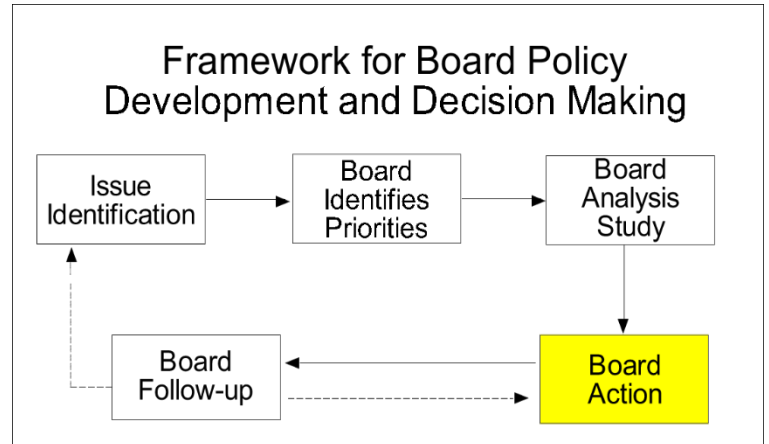


# Iowa State Board of Education

## Executive Summary

March 20, 2025



<b>Agenda Item:</b>	Heartland Area Education Agency (AEA) Budget Review
<b>State Board Priority:</b>	All
<b>State Board Role/Authority:</b>	Iowa Code 273.3(12) requires the State Board to review the proposed budget of each area education agency (AEA) and either grant approval or return the budget without approval with comments of the State Board included. An unapproved budget shall be resubmitted to the State Board for final approval.
<b>Presenter(s):</b>	Kassandra Cline, Chief Bureau of School Business Operations  Cindy Yelick, Chief Administrator Heartland AEA  Brian Whalen, Director of Business Services Heartland AEA
<b>Attachment(s):</b>	One
<b>Recommendation:</b>	It is recommended that the State Board approve the Heartland AEA budget as presented.
<b>Background:</b>	Iowa Code 273.3(12) requires the State Board review the proposed budget of each AEA and either grant approval or return the budget without approval with comments by May 1. An unapproved budget shall be resubmitted to the State Board for final approval not later than May 15.



# **FY26 Heartland AEA Budget Request & Report**

6500 Corporate Drive, Johnston, IA 50131 (515) 270-9030/(800) 362-2720  
[www.heartlandaea.org](http://www.heartlandaea.org)

# **FY26 Heartland AEA Budget Request & Report**

**Submitted by:**

Cindy Yelick, Chief Administrator

Brian Whalen, Director of Business Services

Due: February 28, 2025

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## Executive Summary

[Insert a high-level overview of the information contained in the report.]

This report outlines the financial and operational overview of Heartland Area Education Agency (AEA) for the fiscal years FY24 to FY26, providing insight into the services, expenditures, staff and various operational aspects of the organization.

Key highlights include a detailed breakdown of the AEA's served districts, students, teachers and other stakeholders, as well as a review of capital assets, staffing changes and administrative expenditures. The report also includes comparisons of budgeted funds over three years and projections for FY26, with an emphasis on administrative cost reductions and service offerings.

## AEA Overview

Information relating to those served by the AEA, programs offered, location details and a general description of capital assets is provided below.

### Served

[Enter a summary description of the different groups (e.g., districts, students, teachers, and others) served by the AEA.]

### Districts

[Enter information about the districts served by the AEA. Identify any districts served that are located outside the AEA. Also identify any districts that are not served by the AEA but that are located within the AEA.]

Heartland Area Education Agency (AEA) works in partnership with public, accredited non-public and charter schools to provide educational services, programs and resources for improving the learning outcomes and well-being of all children and youth in central Iowa. Heartland AEA staff members serve children from birth to age 21, families, educators and communities. Heartland AEA's staff members work with schools to aid student achievement in many ways. They provide direct services to students with special needs; consult with teachers about students' academic and social-emotional learning; consult with principals and superintendents; provide professional learning courses for educators; lead school-community meetings; teach students in shelter and detention facilities and undertake many other tasks to improve teaching and learning.

During the 2024-25 school year, Heartland served 53 public school districts, 38 accredited non-public schools and 2 charter schools. For the 2025-26 school year those numbers will increase to include 53 public school districts within Heartland AEA's boundaries and four from within Prairie Lakes Area Education Agency. Heartland will also partner with an additional nine accredited non-public schools for a total of 47, and two additional charter schools.

The following lists those public, accredited non-public, and charter schools.

#### Public School Districts (53)

Adair-Casey	Boone	Des Moines
Adel-DeSoto-Minburn	Carlisle	Earlham
Ames	Carroll	Exira-EHK
Ankeny	Colfax-Mingo	Gilbert
Audubon	Collins-Maxwell	Glidden-Ralston
Ballard	Colo-NESCO	Guthrie Center
Baxter	Coon Rapids-Bayard	Indianola
Bondurant-Farrar	Dallas Center-Grimes	Interstate 35

Johnston	Ogden	Twin Cedars
Knoxville	Panorama	United
Lynnville-Sully	PCM	Urbandale
Madrid	Pella	Van Meter
Martensdale-St. Marys	Perry	Waukee
Melcher-Dallas	Pleasantville	West Central Valley
Nevada	Roland-Story	West Des Moines
Newton	Saydel	Winterset
North Polk	Southeast Polk	Woodward-Granger
Norwalk	Southeast Warren	

