IV, and Other Restricted Local.

Services and Other Operating Expenditures

FCMAT increased the 2025-26 services and other operating expenditures budget by a net $19.3 million, reflecting a $5.9 million decrease in the unrestricted general fund and a $25.2 million increase in the restricted general fund.

The change was driven by two factors. First, certain expenditures shifted on a one-time basis from the unrestricted general fund to restricted programs, including the SSPDBG, Educator Effectiveness — FY 2021-22, Classified School Employee Professional Development Block Grant, A-G Access/Success Grant, A-G Learning Loss Mitigation Grant, and Other Restricted State — CYBHI.

Second, expenditures increased in programs based on prior year actuals or current year allocations, such as Special Education, the Restricted Maintenance Account (RMA) and Other Restricted Local — CalSHAPE. Increases in special education were partially offset by reductions in salaries and benefits, reflecting prior year actual expenditure patterns.

In its MYFP, FCMAT removed one-time expenditures from subsequent years for the following programs: Kitchen Infrastructure and Training Funds, Other Restricted State — Ethnic Studies, and Other Restricted Local — CalSHAPE. Because expenditure budgets exceeded revenues, FCMAT also reduced expenditures for Title II, Title IV, and Other Restricted Local programs. Ongoing expenses were also transferred from expired restricted programs, such as Other Restricted State — Literacy Screenings.

Capital Outlay

FCMAT increased the 2025-26 capital outlay expenditures budget by $687,125, with $82,800 added to the unrestricted general fund and $604,325 added to the restricted general fund.

FCMAT carried the base year capital outlay expenditures into subsequent fiscal years, except for the remaining Kitchen Infrastructure and Training funds ($274,475), which will be fully spent in 2025-26.

Other Outgo/Indirect Costs

The 2024-25 unaudited actuals report shows that the district charged indirect costs to most programs. However, for some programs, such as special education, the rate charged was lower than the allowable rate or not charged at all.

In 2025-26, FCMAT increased other outgo expenditures for indirect cost transfers by $4.3 million in the restricted general fund. This adjustment resulted in a corresponding expenditure offset in the unrestricted general fund, primarily from increased indirect cost charges to special education programs, the SSPDBG and the Learning Recovery Emergency Block Grant.

FCMAT applied indirect cost charges at the maximum allowable rate for each restricted program in the base year and subsequent years to ensure accurate program cost accounting, even when this resulted in a contribution from the unrestricted general fund. Indirect costs were based on the CDE's approved rate for the district for 2025-26, which is 4.96%. Based on 2024-25 unaudited actuals Form ICR, FCMAT used 4.44% for 2026-27 and 2027-28.

The district does not charge indirect costs to other eligible funds. FCMAT increased transfers of interfund indirect costs into the unrestricted general fund in 2025-26 by $476,215 from the Cafeteria Special Revenue Fund (Fund 13), using the lesser of the CDE-approved rate for Child Nutrition or the district's indirect cost rate. FCMAT applied 4.96% in 2025-26 and 4.44% in the subsequent fiscal years.

FCMAT made no other changes to the district's other outgo expenditures; the district had no debt service payments in the general fund in the three prior years or the base year.

Recommendations

The district should:

1. Continue to prepare general fund MYFPs at the resource code level using FCMAT's Projection-Pro software.
2. Provide clear, detailed explanations of key assumptions, such as salary and position adjustments and the workers' compensation rate, in adopted budget and interim financial report MYFPs.
3. Analyze actual step-and-column costs annually and adjust projections to reflect real trends.

4. Ensure position control reports reconcile with adopted budget and interim financial reports, documenting all positions and funding assumptions.
5. Consider transitioning grouped position numbers to a one-position-to-one employee model to make staffing adjustments and funding shifts easier to manage and improve the accuracy of the position control system.
6. Update and reconcile position control data with budget and payroll at least at each interim reporting period and more frequently during significant staffing changes or funding adjustments.
7. Continue to track and monitor one-time expenditures to ensure they are removed from budgets and projections.
8. Avoid using one-time funds for ongoing expenses or adopt a board-approved plan to fund or eliminate those costs when one-time funds expire.
9. Continue applying CPI adjustments consistently to books, supplies, and services, and document assumptions for transparency.
10. Monitor health and welfare cost trends and adjust projections accordingly.
11. Charge indirect costs at the maximum allowable rate for all eligible programs.

Other Financing Sources/Uses

Interfund - Transfers In

The district's adopted budget MYFP includes transfers into the unrestricted general fund from the Fund 17 of $1.5 million in 2026-27 and $3.2 million in 2027-28. According to the district's criteria and standards narrative, these transfers are necessary to maintain a positive unrestricted general fund balance in both years. While using Fund 17 to temporarily support the general fund can provide short-term fiscal relief, reliance on transfers of one-time funds to maintain solvency is not a sustainable practice. FCMAT's MYFP removed these interfund transfers from the unrestricted general fund.

Interfund - Transfers Out

The district transferred $2.9 million in 2022-23 and $2.3 million in both 2023-24 and 2024-25 from the unrestricted general fund to the Special Reserve Fund for Capital Outlay Projects (Fund 40) to support debt service payments for solar and security projects. The adopted budget MYFP continues these transfers at $2.3 million in 2025-26 and 2026-27, with a reduction to $945,845 in 2027-28. FCMAT's MYFP maintains these transfers from the unrestricted general fund to support debt service. Annual debt service, covering both principal and interest, totals over $3.1 million in 2025-26, $3.0 million in 2026-27, and declines to $1.2 million in 2027-28. The district's budget narrative does not explain why the transfer amounts fail to reconcile with these annual debt service totals; however, the district indicated that it has sufficient fund balance in Fund 40 to cover the difference.

Contributions

Restricted programs are intended to be self-supporting, with exceptions for the RMA, special education, and other programs the district chooses to support with unrestricted general funds. When revenues in restricted programs are insufficient to cover expenditures, state accounting rules require districts to contribute unrestricted funds to balance the program's revenues and expenditures.

Table 9 shows the unrestricted general fund contributions to restricted programs included in FCMAT's MYFP. When expenditure budgets exceeded projected revenues in the subsequent years of the projection, FCMAT reduced nonsalary accounts — books and supplies, services and other operating expenses, and capital outlay — where possible to stay within the projected revenue estimates.

Restricted Maintenance Account (RMA)

Because the district participates in the state's facilities funding program, it must contribute unrestricted general funds to the RMA. The minimum required contribution is 3% of total general fund expenditures and other financing uses for each fiscal year, excluding certain restricted programs. The district's 2025-26 adopted budget projected a contribution of $13.1 million to the RMA, which is $708,109 less than the prior year. FCMAT increased this contribution by $549,456 to $13.7 million to align with its projected expenditures for 2025-26; the contribution is estimated to increase to more than $13.9 million in 2027-28.

Special Education Program

The district's 2025-26 adopted budget projected a contribution of $55.5 million to special education programs in the base year. FCMAT increased this contribution by $4.3 million to $59.8 million to align with adjusted expenditures for 2025-26. Much of the increase reflects the addition of indirect costs to the program. The MYFP projects this contribution will rise to $61.3 million in 2026-27 and $63.6 million in 2027-28.

Table 9. FCMAT MYFP General Fund Contributions Summary, 2025-26 — 2027-28

Description	Resource Code	Base Year 2025-26	Year 1 2026-27	Year 2 2027-28
Unrestricted	0000	($73,758,557)	($75,217,657)	($77,907,459)
Total Unrestricted		**($73,758,557)**	**($75,217,657)**	**($77,907,459)**
Career Technical Education Incentive Grant	6387	$27,735	$54,427	$89,530
Strong Workforce Program	6388	$54,427	$59,326	$64,453
Special Education	6500	$89,530	$60,985,153	$63,219,174
Special Education: Project Workability I	6520	$37,540	$43,422	$50,005
Mental Health-Related Services	6546	$50,000	$66,867	$101,280
Special Education: Early Intervention Preschool Grant	6547	$103,710	$160,187	$224,793
Restricted Maintenance Account	8150	$13,652,708	$13,600,276	$13,908,223
Other Local Restricted	9010	$277,640	$250,000	$250,000
Total Restricted		**$73,758,557**	**$75,217,657**	**$77,907,459**

Sources: FCMAT's MYFP.

Note: Minor discrepancies in reported figures are the result of rounding applied during calculations.

Recommendations

The district should:

1. Clearly explain the rationale for transfers in and out of the general fund, including how they align with debt service obligations and reserve policies.

2. Continue efforts to eliminate the structural deficit in its unrestricted general fund and identify ongoing solutions to ensure long-term fiscal stability rather than relying on one-time Fund 17 funds to maintain solvency.
3. Regularly review contributions to ensure they align with actual program needs and adjust when expenditure budgets exceed revenues.
4. Use the MYFP to identify programs that may require contributions from the unrestricted general fund in subsequent years, adjust the MYFP to account for those contributions, and act as necessary to ensure restricted programs are self-sustaining.
5. Continue monitoring contributions to meet the 3% RMA requirement and adjust for changes in total expenditures.
6. Continue to review factors contributing to rising special education costs and consider incorporating indirect costs to capture full program costs.

