



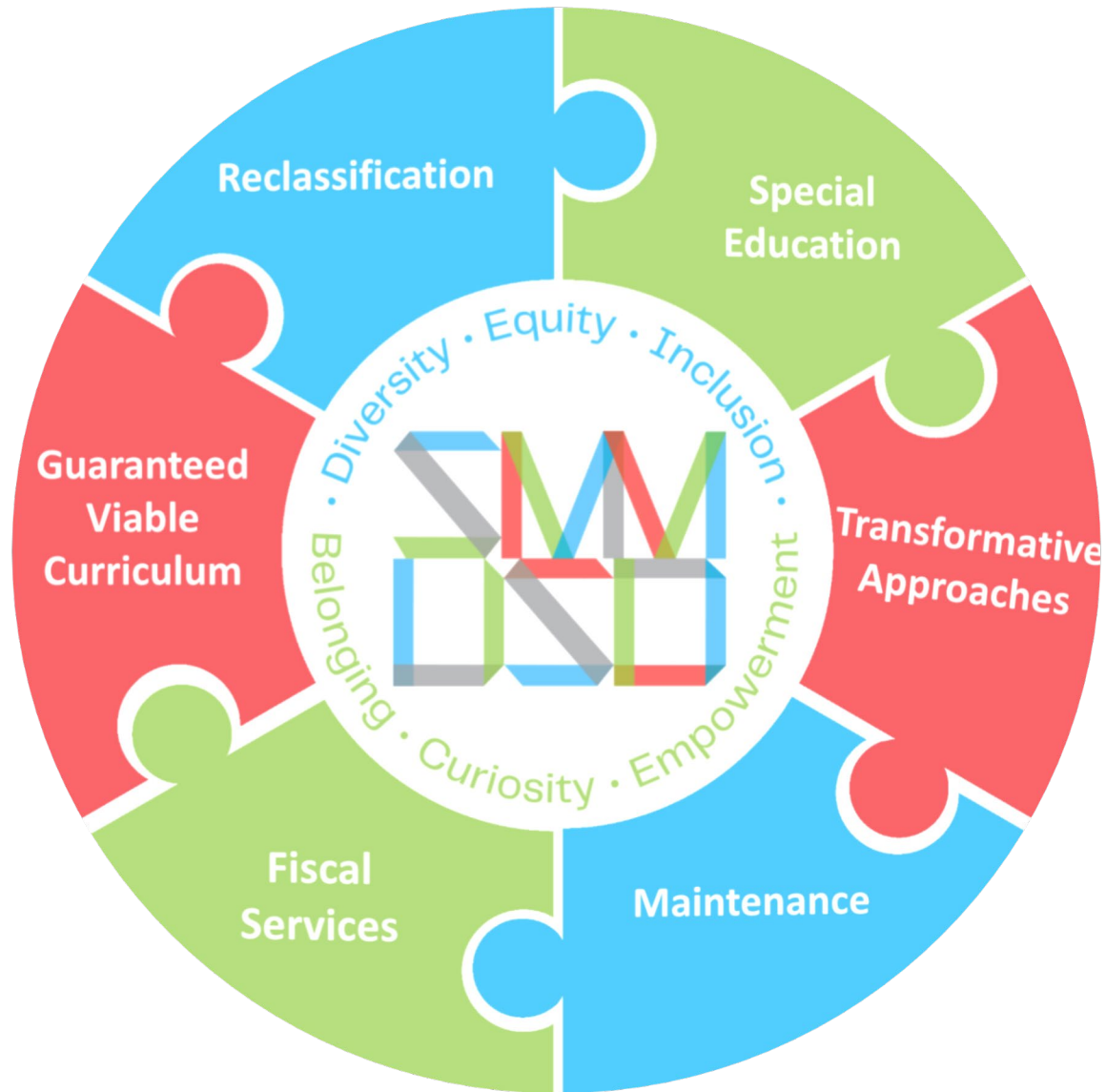
SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

2026-27 45-Day Budget Revision

Gerardo Cruz,
Assistant Superintendent
of Business Services &
Chief Financial Officer



August 6, 2026 Board Meeting
Major Action Agenda Item II.K.2





Budget Reporting Periods

1. Preliminary Budget – June
2. Public Hearing Budget – June
3. Adopted Budget – June
4. 45-Day Revision (if needed) – August
5. First Interim – December
6. Second Interim – March
7. Third Revision – May
8. Estimated Actuals – June
9. Fourth Revision (if needed) – June
10. Unaudited Actuals – September
11. FOC/Board Liaisons Review Draft Audit – Dec.
12. Board Approves Final Audit Report – Jan.

2026-27 45-Day Budget Revision

Santa Monica-Malibu Unified School District | State Budget Funding Changes

Executive Summary

New and increased state funding should be incorporated into the 45-day revision, with the District separating restricted, one-time, and ongoing resources. Based on the revised SMMUSD analysis, the most defensible quantified planning increase from the specified programs is approximately \$11.23M before any LCFF Equity Multiplier allocation is published.

