

2025-2026 First Interim

Tina Bernal, Director of Fiscal Services
Cupertino Union School District



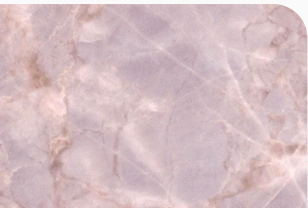


FIRST INTERIM

The CDE First Interim Report is a mandatory, early-year financial "health check" for school districts.

It assesses fiscal solvency by reporting actual financials through October 31st and projecting revenue/expenses for the current and next two years (CUSD - next four years).

The report ensures districts can meet financial obligations, flags potential issues (qualified/negative certifications), and guides necessary budget adjustments.





December 8

Special Board Meeting: Presentation of First Interim

December 11

Approval of First Interim

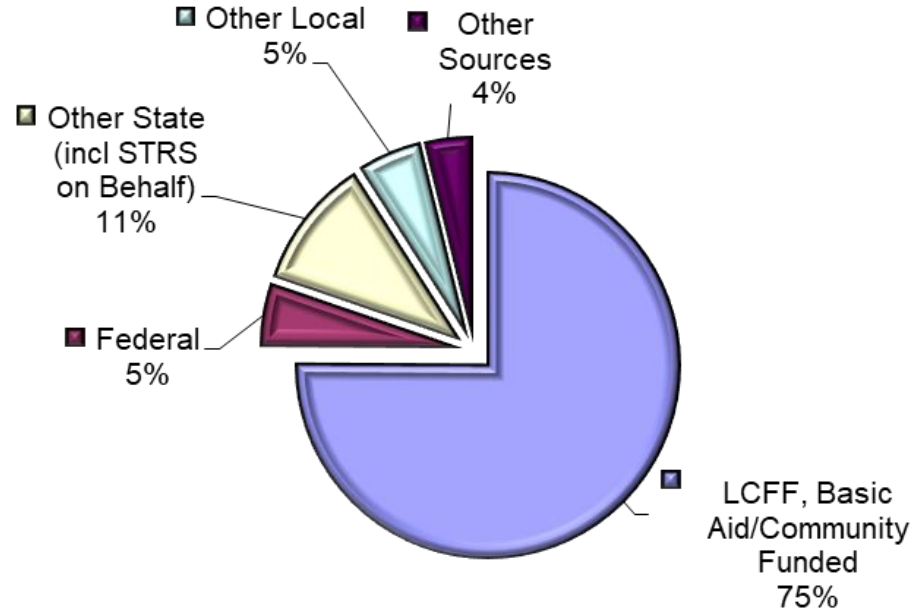
December 15

First Interim due to the County Office of Education



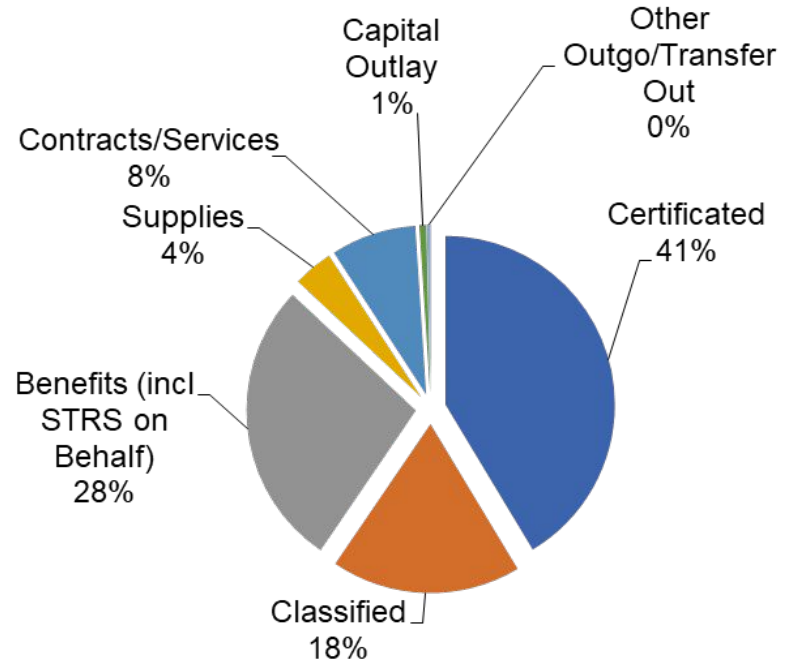
General Fund Sources In Millions	
LCFF/Property Taxes	\$190.5
Federal	\$13.0
State	\$27.3
Other Local	\$13.2
Other Sources	\$9.7
Total Revenue	\$253.7