#### **Accredited Non-public Schools (47)**

AlRazi Academy	Grand View Christian-Middle	Pella Christian-High
Ames Christian	Holy Family	Peoria Christian
Ankeny Christian Academy	Holy Trinity	Sacred Heart (Boone)
Ankeny Christian Academy-Elementary	Joshua Christian Academy-Main	Sacred Heart (WDM)
Bergman Academy	Joshua Christian Academy-South	St. Anthony
Christ the King	Joshua Christian Academy-West	St. Augustin
Des Moines Christian-Elementary	JW Reed Christian Academy	St. Cecilia
Des Moines Christian-Secondary	Kuemper Catholic-Grade	St. Francis of Assisi
Dowling Catholic High	Kuemper Catholic-High	St. Joseph
Empigo Academy	Main Street School	St. Luke the Evangelist
Gospel Assembly Christian Academy	Mt. Olive Lutheran	St. Patrick's
Grand View Christian - Elementary	Newton Christian	St. Pius X
Grand View Christian - High	Norwalk Christian School	Strong Roots Christian
	One School Global	St. Theresa
	Pella Christian-Grade	Sully Christian
		Trinity Lutheran
		Victory Christian Academy
		Winterset Christian Academy
		Xceed Oakmoor Academy

#### **Charter Schools (4)**

Great Oaks Charter School, Horizon Science Academy, CIVICA Charter School, QUEST Charter School

## **Districts Served Outside of the AEA (Starting 7/1/25) (4)**

Greene County  
Paton-Churdan

South Central Calhoun  
South Hamilton

### ***Students***

[Enter information about the students who are served by the AEA.]

Heartland AEA works in partnership with public and accredited non-public schools to provide educational services, programs and resources for improving the learning outcomes and well-being of all children and youth in central Iowa. Heartland AEA staff members serve 147,891 children from birth to age 21, plus families, educators and communities.

Heartland AEA serves children and students from birth to 21, in general education and special education. Services included to support special education needs are evaluation and assessment and some are direct services (e.g., occupational therapy, physical therapy, speech-language services).

Early ACCESS is Iowa's early intervention system (IDEA Part C) for infants and toddlers under 3 years old who are not developing as expected or who have a medical condition that can delay typical development. Families and Early ACCESS staff work together to identify, coordinate and provide needed services and resources that help families assist their infants and toddlers in their growth and development.

### ***Teachers***

[Enter information about the teachers who are served by the AEA.]

Heartland AEA serves 11,321 teachers and administrators.

Special education teachers receive varying levels of support from building-based AEA core team staff (e.g., school social workers, school psychologists and special education consultants). AEA special education staff design, deliver and support professional learning on a variety of special education topics. Direct and related services AEA staff such as speech-language pathologists, occupational therapists, etc. also support teachers and district staff in accordance with Individualized Education Plans (IEPs).

In Educational Services and Media Services, teachers may access AEA content experts to support teaching and learning in classrooms. AEA content experts design, deliver and support professional learning for teachers who engage in professional learning offerings from the AEA.



Districts have the option to purchase AEA time and services in alignment with district goals and identified needs. This may include specialized professional learning to personalized consultation and coaching.

### **Learning Support**

In the learning phase, services focus on equipping educators with the knowledge, skills and strategies necessary to enhance their teaching practices and improve student outcomes.

### **Implementation Support**

In the implementation phase, services focus on putting educational plans and strategies into action.

### **Sustainability Support**

In the sustainability phase, services aim to maintain and build upon the progress achieved during implementation.

### **Others Served**

[Enter information about others who are served by the AEA.]

Administrators

Curriculum Directors

Paraeducators

Special Education Directors

Substitute Teachers

Superintendents

### **Programs**

[Highlight the general programs offered by the AEA as well as the programs offered that differentiate this AEA from others.]