SMMUSD adopted baseline

8,548 projected enrollment
8,142.21 adopted-budget ADA
8,052 P-2 ADA projection
8,633 funding ADA in MYP
31.32% UPP | \$142.434M LCFF
~\$12.066M planned deficit spending

Quantifiable planning additions

Student Support: ~\$7.49M
Special Education: ~\$2.97M
ELO-P Rate 2: ~\$0.28M
LREBG: ~\$0.49M

Total: ~\$11.23M

Still pending

LCFF Equity Multiplier: \$53,181 minimum per eligible school; 2026-27 rate and eligible-school list TBD

The District-wide Equity Multiplier amount will not be added to the budget until CDE publishes eligible schools and per pupil rate.



What Changes at 45 Days?

Funding source	2026-27 change	SMMUSD Planning Amount	Treatment
Student Support Block Grant	~\$930/ADA one-time	~\$7.49M proxy	Restricted; compliance conditions
Special Education AB 602	\$1,340/funded ADA	~\$2.97M planning increase	Ongoing; SELPA/CDE allocations
ELO-P Rate 2	\$1,577.72 → \$1,800 (minimum)	~\$0.28M increase	Ongoing; P-2 ADA
Learning Recovery Emergency Block Grant (LREBG) final installment	$\$228 \times 2021\text{-}22 \text{ ADA} \times 25.39\% \text{ UPP}$	~\$0.49M planning estimate	One-time final installment; LCAP/needs assessment
LCFF Equity Multiplier	Per-Pupil Rate Pending; minimum per eligible school is \$53,181	TBD; school-level	Not booked without eligible-school list Expected February 2027
1.44% LCFF investment	Already in adopted 4.31%	\$0 new at 45 days	Nothing to add to District Budget

Source: SSC 2026 School Finance Conference; OCDE 2026-27 45-Day Budget Advisory; SMMUSD 2026-27 Adopted Budget/MYP; CDE P-2 materials



Quantified 2026-27 Planning Impact

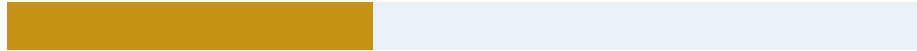
Student Support Block Grant



\$7.49M

One-time

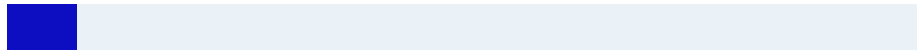
Special Education AB 602



\$2.97M

Ongoing;
planning estimate

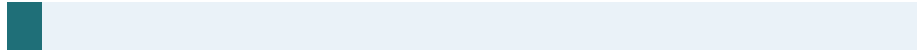
LREBG



\$0.49M

One-time
final installment

ELO-P Rate 2 increase



\$0.28M

Ongoing entitlement

Quantified 45-day planning increase from specified programs

~\$11.23M | includes ~\$0.49M LREBG based on 8,475 2021-22 ADA and 25.39% UPP | LCFF Equity Multiplier remains unquantified pending CDE eligible-school list and 2026-27 rate.

Source: SSC 2026 School Finance Conference; OCDE 2026-27 45-Day Budget Advisory; SMMUSD 2026-27 Adopted Budget/MYP; CDE P-2 materials



Funding Criteria the District Must Satisfy for Compliance

Student Support Block Grant

Declining-enrollment LEAs: public hearing on impacts/closures/consolidations; no employee fee for covered professional services through 6/30/2032; report by 9/30/2032.

ELO-P Rate 2

Rate 2 applies to SMMUSD based on UPP below the Rate 1 threshold; 2026-27 Rate 2 is at least \$1,800 per unit; annual intent at P-2; report and spend within required deadlines.

LREBG

Student needs assessment; include expenditures/actions in LCAP or annual update; SMMUSD planning estimate uses 2021-22 P-2 ADA of 8,475 and UPP of 25.39%; may support learning recovery through 2027-28.

Equity Multiplier

School-level eligibility: prior-year non-stability >25% and socioeconomic-disadvantaged >70%; evidence-based services and LCAP inclusion; 2026-27 eligible-school list/rate expected Feb. 2027.

Special Education

AB 602 base rate is \$1,340 per funded ADA; final CDE/SELPA allocation and special-education fiscal requirements control local budgeting.





SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

Recommended 45-Day Budget Actions

1

Identify

New restricted revenues using planning estimates provided by School Services of California along with CDE certified data.

2

Relieve the General Fund

Special Education AB 602 growth offsets the Local General Fund Contribution to Special Education where final apportionment permits; this is not unrestricted cash.

3

Use one-time funds strategically

Student Support Block Grant and LREBG to one-time/time-limited needs and avoid structural commitments that outlive the funding.

4

Keep pending items open

District-wide LCFF Equity Multiplier amount will be budget once CDE publishes the eligible schools/rate. The LREBG amount was added to the budget with an estimate of ~\$0.49M using 8,475 2021-22 ADA and 25.39% UPP, subject to final CDE calculation.

5

Maintain compliance and reserves

Restricted funding to LCAP/needs assessments coupled with the required public hearings/reporting; monitor the reserve and multi-year sustainability.

Board Action

Approve the 2026-27 45-Day Budget Revision, including approximately \$11.23M of quantified planning increases from the specified programs



Next Steps

- Recommend Approval of 45-Day Budget Planning Revisions
- Incorporate 45-Day Budget Revisions into Budget
- Ratify 45-Day Budget Revisions at 2026-27 First Interim
- 2026-27 First Interim Budget 12/10/2026



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