

**PALO ALTO UNIFIED SCHOOL DISTRICT
Memorandum of Understanding**

June 9, 2026

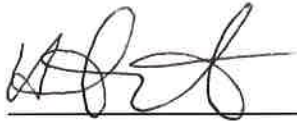
The Palo Alto Unified School District (District) and the Palo Alto Educators Association (PAEA) have reached the following understandings related to the following Contingency Formula for the 2026-2027 school year:

In addition to the salary increase set forth in Article VI, Section B.1. (2026–2027 Teachers' Salary, Salary Schedule Increase), unit members shall receive an additional ongoing salary schedule increase, retroactive to July 1, 2026, subject to the following conditions:

a. Upon finalization of the 2026–2027 property tax revenues by the County Assessor in August 2027, if the final total property tax revenue growth exceeds five percent (5%), eighty percent (80%) of the revenue generated above the five percent (5%) threshold shall be allocated to the Teachers' 2026–2027 Salary Schedule in the form of an ongoing salary schedule increase. The District shall retain the remaining twenty percent (20%).

b. Any additional salary schedule increase provided pursuant to this memorandum shall be retroactive to July 1, 2026, and shall apply to all unit members who were employed by the District during the 2026–2027 school year.

This MOU will take effect July 1, 2026.



Herb Espiritu
PAUSD
Acting Superintendent

6/29/26
Date



Tom Culbertson
PAEA
President

6/9/26
Date