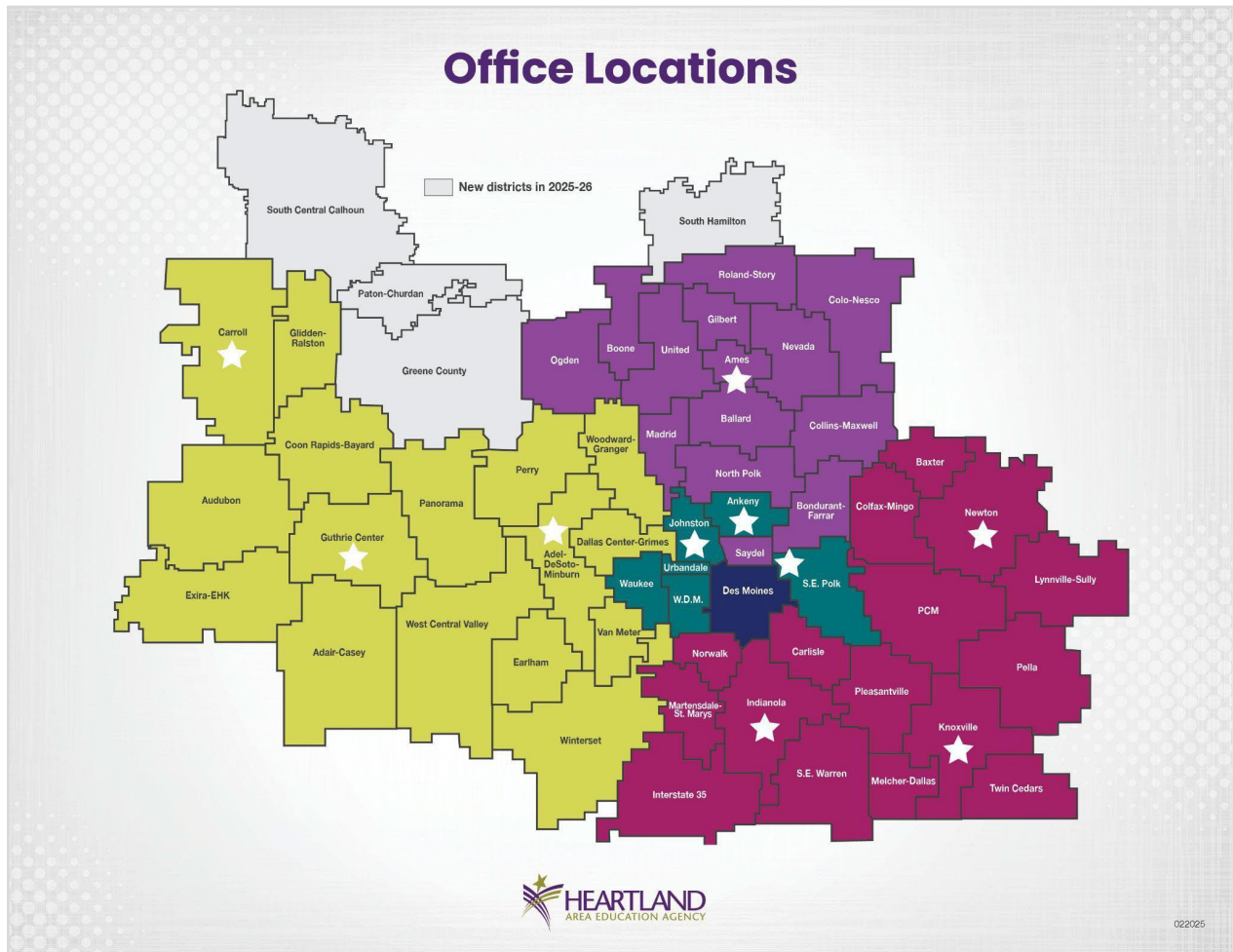
Heartland AEA grounds its services to districts around the [Iowa's AEA's Portfolio of Services](#) (to be revised after the Department of Education Professional Development approvals).

Some programs that are enhanced or differentiated at Heartland AEA include:

- HEART - therapeutic program for students with mental health challenges
- Gifted & Talented program evaluation and support
- Implementation Science support for district initiatives
- Dyslexia consultation
- Cybersecurity services
- Instructional technology auditing and implementation
- Crisis prevention and postvention

## Locations

[Insert a map of the AEA, map of the AEA building locations, and provide a narrative surrounding each.]



### Heartland AEA Offices

**Adel** - 602 Visions Parkway, Adel, IA 50003

- Conference rooms used for hosting professional development events for agency staff and the educators we serve
- Staff offices and workspaces

**Altoona** - 415 Center Place S.W., Suite A, Altoona, IA 50009

- Space for staff to work one-on-one with children 3 to 5 years of age
- Staff offices and workspaces

**Ames** - 511 S. 17th Street Ames, IA 50010

- Conference rooms used for hosting professional development events for agency staff and the educators we serve

- Staff offices and workspaces
- Hearing booth

**Ankeny** - 215 N.W. 18th Street, Suite 107, Ankeny, IA 50023

- Space for staff to work one-on-one with children 3 to 5 years of age
- Conference rooms used for hosting professional development events for agency staff and the educators we serve
- Staff offices and workspaces

**Carroll** - @ Carroll DMACC Campus, 906 N. Grant Road, Suite 106, Carroll, IA 51401

- Conference rooms used for hosting professional development events for agency staff and the educators we serve
- Staff offices and workspaces
- Hearing booth

**Guthrie Center** - @AC/GC High School, 906 School Street, Guthrie Center, IA 50115

- Staff offices and workspaces

**Indianola** - 115 W. Salem Avenue, Indianola, IA 50125

- Conference rooms used for hosting professional development events for agency staff and the educators we serve
- Staff offices and workspaces
- Hearing booth

**Johnston** - 6500 Corporate Drive, Johnston, IA 50131 (Main Office)

- Conference rooms used for hosting professional development events for agency staff and the educators we serve
- Staff offices and workspaces
- Administrative offices including Human Resources, Business and Technology
- Media library - Our library houses our physical collection of children's and professional books as well as other instructional materials that can be checked out by districts.
- Creative Services - Includes areas for printing and copying (small and large format), graphic design, laminating, large format printing, Braille transcription
- Professional Learning - staff offices and workspaces
- AEA Learning Online - staff offices and workspaces
- Hearing booth
- Van delivery - Media resources, physical therapy equipment and other materials are delivered to each school building and AEA office from this location on a scheduled basis during the school year

- Shelter Care Educational Program - Heartland AEA's Shelter Care Educational Program serves students by providing an effective learning environment that meets their individual needs while they are staying at a shelter/detention facility. Programming provided at Ellipsis, Polk County Juvenile Detention Center and Rosedale Shelter.

**Knoxville** - 1402 N. Lincoln Street, Knoxville, IA 50138

- Conference rooms used for hosting professional development events for agency staff and the educators we serve
- Staff offices and workspaces
- Hearing booth

**Newton** - @ Newton DMACC Campus, 600 N. 2nd Avenue W., Suite 259, Newton, IA 50208

- Conference rooms used for hosting professional development events for agency staff and the educators we serve
- Staff offices and workspaces

**Warehouse** - 4161 Dixon Avenue, Des Moines, IA 50313

- Warehouse space used for equipment storage
- Sublet space to Des Moines Public Schools and Iowa PBS

**Heartland AEA Owned/Leased Office Locations**

- 3 owned buildings – Adel, Ames, Johnston
- 8 rented buildings/office suites (including warehouse), including 3 located within a school district or community college

## Capital Assets

[Provide a summary description of the AEA's capital assets.]

