



AMENDED

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 6.1

Meeting Date: July 30, 2026

Subject: Approve SCUSD Sustainability Plan to Achieve Fiscal Sustainability

- ☐ Information Item Only
- ☐ Approval on Consent Agenda
- ☐ Conference (for discussion only)
- ☐ Conference/First Reading (Action Anticipated: _____)
- ☐ Conference/Action
- ☒ Action
- ☐ Public Hearing

Division: Superintendent's Office and Cabinet

Recommendation: Approve the SCUSD Sustainability Plan—to Achieve Fiscal Sustainability.

Background/Rationale: As part of the District's commitment to finding short and long term solutions to address the current fiscal situation while retaining local control and avoiding the need for a loan from the State, staff will provide the Board with an updated sustainability plan with an overview of the proposed strategies to achieve fiscal sustainability. This plan is essential for restoring financial control.

Financial Considerations: Approving the SCUSD Sustainability Plan will support the District's ability to maintain local control and avoid further interventions.

LCAP Goal(s): Graduation outcomes, Academic outcomes, and Welcoming and safety outcomes.

Documents Attached:

Seven Strategies to Achieve Fiscal Sustainability
2026-2027 Cash Solutions

Estimated Time of Presentation: 10 Minutes
Submitted by: Superintendent Office/ Cabinet
Approved by: Superintendent

INTRODUCTION - Creating a Path to Long-term Financial Stability

The Sacramento City Unified School District is in a state of financial crisis, which threatens its ability to maintain local control of operations. The District begins the 2026/27 fiscal year with a negative fund balance of **(\$61.8M)** and an ongoing structural deficit of approximately **\$135M**. Those staggering figures combined with impending negative cash flow projections presents the fiscal equivalent of a five-alarm fire. Only swift and aggressive action can produce the ongoing cost-savings, revenue increases and immediate cash flow necessary to avoid insolvency.

SCUSD's structural deficit reflects four conditions that have accumulated over years and are now compounding:

- Enrollment decline of nearly 20% from its 2000 peak.
- Staff compensation which accounts for an estimated 93% of the District's unrestricted general fund dollars, above the state average of 86%.
- A special education unrestricted general fund contribution that has grown exponentially over the past five years.
- A failure to respond timely and appropriately in meeting the fiscal challenges. FCMAT assigned the district a High Risk score of 50.7 percent in December 2025, higher than its 2018 score of 44.8 percent.

In the 2025/26 fiscal year, the District approved a budget that included aggressive spending reductions with no comprehensive plan for making the staffing and programmatic changes necessary to actualize those reductions. That fact, combined with 2024/25 unaudited actuals that reflected more than \$43 million dollars in unanticipated spending, produced a real and imminent threat of fiscal insolvency.

The District responded in November 2025 by approving a Fiscal Solvency Plan, which outlined a series of immediate and future steps to reduce spending. The goal was to conserve cash and provide short-term stability to allow time to identify and implement broader spending cuts. The District's response accounted for a reduction of approximately \$97 million and reduced the expected shortfall by \$46 million by the end of the fiscal school year.

The District's 2026/27 adopted budget includes a 20% reduction across every department (*not including schools*) and the reduction or elimination of approximately 156 central office positions, which will yield an ongoing cost-savings of approximately \$26.5 million. All of the actions, while impactful, are woefully inadequate to reverse the District's trajectory.

To achieve long-term financial stability, SCUSD must reduce ongoing spending by a minimum of **\$135 million** by the end of this current fiscal year. While daunting, the challenge is achievable. The following stabilization plan reflects months of collaborative work to identify programmatic changes, facilities consolidation strategies, process improvements and revenue optimization strategies for the Board of Education and community to consider. It is our intention to ensure all decisions now and in the future are made by our elected Board of Education rather than a state-appointed administrator.

While this plan will cause disruptions to the education system as we know it, our goal is to minimize the impact on core educational services and provide the best experience possible for the greatest number of students. The community should also know that every effort will be made to be transparent and communicative throughout the development and execution of this plan.

SCUSD's financial sustainability plan is based upon a series of ongoing strategies designed to reduce ongoing costs and provide additional cash flow to allow for long-term strategies to take effect. To ensure emergency cash flow, the District is also committed to exhausting all viable internal borrowing options.

Strategies for Sustainability:

1. Increase Revenue
2. Enhance Processes
3. Engage With Labor Partners
4. Consolidate Programs & Services for Cost-savings
5. Implement Addition Staffing Reductions
6. Exhaust all Borrowing Options
7. Explore Facilities Efficiencies

Key:

- *2026-27 savings = full red background*
- *Already listed/counted in other areas on the [2026-27 Fiscal Sustainability Plan](#) = partial red background*

STRATEGY 1: INCREASE REVENUE

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
1.1 Educational Parcel Tax Election	\$10-\$12 million	Ongoing	2027-28	In progress	Approval parcel language for November Election

Efforts to Date: On July 23, 2026, the board will be provided with the ballot documents and resolution to order the election for the educational parcel tax. The process started in June with a board presentation to gather ideas and direction from the board. Working with an attorney, the documents are ready for the board.

Key Considerations: The election will require a $\frac{2}{3}$ approval to pass. The district cannot campaign other than neutral themed facts. Those documents will be created after the board approves the resolution. There is a cost for this work that may not have a return on the investment. This funding will be for only the Special Education/MTSS resources.

Next Steps: Board consider and pass the resolution to order the election on Jul 23, 2026

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
1.2 Strategic partnership to increase LCFF form return rates and revenue	\$5 million in 26/27 Up to \$44 million by 28/29	Ongoing	2026-27	In progress	Approval of contract

Efforts to Date: Preparing to enter a contract with Source K-12 to manage our LCFF form return process. The goal is to have a comprehensive strategy for targeted outreach to increase our Unduplicated Pupil Percentage (UPP).

Key Considerations: The District is leaving money on the table by not accurately identifying our UPP. The cost of the contract is \$2 per student, or approximately \$73,000. Based on even the most conservative ROI projection, the contract should more than pay for itself several times over.

Next Steps: Awaiting Business Services to complete their process so the contract can be approved by the Board.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
1.3 Attendance improvement (ADA initiative)	1% ADA increase = \$2.5 million	Ongoing	2026-27	In progress	Strategic Planning

Efforts to Date: Preliminary discussions for a District-wide ADA initiative with a goal of increasing ADA by at least 1.5%, while dramatically reducing chronic absenteeism.