Multiyear Financial Projection Analysis

An MYFP evaluates a school district's long-term financial stability by projecting revenues and expenditures over several years using current budget assumptions. Its purpose is to determine whether the district can maintain a balanced budget and meet the state-required minimum reserve for economic uncertainties for the current year and two subsequent years. Key risk indicators include ongoing deficit spending and insufficient unrestricted general fund balance and reserves.

Unrestricted General Fund

Unrestricted dollars can be used for any purpose. FCMAT analyzed all general fund sources and expenditures by resource. Based on current assumptions, the district is projected to end 2025-26 with a small operating deficit of $65,764, with deficit spending increasing to $13.0 million in 2026-27 and $17.9 million in 2027-28.

Without additional revenue or expenditure reductions, the district will fail to meet the 3% minimum reserve for economic uncertainties in 2026-27 and will close the year with an unrestricted ending fund balance of negative $11.6 million. This projection assumes the Fund 17 balance will cover the negative fund balance in 2026-27 but will be insufficient to offset the shortfall in 2027-28. Reserves and the unrestricted general fund balance are addressed in more detail in the section below.

Table 10 summarizes FCMAT's analysis of the unrestricted general fund resources for 2025-26 and the two subsequent fiscal years.

Table 10. FCMAT Unrestricted General Fund Summary, 2025-26 — 2027-28

Description	Object Code	Adjusted Base Year 2025-26	Year 1 2026-27	Year 2 2027-28
A. Revenues				
LCFF Sources	8010-8099	$335,727,825	$340,217,432	$344,095,025
Federal Revenue	8100-8299	$0	$0	$0
Other State Revenues	8300-8599	$12,847,902	$13,127,546	$13,304,122
Other Local Revenues	8600-8799	$12,658,519	$12,621,186	$12,631,853
Other Financing Sources - Transfers In	8900-8929	$0	$0	$0
Contributions	8980-8999	($73,758,557)	($75,217,657)	($77,907,459)
Total, Revenue		**$287,475,689**	**$290,748,507**	**$292,123,541**
B. Expenditures				
Certificated Salaries	1000-1999	$148,891,970	$149,206,634	$150,558,088
Classified Salaries	2000-2999	$38,463,122	$38,847,753	$39,236,231
Employee Benefits	3000-3999	$85,466,900	$90,124,116	$94,958,804
Books and Supplies	4000-4999	$3,477,000	$3,550,715	$3,623,821
Services and Other Operating Expenditures	5000-5999	$14,615,842	$24,302,292	$25,488,386
Capital Outlay	6000-6999	$82,800	$82,800	$82,800
Other Outgo (excluding Transfers of Indirect Costs)	7100-7299 7400-7499	$0	$0	$0
Other Outgo - Transfers of Indirect Costs	7300-7399	($5,823,990)	($4,784,184)	($4,869,009)

Description	Object Code	Adjusted Base Year 2025-26	Year 1 2026-27	Year 2 2027-28
Other Financing Uses - Transfers Out	7600-7629	$2,367,808	$2,367,808	$945,845
Total, Expenditures		**$287,541,452**	**$303,697,934**	**$310,024,966**
C. Net Increase/Decrease in Fund Balance		($65,764)	($12,949,427)	($17,901,425)
D. Fund Balance				
Beginning Fund Balance, July 1	9791	$1,456,387	$1,390,623	($11,558,804)
Audit Adjustments / Other Restatements	9793, 9795	$0	$0	$0
Adjusted Beginning Balance		$1,456,387	$1,390,623	($11,558,804)
Ending Fund Balance, June 30		$1,390,623	($11,558,804)	($29,460,229)
Components of Ending Fund Balance				
Nonspendable	9710-9719	$2,020,440	$2,020,440	$2,020,440
Restricted	9740	$0	$0	$0
Committed				
Stabilization Arrangements	9750	$0	$0	$0
Other Commitments	9760	$0	$0	$0
Assigned	9780	$0	$0	$0
Unassigned/Unappropriated				
Reserve for Economic Uncertainties	9789	$0	$0	$0
Unassigned/Unappropriated	9790	($629,817)	($13,579,244)	($31,480,669)

Source: FCMAT's MYFP.

Note: Minor discrepancies in reported figures are the result of rounding applied during calculations.

Restricted General Fund

Categorical programs and grant funds are restricted for specific activities. FCMAT analyzed all general fund sources and expenditures by resource. Based on current assumptions, the district is projected to end 2025-26 with a restricted balance of $20.9 million, which includes funding for the restricted programs listed below in the components of ending fund balance section of Table 11. The MYFP projects the balance will decline to $19.5 million in 2026-27 and $18.5 million in 2027-28.

FCMAT did not remove expenditures for expiring resources unless documents or interviews confirmed they were one-time costs.

Table 11 summarizes FCMAT's analysis of the restricted general fund resources for 2025-26 and the two subsequent fiscal years.

Table 11. FCMAT Restricted General Fund Summary, 2025-26 — 2027-28

Description	Object Code	Adjusted Base Year 2025-26	Year 1 2026-27	Year 2 2027-28
A. Revenues				
LCFF Sources	8010-8099	$0	$0	$0
Federal Revenue	8100-8299	$7,490,621	$6,982,627	$6,846,430

Description	Object Code	Adjusted Base Year 2025-26	Year 1 2026-27	Year 2 2027-28
Other State Revenues	8300-8599	$71,590,814	$58,490,912	$58,718,514
Other Local Revenues	8600-8799	$24,112,771	$22,309,495	$22,309,495
Other Financing Sources - Transfers In	8900-8929	$0	$0	$0
Contributions	8980-8999	$73,758,557	$75,217,657	$77,907,459
Total, Revenue		**$176,952,763**	**$163,000,691**	**$165,781,898**
B. Expenditures				
Certificated Salaries	1000-1999	$39,580,644	$37,466,438	$37,840,988
Classified Salaries	2000-2999	$31,300,829	$31,613,300	$31,928,896
Employee Benefits	3000-3999	$50,728,483	$51,479,327	$53,298,667
Books and Supplies	4000-4999	$8,277,130	$6,380,248	$6,084,066
Services and Other Operating Expenditures	5000-5999	$50,735,504	$31,922,131	$32,063,011
Capital Outlay	6000-6999	$705,475	$431,000	$431,000
Other Outgo (excluding Transfers of Indirect Costs)	7100-7299 7400-7499	$704,146	$704,146	$704,146
Other Outgo - Transfers of Indirect Costs	7300-7399	$5,347,775	$4,357,895	$4,442,720
Other Financing Uses - Transfers Out	7600-7629	$0	$0	$0
Total, Expenditures		**$187,379,985**	**$164,354,486**	**$166,793,494**
C. Net Increase/Decrease in Fund Balance		($10,427,222)	($1,353,795)	($1,011,596)
D. Fund Balance				
Beginning Fund Balance, July 1	9791	$31,281,557	$20,854,335	$19,500,541
Audit Adjustments / Other Restatements	9793, 9795	$0	$0	$0
Adjusted Beginning Balance		$31,281,557	$20,854,335	$19,500,541
Ending Fund Balance, June 30		$20,854,335	$19,500,541	$18,488,945
Components of Ending Fund Balance				
Nonspendable	9710-9719	$0	$0	$0
Restricted				
Expanded Learning Opportunities Program	9740	$2,700,831	$2,593,628	$2,439,707
Arts and Music in Schools—Proposition 28	9740	$4,049,625	$4,547,178	$4,900,200
Learning Recovery Emergency Block Grant	9740	$577,482	$0	$0
Restricted Maintenance Account	9740	$4,648,586	$2,936,815	$1,181,008
Other Restricted Local	9740	$8,877,812	$9,422,921	$9,968,030
Committed				
Stabilization Arrangements	9750	$0	$0	$0
Other Commitments	9760	$0	$0	$0
Assigned	9780	$0	$0	$0
Unassigned/Unappropriated				
Reserve for Economic Uncertainties	9789	$0	$0	$0
Unassigned/Unappropriated	9790	$0	$0	$0

Source: FCMAT MYFP.

Note Minor discrepancies in reported figures are the result of rounding applied during calculations.

Combined General Fund

Table 12 provides FCMAT's analysis of the district's combined general fund resources for 2025-26 and the two subsequent fiscal years.