**Owned Buildings**

- 6500 Corporate Drive, Johnston - Built 1985
- 511 South 17th Street, Ames - Built 1995
- 602 Visions Parkway, Adel - Built 2007

**Vans**

- 2019 T-150 Van (1)
- 2020 T-250 Van (1)
- 2023 T-350 Van (2)
- 2023 T-250 Van (1)

## Staff

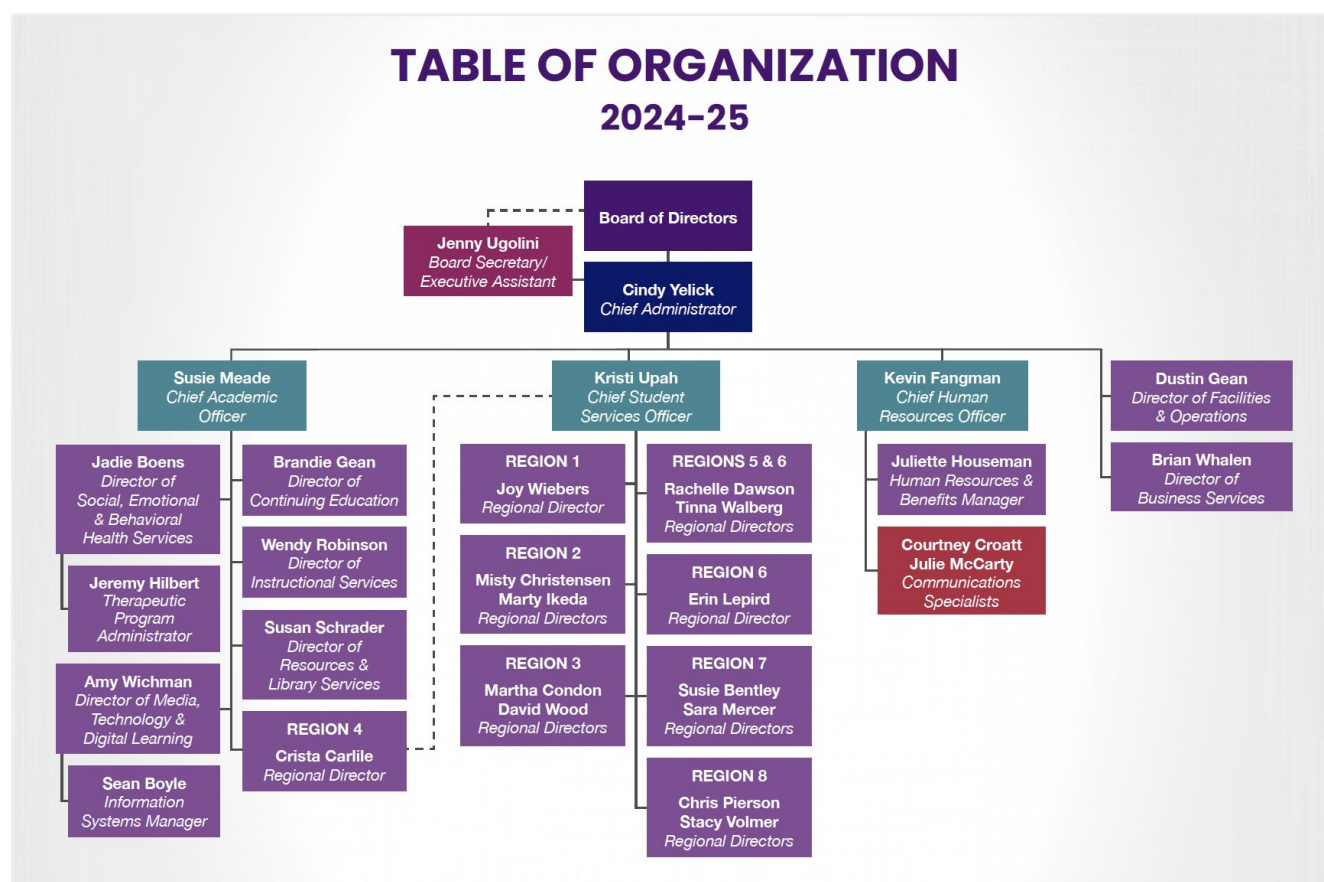
Iowa's AEAs are committed to employing highly qualified staff who offer and provide services and supports to students, educators, districts and families. AEAs are working as a statewide system to ensure all those we serve have access to our unified [Portfolio of Services](#) (to be revised after the Department of Education Professional Development approvals), regardless of the location of their district or the AEA in which they reside.

Information about the AEA's organizational structure, including specific positions, staff changes from FY25 to FY26 and administrative expenditures is provided below.

## Organizational Chart

[Insert an organizational chart and enter a related narrative.]

To better serve districts/schools, Heartland AEA will reorganize its coverage area into five "service areas" in FY26. Heartland AEA's Special Education Services staff will work within these service areas and Educational Services staff will work with districts/schools across our entire coverage area. Heartland AEA will continue to provide the HEART program in the Winterset Community Schools and the Shelter Care Educational Program at Ellipsis and the Polk County Detention Center.