Key Considerations: Attendance can be unpredictable and is reliant on several factors, many of which are out of our control. Improving ADA is not solely the responsibility of our Attendance & Engagement staff, it is a shared responsibility of everyone, including parents and guardians.

Next Steps: Begin collaborative discussions with staff to identify effective strategies that can be implemented immediately - [Plan here](#)

STRATEGY 2: ENHANCE PROCESSES

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
2.1 Budget Literacy	\$1.5 million	Ongoing	2026-27	Drafting	

Efforts to Date: Preliminary discussions to require department budget and invoice check-in's on a 2 week basis to keep as up to date numbers for the CBO team to track the district's progress.

Key Considerations: This will allow the district's budget to stay updated more frequently than in the past, ensure invoices are accounted for/expenses known, allow budget moves throughout the year including needed reductions due to change in revenue/enrollment that ensures costs do not get out of control or above revenue. This will include position control, vacancy control, and sweeping of funds. This meeting should be for managers responsible for authorizing expenses and who would be held accountable for contracts and spending in responsible areas.

Next Steps: Craft the "one-pager" that will discuss the purpose, required attendees, expected work, and expected outcomes. Report to the board monthly an accurate and updated budget and trending report to ensure compliance with board direction on fiscal responsibility.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
2.2 Program Development	\$3.0 million	Ongoing	2026-27	Drafting	

Efforts to Date: Budget development begins on July 1 of each fiscal year and should be an ongoing process until the board adopted a budget in June for the following year.

Key Considerations: Budget development should be the financial setup of a detailed and approved business plan for every department. A program would create a 12 month detailed program, actions by month; funding, positions, cash-flow. These calendars help prepare a district wide action plan that will help ensure the budget is created for need, based on allocations, and cash flow is predictable. Budgets may not exceed at any time departments allocation, based on revenue. This will help departments create efficiency, track progress for reporting, and ensure value for students through measurable action plans. Like 2.2 the frequency of this meeting is minimally monthly, building for the following year and making the budget development process as a whole more efficient and timely for decisions to be made by the board at appropriate timelines. This meeting would include a department management employee and their budget analyst who is authorized to make financial decisions.

Next Steps: Craft the “one-pager” that will discuss the purpose, required attendees, expected work, and expected outcomes. Report to the board monthly an accurate and updated budget and trending report to ensure compliance with board direction on fiscal responsibility.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
2.3 Eliminate District issued cell-phones	\$300,000	Ongoing	2026-27	Ready	

Efforts to Date: Cost savings analysis

Key Considerations: Reduces General Fund expense and frees up staff time to manage other technology needs. Relies on employees to provide request PRA from personal phones if used for work purposes. The use of Microsoft Teams app for in district communication is a free option if employee desires.

Next Steps: Board approval

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
2.4 Analyze Small High Schools for additional costs based on credential needs	\$733,984	Ongoing	2027-28		

Efforts to Date:

Health Professions' enrollment at Budget Development was projected at 181 for 26-27 with equivalent 5.2 FTE. The credential requirements for High School would necessitate 9.2 FTE minimally, so the District is funding an additional 4 FTE. If the current estimated cost of an FTE is \$183,496, that's \$733, 984 above base. An additional concern is that their current enrollment is 149. SES, a 7-12, has HS enrollment for 9 sections.

Key Considerations: Awareness around the positive impact small high school communities can have with students and families. It is a consideration to be mindful of when analyzing this as a item.

Next Steps:

Evaluate additional FTE required to cover credential needs of small high schools.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
2.5 Recruitment and Retention	Forthcoming	Ongoing	2026-2027	In Progress	Continue to launch a campaign that highlights SCUSD's mission, benefits, career pathways, and feature employee "stories"- the compelling reason to join SCUSD

Efforts to Date: The Human Resources Department has redesigned recruitment materials, expanded digital outreach, strengthened community partnerships, and increased participation in regional hiring events. Recruitment messaging has emphasized student success, the District's commitment to equity, employee professional learning/career advancement.

Key Considerations: Building long-term pipelines reduces future recruitment costs while increasing candidate quality and recruiting from within the community increases workforce diversity.

Next Steps: Continue to expand teacher residency partnerships (relatively no cost to the district through state grant funds), increase pre-service teacher placements (student teacher) to begin the recruitment phase while obtaining their credential, we can introduce pre-service teachers to the culture and climate of our district (again, relatively no cost to the district). Develop classified-to-certificated career pathways to encourage career advancement for our employees.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
2.6 Fingerprinting	\$25,000	Ongoing	2026-227	In Progress	

Efforts to Date: Human Resources has developed a revised payment structure for fingerprinting services to better align with current operating costs. Fingerprinting services are provided to outside agencies, new employees, and volunteers. The proposed fee adjustments are as follows:

- Outside Agencies: The rolling fee will increase to \$22.00 per applicant. Based on an estimated 350 applicants annually, this change is projected to generate approximately \$8,000.00 in annual revenue.
- New Classified and Certificated Employees: The rolling fee will increase from \$15.00 to \$20.00 per applicant. With an estimated 500 new employees fingerprinted each year, the projected annual revenue is \$10,000.00
- Non-District Volunteers: The rolling fee will increase from \$15.00 to \$22.00 per applicant. Based on projected fingerprints volumes, this change is expected to generate approximately \$7,000.00 in annual revenue.

Key Considerations: The District currently waives the rolling fee for in-district volunteers. A potential option is to implement a prorated rolling fee of \$5.00 for in-district volunteers. This modest fee would generate additional revenue to help sustain centralized fingerprinting services while minimizing the financial impact on volunteers.

Estimated annual revenue from a \$0.00 rolling fee to \$5.00, based on approximately 1800 in district volunteer fingerprint appointments each year. (this included afterschool employees that work for outside agencies)

These fee adjustments will help offset the costs associated with providing fingerprinting services while ensuring the District can continue offering efficient, centralized fingerprinting services for employees, volunteers, and outside agencies.

Next Steps: Development and launch a marketing campaign to promote the District's fingerprinting service through the district webpage, District social media platforms and internal and external communications. Implement the new revenue structure for in-district volunteers. By implementing these recommendations and expanding awareness of the Districts fingerprinting services Human resources can increase and generate additional revenue and ensure the long term sustainability of a centralized fingerprinting services for employees, volunteers and outside agency.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
2.7 Examine Central Printing for Current Needs	Site-based cut	Ongoing	2026-27	In progress	

Efforts to Date: Beginning in FY 2026-27, Central Printing reduced staffing levels to better align operations with declining print demand and budget constraints.

