



**Excellence and Equity in Education**

Nancy Magee - County Superintendent of Schools

September 11, 2025

Jerome Gallegos  
President, Governing Board  
Jefferson Union High School District  
123 Edgemont Drive, Building A  
Daly City, CA 94015

RE: Local Control and Accountability Plan and Adopted Budget – Fiscal Year 2025-26

Dear Board President Gallegos:

The San Mateo County Office of Education (SMCOE) has completed its review of Jefferson Union High School District's Local Control and Accountability Plan (LCAP) and Adopted Budget for the 2025-26 fiscal year pursuant to Education Codes 42127 and 52070.

#### **A. LOCAL CONTROL ACCOUNTABILITY PLAN**

The County Superintendent is required to approve the District's LCAP if it is determined that the following criteria have been met:

- The LCAP adheres to the template adopted by the State Board of Education (*EC 52064*)
- The budget includes expenditures sufficient to implement the specific actions and strategies included in the LCAP
- The LCAP adheres to the expenditure requirements for funds apportioned on the basis of the number and concentration of unduplicated pupils (*EC 42238.02* and *42238.03*)
- The LCAP includes the required calculations to determine whether there is a carryover requirement, and if applicable, includes a description of the planned uses of the specific funds and a description of how the planned uses are to be considered as contributing towards meeting the increased or improved services requirement *{(EC 52070(d)(4))}*

**The San Mateo County Superintendent of Schools has approved your Local Control Accountability Plan for the 2025-26 school year, pursuant to Education Code (EC) Section 52070.5(d). California Education Code requires the County Superintendent to review and approve the LCAP prior to the approval of the LEA's adopted budget per EC Section 42127(2). Your board approved LCAP will be posted on the SMCOE website.**

## **B. ADOPTED BUDGET**

In accordance with Education Code Section 42127, the County Superintendent of Schools has examined the Adopted Budget of Jefferson Union High School District (the District) for fiscal year 2025-26 to determine if it complies with the criteria and standards adopted by the State Board of Education, allows the District to meet its financial obligations during the fiscal year, and is consistent with a financial plan that will allow the District to meet its multi-year financial commitments.

**The County Office's review and analysis confirm that the 2025-26 Budget, adopted by the Governing Board on June 17, 2025, meets the requirements outlined in Education Code 42127(c).**

The San Mateo County Office of Education **approves** Jefferson Union High School District's 2025-26 Adopted Budget with the following comments:

The 2025-26 Adopted Budget projects a \$5.7 million decrease in the General Fund Balance. Deficit spending has increased by \$880,000 compared to 2024-25 Estimated Actuals. Total revenues rose by \$3.5 million driven by a 5.9% increase in secured property taxes. Increases in local parcel tax revenue were offset by declines in state and federal funding caused by lower enrollment and the expiration of one-time funds. Total expenditures are expected to increase by \$4.4 million primarily due negotiated salary increases of 4% and 1.5% step and column adjustments.

### **RESERVES**

The state-recommended minimum reserve for Jefferson Union High School District is 3% of total General Fund expenditures. The District is projecting approximately \$9.9 million in available reserves or 10.54% of the total General Fund expenditures for 2025-26.

### **MULTI-YEAR PROJECTIONS (MYP)**

Reserves are expected to decrease to 6.83% in 2026-27 and 5.17% 2027-28. These projections include the Special Reserve Fund (Fund 17).

Total revenues are projected to increase by an average of \$2.6 million in 2026-27 and 2027-28. Property taxes are expected to grow just over 3.7% across both years. All other revenue sources are expected to remain relatively flat.

Total expenditures are projected to increase by \$2.3 million in 2026-27 and \$975,000 in 2027-28. The increase is primarily driven by rising salary and benefit costs including Full Time Equivalent (FTE) increases due to additional class periods in 2026-27, step and column movement, and higher pension contributions and health insurance premiums. All other operating costs are expected to remain relatively flat.

## **DEFICIT SPENDING**

Multi-year projections show an Unrestricted General Fund operating deficit of \$3.7 million in the current budget year, \$5.5 million in 2026-27 and \$3.8 million in 2027-28.

The County Office advises the District to closely monitor the budget and assess opportunities for revenue enhancements or budget reductions to eliminate deficit spending.

## **CASH FLOW**

The District submitted cash flow projections for 2025-26 and 2026-27 showing negative General Fund cash balances in the months of October through November for 2025 and September through November 2026 and March 2027. Negative cash balances will be covered with cash in other funds.

The projected year-end cash balances are approximately \$12.3 million in 2025-26 and \$5 million in 2026-27.

The County Superintendent advises the district to review cash balances across all funds monthly to ensure they remain positive. The San Mateo County Controller's Office allows a negative balance in any fund only if the total district-wide cash balance is positive.

The District is reminded that the San Mateo County Controller's Office does not allow negative cash balances in any account at the end of the fiscal year.

## **OTHER FUNDS**

The District maintains positive fund balances across all other funds. Below is a summary of funds with notable changes in the 2025-26 Adopted Budget.

Building Fund (Fund 21): \$20 million decrease in expenditures from 2024-25 to 2025-26 due to completion of various projects. District anticipates large projects spanning from 25-26 through 26-27.

Enterprise Fund (Fund 63): 37% decrease in expenditures from 2024-25 to 2025-26 due to the removal of one-time local revenue funds.

There are no other significant changes in other District funds from 2024-25 Estimated Actuals to 2025-26 Adopted Budget.

## **SALARY NEGOTIATIONS**

The District has settled negotiations and settled for a 4% increase with all bargaining units for 2025-26 which are included in the 2025-26 Adopted Budget.

## CHARTER SCHOOL

The District is the authorizing agency for a charter school, Summit Public Schools: Shasta. As the authorizing agency, the District maintains fiscal oversight responsibilities, particularly in the key area of accounting, attendance reporting, budgeting, and payroll.

As an authorizing agency, the District must continue to closely monitor the charter school's Local Control Accountability Plan and budget to ensure that sufficient funds are maintained to support all goals, actions and services included in the LCAP for 2025-26.

Should any circumstances arise related to the charter school that would negatively impact the financial condition of the District, please notify the County Office of Education as soon as possible.

We commend the work done by the Board and district staff to develop this year's LCAP and Budget. Please contact us if you have any questions about our review of your district's 2025-26 LCAP or Budget.

Sincerely,



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