**CUPERTINO UNION SCHOOL DISTRICT
2025-2026 FIRST INTERIM
GENERAL FUND
PROJECTED REVENUE**



**CUPERTINO UNION SCHOOL DISTRICT
2025-2026 FIRST INTERIM
GENERAL FUND PROJECTED EXPENDITURES**

General Fund Sources	In Millions
Certificated Salary	\$110.9
Classified Salary	\$48.5
Employee Benefits	\$73.7
Books & Supplies	\$10.2
Services & Other Operations	\$21.8
Capital Outlay	\$1.7
Other Outgo	\$1.0
Total Expenditures	\$267.8



STABILIZATION PLAN

will

**Eliminate Deficit
Spending**

**Establish a Pathway to
Fiscal Stability**

Increase Reserve

**Recognize and Value
Employees**

MYP Highlights

- | | | |
|---|--------------------------------------|---|
| 1 | Reserves | The District is able to maintain the minimum state required 3% reserves for the next five years. |
| 2 | Board Reserves | The District continues to build up reserves to achieve the additional 7% Board Reserve by 2028-29. |
| 3 | Restricted Reserves | The District continues to manage restricted categorical program carryover and spending. |
| 4 | Unrestricted Deficit Spending | The District continues to implement a fiscal stabilization plan demonstrating a reduction in unrestricted deficit spending and increasing reserves. |

Cupertino Union School District MYP Summary	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
UNAUDITED BEGINNING FUND BALANCE	\$ 33,381,314	\$ 19,224,707	\$ 19,620,373	\$ 22,731,603	\$ 28,191,868
TOTAL REVENUE	253,697,919	254,883,801	256,058,844	261,127,401	270,628,917
TOTAL EXPENDITURES	267,854,526	254,488,134	252,947,614	255,667,136	258,910,477
REVENUE LESS EXPENDITURES	(14,156,607)	395,666	3,111,230	5,460,265	11,718,440
ESTIMATED ENDING FUND BALANCE	19,224,707	19,620,373	22,731,603	28,191,868	39,910,308
COMPONENTS OF ENDING BALANCE					
Nonspendable & Restricted Program's Carryover	7,248,484	3,763,156	2,655,631	1,815,669	1,841,127
3% Reserve for Economic Uncertainties	8,035,636	7,634,644	7,588,428	7,670,014	7,767,314
Additional Board Reserve/Unrestricted Assigned	3,940,587	8,222,573	12,487,544	17,896,700	18,123,733
Total Reserve	11,976,223	15,857,217	20,075,972	25,566,714	25,891,048
Reserve Total %	4.47%	6.23%	7.94%	10.00%	10.00%
Unassigned Fund Balance		0	(0)	809,485	12,178,133
				10.32%	14.70%

Purpose of reserves: provide financial stability for school districts managing cash flow, covering unexpected costs, addressing funding volatility, saving for big purchases, and ensuring funds are available for mandated programs acting as a safety net for economic uncertainty and maintaining fiscal solvency.

***Common Message to all Santa Clara
County School Districts***

October 28, 2025

*Santa Clara County Office of Education -
Stephanie Gomez, Assistant Superintendent,
Business Services*

*The Government Finance Officers Association
recommends reserves of at least 17%, which
typically equals two months of salary
expenditures for most organizations.*

Cupertino Union School District

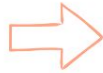
November Payroll \$20,383,609

2 Months Payroll \$40,767,218

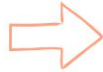
Based on First Interim - Reserve Goal 15.2%

Fiscal Stabilization Changes

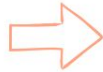
2026-2027
Unrestricted



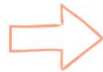
Added **\$3.0 million** Supplemental Taxes