## BEDS Position Codes

[Complete the table below and enter a narrative related to variances for staff.]

Heartland AEA's staffing reflects the reduction in revenues. The Agency is budgeting a reduction of \$13 million in the General Fund for FY26. Revenues are down \$26.1 million when compared to FY24.

**Table Name: AEA BEDS Position Codes - All Staff**

Position Name	Position Code	FY25 FTE Count	FY26 FTE Count	Variance
Chief Administrator	510	1	1	0
School Business Official	133	1	1	0
Operations & Maintenance	181	5	4	1
AEA Regional/Zone Coordinator	533	17	12	5
District Wide Administrative Support	152	56	51	5
Special Education Support	660	290	271	19
Special Education Consultant	616	124	114	10
Paraprofessional/Aides	101	15	14	1
Social Worker	624	70	66	4
Content/Curriculum Consultant	618	33	15	18
AEA Supervisors/Managers	138	3	2	1
Other Support	107	2	2	0
Technology Support	141	10	6	4
Director/Coordinator/Department Head	633	1	1	0
HR/Personnel Manager	134	1	1	0
Itinerant Teacher	731	7	7	0
Transportation (Non-pupil)	175	6	6	0
Technology	121	8	8	0
Juvenile Home Teacher	746	13	12	1
Other Administrator	550	3	3	0
Nurse	698	1	0	1
Board Secretary	112	1	1	0
Home Intervention Teacher	744	1	0	1
Student Support	106	3	3	0

## FY25 to FY26 Staff Changes

Staff changes from FY25 to FY26 are detailed below for each position in the following programs: Special Education Support Services, Educational Services and Media Services.

### *Special Education Support Services Program*

[Complete the table below and enter a narrative related to variances for staff in the special education support services program.]

Special Education FTE reductions are due to the 10% reduction in AEA Special Education funding.

**Table Name: AEA BEDS Position Codes - Special Education Support Services Program**

Position Name	Position Code	FY25 FTE Count	FY26 FTE Count	Variance
Special Education Support	660	290	271	19
Special Education Consultant	616	124	114	10
Other Administrator	550	1	1	0
AEA Regional/Zone Coordinator	533	1	1	0
Social Worker	624	70	66	4
Nurse	698	1	0	1
Home Intervention Teacher	744	1	0	1
Itinerant Teacher	731	7	7	0
Other Support	107	2	2	0
Student Support	106	3	3	0
District Wide Administrative Support	152	6	5	1
Juvenile Home Teacher	746	3	3	0
Paraprofessionals/Aides	101	6	6	0

**Educational Services Program**

[Complete the table below and enter a narrative related to variances for staff in the educational services program.]

Educational Services FTE reductions are due to the reduction of AEA Educational Services funding and an estimated reduction of purchased services from the districts being served.

**Table Name: AEA BEDS Position Codes - Educational Services Program**

Position Name	Position Code	FY25 FTE Count	FY26 FTE Count	Variance
Content/Curriculum Consultant	618	33	15	18
Other Administrator	550	1	1	0
AEA Regional/Zone Coordinator	533	2.5	2.5	0

**Media Services Program**

[Complete the table below and enter a narrative related to variances for staff in the media services program.]

Media Services FTE reductions are due to the reduction of AEA Media Services funding and an estimated reduction of purchased services from the districts being served.

**Table Name: AEA BEDS Position Codes - Media Services Program**

Position Name	Position Code	FY25 FTE Count	FY26 FTE Count	Variance
Content/Curriculum Consultant	618	5	3	2
Director/Coordinator/Department Head	633	1	0	1
District Wide Administrative Support	152	4	4	0

## Administrative Expenditures

Administrative expenditures include costs related to administration and administrators, as defined by HF2612 Sec. 17 (Iowa Acts 2024), which includes chief administrators, directors and department heads, regional administrators, regional and zone coordinators, district coordinators and human resources and personnel managers. This section includes FY24 actual, FY25 re-estimated and FY26 proposed administrative staff levels and administrative expenditures.

### Administrative Staff by FTE

[Complete the table below and enter a narrative related to variances.]

Heartland AEA is reducing administrative staff by 15.5 FTE. The positions Heartland AEA plans to not fill include:

- Chief Financial Officer
- Director of AEA Learning Online
- Director of Facilities & Operations
- Director of Resources & Library Services
- Director of Instructional Services
- Director of Technology Infrastructure
- Information Systems Manager
- Administrative reductions specifically in Special Education include the Director of Early Childhood Services and 7 Regional Directors
- Heartland AEA is sharing .5 of the Chief Academic Officer with Grant Wood AEA to cover their open Chief Administrator position in FY26

**Table Name: AEA Administrative Staff by FTE**

Administrative Staff	FY24 Actual	FY25 Re-Estimated	FY26 Proposed	FY24-FY26 Variance Amount	FY24-FY26 Variance Percent
Chief Administrator	1	1	1	0	0
Directors & Department Heads	8	6.2	3.5	4.5	56.3%
Regional Administrators	20	15	12	8	40.0%
Regional & Zone Coordinators					
District Coordinators					
Human Resources	2	2	2	0	0
Other Administrative Positions	5	3	2	3	60.0%
<b>Total FTE</b>	<b>36</b>	<b>27.2</b>	<b>20.5</b>	<b>15.5</b>	<b>43.1%</b>



### Total Administrative Expenditures: FY24 Actual, FY25 Re-Estimated, & FY26 Proposed

Total administrative expenditures, detailed below by administration and administrative staff, are required to be reduced by at least 30% by July 1, 2026.

