



PRESS RELEASE

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2021-2022 SAN JOAQUIN CIVIL GRAND JURY RELEASES REPORT ON SUSD: A FAILING GRADE IN PUBLIC TRUST

Stockton, CA — The 2021-2022 Grand Jury received complaints alleging the Stockton Unified School District's (SUSD) management and Board of Trustees were not adhering to policies and procedures regarding financial transactions and funds were not being used in the best interest of students, families, staff, and district. An investigation into these allegations was opened and the Grand Jury's report was released on June 17, 2022.

The Grand Jury focused the scope of its investigation on SUSD's financial management, Board transparency, and Board duty of care. To gain an understanding of the issues presented in the allegations against SUSD, the Grand Jury conducted more than 30 interviews, attended virtual Board meetings, and reviewed relevant documents, websites, and newspaper articles.

Stockton Unified School District has served students and families since 1852 and is the 15th largest school district in California. The Business Services Department (BSD) is directly responsible for all financial management of the district including accounting, budgeting, investments, and compliance with State and Federal reporting requirements. Due to the retirement and separation of numerous long-term employees in the past year, the BSD was not staffed to operational levels necessary to insure proper fiscal management. Deficiencies in training, experience, and knowledge of the requirements for financial reporting resulted in missed opportunities to secure grant funding, inconsistent implementation of the district's financial policies and procedures, and a projected budget deficit by fiscal year 2024-25, if not sooner.

The Board of Trustees often made crucial decisions with minimal data, knowledge, and consideration and showed consistent disregard for Board Bylaws. The Grand Jury found a lack of transparency and apparent conflicts of interest exist that undermine the Board's credibility, thereby, reducing public trust and confidence in the district. These failures by senior leadership and the Board of Trustees in SUSD has put the district's future solvency at risk and drastic changes will need to be implemented to avoid financial catastrophe.

The public is encouraged to read the complete report by visiting the [Grand Jury's website](#).

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