

# Measure Y Parcel Tax Oversight Committee

## San José Unified School District

April 28, 2025

### **Committee Members**

*Christopher Russell,  
Chair*

*Nicole Erb, Vice  
Chair*

*Jill Kieslich,  
Secretary*

*Catherine Graham  
Dan McSweeney*

*Chazzerrina Pono  
Michael Smith*

Dear Residents of the San José Unified School District,

On behalf of the Measure Y Parcel Tax Oversight Committee (PTOC or Committee), I am pleased to present the sixth Annual Report on the expenditure of San José Unified School District (SJUSD or District) Measure Y Parcel Tax funds. This report provides an overview of the Measure Y program and PTOC activities for the year ending June 30, 2024, and documents our agreement that taxpayers' money has been properly expended in accordance with voter-approved purposes.

### **About Measure Y**

Measure Y, which was passed by voters on November 8, 2016 with 67.1% of the vote, authorizes SJUSD to levy a qualified special (parcel) tax beginning on July 1, 2017 and continuing for a period of eight years at the annual rate of \$72 per parcel of taxable real property within the District boundaries, with an exemption available for any parcel that is owner-occupied as the principal residence of one or more senior citizens or certain disabled persons.

Specific purposes for which tax proceeds may be used are outlined in the ballot statement (<https://sjusd.box.com/s/1vghsdp61tkcbhmhmsskajyfvyan0kg>) as:

- Maintain and improve core academic programming in reading, writing, math, the arts and science;
- Improve programs to prepare students for college and 21<sup>st</sup> century careers; and
- Attract and retain high performing teachers and educational staff.

Charter schools overseen by the district and who have partnered with the District to educate students living in the District may receive an allocation as determined by the SJUSD Board of Education (Board). Revenue generated by the tax may not be used for District Office administrators' salaries, pensions or benefits. Strict accountability measures, including review by an independent citizens' oversight committee (the PTOC), ensure that funds are used solely for purposes described in the ballot statement.

This tax raises approximately \$5 million in local annual funding for District schools, with the exact amount varying from year-to-year due to changes in the number of exempt parcels. Collection of the tax was initiated during the fiscal year ending June 30, 2018 for use during the fiscal year ending June 30, 2019. Detailed information regarding budgeted and actual expenditures for each of the specific purposes outlined in the ballot statement can be found in prior PTOC Annual Reports posted on the SJUSD website:

<https://www.sjusd.org/about/advisory-committees-groups/parcel-tax-oversight-committee>

**Measure Y Program Status**

This report covers the 2024 fiscal year. The budgeted and actual expenditures for the fiscal year ending June 30, 2024, were as follows:

<b>Expenditure</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Difference</b>
Library Media Tech	373,946.20	374,859.23	(913.03)
Employee Retention	4,419,554.26	4,417,878.01	1,676.25
Audit	28,105.00	28,105.00	-
<b>Total</b>	<b>4,821,605.46</b>	<b>4,820,842.24</b>	<b>763.22</b>

Measure Y funds were used in the following areas:

- **Maintain and Improve Core Academic programming** - Measure Y funds were not used in this area during the fiscal year ending June 30, 2024.
- **Improve programs to prepare students for college and 21st century careers** - Measure Y funds were used to ensure that all school site libraries and college/career centers remained open an additional hour of time (Library Media Tech).
- **Attract and retain high performing teachers and educational staff** – The district paid bonuses to employees using Measure Y funds. Per the Moss Adams Performance Audit: The District paid active and eligible employees, except for District administrators located at the District main office (i.e., locations 850 through 942), a one-time bonus payment of \$1,500 out of Measure Y funding. Based on our review and per inquiry with the District, funding for bonus payouts for the fiscal year came from both Measure Y and the General Fund. To qualify for the one-time bonus payment with funding from Measure Y, employees needed to be active prior to Monday, February 26, 2024. They also needed to have an FTE standing of .75 or greater to receive the full amount. Those with less than .75 FTE standing would have the \$1,500 payment prorated by their FTE. For example, an active employee with a 0.5 FTE would receive a pre-tax payment of \$1,500 \* 0.5 = \$750). Additionally, if an employee was located at an ineligible District location (i.e., locations 850 through 942) but was not a District administrator (i.e., did not belong to either the San José Administrators Association (SJAA) or San José Highly Compensated Employees (SJHC) bargaining unit), they were eligible to receive their bonus payout out of Measure Y. All other bonus payouts (i.e., District administrators at locations 850 through 942 or staff otherwise not eligible for funding from Measure Y as identified by the District) were paid out of the General Fund. The payment was approved by the Board during the District’s Board Meeting on February 15, 2024 (Employee Retention).
- Auditing Services expenditures funded the annual independent performance audit by Moss Adams.