Table 12. FCMAT Combined General Fund Summary, 2025-26 — 2027-28

Description	Object Code	Adjusted Base Year 2025-26	Year 1 2026-27	Year 2 2027-28
A. Revenues				
LCFF Sources	8010-8099	$335,727,825	$340,217,432	$344,095,025
Federal Revenue	8100-8299	$7,490,621	$6,982,627	$6,846,430
Other State Revenues	8300-8599	$84,438,716	$71,618,458	$72,022,636
Other Local Revenues	8600-8799	$36,771,290	$34,930,681	$34,941,348
Other Financing Sources - Transfers In	8900-8929	$0	$0	$0
Contributions	8980-8999	$0	$0	$0
Total, Revenue		**$464,428,452**	**$453,749,198**	**$457,905,439**
B. Expenditures				
Certificated Salaries	1000-1999	$188,472,614	$186,673,072	$188,399,076
Classified Salaries	2000-2999	$69,763,951	$70,461,053	$71,165,127
Employee Benefits	3000-3999	$136,195,383	$141,603,443	$148,257,471
Books and Supplies	4000-4999	$11,754,131	$9,930,964	$9,707,887
Services and Other Operating Expenditures	5000-5999	$65,351,345	$56,224,423	$57,551,397
Capital Outlay	6000-6999	$788,275	$513,800	$513,800
Other Outgo (excluding Transfers of Indirect Costs)	7100-7299 7400-7499	$704,146	$704,146	$704,146
Other Outgo - Transfers of Indirect Costs	7300-7399	($476,215)	($426,289)	($426,289)
Other Financing Uses - Transfers Out	7600-7629	$2,367,808	$2,367,808	$945,845
Total, Expenditures		**$474,921,438**	**$468,052,420**	**$476,818,459**
C. Net Increase (Decrease) in Fund Balance		($10,492,986)	($14,303,222)	($18,913,020)
D. Fund Balance				
Beginning Fund Balance, July 1	9791	$32,737,944	$22,244,958	$7,941,736
Audit Adjustments / Other Restatements	9793, 9795	$0	$0	$0
Adjusted Beginning Balance		$32,737,944	$22,244,958	$7,941,736
Ending Fund Balance, June 30		$22,244,958	$7,941,736	($10,971,284)
Components of Ending Fund Balance				
Nonspendable	9710-9719	$2,020,440	$2,020,440	$2,020,440
Restricted	9740	$20,854,335	$19,500,541	$18,488,945
Committed				
Stabilization Arrangements	9750	$0	$0	$0
Other Commitments	9760	$0	$0	$0
Assigned	9780	$0	$0	$0

Description	Object Code	Adjusted Base Year 2025-26	Year 1 2026-27	Year 2 2027-28
Unassigned/Unappropriated				
Reserve for Economic Uncertainties	9789	$0	$0	$0
Unassigned/Unappropriated	9790	($629,817)	($13,579,244)	($31,480,669)

Source: FCMAT MYFP.

Note: Minor discrepancies in reported figures are the result of rounding applied during calculations.

Reserves and Unrestricted General Fund Balance

Fiscal Reserve Policy

On September 16, 2025, the district adopted Board Policy 3100.1 — Fiscal Reserve Policy, which establishes a framework to provide financial stability, guard against midyear service disruptions, and maintain sufficient liquidity to meet its financial obligations. The policy also supports sustaining a strong credit rating and mitigating the impact of unexpected revenue shortfalls or significant one-time expenditures.

The policy sets a minimum reserve target of 7% of annual combined general fund expenditures and other financing uses, comprised of the following: 3% reserve for economic uncertainty matching the state-required minimum, and 4% strategic reserve for economic uncertainty intended to provide additional flexibility and stability.

This reserve will be achieved incrementally by increasing the balance in Fund 17, with progress reported annually to the board.

The uncertainty surrounding the district's reliance on donations, declining enrollment and increasing contributions from the unrestricted general fund to special education underscores the need for a policy to maintain reserves higher than the state's minimum requirement.

Reserve Levels

Fund 17 contributes significantly to the district's overall reserve position, and FCMAT has included these funds when calculating total available reserves. FCMAT's MYFP projects that the district's total reserves will fall below the 3% minimum requirement to 1.13% in 2026-27 and decline further to negative 2.55% in 2027-28. This forecast indicates that even with Fund 17 included, the district does not have sufficient reserves to sustain ongoing deficit spending beyond one year, creating a heightened risk of cash insolvency without corrective action.

Table 13 shows statewide average unrestricted general fund ending balances, including Fund 17, for unified school districts for 2021-22 through 2023-24 (the most recent data available) as a measure of reserve levels. The district's reserves were significantly below the statewide average from 2021-22 through 2023-24.

Table 13. District and Statewide Average Reserves, 2021-22 — 2023-24

Unrestricted Ending General Fund Balance	2021-22	2022-23	2023-24
San Ramon Valley Unified School District	9.28%	9.64%	7.64%
Statewide Average for Unified School Districts	22.19%	23.74%	24.36%
Difference	(12.91%)	(14.10%)	(16.72%)

Sources: SSC and FCMAT.

Note: The figures include the unrestricted general fund ending balance plus Fund 17 and are expressed as a percentage of total general fund expenditures, transfers and other uses.

The district ended 2024-25 with a 4.18% reserve (i.e., unrestricted general fund ending balance plus Fund 17 balance) and is projected to finish 2025-26 at 4.17%, well below its policy target. FCMAT's MYFP shows a continuing unrestricted general fund structural deficit totaling $17.9 million by 2027-28, which would erode reserves within one year. Unanticipated revenue losses or unplanned costs would worsen this outlook.

Without new revenues or further expenditure reductions, the district may deplete cash and face insolvency by 2027-28.

Recommendations

The district should:

1. Monitor its budget closely and update projections at the first interim, incorporating actuals through October 31, 2025, and adjustments for enrollment and staffing.
2. Revise its fiscal stabilization plan as soon as possible, including savings expected from its recently approved SERP, as well as a timeline for implementation to eliminate any structural deficit identified, maintain a positive general fund balance, and restore reserves to comply with the board's 7% policy.

Other Funds, Revenue Increases and Expenditure Reductions

Other Funds

FCMAT reviewed all the district's other funds to identify and assess any potential fiscal impact on the unrestricted general fund. Significant and related observations are discussed below.

Student Activity Special Revenue Fund (Fund 08)

School districts use Fund 08 to account for associated student body (ASB) activities that do not meet the fiduciary[3] criteria under GASB Statement 84 and are classified as governmental activities.

The district's 2024-25 unaudited actuals report $4.8 million in revenues and $5.4 million in expenditures, reducing the fund balance from $2.0 million to $1.4 million as of June 30, 2025. This amount is the beginning balance for 2025-26, but the adopted budget includes no revenues or expenditures for the year.

Using Fund 08 is optional; districts may also record nonfiduciary ASB activities in the general fund. The district uses both methods, Fund 08 and a locally defined resource in its unrestricted general fund. While permissible, splitting ASB activity between two funds can cause inconsistent reporting, make it harder to track total ASB resources and create confusion when reviewing financial statements.

Cafeteria Special Revenue Fund (Fund 13)

School districts use Fund 13 to account for food service programs. Districts may charge the fund the lesser of their respective CDE-approved indirect cost rate or the program's statewide average rate for that year.

The district's 2024-25 unaudited actuals show a surplus of $1.1 million in Fund 13, while its 2025-26 adopted budget projects a deficit of $830,639. The 2024-25 unaudited actuals indicate the district did not charge indirect costs to the food service program, and the 2025-26 adopted budget also excludes these transfers. As noted earlier, FCMAT's MYFP includes indirect cost transfers from Fund 13 to the general fund in all projection years. Including allowable indirect costs reimburses the unrestricted general fund for administrative costs and reflects the program's full operating cost.

Special Reserve Fund for Other than Capital Outlay Projects (Fund 17)

School districts use Fund 17 to accumulate resources for expenses other than capital outlay. In audited financial statements, this fund is combined with the general fund. Before expenditures can be made, funds must be transferred from this reserve to the general fund or another appropriate fund, as required by EC 42842.

The district's 2024-25 unaudited actuals show a Fund 17 balance of $18.5 million. For 2025-26, the adopted budget projects $400,000 in interest earnings. To maintain a positive unrestricted general fund balance, the district's MYFP includes transfers from Fund 17 in 2026-27 and 2027-28, indicating the fund

3 Fiduciary refers to those activities where the district hold funds in trust for others and does not have control over how they are spent. Statement 84, issued by the Governmental Accounting Standards Board (GASB), is a government accounting standard that defines how fiduciary activities should be reported.

plays a critical role in balancing the budget and mitigating the district's structural deficit. FCMAT removed these transfers from its MYFP and counted the Fund 17 balance toward the district's reserve for economic uncertainties.

Building Fund (Fund 21)

School districts use Fund 21 to account for proceeds from the sale of facilities bonds, which must be spent on voter-approved projects. District documents and staff interviews indicate Fund 21 has sufficient resources to complete projects in progress at the time of FCMAT's fieldwork.