Key Considerations: Central Printing operates on a cost-recovery basis, with sites and departments paying for the printing services they receive. Therefore, potential savings would largely accrue to sites and departmental budgets through reduced printing costs. More significant districtwide savings would likely require eliminating in-house printing operations.

Next Steps: Finalize the District's decision on the electronic distribution of secondary progress reports and report cards for SY 2026-27; implement a parent communication and support plan to increase Infinite Campus Parent Portal usage; and monitor adoption rates to address access barriers. Additionally, evaluate the operational impact on Central Printing and identify any further efficiencies or cost-savings opportunities resulting from reduced printing and mailing volumes.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
2.8 Books and Supplies - movement of funds to appropriate line item	\$5.3 million	ongoing	2026-27	Completed	Include in the Budget
Efforts to Date: Funds have been moved into appropriate line item Key Considerations: book and supplies funds moved from 4399 per SCOE Next Steps: Include in upcoming 45-day budget revise					

STRATEGY 3: ENGAGE WITH LABOR PARTNERS

Item - Already included in the SCUSD 2026–27 Fiscal Sustainability Plan for 2026-2027	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
3.1 OPEB Agreement with SCTA authorizes: the disbursement of OPEB funds to pay for the retiree health benefits for the 2025-2026, 2026-2027 and 2027-2028 school years; pause SCTA member contributions to the fund; hold harmless vacancy savings for the 2025-2026 school year; utilize Medical-Billing funds in the 2025-2026 and 2026-2027 school years. Explore Medical savings through group plans with the savings going to the District. Collaborate with the District	97.6 Million 22 million 23 million 23 million 2.25 million 14.5 million 7 million 5.85 million Health care - ???	 One-Time in each of three years Ongoing for health care related changes	 2026-27	 Pending Board Approval	

Efforts to Date: MOU has been signed by Parties and steps have been taken to bring it to the board of education before -the end of July.

Key Considerations: The MOU, the associated AB1200 and the recommendation from the OPEB board of trustees should all be approved before the end of July in order to allow the District to submit a request for disbursement from the OPEB (CERBT) fund for July 31, 2026 which is the deadline to be able to receive a disbursement for the 2025-2026 school year.

Next Steps: Bring MOU, AB1200, and OPEB board of trustees recommendation to the board before the end of July. Submit request to CERBT for 2025-2026 disbursement.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
3.2 Explore group medical health care plan options for all employees	Forthcoming	Ongoing	2026-27	In progress	Receive plan options and quotes

Efforts to Date: The District has already started meetings with VEBA to learn about potential savings in pulling our collective buying power. We have provided data to them and they are engaging with potential healthcare providers to determine competitive rates.

Key Considerations: There is no intent to reduce the level of benefit for employees. The intent is to reduce the cost that the District is paying to provide healthcare to employees.

Next Steps:

- Continued conversations with VEBA
- Learn of plan options and potential savings
- Engage with labor partners to negotiate

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
3.3 Explore additional possible agreements with LPs; Re: possible savings with MOUs and Side-letters	Forthcoming	One-Time	2026-27	In progress	

Efforts to Date: Collective Bargaining Agreements are being reviewed.

Key Considerations: While both SEIU and SCTA's contracts are closed through June 30, 2027, the parties can still explore mutually agreeable agreements to realize one-time savings. Conversations with UPE, Teamsters, and TCS can also be explored.

Next Steps:

Engage with labor partners regarding possible MOUs

STRATEGY 4: CONSOLIDATE PROGRAMS & SERVICES

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.1 Analyze Dual Immersion Programs for return on investment and cost savings	\$750,000	Ongoing	2026-27	Costing	

Efforts to Date: Identified that there are 223 empty seats in K-6 Dual Immersion Programs: 88 at C Chavez, 78 at E Creek, 9 at E Phillips, 16 at SB Anthony, 32 at Wm Land. Given that Dual Immersion does not participate in the split class model, this means additional FTE. This does not include any curriculum or training costs.

Key Considerations:

- Research FTE cost savings and impact associated eliminating “no splits” practice at Dual Immersion programs by determining a new FTE allocation.
- Verify current seat availability for the 26-27 school year after wait list have closed
- Determine how many students currently attending are from outside SCUSD and attend specifically because of this program.
- Determine if there are additional costs the district supports including training or curriculum

Next Steps: Currently we estimate approximately 5 FTE could be reduced - the average cost of teachers is 150K

Actual Cost Savings to Date: None

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.2 Analyze International Baccalaureate Programs	\$776,875	Ongoing	2027-28	Costing	
Efforts to Date: - Costing of three IB coordinators, IB testing fees, and cost of extra period at Umoja Key Considerations: - Loss of IB programs for students at Caleb, Umoja, and Burbank - Parents may select educational programs outside of SCUSD Next Steps: - Review IB completion rates for the three sites - Determine how many students attend these schools from outside SCUSD specifically for these programs					

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.3 Analyze HS Honors Programs	Forthcoming	Ongoing	2027-28	Costing ROI	

Efforts to Date: The return on investment is being costed.

Key Considerations: Programs have historical existence in SCUSD. School communities will express concerns if these programs are impacted.

Next Steps: Identify FTE and operating costs associated with the following HS Specialty Programs to determine total program cost beyond base funding. Analyze student enrollment and achievement to establish return on investment and identify any cost savings.

1. HISP
2. PACE/AP Capstone
3. LEAD
4. West Campus

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.4 Examine ROTC Contribution	\$559,059	Ongoing	2027-28	Costing ROI	

Efforts to Date: Costing of program management costs at \$559,059, includes FTE and program maintenance costs.

Key Considerations: Johnson and CKM continue to meet Air Force enrollment requirements. JFK's enrollment numbers need a review.

Next Steps: Identify operating costs and FTE associated with the following ROTC programs to determine total program cost beyond base funding.

1. Luther Burbank Navy Jr. (due to under enrollment, site closed program for the 26-27 school year)
2. John F. Kenney Marine Corps
3. Hiram Johnson Air Force
4. CKM Air Force

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.5 Evaluate programmatic needs for students at Non-Public Schools and explore internal service options to reduce reliance on NPS.	Forthcoming	Ongoing	2028-29	Research	

Efforts to Date:

In June of 2026, the special education department team reviewed nonpublic school placements to ensure appropriate, IEP-compliant services while identifying opportunities for cost savings through ongoing evaluation of student progress and consideration of less restrictive, district-based placement options when appropriate.