Added Transfer in from Bond Fund **\$8.4 million**



COP Refinance Debt Service **\$3.3 million**



Materials and Supplies Gen Ed Reduced **-\$1.0 million**

Fiscal Stabilization Changes

2026-2027
Restricted



Sub Agreements for Services SPED reduced **-\$1.0 million**



Professional Services SPED reduced **-\$300k**



Professional Services RRMA reduced **-\$144k**

Fiscal Stabilization Changes

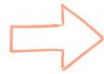
2027-2028
Unrestricted



Added Supplemental Taxes **\$734k**



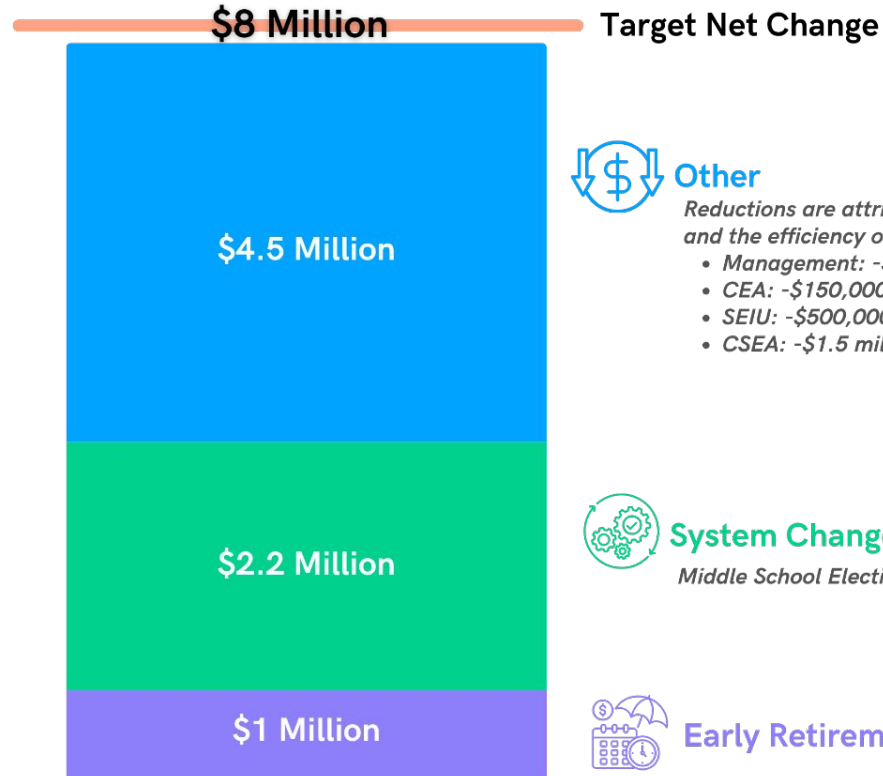
Added Transfer in from Bond **\$3.3 million**