Capital Facilities Fund (Fund 25)

Fund 25 accounts for developer fees collected under EC 17620 through 17626 and GC 65995, along with interest earnings. These funds are restricted for facility development and other uses specified in agreements with developers.

In 2024-25, the district reported a $3.3 million surplus in Fund 25, and the 2025-26 adopted budget projects to add $2.1 million to the ending fund balance, which is expected to exceed $20.2 million by the end of 2025-26.

EC 17620(a)(5) allows districts to receive administration costs for collecting developer fees by transferring up to 3% of fees collected in a fiscal year to the unrestricted general fund. The district does not make this transfer.

Special Reserve Fund for Capital Outlay Projects (Fund 40)

Districts use Fund 40 to accumulate general funds for capital outlay purposes, as authorized by EC 42840. This fund may also account for revenue sources not restricted to other capital project funds, such as proceeds from the sale or lease-with-option-to-purchase of real property, rental income, and leases approved by the board. Revenue sources include federal, state and local funding, interest earnings, and other authorized interfund transfers.

Expenditures from Fund 40 are restricted to capital outlay purposes, including property maintenance, renovations and school improvements, typically classified under object 6000 codes. Salaries for employees directly involved in Fund 40 projects may also be capitalized as part of project costs.

In addition to other facilities priorities, the district uses Fund 40 to pay debt service obligations related to a 2010 Qualified School Construction Bond and a 2015 lease financing agreement for solar and security projects. Although these payments are made from Fund 40, the district annually transfers funds from the unrestricted general fund to support them. However, the transfer amount has been less than the annual debt service, leaving Fund 40 to cover the difference.

The total debt service payment for 2024-25 was $3.2 million, with 2025-26 estimated at $3.1 million. A portion of the solar-related debt is expected to be fully repaid in 2026-27, which will reduce future debt service requirements. As of the 2024-25 unaudited actuals, Fund 40 had a balance of close to $11.0 million, which provides some capacity to absorb these costs but limits its availability for other capital projects.

Self-Insurance Fund (Fund 67)

Districts use Fund 67 to account for revenues and expenditures related to self-insurance activities, such as workers' compensation, health and welfare benefits, and property loss coverage. Revenues typically include in-district contributions, interagency revenues, interest earnings and other local sources. Expenditures from this fund include claim payments, incurred but not reported liabilities, excess insurance premiums, administrative costs and other related expenses. These funds are restricted for insurance purposes and must be used in accordance with EC 17566 and GC 53205.

The district uses Fund 67 to self-insure dental and vision coverage, with employer contributions deposited and paid from this fund. It also covers property and liability claims under $50,000. The fund shows no unfunded or contingent liabilities, and its balance as of June 30, 2025, of $4.3 million appears sufficient to meet actuarial requirements.

EC 17566 requires an actuarial evaluation every three years. The most recent report was dated January 2023 for the 2021-22 plan year; therefore, the district's next report is due by January 2026. Based on current information, Fund 67 appears fiscally stable. However, if future actuarial evaluations identify additional liabilities or reserve shortfalls, the unrestricted general fund would need to provide additional contributions.

Recommendations

The district should:

1. Consolidate ASB activity into a single fund, either Fund 08 or the general fund, to improve transparency and reduce the risk of reporting errors.
2. Review and update the 2025-26 budget to include realistic revenues and expenses for ASB activities in Fund 08 if the district maintains this fund.
3. Begin charging indirect costs to Fund 13 at the lesser of the district's CDE-approved rate or the statewide average rate to reimburse the unrestricted general fund for administrative activities.
4. Implement transfers of up to 3% of developer fees collected annually to the unrestricted general fund for administrative cost recovery, as allowed by EC 17620.
5. Continue monitoring and projecting revenues and expenditures for all other funds throughout the year.
6. Continue to ensure that the financial impact of all other funds on the unrestricted general fund for the current and two subsequent years is included in the MYFP.

Revenue Increases

Maximizing Funding Through Attendance and Data Accuracy

Districtwide Attendance Practices and Support Systems

School districts continue to face financial challenges from declining enrollment and reduced student attendance. While many are still recovering from COVID-19-related disruptions, ongoing enrollment declines further reduce LCFF revenue. Addressing these risks requires monitoring attendance and implementing strategies to improve daily participation and reduce chronic absenteeism. Effective practices include timely absence notifications, incentives, parent education and districtwide campaigns with clear goals and progress updates shared through school and board channels. The CDE publishes several strategies for attendance improvement on its website. Districts may also attract new students by promoting their educational programs and strengths.

The district maintains a high attendance capture rate (i.e., ADA-to-enrollment ratio) and implements an annual "Attendance Matters" campaign to reinforce the importance of regular school attendance. The district's attendance coordinator, a social worker, works closely with school sites to monitor attendance and provide targeted support. The district reports having clear policies and procedures to guide School Attendance Review Teams at the site level and to manage truancy cases through the School Attendance Review Board, ensuring a structured approach to early intervention and escalation.

Leveraging Attendance Data for Calendar Planning

Analyzing historical attendance data can help identify periods during the school year with lower attendance trends. When developing the annual school calendar, many districts consider how midweek holidays, religious and cultural observances, staff development days, and other events may affect subsequent absences. The district negotiates the school calendar annually with labor partners but reports it has not historically used attendance data to inform calendar decisions.

Short-Term Independent Study as an Attendance Recovery Tool

Offering short-term independent study allows districts to recover attendance that would otherwise be lost due to student absences. Senate Bill 153 (Chapter 38, Statutes of 2024) repealed the previous three-day minimum duration for claiming ADA for independent study. Under the new law, districts may now claim ADA for any duration of independent study. Written agreements for short-term independent study, 15 or fewer days, may be signed at any time during the school year. The district reports having sufficient policies and procedures in place to capture attendance through short-term independent study.

Improving Student Data Accuracy for LCFF Funding

Accurate identification and reporting of students eligible for free or reduced-price meals, English learners, and foster youth are critical for maximizing LCFF supplemental and concentration grant funding. Because UPC directly impacts LCFF allocations, departments and school sites must carefully review CALPADS data for accuracy before submission to the state. Although departments and schools correct CALPADS system-generated errors, the district lacks a consistent, documented process to ensure all sites verify their data. The district reports it is developing a formal procedure to address data quality assurance and support timely, accurate report submissions.

In 2022-23, the state implemented the Universal Meals Program, requiring districts to provide two free meals per day to all students, regardless of income. This change reduced the incentive for families to submit free and reduced-price meal applications, which remain necessary for determining federal meal reimbursement eligibility and contribute to LCFF funding levels. To reduce the impact of lower application rates, districts are encouraged to promote the completion of an alternate income form, which is simpler than the standard meal application. The CDE provides sample forms that can be used in place of, or alongside, federal meal applications to determine student eligibility. Although the district promotes completing the form, participation may increase if families understand how the information affects school funding and student services.

Maximizing Indirect Cost Recovery

All programs incur general management expenses, commonly called indirect costs, which include administrative activities such as accounting, budgeting, payroll, personnel services, purchasing and central data processing. An indirect cost rate allows LEAs to recover a portion of these costs from restricted programs in a consistent and efficient way.

The CDE establishes the rates districts can charge to each program. An LEA may apply up to its established rate unless program requirements impose limits. Charging the maximum allowable rate promotes equity across departments, ensures general management costs are adequately supported and provides a complete picture of program costs.

LEAs often do not charge indirect costs to programs that receive contributions from the unrestricted general fund, such as special education. However, applying the allowable rate in these cases is still important to accurately reflect the full cost of the program. Not applying the rate understates program costs and reduces reimbursements to the unrestricted general fund, masking the true cost of operations.

FCMAT's review of the district's indirect cost charges for 2023-24 through 2025-26 found that while the district collected indirect costs from many programs, it did not charge the full allowable rate to numerous federal, state, and local resources. Notable examples include special education, title programs and Fund 13.

FCMAT identified underapplied or uncharged indirect costs totaling an estimated $4.3 million in 2025-26, including close to $475,000 for Child Nutrition.

Developer Fees—Administrative Cost Recovery

Education Code 17620(a)(5) allows school districts to recover administrative costs for collecting developer fees by transferring up to 3% of fees collected in a fiscal year to the unrestricted general fund. The district does not make this transfer. Not recovering these costs shifts the burden to the unrestricted general fund instead of Fund 25.

Recommendations

The district should:

1. Continue promoting its educational strengths and course offerings to families and the community while exploring strategies to increase enrollment.
2. Ensure departments and schools verify CALPADS data and correct any errors before reporting deadlines.
3. Implement strategies to maximize attendance and UPC.
4. Charge each restricted resource and eligible fund the full allowable indirect cost rate, even if it results in a contribution from the unrestricted general fund.
5. Transfer the allowable 3% administrative fee on developer fees to the unrestricted general fund.