Total tax proceeds of \$4,797,181.44 were collected during the fiscal year ending June 30, 2024.

Since its inception, the PTOC has discussed with District staff the effectiveness of the annual retention bonuses, considering their relatively modest, across the board amounts. We continue to encourage the District to evaluate the impact of bonus payments on retention and look for additional, potentially more effective uses for future parcel tax funds.

The results of an independent performance audit for the fiscal year ending June 30, 2024, were presented in an audit report <https://www.sjUSD.org/about/fiscal> issued on December 16, 2024, and accepted by the Board on January 16, 2025. The performance audit report concluded that parcel tax proceeds had been expended in accordance with the Measure Y ballot statement and noted several commendable practices. No new recommendations were noted, and all prior-year recommendations have been resolved.

### **Parcel Tax Oversight Committee**

The purpose of the PTOC is to inform the public concerning the expenditure of tax revenues. It is the Committee's responsibility to actively review and report on the proper expenditure of taxpayers' money in accordance with voter-approved purposes.

The Board established the Measure Y PTOC on June 15, 2017, and appointed members to initial two-year terms. Committee members are non-compensated volunteers who must live or work within the borders of the District and may serve for an unlimited number of two-year terms. SJUSD employees and contractors are not eligible to serve on the PTOC. The seven current members were individually appointed (or reappointed) in June and December 2021 to terms ending June 30, 2023 and were renewed on May 25, 2023 to terms ending June 30, 2025. PTOC meeting agendas and minutes as well as administrative documents such as the PTOC Bylaws can be found at <https://www.sjUSD.org/about/advisory-committees-groups/parcel-tax-oversight-committee>.

The PTOC is committed to effectively communicating its findings and other relevant information to all community and educational partners. The wide distribution of the Annual Report and the availability of Committee members to their respective constituencies are some of the ways in which the PTOC seeks to meet its communication responsibilities.

The PTOC met the following times during the 2024-2025 fiscal year: August 26, November 18, February 24, and April 28 at SJUSD main office at 855 Lenzen Ave to review program activities and expenditures. In addition, the Committee reviewed and discussed the annual independent performance audit report. The PTOC has evaluated expenditures for their appropriateness and consistency with voters' intent in passing Measure Y and has concluded that the District has adhered to the intent of the ballot statement.

### **Conclusion**

The PTOC concludes that, to date, taxpayers' money has been properly expended in accordance with voter-approved purposes, and members of the Committee express satisfaction and confidence in the District's overall management of the Measure Y program. The PTOC remains concerned about the potential effectiveness of annual retention bonuses, but the District has reported back to the PTOC that these payouts have had a positive effect on the morale of the employees and teaching staff.

The members of the PTOC take their mandated responsibilities seriously in evaluating and reporting on the progress of the District's expenditure of Measure Y funds. Members appreciate the opportunity to serve the students, voters and taxpayers in the San José Unified School District and wish to thank the Board of Education and District staff for their support.

Page 4 of 4  
Measure Y PTOC Annual Report  
April 28, 2025

On behalf of the PTOC, I hope you find this report helpful and informative, and I welcome your response. For more information, please visit the SJUSD website at <http://www.sjUSD.org/> or contact the Committee through District staff at [parceltax@sjUSD.org](mailto:parceltax@sjUSD.org). All Committee meetings are open to the public, and meeting notices and agendas are posted in the same manner as Board of Education meeting notices and agendas.

Thank you for taking the time to read the 2024 Measure Y PTOC Annual Report.

Sincerely,

Christopher Russell  
Chair



2025-04-29