

# Health & Welfare (H&W) Overpayment Corrective Actions



LAGUNA BEACH  
UNIFIED SCHOOL DISTRICT

Business Services

December 16, 2025

# Potential Options to Address Cumulative Excess Contribution of \$1.04 million

#	Summary	Description
1	Status Quo	District absorbs the excess contribution (\$1.04M)*
2	SSPD Allocation	Allocate the Student Support and Professional Development (SSPD) Discretionary Block Grant \$0.68 Million to partially cover the excess and absorb the remaining (\$0.36M)
3	Re-negotiate Salary Increases	Re-negotiate / Claw back 2025-26 Salary Increases partially/ fully (will need legal counsel review)
4	Negotiate Future Salary Increases	Allocate potential future salary increases to recoup the 2025-26 excess contribution
1A	Going Forward	Negotiations to address H&W allocations going forward (2026-27 and beyond)

\*District will make necessary Budget changes to address the excess contribution and it will be reflected in the District's 2025-26 Second Interim Report