Expenditure Reductions

Facility Utilization Cost Pressures

The district is experiencing ongoing enrollment declines and demographic shifts that have led to underutilization of some facilities. Several elementary and middle schools are operating at or below 70 percent of capacity, which raises concerns about fiscal efficiency and the ability to sustain programs across campuses. Since 2017-18, the district has lost more than 12 percent of its enrollment.

Projections indicate this downward trend will continue, driven by lower birth rates and housing affordability challenges. These demographic factors suggest that underutilization will persist without significant changes to facility planning.

Maintaining excess space increases per-student operating costs because fixed expenses, such as utilities, custodial services, and administrative costs, remain regardless of enrollment. This inefficiency reduces fiscal flexibility and limits the district's ability to redirect funds toward instructional priorities. Additionally, as buildings and systems age, maintenance and modernization costs escalate, further straining resources. Deferred maintenance can lead to safety risks and higher long-term costs if critical systems fail.

If enrollment continues to decline, revenues will decrease, exacerbating the mismatch between facility capacity and student population. Underutilization also impacts program delivery, as schools with low enrollment may struggle to offer robust academic and extracurricular options, which can affect student experience and community perception. Evaluating facility use and aligning capacity with enrollment trends is essential to ensure efficient operations and long-term fiscal sustainability.

Health and Welfare Benefits—Eligibility and Cost Management

Verifying benefit eligibility for all active and retired employees at least every five years is considered the best practice. The district has not completed a full eligibility review for employees and dependents within the past five years. Districts often find during these reviews that they are paying benefits for individuals who no longer qualify. Conducting this verification could reduce ongoing general fund expenditures.

In addition to eligibility concerns, the district faces significant and escalating health premium costs that are difficult to sustain long term. Kaiser health plan premiums, which the district fully covers for full-time employees under its collective bargaining agreements, have averaged annual increases of more than 8% since 2022, with a 15.94% increase for the 2026 plan year. The soft cap introduces uncertainty into the district's financial projections, and the increases pose a risk to fiscal stability.

Districts with fixed or hard caps on employer contributions have greater financial certainty because these caps limit exposure to unpredictable premium increases. A fixed cap, which would require negotiated agreement with the district's labor partners, provides a clearer basis for projecting future costs. Districts manage these risks through health benefits committees that meet regularly to review benefit data, evaluate plan options and analyze changes to contain costs.

Recommendations

The district should:

1. Conduct a comprehensive facility utilization analysis to identify schools operating significantly below capacity and evaluate options for optimizing space.

2. Explore campus consolidation scenarios where feasible to reduce excess space and associated operating costs.
3. Assess opportunities to repurpose underutilized facilities for alternative educational programs.
4. Investigate shared-use agreements with community organizations to maximize facility utilization and offset costs.
5. Review and prioritize maintenance and modernization plans based on enrollment trends, facility condition and long-term fiscal impact.
6. Perform a benefit verification and eligibility audit for all active and retired employees and dependents at least every five years.
7. Evaluate strategies to contain health care cost increases, such as implementing a fixed employer contribution cap and leveraging a health benefits committee to identify cost containment measures.

Appendices

Appendix A — District's 2025-26 Adopted Budget Multiyear Financial Projection

Appendix B — Study Agreement

Appendix A — District's 2025-26 Adopted Budget Multiyear Financial Projection

San Ramon Valley Unified Contra Costa County	Budget, July 1 General Fund Multiyear Projections Unrestricted	07 61804 0000000 Form MYP G8BFJUJ6E1(2025-26)

Description	Object Codes	2025-26 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF Sources	8010-8099	333,428,493.00	1.16%	337,287,174.00	0.90%	340,310,865.00
2. Federal Revenues	8100-8299	0.00	0.00%	0.00	0.00%	0.00
3. Other State Revenues	8300-8599	12,094,823.00	0.08%	12,104,993.77	0.46%	12,160,148.38
4. Other Local Revenues	8600-8799	12,541,993.00	0.04%	12,547,256.20	-0.17%	12,526,203.87
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	1,500,000.00	113.33%	3,200,000.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	(68,995,648.00)	0.72%	(69,495,666.09)	1.61%	(70,612,271.23)
6. Total (Sum lines A1 thru A5c)		289,069,661.00	1.69%	293,943,757.88	1.24%	297,584,946.02
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				143,777,598.00		144,808,380.01
b. Step & Column Adjustment				1,414,329.01		1,423,537.13
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(383,547.00)		(1,991,595.00)
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	143,777,598.00	0.72%	144,808,380.01	-0.39%	144,240,322.14
2. Classified Salaries						
a. Base Salaries				38,181,985.00		38,595,903.85
b. Step & Column Adjustment				381,819.85		385,959.05
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				32,099.00		140,940.00
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	38,181,985.00	1.08%	38,595,903.85	1.37%	39,122,802.90
3. Employee Benefits	3000-3999	81,997,907.00	4.03%	85,302,970.76	3.87%	88,606,803.89
4. Books and Supplies	4000-4999	3,485,567.00	-5.63%	3,289,436.90	2.77%	3,380,554.29
5. Services and Other Operating Expenditures	5000-5999	20,523,302.00	2.19%	20,972,762.77	5.65%	22,157,119.27
6. Capital Outlay	6000-6999	0.00	0.00%	0.00	0.00%	0.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	0.00	0.00%	0.00	0.00%	0.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	(1,030,303.00)	-12.34%	(903,171.20)	2.28%	(923,785.90)
9. Other Financing Uses						
a. Transfers Out	7600-7629	2,367,808.00	0.00%	2,367,808.00	-60.05%	945,845.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments (Explain in Section F below)				0.00		0.00
11. Total (Sum lines B1 thru B10)		289,303,864.00	1.77%	294,434,091.09	1.05%	297,529,661.59

San Ramon Valley Unified
Contra Costa County

Budget, July 1
General Fund
Multiyear Projections
Unrestricted

07 61804 0000000
Form MYP
G8BFJUJ6E1(2025-26)

Description	Object Codes	2025-26 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)
C. NET INCREASE (DECREASE) IN FUND BALANCE (Line A6 minus line B11)		(234,203.00)		(490,333.21)		55,284.43
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 01, line F1e)		1,101,599.21		867,396.21		377,063.00
2. Ending Fund Balance (Sum lines C and D1)		867,396.21		377,063.00		432,347.43
3. Components of Ending Fund Balance						
a. Nonspendable	9710-9719	365,552.00		365,552.00		365,552.00
b. Restricted	9740					
c. Committed						
1. Stabilization Arrangements	9750	0.00		0.00		0.00
2. Other Commitments	9760	0.00		0.00		0.00
d. Assigned	9780	501,844.21		11,511.00		66,795.43
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	0.00		0.00		0.00
2. Unassigned/Unappropriated	9790	0.00		0.00		0.00
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		867,396.21		377,063.00		432,347.43
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	0.00		0.00		0.00
c. Unassigned/Unappropriated	9790	0.00		0.00		0.00
(Enter reserve projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted.)						
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750			0.00		0.00
b. Reserve for Economic Uncertainties	9789	13,456,427.00		13,532,099.00		13,672,485.00
c. Unassigned/Unappropriated	9790	0.00				
3. Total Available Reserves (Sum lines E1a thru E2c)		13,456,427.00		13,532,099.00		13,672,485.00

F. ASSUMPTIONS

Please provide below or on a separate attachment, the assumptions used to determine the projections for the first and second subsequent fiscal years. Further, please include an explanation for any significant expenditure adjustments projected in lines B1d, B2d, and B10. For additional information, please refer to the Budget Assumptions section of the SACS Financial Reporting Software User Guide.