[Complete the table below and enter the related narrative.]

**Table Name: Administrative Expenditures – Administration & Administrative Staff FY24 Actual, FY25 Re-Estimated, & FY26 Proposed**

Expenditures: Administration	FY24 Actual	FY25 Re-Estimated	FY26 Proposed	FY24 to FY26 Reduction Amount	FY24 to FY26 Reduction Percent
General Administration (Func. 2300-2399)	5,156,501	4,779,590	4,527,286		
School Administration (Func. 2400-2499)	5,208,293	4,272,688	3,173,244		
Business & Central Administration (Func. 2500-2519, 2540-2599)	7,382,424	6,360,312	5,836,632		
Purchasing, Distributing, Printing (Func. 2520-2539)	1,160,287	937,188	913,531		
<b>Sub-total Expenditures: Administration</b>	<b>18,907,505</b>	<b>16,349,778</b>	<b>14,450,693</b>		
<b>Revenue: Administration</b>					
General Administration					
School Administration	0	0	125,000		
Business & Central Administration	827,371	897,000	1,210,000		
Purchasing, Distributing, Printing	488,496	563,000	910,000		
<b>Sub-total Revenue: Administration</b>	<b>1,315,867</b>	<b>1,460,000</b>	<b>2,245,000</b>		
<b>Net Administration Expense</b>					
General Administration	5,156,501	4,779,590	4,527,286	629,215	12.2%
School Administration	5,208,293	4,272,688	3,048,244	2,160,049	41.5%
Business & Central Administration	6,555,053	5,463,312	4,626,632	1,928,421	29.4%
Purchasing, Distributing, Printing	671,791	374,188	3,531	668,260	99.5%
<b>Net Total Expenditures: Administration</b>	<b>17,591,638</b>	<b>14,889,778</b>	<b>12,205,693</b>	<b>5,385,945</b>	<b>30.6%</b>

Expenditures: Administrative Staff (Obj. 100-299)	FY24 Actual	FY25 Re-Estimated	FY26 Proposed	FY24 to FY26 Reduction Amount	FY24 to FY26 Reduction Percent
Step One: Enter expenditures for administrative staff, including objects 100-299.					
Chief Administrator	331,784	332,170	332,170		
Directors and Department Heads	1,605,292	1,202,271	860,074		
Regional Administrators	3,907,796	2,939,010	2,422,049		
Regional and Zone Coordinators					
District Coordinators					
Human Resources	380,622	381,126	388,749		
Other Administrative Positions	903,268	486,288	325,050		
Sub-total Expenditures: Administration	7,128,762	5,340,865	4,328,092		
Step Two: Enter revenue received from sharing agreements for each function.					
Chief Administrator					
Directors and Department Heads			125,000		
Regional Administrators					
Regional and Zone Coordinators					
District Coordinators					
Human Resources					
Other Administrative Positions					
Sub-total Revenue from Sharing			125,000		
Step Three: Enter total expenditures for administrative staff (original administrative staff expenditures less revenue received from sharing agreements).					
Chief Administrator	331,784	332,170	332,170	(386)	(.1%)
Directors and Department Heads	1,605,292	1,202,271	735,074	870,218	54.2%
Regional Administrators	3,907,796	2,939,010	2,422,049	1,485,747	38.0%

Regional and Zone Coordinators					
District Coordinators					
Human Resources	380,622	381,126	388,749	(8,127)	(2.1%)
Other Administrative Positions	903,268	486,288	325,050	578,218	64.0%
<b>Total Administrative Staff Expenditures</b>	<b>7,128,762</b>	<b>5,340,865</b>	<b>4,203,092</b>	<b>2,925,670</b>	<b>41.0%</b>
	<b>FY24 Actual</b>	<b>FY25 Re-Estimated</b>	<b>FY26 Proposed</b>	<b>FY24 to FY26 Reduction Amount</b>	<b>FY24 to FY26 Reduction Percent</b>
<b>Total Administrative Expenditures</b>					
Total Expenditures: Administration	17,591,638	14,889,778	12,205,693	5,385,945	30.6%
Total Expenditures: Administrative Staff	7,128,762	5,340,865	4,203,092	2,925,670	41.0%
<b>Total Administrative Expenditures</b>	<b>17,591,638</b>	<b>14,889,778</b>	<b>12,205,693</b>	<b>5,385,945</b>	<b>30.6%</b>

### Total Administrative Expenditures: Reduction

[Provide narrative for progress made toward administrative expenditure reduction.]

Heartland AEA's administrative staff positions are being reduced by 15.5 FTE (43.1%) resulting in a reduction of approximately \$2.93 million (41.0%). Our Director of Resources & Library Services is included in the FTE and related administrative staff expenditure reductions but is coded to function 2222 - School Library. The Agency's Director of Facilities & Operations is also included in the FTE and related administrative staff expenditure reductions but is coded to function 2600 - Operation & Maintenance of Plant. Heartland AEA is budgeting approximately \$2.1 million of revenues for IT and Print Shop services provided to the districts which offset related administrative expenditures. Heartland AEA also serves districts within Green Hills AEA for print and production. Additional revenue will come from sharing an administrative position with Grant Wood AEA.

## Services

[Insert a table and a narrative description of services provided, the recipients of those services, and associated cost to the entity purchasing the service (e.g., rates, fee schedule), if applicable, and the cost to the AEA to provide the service.]

- [See attached Appendix A: Heartland AEA Annual Service and Cost Report](#)

## Centralized Services

[Include a narrative to describe the AEA's centralized services, which are defined for this purpose as staff and services that are centralized and shared with other AEAs.]