Key Considerations:

The special education department will continue to monitor student progress to determine whether continued nonpublic placement is warranted. In addition, we will evaluate opportunities for transition to less restrictive, district-based programs when appropriate while also maintaining compliance with state and federal special education requirements. There will be ongoing monitoring to identify potential cost savings by reducing reliance on nonpublic school placements while ensuring students receive a free appropriate public education (FAPE).

Next Steps: Convene Special Education workgroup to begin research and evaluation around programmatic opportunities to retain students in District instead of sending to Non-Public Schools for extensive IEP needs.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.6 Examine VAPA Contribution	\$933,000	Ongoing	2027-28	Costing	
Efforts to Date: Over the past 4 years, a district VAPA Arts plan has been adopted by the school board. In addition, SCUSD has implemented the AMS state funding to create more arts experiences and opportunities for our younger grades. Key Considerations: LCFF funding for VAPA funds our Coordinator, middle school music programs, music library, music librarian, and other VAPA related resources Next Steps: Explore transitioning existing middle school and music library supports to Arts & Music in Schools grant funding.					

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.7 Examine Advanced Placement and International Baccalaureate Testing	\$500,000	Ongoing	2026-27	Costing	
Efforts to Date: Key Considerations: The District currently covers testing fees for all students for Advanced Placement and IB Testing, IB coordinators at three IB sites, and an extra period for teachers at Umoja. Eliminating this coverage will impact equity and student access. Next Steps: Analyze cost savings if free testing is offered to a limited number of students by request.					

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.8 New Teacher Induction Program	\$750,000	Ongoing	2027-28	Costing	

Efforts to Date: By funding a Coordinator II and OT III, SCUSD is able to fulfill the requirement of offering induction support and services to new teachers.

Key Considerations: SCUSD is required to fund New Teacher Induction, either in-house or through contract with SCOE.

Next Steps: Compare the cost of running an in-district Induction Program versus contracting through SCOE.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.9 College and Career Campus Visits and Fairs	\$275,000	Ongoing	2026-27	In progress	

Efforts to Date: Prior College and Career Experiences Coordinator scheduled a date, identified a location and did some communication with partners for the SCUSD college and career fair.

Key Considerations: This event provides access for our students to college representatives to gain information and opportunities on college and career resources. Locate an alternative option for this exposure to exist for our community. We currently have no staff members in the College Readiness side of the department. Our CTE side of the department is down to a director, two coordinators, and a technician. We do not have an identified budget to pay for the expenses tied to the fair. We will continue to pay for CTE students to attend CTE related college visits.

Next Steps: Identify other regional college fairs that students can attend and communicate them out to high school families in the fall. We will continue to take students to regional career summits such as the regional Career Youth Summit at CRC.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.10 Maximize Master Scheduling Process	Forthcoming	Ongoing	2027-28	Costing	

Efforts to Date: The College & Career Readiness Department has been engaged in a years' long process to identify inefficiencies in secondary master schedules. Implementing the 4 year plan, aiming to get 100%.

Key Considerations: This master schedule seat capacity/usage audit is an equity driven approach towards cost savings. Conducting a master schedule seat capacity and usage audit allows the district to eliminate costly under-enrolled course redundancies and reallocating that FTE. This can then free funds. Anticipated costs are unknown. However, initial work done on this discovered 2M dollars of unrealized money at a large comp high school.

Next Steps: Work closely with IT to create the formal process to conduct the seat capacity audit at our secondary schools.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.11 Analyze Waldorf Programs for Cost Efficiency	\$900,000	Ongoing	2027-28	Cost of empty seats in classrooms	

Efforts to Date: Recruiting to increase enrollment

Key Considerations: The blending of TK/K in the Waldorf methodology, and the cap of TK at 10:1 ratio, makes those classes smaller. The numbers that follow for each school do not include TK/K. Waldorf methodology does not support split classes, and both schools are Choice Schools, so we do not ConCap, which results in classes that are not full. AM Winn = 137 empty seats Alice Birney = 38 empty seats. These empty seats equate to approximately 4.5 FTE at AM Winn and 1.0 FTE at Alice Birney. Waldorf schools are not allowed to add students outside of the open enrollment and permit window.

Would closing these programs mean additional loss of ADA as parents explore options outside SCUSD?

Next Steps: Look at enrollment practices for schools without boundaries.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.12 High School Graduations	\$300,000	Ongoing	2026-27	Costing for 2027	

Efforts to Date: Requiring small high schools to use auditoriums at comprehensive high schools for graduation ceremonies.

Key Considerations: Golden 1 cost \$300,000 for 2026 graduations. Continue to use rented spaces for the six comprehensive high school graduations or require them to use their football stadiums for graduations.

Next Steps: Check to see if Golden 1 or other venues are available to rent for 2027.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.13 Evaluate Inclusive Practices at Caleb Greenwood, Cal Middle and CK McClatchy for cost savings and return on investment	\$1.8M	Ongoing	2027-28	Costing for 2027	

Efforts to Date: The following Inclusive Practices sites have additional costs associated with staffing to meet CBA requirements for co-teaching; Caleb Greenwood \$373,967, Cal MS \$615,770 and CKM \$857, 572, for a total additional cost projected for next year at \$1,847, 310.

Key Considerations:

Additional staffing costs to meet co-teaching CBA requirements are projected at \$1.85 million for next year:

- Caleb Greenwood: \$373,967
- California Middle School: \$615,770
- CKM: \$857,572

The District should identify sustainable funding to support these ongoing costs, while balancing the fiscal impact with the district's commitment to inclusive practices and compliance with special education requirements. It is critical to monitor implementation and explore staffing efficiencies to maximize resources.

Next Steps: Evaluate the return on investment for students with disabilities participating in inclusive practices programs.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.14 Analyze TK-8 for Cost Efficiency/student numbers and Credential needs	Forthcoming	Ongoing	2027-28	Costing	

Efforts to Date: There are currently 6 TK-8 model schools. The staffing and costs of the TK-8 model is hard to compare/evaluate given the variety of settings that exist in SCUSD. 2 of the 6 Tk-8 model programs are Waldorf. The blending of TK/K in the Waldorf methodology, and the cap of TK at 10:1 ratio, makes those classes smaller. Rosa Parks is a traditional MS with 5 elementary school feeders and has to be staffed as such. J Still requires additional staffing due to running 2 separate sites. LdV (a Choice School) and Didion each have around 120 student enrollment which generates the 4.5 FTE needed to meet credentialing requirements of 1/content area and .5 PE for daily PE.