See Attached

San Ramon Valley Unified
Contra Costa County

Budget, July 1
General Fund
Multiyear Projections
Restricted

07 61804 0000000
Form MYP
G8BFJUJ6E1(2025-26)

Description	Object Codes	2025-26 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF Sources	8010-8099	0.00	0.00%	0.00	0.00%	0.00
2. Federal Revenues	8100-8299	7,268,460.00	0.00%	7,268,460.00	0.00%	7,268,460.00
3. Other State Revenues	8300-8599	55,542,158.00	1.38%	56,307,000.00	1.98%	57,419,428.40
4. Other Local Revenues	8600-8799	21,637,345.00	0.00%	21,637,345.00	0.00%	21,637,345.00
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	68,995,648.00	0.72%	69,495,666.09	1.61%	70,612,271.23
6. Total (Sum lines A1 thru A5c)		153,443,611.00	0.82%	154,708,471.09	1.44%	156,937,504.63
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				40,122,082.00		38,361,816.97
b. Step & Column Adjustment				379,819.97		378,987.43
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(2,140,085.00)		(463,073.89)
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	40,122,082.00	-4.39%	38,361,816.97	-0.22%	38,277,730.51
2. Classified Salaries						
a. Base Salaries				33,618,520.00		33,922,285.21
b. Step & Column Adjustment				331,760.21		337,813.45
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(27,995.00)		(140,940.45)
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	33,618,520.00	0.90%	33,922,285.21	0.58%	34,119,158.21
3. Employee Benefits	3000-3999	50,674,111.00	0.76%	51,060,712.38	2.36%	52,263,669.85
4. Books and Supplies	4000-4999	7,455,287.00	-11.50%	6,597,775.38	2.51%	6,763,532.62
5. Services and Other Operating Expenditures	5000-5999	25,538,067.00	-2.17%	24,984,800.30	0.33%	25,066,645.98
6. Capital Outlay	6000-6999	101,150.00	0.00%	101,150.00	0.00%	101,150.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	704,146.00	0.00%	704,146.00	0.00%	704,146.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	1,030,303.00	-12.34%	903,171.20	2.28%	923,785.90
9. Other Financing Uses						
a. Transfers Out	7600-7629	0.00	0.00%	0.00	0.00%	0.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments (Explain in Section F below)				0.00		0.00
11. Total (Sum lines B1 thru B10)		159,243,666.00	-1.64%	156,635,857.44	1.01%	158,219,819.07
C. NET INCREASE (DECREASE) IN FUND BALANCE (Line A6 minus line B11)		(5,800,055.00)		(1,927,386.35)		(1,282,314.44)

San Ramon Valley Unified
Contra Costa County

Budget, July 1
General Fund
Multiyear Projections
Restricted

07 61804 0000000
Form MYP
G8BFJUJ6E1(2025-26)

Description	Object Codes	2025-26 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 01, line F1e)		17,277,134.08		11,477,079.08		9,549,692.73
2. Ending Fund Balance (Sum lines C and D1)		11,477,079.08		9,549,692.73		8,267,378.29
3. Components of Ending Fund Balance						
a. Nonspendable	9710-9719	0.00		0.00		0.00
b. Restricted	9740	11,477,079.53		9,549,692.73		8,267,378.29
c. Committed						
1. Stabilization Arrangements	9750					
2. Other Commitments	9760					
d. Assigned	9780					
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789					
2. Unassigned/Unappropriated	9790	(.45)		0.00		0.00
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		11,477,079.08		9,549,692.73		8,267,378.29
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated	9790					
(Enter reserve projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted.)						
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated	9790					
3. Total Available Reserves (Sum lines E1a thru E2c)						

F. ASSUMPTIONS

Please provide below or on a separate attachment, the assumptions used to determine the projections for the first and second subsequent fiscal years. Further, please include an explanation for any significant expenditure adjustments projected in lines B1d, B2d, and B10. For additional information, please refer to the Budget Assumptions section of the SACS Financial Reporting Software User Guide.

See Attached

San Ramon Valley Unified
Contra Costa County

Budget, July 1
General Fund
Multiyear Projections
Unrestricted/Restricted

07 61804 0000000
Form MYP
G8BFJUJ6E1(2025-26)

Description	Object Codes	2025-26 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF Sources	8010-8099	333,428,493.00	1.16%	337,287,174.00	0.90%	340,310,865.00
2. Federal Revenues	8100-8299	7,268,460.00	0.00%	7,268,460.00	0.00%	7,268,460.00
3. Other State Revenues	8300-8599	67,636,981.00	1.15%	68,411,993.77	1.71%	69,579,576.78
4. Other Local Revenues	8600-8799	34,179,338.00	0.02%	34,184,601.20	-0.06%	34,163,548.87
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	1,500,000.00	113.33%	3,200,000.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	0.00	0.00%	0.00	0.00%	0.00
6. Total (Sum lines A1 thru A5c)		442,513,272.00	1.39%	448,652,228.97	1.31%	454,522,450.65
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				183,899,680.00		183,170,196.98
b. Step & Column Adjustment				1,794,148.98		1,802,524.56
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(2,523,632.00)		(2,454,668.89)
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	183,899,680.00	-0.40%	183,170,196.98	-0.36%	182,518,052.65
2. Classified Salaries						
a. Base Salaries				71,800,505.00		72,518,189.06
b. Step & Column Adjustment				713,580.06		723,772.50
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				4,104.00		(.45)
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	71,800,505.00	1.00%	72,518,189.06	1.00%	73,241,961.11
3. Employee Benefits	3000-3999	132,672,018.00	2.78%	136,363,683.14	3.30%	140,870,473.74
4. Books and Supplies	4000-4999	10,940,854.00	-9.63%	9,887,212.28	2.60%	10,144,086.91
5. Services and Other Operating Expenditures	5000-5999	46,061,369.00	-0.23%	45,957,563.07	2.76%	47,223,765.25
6. Capital Outlay	6000-6999	101,150.00	0.00%	101,150.00	0.00%	101,150.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	704,146.00	0.00%	704,146.00	0.00%	704,146.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	0.00	0.00%	0.00	0.00%	0.00
9. Other Financing Uses						
a. Transfers Out	7600-7629	2,367,808.00	0.00%	2,367,808.00	-60.05%	945,845.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments				0.00		0.00
11. Total (Sum lines B1 thru B10)		448,547,530.00	0.56%	451,069,948.53	1.04%	455,749,480.66
C. NET INCREASE (DECREASE) IN FUND BALANCE (Line A6 minus line B11)		(6,034,258.00)		(2,417,719.56)		(1,227,030.01)

San Ramon Valley Unified
Contra Costa County

Budget, July 1
General Fund
Multiyear Projections
Unrestricted/Restricted

07 61804 0000000
Form MYP
G8BFJUJ6E1(2025-26)

Description	Object Codes	2025-26 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 01, line F1e)		18,378,733.29		12,344,475.29		9,926,755.73
2. Ending Fund Balance (Sum lines C and D1)		12,344,475.29		9,926,755.73		8,699,725.72
3. Components of Ending Fund Balance						
a. Nonspendable	9710-9719	365,552.00		365,552.00		365,552.00
b. Restricted	9740	11,477,079.53		9,549,692.73		8,267,378.29
c. Committed						
1. Stabilization Arrangements	9750	0.00		0.00		0.00
2. Other Commitments	9760	0.00		0.00		0.00
d. Assigned	9780	501,844.21		11,511.00		66,795.43
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	0.00		0.00		0.00
2. Unassigned/Unappropriated	9790	(.45)		0.00		0.00
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		12,344,475.29		9,926,755.73		8,699,725.72
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	0.00		0.00		0.00
c. Unassigned/Unappropriated	9790	0.00		0.00		0.00
d. Negative Restricted Ending Balances (Negative resources 2000-9999)	979Z	(.45)		0.00		0.00
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	13,456,427.00		13,532,099.00		13,672,485.00
c. Unassigned/Unappropriated	9790	0.00		0.00		0.00
3. Total Available Reserves - by Amount (Sum lines E1a thru E2c)		13,456,426.55		13,532,099.00		13,672,485.00
4. Total Available Reserves - by Percent (Line E3 divided by Line F3c)		3.00%		3.00%		3.00%
F. RECOMMENDED RESERVES						
1. Special Education Pass-through Exclusions						
For districts that serve as the administrative unit (AU) of a special education local plan area (SELPA):						
a. Do you choose to exclude from the reserve calculation the pass-through funds distributed to SELPA members?	No					

San Ramon Valley Unified
Contra Costa County

Budget, July 1
General Fund
Multiyear Projections
Unrestricted/Restricted

07 61804 0000000
Form MYP
G8BFJUJ6E1(2025-26)

Description	Object Codes	2025-26 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)
b. If you are the SELPA AU and are excluding special education pass-through funds:						
1. Enter the name(s) of the SELPA(s):						
2. Special education pass-through funds (Column A: Fund 10, resources 3300-3499, 6500-6540 and 6546, objects 7211-7213 and 7221-7223; enter projections for subsequent years 1 and 2 in Columns C and E)		0.00		0.00		0.00
2. District ADA						
Used to determine the reserve standard percentage level on line F3d (Col. A: Form A, Estimated P-2 ADA column, Lines A4 and C4; enter projections)		26,624.21		25,908.94		25,192.74
3. Calculating the Reserves						
a. Expenditures and Other Financing Uses (Line B11)		448,547,530.00		451,069,948.53		455,749,480.66
b. Plus: Special Education Pass-through Funds (Line F1b2, if Line F1a is No)		0.00		0.00		0.00
c. Total Expenditures and Other Financing Uses (Line F3a plus line F3b)		448,547,530.00		451,069,948.53		455,749,480.66
d. Reserve Standard Percentage Level (Refer to Form 01CS, Criterion 10 for calculation details)		3.00%		3.00%		3.00%
e. Reserve Standard - By Percent (Line F3c times F3d)		13,456,425.90		13,532,098.46		13,672,484.42
f. Reserve Standard - By Amount (Refer to Form 01CS, Criterion 10 for calculation details)		0.00		0.00		0.00
g. Reserve Standard (Greater of Line F3e or F3f)		13,456,425.90		13,532,098.46		13,672,484.42
h. Available Reserves (Line E3) Meet Reserve Standard (Line F3g)		YES		YES		YES

San Ramon Valley USD
Form MYP – Adjustments

Unrestricted General Fund
B1d
2025-26: Adjustments include reductions of $2.45 million for 27.0 certificated FTE due to declining enrollment, partially offset by increases due to the expiration of one-time funding including Educator Effectiveness, Learning Recovery Emergency Block Grant, and Universal Prekindergarten Planning and Implementation Grant.