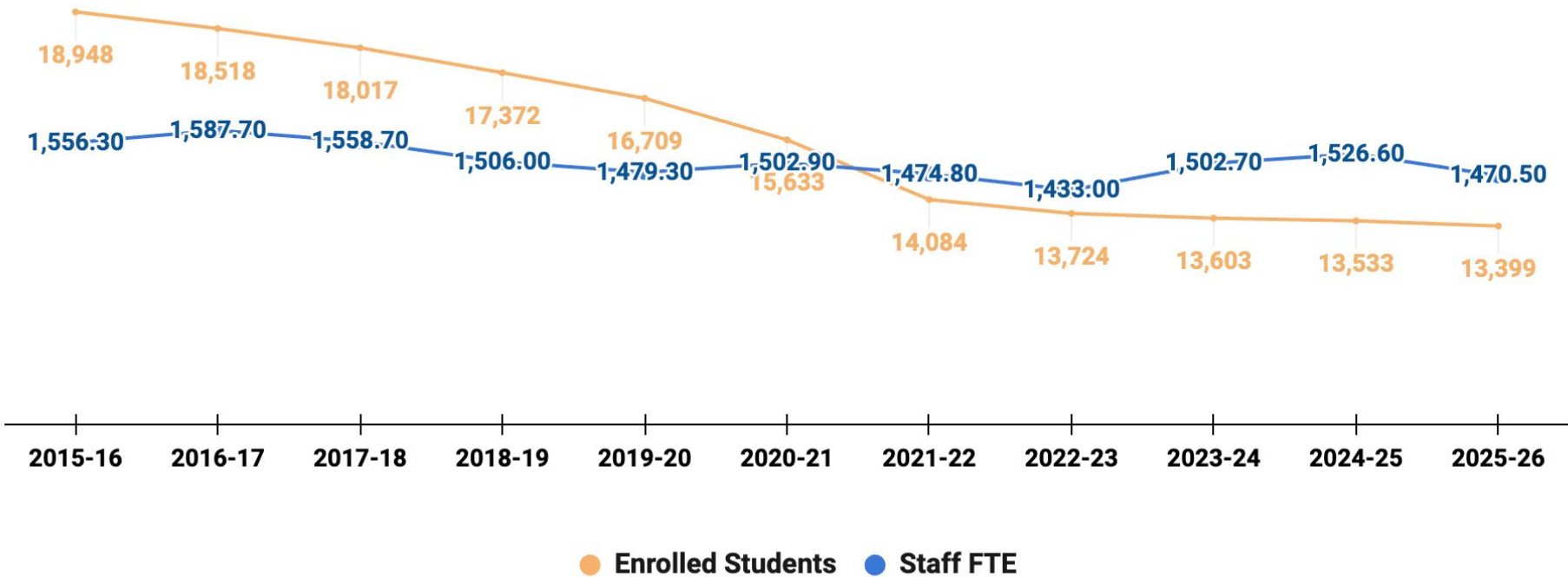


COP Refinance Debt Service **\$3.3 million**

TARGET NET CHANGE

8 Million





HISTORICAL POSITION DATA

FTE	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
CEA	897.4	880.8	865.5	832.4	806.4	823.1	790.3	731.2	757.0	761.8	764.1
CSEA	397.1	426.3	422.0	411.8	415.4	420.0	423.0	437.4	473.9	489.7	448.7
SEIU	159.1	177.4	176.0	170.5	168.1	171.9	169.5	172.4	177.8	181.1	168.7
Management	102.6	103.1	95.1	91.4	89.4	88.0	92.0	92.0	94.0	94.0	89.0
Total FTE	1,556.3	1,587.7	1,558.7	1,506.0	1,479.3	1,502.9	1,474.8	1,433.0	1,502.7	1,526.6	1,470.5

% of Total FTE	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
CEA	57.7%	55.5%	55.5%	55.3%	54.5%	54.8%	53.6%	51.0%	50.4%	49.9%	52.0%
CSEA	25.5%	26.8%	27.1%	27.3%	28.1%	27.9%	28.7%	30.5%	31.5%	32.1%	30.5%
SEIU	10.2%	11.2%	11.3%	11.3%	11.4%	11.4%	11.5%	12.0%	11.8%	11.9%	11.5%
Management	6.6%	6.5%	6.1%	6.1%	6.0%	5.9%	6.2%	6.4%	6.3%	6.2%	6.1%

MIDDLE SCHOOL ELECTIVES

Multiple Year Journey

✓ Equitable Learning Time In Core Classes

✓ Equitable Planning Time for Teachers

Expand to a Two-Elective Day for All

✓ Intervention Support During the School Day

✓ All Middle Schools with Same Start and End Time

MIDDLE SCHOOL

Instructional Minutes Per School Year

approximate - based on a variety of factors - number of minimum days, number of Wednesdays etc.

PRIOR YEARS

7th & 8th grade students selecting two electives = approximately **62,000 minutes**

6th grade students = approximately **54,600 minutes**

CMS: 6th, 7th, and 8th students had two electives = **58,700 minutes**

- Due to 7 period day/shorter periods, CMS students received approximately **1,000 less instructional minutes in the core areas** (Math, ELA, Science, and Social Science)

2025-2026

6th, 7th and 8th grade students = approximately **62,200 minutes**

PROPOSED CHANGES

7th & 8th grade students selecting two electives = approximately **62,000 minutes**

6th grade students = approximately **54,600 minutes**

Instructional Minute Requirements Per Ed. Code

TK/K	-----	36,000
1 st - 3 rd	-----	50,400
4 th - 8 th	-----	54,000
9 th - 12 th	-----	64,800

2022-2023: SB 328 required middle schools to start no earlier than 8 AM



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