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February 12, 2026

Assemblymember John Harabedian
Chair, Joint Legislative Audit Committee
1020 N Street, Room 107
Sacramento, CA 95814

Re: Request for Audit of the Coachella Valley Unified School District

Dear Chair Harabedian,

I write you to respectfully request that the Joint Legislative Audit Committee approve an audit of the Coachella Valley Unified School District (CVUSD) given the projected ongoing budget deficits.

According to the latest Fiscal and Crisis Management Assistance Team (FCMAT) report, CVUSD is facing ongoing structural deficits of nearly \$14.8 million in 2025/26, \$25.6 million in 2026/27, and \$29.2 million in 2027/28. These projected deficits would drive the District below the mandatory 3% minimum reserve and place it at high risk of fiscal insolvency. FCMAT Fiscal Health Risk Analyses from 2019 and 2025 warned of mounting structural imbalances and flagged the District as high risk. Taken together, these findings reflect a sustained failure to correct known financial problems and raise serious concerns about fiscal oversight and long-term planning.

This significant gap in funding raises important questions about financial management and accountability within the district, and I believe it is in the best interest of all stakeholders—students, parents, staff, and the community—that an independent audit be conducted to assess the district's financial practices. My office has been contacted by parents, teachers and district taxpayers who request answers as to how CVUSD has fallen into a shortfall of such magnitude.

The current budget shortfall places a strain on the district's ability to provide quality education and essential services. As a result of this massive budget crisis, the board has voted to cut over 300 positions within the district, leading to grave concerns within the community over the impact these cuts will have on students and staff. Given the magnitude of the deficit, it is crucial that the public has a clear understanding of the causes and implications of the budget shortfall. A thorough and transparent audit would help ensure that funds are being used appropriately, uncover any mismanagement or inefficiencies, and provide recommendations for improving financial planning moving forward.

The district has indicated publicly this shortfall stemmed from keeping temporary positions added using COVID relief funds even after those funds had run out. However, a 2019 audit performed by the Riverside County Office of Education revealed that CVUSD has had structural deficit issues well before the recent findings.

An audit will also provide the opportunity to identify areas where resources could be more efficiently allocated to maintain or even improve educational outcomes despite the current fiscal challenges. Transparency in this process is essential for fostering trust and ensuring that the community remains informed and engaged.

The scope of the audit request is as follows:

1. Investigate when the Coachella Valley School District first fell into a budget shortfall. Has there been any previous state or local government oversight or auditing efforts due to previous shortfalls or other financial difficulties? What was the budget outlook of the years leading up to the shortfall? Were there any significant surpluses? If so, how were those surpluses spent?
2. In recent years, public reporting has identified instances of employee misconduct within CVUSD, including cases involving students. What hiring, background screening, and credential verification practices are in place to ensure best outcomes for the health and safety of students? What, if any, practices or procedures are in place to report, investigate, and address any allegations of misconduct? Has the District taken any corrective actions or implemented any programs or procedures to prevent future recurring incidents?
3. What, if any, programs or services have been cut or reduced since the budget shortfall began? How are those budget decisions made and by whom?
4. Local news reports have drawn attention to the company “Goldenvoice,” which is the company behind the Coachella Valley Music and Arts Festival and Stagecoach music festival, donating \$1.5 million to the CVUSD foundation. The foundation has been out of compliance with state regulations. Why was the foundation out of compliance with state regulations? When was the last time the foundation filed taxes? Where has that money gone? Has any of it been used by CVUSD or the Board of Directors or anyone connected with CVUSD or the Board?
5. How many projects has CVUSD contracted with outside companies since 2015 and how many of those projects were facilitated through a bidding process? How many different companies were awarded bids for projects?
6. Determine how much the CVUSD paid the company “Desert Concepts Construction, Inc.” to complete various infrastructure and maintenance projects. Of the projects that have been awarded to Desert Concepts Construction Inc, have any of them gone over budget? If so, which projects and how far over budget did they go? For any over budget projects, where and how was that excess money spent?
7. Have there been any contracting bids submitted by other companies who then subcontract the job out to any other companies? If so, which companies receive the subcontracts and for which projects? Have any of those projects gone over budget?
8. Investigate any financial dealings between the City of Coachella and CVUSD. Including, but not limited to the CVUSD internship program with Coachella, have there been any payouts, grants, transactions, etc. between the two entities?
9. Have CVUSD funds been used to cover costs associated with employee settlements and/or lawsuits? If so, how much money has been used since 2023?

10. Investigate the finances of the Expanded Learning Opportunity Program (ELOP). Is the program financially solvent? Of the funds that have been awarded to ELOP, where and how have those funds been spent? Are those expenses within the parameters of the program?

I appreciate your consideration of this request. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Gonzalez". The signature is written in a cursive style with a large initial "J".

Jeff Gonzalez
36th Assembly District