2026-27: Adjustments include reductions of $2.45 million for 27.0 certificated FTE due to declining enrollment, partially offset by increases due to the expiration of the Learning Recovery Emergency Block Grant.

Restricted General Fund
B1d
2025-26: Reductions due to the expiration and usage of one-time funds including Educator Effectiveness, Learning Recovery Emergency Block Grant, and Universal Prekindergarten Planning and Implementation Grant, and A-G Learning Loss Mitigation Grant.

2026-27: Reductions due to the expiration of the Learning Recovery Emergency Block Grant.

B2d
2025-26: Reductions due to the expiration of CYBHI capacity grant.

Appendix B — Study Agreement

FCMAT
FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
FOR MANAGEMENT ASSISTANCE

This study agreement, hereinafter referred to as Agreement, is made and entered into by and between the Fiscal Crisis and Management Assistance Team, hereinafter referred to as the Team or FCMAT, and the San Ramon Valley Unified School District, hereinafter referred to as the Client; collectively, FCMAT and Client are hereinafter referred to as the Parties. This Agreement shall become effective from the date of execution hereof by FCMAT.

1. BASIS OF AGREEMENT

FCMAT provides a variety of services to local education agencies (LEAs) as authorized by Education Code (EC) 42127.8(d). The Client has requested that the FCMAT assign professionals to study specific aspects of the Client's operations. The professionals will include FCMAT staff and may include professionals from county offices of education, school districts, charter schools, community colleges, other public agencies or private contractors. All professionals assigned shall work under the direction of FCMAT. All work shall be performed in accordance with the terms and conditions of this Agreement.

FCMAT will notify the Client's county superintendent of schools of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

1. Review the district's 2025-26 adopted general fund budget and use it as a baseline to develop an independent multiyear financial projection (MYFP) for the current and two subsequent fiscal years. The MYFP will be a snapshot in time of the district's financial status. Make recommendations for expenditure reductions and/or revenue increases to help the district eliminate its structural budget deficit, if any.

2. The Team will present the final report to the district's board of trustees at a public meeting following the completion of the review.

B. Services and Products to be Provided

1. Orientation Meeting
The Team will conduct an orientation session at the Client's location to brief the Client's management and supervisory personnel on the Team's procedures and the purpose and schedule of the study. This orientation meeting is normally held at the beginning of fieldwork for the study.

2. Fieldwork
The Team will conduct fieldwork at the Client's office and/or school site(s), or other locations as needed. Limited fieldwork may also be conducted remotely via telephone or videoconferencing services, in addition to the Public Safety Considerations outlined in Section 13 below.

3. Exit Meeting
The Team will hold an exit meeting at the conclusion of the fieldwork to inform the Client of the status of the study. The exit meeting will include a review of the scope of work; outstanding items, including documents, data and interviews not yet received or held; and the estimated timeline for a draft report. The meeting will not memorialize details regarding findings because the Team's conclusions may change after a complete analysis is finished. Exceptions to this will be findings of immediate health and safety concerns for students or staff, and other time-sensitive items that include the potential for risk or exposure to loss.

4. Exit Letter
Approximately 10 business days after the exit meeting, the Team will issue an exit letter briefly memorializing the topics discussed in the exit meeting.

5. Draft Report
An electronic copy of a preliminary draft report will be delivered to the Client's point of contact identified below for review and comment.

6. Final Report
An electronic copy of the final report will be delivered to the Client's point of contact and to the Client's county superintendent of schools following completion of the study. FCMAT's work products are public and all final reports are published on the FCMAT website.

7. Board Presentation
Presentations to the Client's board are optional and are made at the request of the Client. If a board presentation is requested, it will be noted in the scope and objectives of the study or can be added as a change in scope at a later date.

8. Follow-Up Review
If requested by the Client within six to 12 months after completion of the study, FCMAT, at no additional cost, will assess the Client's progress in implementing the recommendations included in the report. This follow-up support is primarily a document review-based study. Progress in implementing the recommendations will be documented to the Client in a FCMAT management letter. FCMAT will work with the Client on a mutually convenient time to return for follow-up support that is no sooner than eight months and no later than 18 months after the date of the final report.

3. <u>PROJECT PERSONNEL</u>

The personnel assigned to the study will be led by a FCMAT staff person (job lead) and will include at least one other professional. FCMAT will notify the Client of the assigned personnel when the fully executed copy of this Agreement is returned to the Client.

FCMAT will communicate to the Client any changes in assigned project personnel.

6. PROJECT COSTS

The cost for studies requested pursuant to EC 42127.8(d)(1) and 84041 shall be as follows:

A. $1,200 per day for each FCMAT staff member while on site conducting fieldwork. The cost of independent FCMAT consultants will be billed at their daily rate for all work performed. On-site is defined as either 1) physically at the Client's office or school site(s), or 2) in a scheduled virtual meeting with the Client's personnel, representatives or others associated with the scope of work pursuant to Section 13 below.

B. All out-of-pocket expenses, including travel and its associated costs, and miscellaneous items necessary to complete the scope and objectives of the study.

C. The applicable indirect rate at the time work is performed on the study will be added to all costs billed.

D. The Client will be invoiced for 50% of the not-to-exceed cost shown below following completion of fieldwork (progress payment) and the remaining amount shall be due upon the issuance of the final report or presentation to the Client's board, whichever is later (final payment). The Parties agree that changes documented in a revised study agreement may change the original not-to-exceed amount shown below. If changes are made before or during fieldwork, the new not-to-exceed amount documented in such a revised study agreement will constitute the basis for the progress payment. If changes are made after fieldwork, 100% of the total changed value documented in a revised study agreement, less progress payments made, will constitute the final payment due. All payments shall be due immediately based on the terms of the invoice.

   Based on the scope and objectives of the study, the total not-to-exceed cost of the study will be $23,500.

E. Any change to the scope of work will affect the total cost. Changes may include, but are not limited to, delays, revisions to the scope of services, and substitution or addition of personnel. The need for changes shall be communicated by FCMAT to the Client in advance in the form of a revised study agreement.

Payments for FCMAT's services are payable to Kern County Superintendent of Schools, Administrative Agent, 1300 17th Street, City Centre, Bakersfield, CA 93301.

5. RESPONSIBILITIES OF THE CLIENT

A. Return current organizational chart(s) that show the Client's management and staffing structure with the signed copy of this Agreement. Organizational charts should be relevant to the scope of this Agreement.

B. Provide private office or conference room space for the Team's use during fieldwork.

C. Provide for a Client employee to upload all requested documents and data to FCMAT's online SharePoint repository per FCMAT's instructions. Provide FCMAT with the name and email of the person who will be responsible for collecting and uploading documents requested by FCMAT with the signed copy of this Agreement.

D. Provide documents and data requested on the Team's initial and supplementary document request list(s) by the date requested.

All documents and data provided shall be responsive to FCMAT's request, in quality condition, readable and in a usable form. With few exceptions, documents and data requested are public records and records maintained by LEAs in the routine course of doing business. Some data requested may require exporting LEA financial system reports to Microsoft Excel or another usable format agreed to by FCMAT.

All documents shall be provided to FCMAT in electronic format, labeled as instructed by FCMAT. Upon approval of this Agreement, access will be provided to FCMAT's online SharePoint repository, to which the Client will upload all requested documents and data.

E. Ensure appropriate senior-level staff are available for the orientation and exit meetings.

F. Facilitate access to requested board members, officers and staff for interviews.

G. Facilitate access to requested information and facilities to include, but not be limited to, files, sites, classrooms and operational areas for observation.

H. Review a draft of the report and return it to FCMAT by the date FCMAT requests with any comments regarding the accuracy of the report's data or the practicability of its recommendations. The Team will review this feedback in a timely manner and make any adjustments it deems necessary before issuing the final report.

I. Return the requested evaluation survey to FCMAT as described below.

6. **PROJECT SCHEDULE**

Time is of the essence. The Parties acknowledge that the goal of the scope and objectives of the study under this Agreement is to produce a timely and thorough report that adds value for the Client. To accomplish this goal, the Parties agree to communicate and mutually agree to honor established time commitments. These commitments include the Client providing requested documents, setting and keeping interview appointments and returning comments on the draft report consistent with the established project schedule.