Key Considerations:

- Closing Waldorf options would eliminate 2 of the 6 TK-8 model schools. Of the students who attend these 2 schools, how many reside outside of the district and would return to their home district or seek other similar school options outside SCUSD. This is a key consideration because it would result in loss of ADA currently gained by pulling students from other service zones.
- Reducing TK-8 models to a traditional TK-6 could result in increased enrollment at currently underenrolled middle school sites.
- Moving back to a Tk-6 and Middle School model as the only options would also increase elective opportunities, spread resources, and reduce the need for additional admin staffing.
- The Delta Shores development

Next Steps:

- Cost out reduction of admin staffing
- Cost out the increase in staffing at traditional 7-8 middle school models
- Review feeder patterns and impacts on current enrollment

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.15 Eliminate Elementary Athletics	\$210,000 general fund \$413,000 after school programs Total approx \$630,000	Ongoing	2027-28	Costing	

Efforts to Date:

- Reached out and researched program elements
- Assessment of the cost impact relative to general funds, transportation costs and funding from after school programs

Key Considerations:

- 25-26 the budget \$413,229 of which was covered by after school programs dept. \$208,000 was covered by general fund of which there was overage \$54,592 included in that cost
- 4 Day tournament transportation costs 21,500 from general fund (included in the \$208,000
- LCFF covered 10,000 for uniforms and equipment
- 26-27 cost is anticipated to increase due to plans to expand girls flag football and maintain girls basketball
- Consider how many students served in this program format

Next Steps:

- Evaluate the potential for after school programs to cover the total cost
- Scale down activities to fit within after school programs budget

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.16 Eliminate 6th Grade Science Trip	\$850,000	Ongoing	2026-27	Costing	

Efforts to Date: 7/15/26 Request for data. Data received 7/21/26

Key Considerations: Cost impact to general fund. Cost District Bus \$23,167, Charter Bus \$119,468 Registration \$707,860 total general fund \$850,496

- Originally funded using ESSER funds. Funded now out of base.
- There are restrictions on asking guardians to pay for field trips
- Could result in disparate opportunities for young students to participate in an overnight field trip experience. Schools that have the means may be able to bridge this gap but others not.
- Upon Year end close, move this allocation to the new S & C carryover resource
- Could there be field trip support that is on a smaller scale.
- Not all school sites utilize the same vendor for this field trip.

Next Steps:

- Identify total cost of funding this district wide
- Identify which schools have participated
- Identify cost of transportation
- Identify cost of location/ venue
- Consider if less expensive options exist or if field trip support could be implemented on a sliding scale or alternative options.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.17 Staff to ratio on Counselors	\$235,000	Ongoing	2027-28	reviewing	
Efforts to Date: Reviewing options Key Considerations: Reduce over-ratio Counselors Next Steps: Data needs to be confirmed and examined					

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.18 Staff to the ratio on Social Workers	\$885,000	Ongoing	2027-28	reviewing	
Efforts to Date: Reviewing options Key Considerations: Reduce over-ratio Social Workers Next Steps: Data needs to be confirmed and examined					

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.19 9th Grade Cohorts at Comprehensive High Schools	Forthcoming	ongoing	2027-28	Under Review	
Efforts to Date: Currently 9th Grade cohorts are implemented at 5 comprehensive high schools including Burbank, CKM, Kennedy, Hiram Johnson, Rosemont. The funding is provided through the A-G grant and funds the following: 5 Certificated 9th Grade Lead positions, training and associated sub costs, and any per diem for additional collaborative time. Key Considerations: The 9th grade cohort model has resulted in positive student outcomes and has demonstrated success in ensuring that curriculum and instructional practices are calibrated across all content areas. Next Steps: Identify if the A-G grant could be used to provide support in other areas.					

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.20 MTSS				Under Review	Cost Analysis

Efforts to Date: Over the past 2-3 years, in collaboration with SCTA, SCUSD has designed a key pieces to begin a system wide approach towards MTSS. 10 Proof of Concepts schools have been identified as early implementers of elements such as teaming structures, common assurances, SST process. Each of the Proof of Concepts sites are allocated additional staff to support the successful implementation of MTSS. This includes full time MTSS Specialists, increase of FTE for social workers and nurses.

Key Considerations: 25-26 was the installation phase of a system wide roll out for MTSS. For 26-27 the opportunities are to continue expanding and growing at the Proof of Concept schools.

Next Steps: Assess effectiveness and impact of MTSS through data analysis and feedback opportunities for the staff that are implementing the MTSS framework. Calculate the total amount expended for MTSS (Specialists, Nurses, Social Workers, compensation for staff participation in trainings/meetings).

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.21 Sacramento Accelerated Academy	150K			Under review	
Efforts to Date: Review of programs offered and enrollment. Key Considerations: Enrollment improvements through increased marketing could increase revenue. Next Steps: Work with the site leader and Curriculum and Instruction team to further review programs and identify how to improve enrollment					

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.22 Success Academy/John Morse	TBD			Under Review	
Efforts to Date: Review of enrollment and programs at Success Academy and John Morse Review of staffing ratio's Review of operational budgets Review of Special Education programs and needs Key Considerations: Success Academy was originally set up to perform as an opportunity school for the district. Shifts in practice in alignment with ed code have reduced students placement at Success. Next Steps: Work with the SPED and Academic Office team to determine options for programs					

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.23 Parent Teacher Home Visits	TBD	Ongoing	2026-2027	Under Review	

Efforts to Date:

There were a total of 36 schools that participated in home visits last year. Only State and Head Start teachers are required to conduct home visits per SCTA contract and funding agency

Key Considerations:

Parent/Teacher Home Visits \$668,239 in 26/27.. Unrestricted Funds Paid Out \$296,295 + Restricted Title 1 Fund Paid Out \$629,916. Total paid for Home Visits \$926,211 last year.

Next Steps: Identify how much of the 926,211 was paid to teachers who were required to conduct home visits to identify potential differences between voluntary participation and required participation. This will allow us to determine a cost savings.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.24 Priority Schools	\$2.5 mil	ongoing	2027-28		

Efforts to Date:

Initiating conversations with labor.

