



PALO ALTO
UNIFIED SCHOOL DISTRICT

Funding For Quality Education and Students

Frequently Asked Questions

How are Palo Alto Unified Schools doing?

Palo Alto Unified School District (PAUSD) provides a world-class education to local students and local schools consistently rank among the best in the State and the nation. Exceptional teachers, innovative programs, dedicated parents and strong community support all contribute to high levels of student achievement.

How are Palo Alto Unified Schools funded?

PAUSD schools are funded by a combination of limited state and federal funding, a portion of local property taxes and a voter-approved parcel tax first passed in 2001. The parcel tax currently provides nearly \$17 million per year in locally controlled funding that cannot be taken by the state or federal governments. However, this funding is set to expire in 2027.

Is PAUSD planning to maintain local parcel tax school funding?

To continue local school funding and help prevent cuts to teachers and academic programming, the PAUSD Board of Trustees recently voted to place a parcel tax renewal measure on the June 2026 ballot to renew local school funding.

Why is PAUSD proposing a tax at a reduced rate?

Because of growth in local property tax revenue, PAUSD is able to reduce the parcel tax rate to \$800 per parcel for four years. This reflects a commitment to balance community investment in local schools with the impact on local taxpayers. The proposed reduced tax rate for the parcel tax renewal allows PAUSD to maintain current academic programs, class sizes and teacher and staffing levels. Without renewal, the current parcel tax will expire next year, eliminating this local funding source and requiring cuts to academic programs, teachers and staff.

How would this measure fund the District's teachers and programs?

If approved by voters, proceeds from the renewal measure can be used to:

- Attract and retain highly qualified teachers
- Maintain reading, writing and language programs
- Continue advanced programs in science, technology, engineering and math
- Maintain manageable class sizes
- Prepare students for college and in-demand careers
- Keep instructional materials up-to-date
- Support at-risk students

How much would the renewal measure cost?

The parcel tax renewal measure will renew local school funding at a reduced tax rate of \$800 per parcel for four years. Due to growth in local property tax revenue, PAUSD is able to seek authorization for a reduced parcel tax rate while maintaining current levels of programs and services for students.

Will the renewal measure continue fiscal accountability protections?

Yes. The measure will continue to be subject to fiscal oversight, including:

- All money will be controlled locally and can not be taken away by the State or federal governments
- Independent citizens' oversight and mandatory annual audits
- Homeowners aged 65+ will continue to be eligible for an exemption from the cost
- No money from the renewal measure can be used for administrators' salaries, benefits or pensions
- This parcel tax will be at a rate lower than the current tax

Will there be any exemptions to the renewal measure?

Yes. Homeowners aged 65+ will be eligible for an optional exemption from the cost of the measure. Those currently exempt will not need to reapply. Low-income homeowners with disabilities that qualify for federal SSI and SSDI benefits are also eligible for an exemption.

What communities does PAUSD serve?

PAUSD provides quality education in transitional kindergarten through 12th grade and adult education in 20 schools serving the City of Palo Alto, portions of Los Altos Hills and Stanford.

What happens if voters do not approve the renewal measure?

If the tax is not renewed, PAUSD will have to cut nearly \$17 million in annual funding that currently supports teachers and academic programs, which can require cuts including teacher layoffs, reduced academic programs, and larger class sizes.

How can the public review past reports from the parcel tax oversight committee?

In each year since parcel tax funding was first approved by voters in 2001, an independent citizens' oversight committee has reviewed the use of funds and reported to the public that the funds have been spent in accordance with the terms of the measures. These reports can be viewed here: www.pausd.org/about-us/committees-task-forces/ongoing-committees/parcel-tax-oversight-committee

Haven't we already renewed this parcel tax funding?

PAUSD's parcel tax funding was first approved in 2001 and renewed in 2005, 2010, 2015 and 2020. Unless renewed by voters, this funding will expire in 2027 and nearly \$17 million in annual funding will need to be cut from the budget.

How can I learn more?

For more information or to provide feedback, please contact Lynette White at lwhite@pausd.org or visit www.pausd.org/about-us/funding/parcel-tax/parcel-tax-renewal-2026