



February 2, 2026

Bulletin No. 26-024

TO: **Chief Business Officials and Fiscal Directors (K-12, ROPs)
San Bernardino County School Districts**

SUBJECT: **Newspaper Designation -- Public Hearing Requirements for the 2026-27 Proposed Budget Hearings, Including Fund Balances Above the Minimum Recommended Reserve for Economic Uncertainties, and Budget Adoption**

Education Code (EC) Section 42127(a)(1) requires that a public hearing on the budget to be adopted for the subsequent fiscal year be held on or before July 1 of each year, in accordance with EC 42103. Additionally, EC 52062(b)(1) requires that a public hearing be held to solicit input on the district's local control and accountability plan (LCAP) at the same meeting as the budget public hearing required by EC 42127(a)(1). The LCAP hearing must be done prior to the budget hearing. There is no requirement in law to publish the date/time of the LCAP public hearing, and as such, we will only include the budget public hearing in the newspaper ad.

Also, EC 42103 requires publication of dates and location to occur no earlier than 45 days before, but not less than 10 days prior to the date set for the public hearing on the proposed budget and that the budget be available for public inspection for not less than **three (3) working days** prior to the date set for the public hearing on the proposed budget. Please see additional details of recent changes to EC 42103 below.

For your convenience, the Newspaper Publishing Information form is attached. Please provide the proposed 2024-25 budget *public inspection dates*, the LCAP and budget *public hearing date*, and the LCAP and budget *adoption date*. None of these dates can be the same. As aforementioned, the adoption meeting date must be after, and NOT on the same day as, the hearing date (except ROPs). Please return the completed form to the attention of Mirel Safar in BAS or by email to bas@sbcss.net, no later than Friday, April 3, 2026.

Please keep in mind that we coordinate the publication dates with the newspapers in order to meet the education code requirements and the newspapers' legal ad submission deadlines. If, after submission of this form, there are changes to the dates of Public Inspection and/or Public Hearing, **the district must notify this office immediately**, so that proper revisions can be communicated with the designated newspaper in a timely manner. Revisions to the public inspection and/or public hearing dates may result in additional newspaper charges to the district. Additionally, as an alternative to republishing a new public hearing date, the district can announce the new public hearing date at the meeting originally scheduled for the public hearings to be in compliance with Education Code. **Please also notify us of any changes.**

EC 52062(b)(2) requires that the school district governing board **adopt** its LCAP and budget at the same public meeting, and that this meeting must be held **after, but not on the same day as**, the public meeting at which the governing board holds the required **public hearings** on the LCAP and the proposed budget. EC Section 52068(b)(2) imposes a similar requirement for county boards of education. This requirement, which took effect budget year 2014-15, effectively eliminates a governing board's previous prerogative to adopt a budget at the same public meeting at which the public hearing on the proposed budget is held, as was historically allowed by Sections 42127(a)(1) and 42127(a)(2) (for districts) and sections 1620 and 1622 (for county offices of education).

Additionally, EC 42127(a)(2)(B) requires that districts provide the following for public review and discussion at its Budget Public Hearing:

1. The minimum recommended reserve for economic uncertainties (REU) for the budget year.

2. The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended REU for the budget year.
3. A statement of reasons that substantiates the need for an assigned and unassigned ending fund balance that is in excess of the minimum recommended REU for the budget year.

In addition to the above requirements, EC 42127.01 prohibits school districts from having assigned and unassigned fund balances in excess of 10% in the fiscal year immediately after a fiscal year in which the amount of moneys in the Public School System Stabilization Account (PSSSA), also known as the Proposition 98 Rainy Day Fund, exceeds 3% of the combined total of General Fund revenues appropriated for school districts statewide. This provision is commonly known as the reserve cap. School districts identified as Basic Aid or that have fewer than 2,501 ADA are exempt from the reserve cap. The cap is not operative for the 2026-27 fiscal year.

Districts will certify that they have complied with this requirement on the Budget Certification (Form CB) in the new SACS Web Application as part of their Adopted Budget submission. Attached is a sample form that districts can use to comply with these requirements. Information is only required for the budget year; however, forms for the two subsequent years are provided for districts that wish to report those fund balances as well. ROPs are not subject to the requirements related to LCAP and the reserve cap.

Districts and county offices of education are encouraged to give careful consideration to public hearing requirements of EC sections 52062(b)(2) and 52068(b)(2) when establishing their governing board meeting schedules for future years. It is recommended that districts hold two meetings in June in order to comply with these requirements.

Effective January 1, 2024, EC 42103 was amended to allow school districts to post the notices required prominently on the homepage of the district's internet website. Currently, this is optional and does not take the place of the newspaper publishing requirements. Effective January 1, 2027, the current version of EC 42103 that requires newspaper publishing will be repealed and the new requirement for notices will be for the district to post the information prominently on the homepage of the district's internet website. Newspaper publishing will be optional in this amended statute going forward.

Sincerely,

Ted Alejandre
County Superintendent of Schools

Thomas G. Cassida, Jr.
Director, Business Advisory Services

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Attachment: Balance in Excess of Minimum Form
 Newspaper Publishing Information Form
 List of Newspapers

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