

Senate File 659 Implementation Frequently Asked Questions

Senate File 659 (SF659), signed into law on June 11, 2025, establishes a mechanism for the distribution of education and media services funds generated by students enrolled in an accredited nonpublic school to Area Education Agencies (AEAs). Iowa Code section 257.35, subsection 19B, states:

The director of the department of management may deduct the following from the state aid due to each school district pursuant to this chapter and shall pay the amounts to the respective area education agencies on a monthly basis from September 15 through June 15 during each school year for purposes of providing services to students enrolled in nonpublic schools within the boundaries of the area education agency:

- a. The amount calculated for media services for the school district that is attributable to the number of students enrolled in nonpublic schools within the school district who are provided with media services by an area education agency.*
- b. The amount calculated for educational services for the school district that is attributable to the number of students enrolled in nonpublic schools within the school district who are provided with educational services by an area education agency.*

Frequently Asked Questions

- 1) How will accredited nonpublic schools, including State Board of Education-accredited and independently accredited nonpublic schools, receive educational and media services resources and services?**

Beginning July 1, 2025, the funds generated by students attending accredited nonpublic schools will be paid directly to the AEA in which the accredited nonpublic schools are located to provide media and educational services. AEAs will use educational and media services funds generated by the accredited nonpublic school to either provide the services directly or to purchase the services from an independent provider.

- 2) When will the resources and services be available to an accredited nonpublic school?**

The educational and media services will be available starting July 1, 2025, for the 2025-26 school year.

- 3) Are unaccredited "schools" eligible for educational and media services under this new statute?**

No. Educational and media services are limited to accredited nonpublic schools.

- 4) Do newly accredited nonpublic schools receive educational and media services?**

No. Because funding is in arrears, newly accredited nonpublic schools that did not have students enrolled in the prior school year did not generate educational and media funds.

- 5) Must the amount of funds generated by students attending an accredited nonpublic school in the prior school year be spent on educational and media services provided to that accredited nonpublic school?**

Yes. Educational and media services and resources must be equivalent to the funds generated by the accredited nonpublic school.

6) May an accredited nonpublic school's unexpended educational and media services funds be carried forward to the next fiscal year?

Yes. Funds allocated each year will be restricted for use by the accredited nonpublic school that generated the funds. If an accredited nonpublic school does not spend their allocation, the AEA will retain the funds as a restricted balance for that accredited nonpublic school for use in a future year. In the event an accredited nonpublic school closes, the AEA should reallocate funds to the other accredited nonpublic schools served by the AEA.

7) May an accredited nonpublic school request non-AEA contracted services from the AEA fiscal agent?

Yes. The accredited nonpublic school may also request that the AEA partner with or pay for an independent provider to furnish allowable educational and media services, and an accredited nonpublic school may request such uses.

8) May the accredited nonpublic school select or request allowable educational and media services from the AEA or an independent provider?

Yes. Like a school district or public charter school, an accredited nonpublic school may select or request any allowable educational and media services from the AEA or an independent provider, so long as the AEA determines such uses are allowable as the fiscal agent.

9) May an accredited nonpublic school choose to receive educational and media services from another AEA?

Yes. Like a school district or public charter school, an accredited nonpublic school may select or request any allowable educational and media services from any AEA or independent provider through its residential AEA.

10) How must accredited nonpublic school educational and media services funds be administered?

The Department of Management transfers funds to the accredited nonpublic school's residential AEA, which serves as the fiscal agent. No funds may be transferred to the nonpublic school.

11) May the AEA provide funds directly to the accredited nonpublic school?

No. The AEA will provide allowable educational and media services and resources to the accredited nonpublic school educators and families.

12) May educational and media services funds be used to pay accredited nonpublic school educator salaries or stipends?

No. Educational and media services funds cannot be used to pay accredited nonpublic school educators or staff.

13) May the accredited nonpublic school use the educational and media services money to purchase computers or books?

No. Funds may not be used to purchase equipment, supplies, or materials that the accredited nonpublic school owns. Funds may be used to purchase equipment, supplies, or materials for the accredited nonpublic school's use, so long as the AEA retains ownership of the equipment, supplies, or materials as the fiscal agent of the funds.

14) What is the amount of funding that will be made available to the AEA for the provision of education and media services to an accredited nonpublic school?

The amount generated is formula-based and includes the number of students enrolled in each accredited nonpublic school. The accredited nonpublic school will work with the residential AEA to identify allowable services and resources utilizing the available amount of educational and media services funds.

15) Where can allocations for services to accredited nonpublic schools be found?

The amount of educational and media services generated by each accredited nonpublic school is posted on the [Department of Management website](#) and can be accessed by downloading the document “AEA Enrollment and Cost Detail, FY 2026.”

16) Are educational and media services funds generated by accredited nonpublic schools restricted for educational and media services?

Yes, funds must be used for allowable educational and media services and resources.

17) How are educational services defined?

Please see [Iowa Administrative Code 281—72.4\(3\)](#), which states:

The AEA shall deliver curriculum, instruction, and assessment services that address the areas of reading, language arts, mathematics, and science but may also be applied to other curriculum areas. These services support the development, implementation, and assessment of rigorous content standards in, but not limited to, reading, mathematics, and science. The AEA assists schools and school districts in gathering and analyzing student achievement data as well as data about the learning environment, compares those data to the external knowledge base, and uses that information to guide school and school district goal setting and implementation of actions to improve student learning.

18) How are media services defined?

Please see [Iowa Administrative Code 281—72.4\(6\)](#), which states:

The AEA shall deliver media services. These services align with school and school district needs, support effective instruction, and provide consultation, research and information services, instructional resources, and materials preparation and dissemination to assist schools and school districts to meet the learning needs of all students and support local district media services. These services support the implementation of content standards in, but not limited to, reading, mathematics, and science. These services also support and integrate emerging technology.