Key Considerations:

Priority schools receive additional Title 1 funding to support program improvement. These funds are used in a variety of ways and must be approved through the Site Council. Removing the funding will impact staffing, resources, and programs at these sites.

Next Steps: Labor partnership

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.25 MOU with outside districts for Deaf & Hard of Hearing services	Forthcoming	Ongoing		Reviewing	

Efforts to Date:

To date, the special education department is reviewing caseloads for our students who have DHH services to determine potential strategies for consolidation of services by scheduling students with these services into programs alongside other peers who have similar if not the same services.

Key Considerations:

Consolidation of service sites may serve to enhance the quality of services, while streamlining the service delivery model. The development of Memoranda of Understanding (MOUs) with neighboring school districts to expand access to Deaf and Hard of Hearing (DHH) services can increase service availability, leverage specialized expertise, improve continuity of services for students, and create opportunities for greater cost efficiency through shared resources.

Next Steps:

Schedule time to discuss an MOU with neighboring districts.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
4.2 6th, 8th, 12th Grade Promotion - loss of ADA	TBD	Ongoing	2026-27		

Efforts to Date:

Currently the team is investigating alternative options to hold 12th grade promotions including utilizing our own facilities. The cost of the Golden 1 Center is approximately 300K. Many elementary schools hold promotions for Kinder and 6th during the last week of school which result in lower attendance.

Key Considerations: Has the potential to increase ADA for the last few days of school. Historically, many schools hold promotions or graduations prior to the last instructional day resulting in loss of ADA. This would require that schools shift all promotions to either Thursday after the instructional day ends or Friday non-instructional day to maximize ADA all the way up to the last day of the school year. Could be operationally challenging when trying to mitigate cross over of segments. Could also limit the scope of K and 6th grade promotion celebrations.

Next Steps:

Identify other options to hold graduation ceremonies. Research the percentage of lost ADA resulting from low attendance at elementary schools when promotions are held prior to the last day of school. Identify alternative systems/schedules for holding promotions to limit impact of families in multiple segments.

STRATEGY 5: IMPLEMENT ADDITIONAL STAFFING REDUCTIONS

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
5.1 Reduce management classifications	\$750,000	on-going	27-28	Start at BD	
Efforts to Date: Start with Budget Development for 27-28 Key Considerations: Reduce classifications of management into a single style. No I, II, III. Just Manager, Director, etc. Next Steps: Cost reduction analysis					

STRATEGY 6: EXHAUST ALL BORROWING OPTIONS

STRATEGY 7: EXPLORE FACILITIES EFFICIENCIES

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
7.1 Consolidate programs that do not require student attendance on sites	~\$1,000,000	Ongoing	2027-28		

Efforts to Date: Identify programs that may consolidate into a single site for staff work

Key Considerations: Transfer programs at Success Academy, Cap City, etc to the Serna Complex (Genesis) providing a more modern building and use empty spaces created by reductions. Surplus of Cap City property. Demolishing of Success Academy and creating possible green space.

Next Steps:

- Evaluate new campus needs, ensure space, modernize to effectively support programs
- Cost demo of Success Campus buildings; creation of green space
- Get appraisal of Cap City land; board surplus process

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
7.2 Consolidate programs that do not have sufficient enrollment for a single site	\$1.1 million	Ongoing	2027-28		

Efforts to Date: Identify most appropriate plan to transfer programs to a single site

Key Considerations: Transfer programs from The MET, Health Professions, and Sacramento New Technology Early College High School to a campus that will meet programs needs. A single administrator to oversee the program, other efficiencies. A central location in the district is the New Tech site; a modern, newer campus is Arthur A. Benjamin Health Professions. Surplus Met location. Depending on where the program is moved will determine vacant property next step. Reduction in site expenses and administrative costs but still keeps programs active and preserves family choice.

Next Steps:

- Program single site with each programs need; adjust as appropriate the facility
- Board Surplus Process

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
7.3 School boundary adjustments	\$0.0				

Efforts to Date: Identify most appropriate school attendance boundaries to level enrollment across schools

Key Considerations: Schools in our district have varying degrees of enrollment numbers, some so low it is not able to provide basic student supports. Review attendance boundaries to balance schools enrollment and/or increase ADA to ensure every student is not impacted by a low enrolled school and lack of services. Rules for families to protect current student placement should be adopted for the adjustment period.

There would only be savings with campus closure/alignment.

Next Steps:

- Provide an introductory presentation to the board on examples
- Go through a community input process
- Adjust attendance boundaries and seek board approval
- Provide communication to families on timelines.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
7.4 Consolidate Small Elementary Schools	\$19-27 million	Ongoing	2028-29	Draft	

Efforts to Date: Board Meeting overview of process and initial costs examples on April 23, 2026.

Key Considerations: Schools with full enrollment provide more educational and support opportunities not provided for equally at low enrolled programs.

Next Steps: First should review boundaries and identify ways to balance sites. Next, identify ideal school for our district and cost needs to find a break even point for student enrollment.

Item	Anticipated Cost Savings & Resource	One-Time or Ongoing	Savings to Begin in FY	Status	Next Steps
7.5 Establish board policy on facility enrollment standards	\$0.0	Ongoing	2028-29	Draft	

Efforts to Date: Board presentation on state of enrollment and facility capacity. Conversations on steps to create a financially balanced school.

Key Considerations: Board should identify an “ideal” level of staffing that supports the boards vision on education service in our schools. Staff would cost those scenarios to identify a “break-even” minimum enrollment and a maximum enrollment. This model would determine any steps for school consolidation but ensure the moves that impact students is a benefit add service/experience into a new or modernized school with the ideal support system.