The following project schedule milestones will be established by FCMAT upon receipt of a signed Agreement from the Client:

ACTION	TIMELINE
FCMAT provides the Client with a draft Agreement.	Draft Agreements are usually provided within 20 business days of the Client's initial request for services.
Client returns partially executed Agreement to FCMAT along with the applicable organizational chart and the name and email of the of person who will be responsible for collecting and	Draft Agreements are valid for 30 business days.

ACTION	TIMELINE
uploading documents requested by FCMAT.	
FCMAT returns a fully executed Agreement to the Client and identifies the project schedule and the lead and other personnel assigned to the job.	Within five business days of the Client's return of the signed Agreement.
Client uploads initial requested documents and data to FCMAT's online SharePoint repository.	Within 10 business days of the Client's receipt of the FCMAT document and data request list.
Fieldwork	Mutually agreed upon; usually, to commence within 10 business days of FCMAT's receipt of requested documents and data.
Orientation meeting	First day of fieldwork.
Exit meeting	Last day of fieldwork.
Follow up fieldwork, if needed (e.g., rescheduled interview, additional interviews).	Mutually agreed upon; usually, within five business days of FCMAT's request.
Client uploads supplemental documents and data to FCMAT's online SharePoint repository.	Within two business days of the Client's receipt of FCMAT's supplemental document and data request(s).
Draft report submitted to the Client.	To be determined, usually, within eight weeks of the conclusion of fieldwork and receipt of all documents and data requested.
Client comments on draft report	Within 10 business days of FCMAT providing a draft report to the Client.

The Client acknowledges that project schedule deadlines build upon and are contingent on each previous deadline. Missed deadline dates will affect future deadline dates and ultimately the timing of the final report. For example, if the Client does not provide requested documents and data by the specified date, the fieldwork may not be able to proceed as originally planned.

FCMAT acknowledges that the Client has an educational program to administer, is balancing many priorities, and in some cases may have records management difficulties, staffing capacity issues, staff on various types of leave, or other circumstances, all of which will affect the project schedule.

The Parties commit to regular communication and updates about the study schedule and work progress. FCMAT may modify the usual timelines as needed.

7. **COMMENCEMENT, TERMINATION AND COMPLETION OF WORK**

FCMAT will commence work as soon as it has assembled an available and appropriate study team, taking into consideration other jobs FCMAT has previously undertaken, assignments from the state, and higher priority assignments due to fiscal distress. The Team will work expeditiously to complete its work and deliver its report, subject to the cooperation of the Client and any other related parties from which, in the Team's judgment, it must obtain information. Once the Team has completed its fieldwork, it will proceed to prepare a report. In the absence of extraordinary circumstances, FCMAT will not withhold preparation, publication and distribution of a final report once fieldwork has been completed.

Prior to completion of fieldwork and upon written notice to FCMAT, the Client may terminate its request for service and will be responsible for all costs incurred by FCMAT to the date of termination under Section 4 (Project Costs). If the Client does not provide written notice of termination prior to completion of fieldwork, the Team will complete its work and deliver its final report and the Client will be responsible for the full costs.

FCMAT may terminate this Agreement at any time if the Client fails to cooperate with the requested project schedule, provide requested documents and data and/or make staff available for interviews as requested by FCMAT.

8. **INDEPENDENT CONTRACTOR**

FCMAT is an independent contractor and is not an employee or engaged in any manner with the Client. The manner in which FCMAT's services are rendered shall be within its sole control and discretion. FCMAT representatives are not authorized to speak for, represent, or obligate the Client in any manner without prior express written authorization from an officer of the Client.

9. **RECORDS**

The Client understands and agrees that FCMAT is a state agency and all FCMAT reports are public records and are published on the FCMAT website. Supporting documents and data in FCMAT's possession may also be public records and will be made available in accordance with the provisions of the California Public Records Act.

FCMAT has a records retention policy and practice, and every effort will be made to maintain records related to this Agreement in accordance with this policy.

10. **CONTACT WITH PUPILS**

Pursuant to EC 45125.1, representatives of FCMAT will have limited contact with pupils. The Client shall take appropriate steps to comply with EC 45125.1.

11. **INSURANCE**

During the term of this Agreement, FCMAT shall maintain liability insurance of not less than $1 million unless otherwise agreed upon in writing by the Client, automobile liability insurance in the amount required by California state law, and workers' compensation as required by California state law. Upon the request of the Client and receipt of the signed Agreement, FCMAT shall provide certificates of insurance, with the Client named as additional insured, indicating applicable insurance coverages.

12. **HOLD HARMLESS**

FCMAT shall hold the Client, its board, officers, agents, and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of FCMAT's board, officers, agents and employees undertaken under this Agreement. Conversely, the Client shall hold FCMAT, its board, officers, agents, and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of the Client's board, officers, agents and employees undertaken under this Agreement.

13. **PUBLIC SAFETY CONSIDERATIONS**

Whether due to public health considerations, extreme weather conditions, road closures, other travel restrictions or interruptions, shelter-at-home orders, LEA closures or other related considerations, at FCMAT's sole discretion, the Scope of Work, Project Costs, Responsibilities of the Client, and Project Schedule (Sections 2, 4, 5 and 6 herein) and other provisions herein may be revised. Examples of such revisions may include, but not be limited to, the following:

A. Orientation and exit meetings, interviews and other information-gathering activities may be conducted remotely via telephone, videoconferencing, or other means. References to fieldwork shall be interpreted appropriately given the circumstances.

B. Activities performed remotely that are normally performed in the field shall be billed hourly as if performed in the field (excluding out-of-pocket costs that can otherwise be avoided).

C. The Client may be relieved of its duty to provide conference and other work area facilities for the Team.

14. **FORCE MAJEURE**

Neither party will be liable for any failure or delay in the performance of this Agreement due to causes beyond the reasonable control of the party, except for payment obligations by the Client.

15. **EVALUATION**

In the interest of continuous improvement, FCMAT will provide the Client with an evaluation survey at the conclusion of the services. FCMAT appreciates the Client's honest assessment of the Team's services and process. The Client shall return the evaluation survey within 10 business days of receipt.

16. **CLIENT CONTACT PERSON**

The Client's contact person designated below shall be the primary contact person for FCMAT to use in communicating with the Client on matters related to this Agreement. At any time when this Agreement or FCMAT's process requires that FCMAT send information, document request lists, draft report or final report, or when FCMAT makes other requests for the Client to act upon, this is the person whom FCMAT will contact. The Client may change the contact person upon written notice to FCMAT's job lead assigned to the study.

Name: Daniel Hillman
Assistant Superintendent, Business Services/CBO

Telephone: (925) 552-2905

Email: dhillman@srvusd.net

17. **SIGNATURES**

Each individual executing this Agreement on behalf of a party hereto represents and warrants that he or she is duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

For Client:

4/23/25

CJ Cammack, Superintendent
San Ramon Valley Unified School District

Date

For FCMAT:

Michael H. Fine
Digitally signed by Michael H. Fine
Date: 2025.04.25 13:04:55 -07'00'

Michael H. Fine,
Chief Executive Officer
Fiscal Crisis and Management Assistance Team

Date

FCMAT

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
FOR MANAGEMENT ASSISTANCE
AMENDMENT No. 1

This Amendment No. 1 to the Agreement is made and entered into by and between the Fiscal Crisis and Management Assistance Team, hereinafter referred to as the Team or FCMAT, and the San Ramon Valley Unified School District, hereinafter referred to as the Client; collectively, FCMAT and Client are hereinafter referred to as the Parties. This Amendment No. 1 shall become effective from the date of execution hereof by FCMAT.

RECITALS

A. On April 25, 2025, FCMAT and Client entered into an Agreement for management assistance (Original Agreement).

B. FCMAT and Client desire to amend the Agreement as provided herein.

AGREEMENT

1. **ORIGINAL AGREEMENT**

   Except as herein modified, the Original Agreement between the parties shall remain in full force and effect.

2. **SCOPE AND OBJECTIVES OF THE STUDY**

   The scope and objectives of the study are amended to remove the board meeting.

3. **PROJECT COSTS**

   Based on the revised scope and objectives of the study, the revised total not-to-exceed cost of the study will remain at $23,500.

4. **SIGNATURES**

   Each individual executing this Amendment No. 1 on behalf of a party hereto represents and warrants that he or she is duly authorized by all necessary and appropriate action to execute this Amendment No. 1 on behalf of such party and does so with full legal authority.

For Client:

CJ Cammack, Superintendent — Date
San Ramon Valley Unified School District

V04192024

For FCMAT:

Michael H. Fine Digitally signed by Michael H. Fine
Date: 2026.01.10 11:20:37 -08'00'

Michael H. Fine, Date
Chief Executive Officer
Fiscal Crisis and Management Assistance Team