Services Provided	Centralized From	Shared With
Computer Science Professional Learning	Heartland AEA	Great Prairie AEA
Creative Services/Printing	Heartland AEA	Green Hills AEA
ELL/Title III	Heartland AEA	Prairie Lakes AEA
Professional Development Registrar	Heartland AEA	Great Prairie AEA
Science Consultant	Heartland AEA	Prairie Lakes AEA
Braille	Heartland AEA	Systemwide
Canvas User Network	Heartland AEA	Systemwide
Curriculum Network	Heartland AEA	Systemwide
Cybersecurity Support	Heartland AEA	Systemwide
Ed Tech Network	Heartland AEA	Systemwide
Special Education Leadership Network	Heartland AEA	Systemwide
TAG Consultant	Heartland AEA	Systemwide
Talented & Gifted/Extended Learning Network	Heartland AEA	Systemwide
Tech Network	Heartland, Northwest, Central Rivers, Grant Wood AEAs	Systemwide
Creative Services Graphic Design Support	Great Prairie AEA	Heartland AEA

Early Childhood LETRS (Language Essentials for Teachers of Reading and Spelling)	Great Prairie AEA	Heartland AEA
Hearing screenings in sound booth	Northwest AEA	Green Hills, Prairie Lakes & Heartland AEAs
Hearing Screenings in sound booth	Grant Wood AEA	Heartland AEA
Regionalized technology services	Heartland & Green Hills AEAs Keystone & Central Rivers AEAs Grant Wood, Mississippi Bend & Great Prairie AEAs Northwest & Prairie Lakes AEAs	Systemwide
Data Support (non-special education)		Systemwide
Media consolidation		Systemwide
Van delivery		Systemwide
Communications team		Systemwide
Statewide Print Collaborative/Creative Services		Systemwide

## Centers of Excellence

[Include a narrative to describe the AEA's centers of excellence, which are defined for this purpose as content expertise and capacity in a targeted special education service area with statewide impact.]

Heartland AEA will serve as a center of excellence for the onboarding, mentoring and professional learning for new AEA special education staff. Over time this work will have an impact on both recruitment and retention of AEA special education practitioners, particularly in those hard to fill positions such as school psychology.

Iowa's AEAs are committed to collaborating as a statewide system to establish additional Centers of Excellence, which will bring additional efficiencies and effectiveness to the system.

Center of Excellence (CoE)	Lead AEA	Partnering AEAs	Implementation Date
Recruitment, retainment, onboarding, mentoring & professional learning for AEA special education staff	Heartland AEA	Systemwide	July 1, 2025
Iowa AEA Early ACCESS	Keystone & Central Rivers AEAs	Systemwide	July 1, 2025
Assistive technology support for learners with disabilities	Green Hills AEA/Heartland AEA	Systemwide	July 1, 2026
Leadership for closing the achievement gap for learners with disabilities	Mississippi Bend AEA	Systemwide	July 1, 2026
Explicit instruction practices for learners with disabilities	Prairie Lakes AEA	Systemwide	Jan. 1, 2026
Assessment, linkages and instructional programming practices for successful post-secondary transition for learners with disabilities	Grant Wood AEA	Systemwide	July 1, 2026
Instruction for learners with significant cognitive disabilities	Northwest AEA	Systemwide	July 1, 2026
Language and literacy for learners with disabilities	Great Prairie AEA	Systemwide	Jan. 1, 2026

## Fiscal Detail

[Enter narrative of information provided in the section.]

For FY26 Heartland AEA is budgeting a revenue reduction of approximately \$13 million in the General Fund. Over the two years since FY24, Heartland AEA's revenues have decreased by approximately \$26.1 million (22%). As a result of the revenue reductions, Heartland AEA's administrative staff are being reduced from 36 FTE to 20.5 FTE (43%). Heartland AEA's certified staff are being reduced by approximately 19% and classified staff are being reduced by approximately 16%. In addition to the revenue reductions, Heartland AEA has the same inflationary pressure other Iowa governmental agencies are experiencing.

### General Fund Balance: FY24 Actual, FY25 Re-Estimated, & FY26 Proposed

[Include narrative to explain fund balance type (e.g., non-spendable, restricted, committed) reflected in the table below, including reasons for purposeful balances and plans for use.]

Heartland AEA's non-spendable fund balances relate to prepaid expenses at the end of FY24. The Agency had special education-restricted fund balances for TSS and TQ professional development. We also had other restricted fund balances for AEA Learning Online and media resource materials. Heartland AEA's committed fund balances were for Phase III of a remodeling project at our Johnston Regional Education Center (main office). This project is currently on hold as we reassess our priorities.

**Table Name: General Fund Balance Detail FY24 Actual, FY25 Re-Estimated, & FY26 Proposed**

General Fund Balance Detail	FY24 Actual	FY25 Re-Estimated	FY26 Proposed
Non-Spendable Fund Balance, Special Education Support Services	100,897	0	0
Non-Spendable Fund Balance, Other	206,523	0	0
Restricted Fund Balance, Special Education Support Services	213,582	581,637	581,637
Restricted Fund Balance, Other	1,045,656	1,184,523	1,184,523
Committed Fund Balance, Special Education Support Services	2,691,605	2,691,605	2,691,605
Committed Fund Balance, Other	1,015,458	1,015,458	1,015,458
Assigned Fund Balance, Special Education Support Services	0	0	0
Assigned Fund Balance, Other	0	0	0
Unassigned Fund Balance, Special Education Support Services	0	0	0
Unassigned Fund Balance, Other	13,899,845	15,641,702	11,737,051
<b>Total General Fund Balance</b>	<b>19,173,566</b>	<b>21,114,925</b>	<b>17,210,274</b>

### Three-Year Comparison for Budgeted Funds: FY24 Actual, FY25 Re-Estimated, & FY26 Proposed

[Include narrative of the budget detail. Summarize the FY26 proposed budget assumptions mentioned earlier in the report (e.g., districts served, programs offered). Explain the assumptions used to estimate revenues and expenditures. Additionally, include any assumptions used to generate the budget that were not already covered in the report narrative above (e.g., types of contracts for services, programs, sharing agreements, capital purchases).]