Next Steps:

- Create ideal school staffing expectations
- Cost model
- Board Workshop

Fiscal Sustainability Plan Savings Summary

Item #	Anticipated Cost Savings	One-Time or Ongoing	Fiscal Year/Timeline
1.2	\$5,000,000	Ongoing	2026-27

Item #	Anticipated Cost Savings	One-Time or Ongoing	Fiscal Year/Timeline
1.3	\$2,500,000	Ongoing	2026-27
2.1	\$1,500,000	Ongoing	2026-27
2.2	\$3,000,000	Ongoing	2026-27
2.3	\$300,000	Ongoing	2026-27
2.6	\$25,000	Ongoing	2026-27
2.8	\$5,300,000	Ongoing	2026-27
4.1	\$750,000	Ongoing	2026-27
4.7	\$500,000	Ongoing	2026-27
4.9	\$275,000	Ongoing	2026-27
4.12	\$300,000	Ongoing	2026-27
4.16	\$850,000	Ongoing	2026-27
Totals - \$20,300,000			
1.1	\$10,000,000	Ongoing	2027-28
4.2	\$776,875	Ongoing	2027-28
4.4	\$559,059	Ongoing	2027-28
4.6	\$933,000	Ongoing	2027-28

Item #	Anticipated Cost Savings	One-Time or Ongoing	Fiscal Year/Timeline
4.8	\$750,000	Ongoing	2027-28
4.11	\$900,000	Ongoing	2027-28
4.13	\$1,800,000	Ongoing	2027-28
4.15	\$630,000	Ongoing	2027-28
7.1	\$1,000,000	Ongoing	2027-28
7.2	\$1,100,000	Ongoing	2027-28
Totals - \$23,479,934			
7.4	\$25,000,000	Ongoing	2028-29
7.5	\$19,000,000	Ongoing	2028-29
Totals - \$44,000,000			
2.4	\$733,984	Ongoing	TBD
4.17	\$235,000	Ongoing	TBD
4.18	\$885,000	Ongoing	TBD
Totals - \$1,853,984			

Still Costing Out

- 1.4, 1.5
- 2.5, 2.7
- 3.2, 3.3
- 4.3, 4.5
- 4.10, 4.14, 4.19
- 4.20, 4.21, 4.22, 4.23
- 7.3



SCUSD 2026–27 Fiscal Sustainability Plan July 30, 2026

Excluded from the Board's adopted budget for the 2026-2027 fiscal year, this comprehensive fiscal sustainability plan introduces new revenue streams, operational efficiencies, expenditure cuts, and negotiated cash-flow relief.

Full implementation of these measures could enhance the District's financial standing by \$158.639 million, creating a viable path to achieve the \$150 million solvency target established by the Sacramento County Office of Education (SCOE). Notably, this \$150 million benchmark surpasses SCOE's stated goal of \$135 million and FCMAT's projection that the District's cash deficit will be \$135 million by June 2027.

To fulfill its monitoring obligations, the District will implement monthly updates across the designated categories. When an approved reduction is insufficient; the primary focus remains on its concrete realization. Staff must demonstrate actual budget contractions, decreased operational expenditures, preserved cash balances, and the substitution of any deficiencies with alternative measures to safeguard the solvency objective. This framework is subject to modification following each monthly evaluation.

Key:

- *Funds Realized* = blue background
- *MOU Pending Approval* = yellow background
- *Sub Totals/Totals* = purple background

#	Bucket	Target Amount	What it includes	How to Show Process or Completion	Funds Realized
1	State discretionary block grant	\$31.100M	Final one-time state funding not included in the adopted budget.	Official CDE allocation, payment timing, District-versus-charter treatment, eligible uses, and how much unrestricted spending it can replace. Monthly reporting must show allocation, revenue posted,	31.100M

#	Bucket	Target Amount	What it includes	How to Show Process or Completion	Funds Realized
				cash received, eligible expenditures shifted, remaining balance, and variance from plan.	
2	Programmatic reductions	\$20.300M	Reductions identified in the 7 Strategies document , including program cuts, consolidations, service reductions, and the additional \$5.3M program reduction amount (book and supplies moved from 4399. Verified by SCOE)	Refer to the 7 Strategies document. Staff must identify which strategies are approved, the savings assigned to each strategy, implementation dates, bargaining implications, replacement costs, and expected monthly cash impact. Monthly reporting must show the original target, budget reduction posted, actual savings realized, cash preserved, forecast at completion, variance, responsible owner, and corrective action if implementation is behind schedule.	
3	Contracts and consultants	\$9.000M	Consultants, agency staffing, software, legal services, training, subscriptions, communications, and contract scope reductions	Vendor-by-vendor schedule, termination dates, gross savings, replacement costs, and net cash savings. Monthly reporting must show contracts canceled or reduced, encumbrances released, payments avoided, replacement costs, and net savings.	
4	Department operating budgets	\$3.000M	Additional reductions to controllable central-office spending such as travel, supplies, equipment, memberships, and discretionary services	Department-level budgets, exact object codes reduced, existing encumbrances, prior reductions already taken, and monthly spending limits. Monthly reporting must show revised budget, actual spending, open purchase orders, remaining target, and corrective action.	
5	Align resources with student priorities	\$2.000M	Approximately 10% reduction in unrestricted site-controlled spending, plus	Unrestricted site budgets, committed versus available balances, essential-cost exemptions, and actual amounts removed. Monthly	

#	Bucket	Target Amount	What it includes	How to Show Process or Completion	Funds Realized
			recovery of unused balances and stale purchase orders	reporting must show site reductions posted, spending against revised budget, released purchase orders, unused balances recovered, exemptions, and net Districtwide savings.	
6	Reduce overtime, substitutes, stipends, and extra duty	\$5.750M	Reduce Overtime controls, substitute reductions, extra-duty work, stipends, summer staffing, and compensatory-time controls	Historical spending baseline, department and site caps, contractually required costs, approved exceptions, and monthly savings. Monthly reporting must show actual spending by category, comparison with target and prior year, approved exceptions, forecast, and net savings.	
7	Special-education efficiencies	\$3.000M	Agency staffing reductions, provider renegotiation, transportation efficiency, extraordinary-cost claims, and service delivery improvements	No reduction in required IEP services, contract and staffing detail, reimbursement claims, replacement costs, and net unrestricted benefit. Monthly reporting must show agency costs, District replacement costs, claims submitted, reimbursements received, transportation savings, and net encroachment improvement.	
8	Workforce and benefit actualization	\$6.000M	Savings from staffing levels below budget, delayed hiring, retirements, lower-cost replacements, and related benefit savings	Budgeted versus actual FTE, payroll variance, benefit savings, backfill costs, and proof the amount is not duplicated elsewhere. Monthly reporting must show active FTE, salary savings, benefit savings, overtime and contractor offsets, and net realized savings.	
9	Procurement and unused allocations	\$4.750M	Closing stale purchase orders, releasing encumbrances, recovering unused allocations, equipment freezes,	Purchase-order aging report, canceled obligations, released encumbrances, unrestricted amount available, and actual cash avoided. Monthly reporting must show purchase orders canceled, encumbrances released,	

#	Bucket	Target Amount	What it includes	How to Show Process or Completion	Funds Realized
			and centralized purchasing	budget returned, equipment purchases deferred, and cash impact.	
10	Facilities, utilities, and leases	\$3.500M	Energy savings, space consolidation, lease reductions, closing unused areas, and deferring noncritical replacements	Specific sites, leases, utility baselines, implementation dates, one-time costs, and 2026–27 cash savings. Monthly reporting must show utility usage, leases reduced, space consolidated, contracts terminated, and savings realized.	
11	Central administration and management	\$3.000M	Vacant management positions, acting assignments, overlapping functions, supervisory layers, and central-office support reductions	Named positions and functions, salary and benefit savings, organization changes, implementation dates, and no replacement cost elsewhere. Monthly reporting must show positions eliminated, payroll savings, acting stipends ended, consultant reductions, and replacement costs.	
12	Transportation and fleet	\$.800M	Route optimization, overtime reduction, contractor review, fuel controls, fleet assignment, and maintenance savings	Route analysis, required-service compliance, contractor comparisons, overtime data, and monthly cost reductions. Monthly reporting must show route count, contractor use, overtime, fuel, maintenance, and savings against target.	
13	Legal, claims, and risk controls	\$3.000M	Outside counsel limits, investigation controls, claims management, workers' compensation improvements, and settlement review	Historical baseline, enforceable authorization controls, identified cases or vendors, and measurable year-over-year reduction. Monthly reporting must show outside counsel spending, claims costs, investigations, settlements, workers' compensation trends, and savings.	
14	Attendance and revenue recovery	\$2.000M	Attendance corrections, prior-year receivables,	Separate confirmed recoveries from aspirational attendance gains, identify receivables and claims, and	

#	Bucket	Target Amount	What it includes	How to Show Process or Completion	Funds Realized
			reimbursement recovery, indirect-cost recovery, and limited ADA improvement	show cash collection dates. Monthly reporting must show ADA versus budget, claims submitted, revenue received, prior-period corrections, and variance from target.	
15	Hiring freeze and vacancy controls	\$2.000M	Holding noncritical vacancies open outside classroom, safety, legal, and compliance positions	Position list, vacancy dates, salary and benefit savings, exemptions, and no overtime, substitute, agency, or contractor backfill. Monthly reporting must show vacancies held, payroll savings, exceptions approved, backfill costs, and net savings.	
16	Health-benefit dependent eligibility audit	\$2.500M	Removal of ineligible dependents and reduction in related premium or claims costs	Independent eligibility review, actual enrollment removals, premium or claims savings, timing, and separation from OPEB relief. Monthly reporting must show audit completion, dependents removed, premium reductions, claims impact, and realized savings.	
17	Technology and software-license consolidation	\$0.500M	Elimination of unused or duplicate licenses, platform consolidation, device management, and centralized purchasing	License inventory, usage data, contracts canceled, implementation costs, and no duplication with the contracts bucket. Monthly reporting must show licenses removed, contracts reduced, implementation costs, and net savings.	
18	Insurance, telecom, copier, and lease renegotiation	\$0.750M	Rebid or reduced insurance, phone lines, mobile devices, copiers, equipment rentals, and recurring leases	Current contract inventory, renewal dates, bids or amendments, termination costs, and net 2026–27 savings. Monthly reporting must show agreements renegotiated, services removed, contract savings, termination costs, and cash impact.	
19	Additional Medi-Cal and	\$2.000M	Unsubmitted claims, billing	Claim inventory, submission dates, expected collections,	

#	Bucket	Target Amount	What it includes	How to Show Process or Completion	Funds Realized
	reimbursement recovery		corrections, prior-period reimbursements, and improved claiming processes	responsible department, and separation from the special-education bucket. Monthly reporting must show claims submitted, approved amounts, cash received, denied claims, and forecast at completion.	
20	Additional state grants, reimbursements and restricted cost replacement	\$5M conservative (\$10M target; \$8M–\$22M gross opportunity)	Special-education reimbursements, Community Schools, homeless-student supports, dual enrollment, inclusive practices, teacher pipelines, newcomer supports, kitchen infrastructure, and other final-budget programs	Final allocation or award notice; proof the amount is not already budgeted; allowable-use analysis; existing unrestricted expenditure being replaced; required new spending; net General Fund benefit; monthly cash-receipt schedule; and responsible department owner	
21	Subtotal before OPEB MOU	\$109.950M	State funding plus District-controlled reductions and recoveries	Full reconciliation showing no overlap, clear ownership, implementation dates, and monthly evidence of budget and cash realization.	
22	OPEB-related relief	\$41.204M	OPEB and related health-benefit cash relief. Amount verified by SCOE consultant.	Signed agreement, legal and actuarial review, exact cash timing, future liability impact, and confirmation the amount is not counted elsewhere. Monthly reporting must show cash retained or avoided, actual contribution changes, health-cost impact, remaining obligation, and variance from plan.	
23	Medi-Cal reimbursements to offset General Fund costs.	7.000 M	SCTA agreement. Amount verified by SCOE letter (page 2, paragraph 4)		
24	SCTA's member OPEB	.485 M	SCTA agreement. Amount saved by		

#	Bucket	Target Amount	What it includes	How to Show Process or Completion	Funds Realized
	contribution (non funding savings)		employees not contributing to OPEB for 26-27.		
25	Total maximized plan	\$158.639M	Full proposed solvency package	Evidence that at least \$150M is realistic, measurable, timely, and cash-positive.	

Summary

<u>Items</u>	<u>Amount</u>
Total before OPEB Agreement	\$109.950M
SCTA Agreement total relief for '26-'27	\$48.689M
Total plan	\$158.639M
Minimum solvency target	\$150.000M
Implementation cushion	\$8.639M

Monthly Reporting Commitments

Every line item will be reviewed monthly using the same standards:

Required field	Details
Original target	Approved savings or revenue amount
Budget reduction posted	Amount formally removed from the budget
Actual savings to date	Verified expenditure reduction or revenue collected
Cash realized	Actual cash preserved or received
Forecast at completion	Expected full-year result
Variance	Difference from target
Evidence	Payroll, contract, claim, allocation, or purchase-order support
Responsible owner	Cabinet member or department lead
Corrective action	Replacement action if the target falls short
Confidence rating	High, medium, or low

A reduction will not be considered achieved because it has been approved. Staff will show that the budget has been reduced, spending has actually declined, cash has been preserved, and any shortfall has been replaced with another identified action.