Heartland AEA's FY26 budget is based on a 0% SSA increase and the continuation of the \$32.5 million cut to the AEAs. We anticipate receiving 90% of the special education funding flowing to the districts. Heartland AEA does not anticipate an increase to the IDEA federal grants and budgeted a decrease to the Title I and Title III grants. Approximately 72% of Heartland AEA's budgeted FY26 expenditures are related to Student Support Services and Instructional Staff Support Services. Approximately 4% of our expenditures support Instruction through the HEART program in Winterset and the Shelter Care services at Ellipsis and the Polk County Detention Center. Heartland AEA is budgeting \$6.7 million (7%) for Other Financing Uses which is the Part B flow-through funds passed to the districts. The budgeted Debt Service and Interfund Transfers Out are due to Leases and SBITAs. Heartland AEA does not currently have any outstanding loans and is not budgeting for additional debt in FY26.

**Table Name: Resources, Expenditures & Financing Uses, & Funds Balance FY24 Actual, FY25 Re-Estimated, & FY26 Proposed**

Resources: Revenues, Other Financing Sources, and Beginning Funds Balance	FY24 Actual	FY25 Re-Estimated	FY26 Proposed
Taxes (Controlled Funding)	29,790,375.00	18,572,685	10,735,772
Tuition/Transportation	1,288,066.00	1,359,275	1,354,000
Earnings on Investments	1,360,439.92	1,000,000	850,000
Nutrition Program Sales	0	0	0
Student Activities & Sales	0	0	0
Other Revenues from Local Sources	3,729,993.77	3,412,484	5,279,153
Intermediate Revenues	0	0	0
State Aid (Controlled Funding)	35,801,570.00	34,107,807	29,666,646
Juvenile Home Tuition Aid	1,305,006.77	1,550,000	1,400,000
Other State Revenues	5,798,927.67	5,737,147	4,705,717
IDEA Federal Grant	38,011,889.96	38,746,529	38,746,529



Other Federal Revenues	1,603,841.72	699,370	362,346
Long-Term Debt Proceeds	359,213.00	0	0
Interfund Transfers In	1,850,941.99	428,940	401,640
Proceeds of Fixed Asset Dispositions	141,353.32	1,162,151	50,000
Other Financing Sources	0	0	0
Beginning Funds Balance	15,845,149.17	19,173,566	21,114,925
<b>Total Resources</b>	<b>136,886,768.29</b>	<b>125,949,954</b>	<b>114,666,728</b>
<b>Expenditures &amp; Other Financing Uses</b>	<b>FY24 Actual</b>	<b>FY25 Re-Estimated</b>	<b>FY26 Proposed</b>
Instruction	3,432,129.63	3,947,720	3,804,528
Student Support Services	46,731,529.19	45,616,529	43,051,806
Instructional Staff Support Services	35,594,157.19	30,080,036	27,433,814
General Administration	5,156,501.13	4,779,590	4,527,286
School Administration	5,208,292.72	4,272,688	3,173,244
Business & Central Support	7,382,424.19	6,360,312	5,836,632
Purchasing, Distributing, Printing, Duplicating	1,160,286.55	937,188	913,531
Plant Operations & Maintenance	2,225,175.42	1,259,883	1,189,130
Student Transportation	20.00	0	0
Other Support Services	0	0	0
Non-Instructional Programs	166,886.39	0	0
Facilities Acquisition & Construction	974,334.99	0	0
Debt Service	876,607.00	428,940	401,640
Interfund Transfers Out	1,850,941.99	428,940	401,640
Other Financing Uses	6,953,916.00	6,723,203	6,723,203
<b>Total Expenditures &amp; Other Financing Uses</b>	<b>117,713,202.39</b>	<b>104,835,029</b>	<b>97,456,454</b>
<b>Funds Balance</b>	<b>FY24 Actual</b>	<b>FY25 Re-Estimated</b>	<b>FY26 Proposed</b>
Total Resources	136,886,768.29	125,949,954	114,666,728
Total Expenditures & Other Financing Uses	117,713,202.39	104,835,029	97,456,454

Ending Funds Balance	19,173,565.90	21,114,925	17,210,274
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### Additional FY26 Budget Assumptions

[Please insert narrative on additional assumptions informed by potential opportunities and challenges not otherwise detailed in the report.]

Heartland AEA has taken a cautious approach to staff reductions. Given the current hiring challenges, the Agency was careful not to reduce too many positions going into FY26. Although Heartland AEA is presenting a budgeted deficit of \$3.9 million for FY26, the Supplemental State Aid increase and the settlement packages with our employment groups may help reduce the projected deficit. We are also discussing FY26 service needs with the districts/schools we serve which may lead to additional revenue opportunities. Heartland AEA is in a good financial position to navigate the challenges presented in FY26.