

Iowa State Board of Education

Executive Summary

January 15, 2026

Agenda Item: School Budget Review Committee Update

State Board Goal: All

State Board Role/Authority: The State Board promotes effective and educational opportunities for all students in Iowa.

Presenter(s): Kassandra Cline, Chief
Bureau of School Business Operations

Attachment(s): One

Recommendation: It is recommended that the State Board hear and discuss this information.

Background: The School Budget Review Committee met for a regularly scheduled hearing on December 16, 2025. This update will share highlights from the hearing.

SCHOOL BUDGET REVIEW COMMITTEE
Summary of Action
December 16, 2025

The School Budget Review Committee met to hold hearings beginning at 9:30 a.m. on Tuesday, December 16, 2025 at the Department of Education, State Board Room, Second Floor, Grimes State Office Building, 400 E. 14th St., Des Moines, Iowa 50319-0146. Members of the Committee consist of the following: Department of Education Director McKenzie Snow, Department of Management Director Kraig Paulsen, and public members: Susan Battani, Patti Schroeder, Craig Hansel and Brian Gubbels. The director of the Department of Education is a non-voting member and the chair. Director Kraig Paulsen was absent.

All decisions by the Committee were made in accordance with reasonable and uniform policies which shall be consistent with chapter 257. All such policies of general application shall be stated in rules adopted in accordance with chapter 17A. The Committee shall take into account the intent of chapter 257 to equalize educational opportunity, to provide a good education for all the children of Iowa, to provide property tax relief, to decrease the percentage of school costs paid from property taxes, and to provide reasonable control of school costs. The Committee shall also take into account the amount of funds available (257.31(10)). The SBRC shall review a school district's unexpended fund balance prior to any decision regarding unusual finance circumstances. The SBRC shall review a school district's unspent balance prior to any decision to increase modified supplemental amount under subsection 257.31(5).

1. Committee Informational Items

- Negative Unspent Balances. Reviewed the list of districts that preliminarily incurred a negative unspent balance at the end of the previous fiscal year. The balances were reported pending further Department review.
 - a. Camanche
 - b. Colfax-Mingo
 - c. Orient-Macksburg
- Unspent Authorized Budget Information. A summary of the unspent budget report was presented including the preliminary list by district of unspent balances.
- State Decile Ranks for Unspent Authorized Budget (UAB) Per Pupil.
 - a. Reviewed ranges of statewide deciles generated based on the unspent balance per pupil ranked high to low.

Decile	UAB Per Pupil Range – High End	UAB Per Pupil Range – Low End	District Overall State Rank – High End	District Overall State Rank – Low End	Districts in Decile
1	\$32,823	\$10,303	1	32	32
2	\$10,095	\$8,138	33	65	33
3	\$8,136	\$6,769	66	97	32
4	\$6,745	\$5,794	98	130	33
5	\$5,729	\$4,831	131	163	33
6	\$4,813	\$4,151	164	195	32
7	\$4,144	\$3,344	196	228	33
8	\$3,324	\$2,545	229	260	32
9	\$2,444	\$1,377	261	293	33

10	\$1,367	-\$2,367	294	325	32
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b. Reviewed ranges of statewide deciles generated based on the regular program unspent balance per pupil, ranked high to low.

Decile	UAB Per Pupil Regular Program Range – High End	UAB Per Pupil Regular Program Range – Low End	District Overall State Rank – High End	District Overall State Rank – Low End	Districts in Decile
1	\$32,354	\$8,785	1	32	32
2	\$9,439	\$6,506	33	65	33
3	\$7,968	\$4,550	66	97	32
4	\$6,656	\$4,620	98	130	33
5	\$5,386	\$3,841	131	163	33
6	\$4,458	-\$1,342	164	195	32
7	\$3,858	\$2,126	196	228	33
8	\$3,202	\$1,306	229	260	32
9	\$2,441	-\$276	261	293	33
10	\$1,233	-\$2,928	294	325	32

The unweighted average variance between the UAB per pupil and the UAB per pupil less categorical balances were presented as provided below.

Year	UAB Per Pupil Average	UAB Per Pupil - Regular Program Average	Variance Average
2018-2019	\$3,525	\$2,994	\$531
2019-2020	\$4,260	\$3,707	\$553
2020-2021	\$4,568	\$4,005	\$563
2021-2022	\$4,952	\$4,425	\$527
2022-2023	\$5,153	\$4,608	\$545
2023-2024	\$5,289	\$4,766	\$523
2024-2025 (Prelim)	\$5,498	\$4,939	\$559

- Corrective Action Plan of Late Filers of CAR, SES, or ATR. Reported late filers and reviewed historical list (FY09-FY25) of late filers.
 - a. Adair-Casey
 - b. South Tama
 - Late Filers. Reviewed lists of late filers for the following reports:
 - a. Certified Enrollment Late Filers
 - b. Facilities, Elections, and SAVE Report
 - c. School Association Report
 - Fiscal Year 2027 Hearing Session Schedule. Identified hearing dates for FY27.
2. Transportation Assistance. The Committee directed the Department to distribute the \$10,230 transportation assistance aid to the eligible districts on an equitable basis.
 3. English Learner Proficiency Applications. Approved \$13,918,606 of modified supplemental amount for the 2025-2026 fiscal year for costs of providing instructional

services to limited English proficient students being served beyond the five years of weightings for the 187 eligible districts making requests, pending further Department review.

4. Excess Costs of Providing the EL Program. Approved \$30,311,956 of modified supplemental amount for the 2024-2025 fiscal year for costs of providing additional instructional services to English Learner proficient students in excess of weightings generated, modified supplemental amount granted, or other resources in school year 2024-2025 to the 170 eligible districts making requests, pending further Department review.
5. On Time Funding for Increased Enrollment Applications. Approved \$11,748,717 modified supplement amount for the 2025-2026 fiscal year for increased enrollment for the 81 eligible districts making requests, pending further Department review.
6. Open Enrollment Out Applications. Approved \$59,825,141 of modified supplemental amount for fiscal 2025-2026 for tuition costs incurred for open enrollment out students not included on the previous year's certified enrollment report for the 295 eligible districts making requests, pending further Department review.
7. Supplementary Weighting. Certified to the Department of Management the supplementary weightings, pending further Department review.
8. Special Education Balances. Approved \$256,187,476.09 of modified supplemental amount for fiscal year 2024-2025 related to the special education deficit for 309 eligible and requesting districts, certified the FY25 positive and negative balances of funds for each school district to the Department of Management, and directed the Director of Management to make the payments to school districts as outlined in Iowa Code section 257.31(14)"b". Directed the Department to analyze costs on a comparable basis and to conduct desk reviews and on-site reviews on districts identified as outliers in the analysis.
9. Special Education Weightings. Accepted the recommendation of the Director of the Department of Education relating to the special education weighting plan, which was to not change the weighting levels. Aye: Battani, Hansel, Gubbels. Abstain: Schroeder.
10. Eagle Grove Community School District. Approved modified supplemental amount for the 2025-2026 fiscal year in the amount of \$162,108 for environmental hazard abatement.
11. Laurens-Marathon Community School District. Approved modified supplemental amount for the 2025-2026 fiscal year in the amount of \$15,310 for environmental hazard abatement.
12. South Central Calhoun Community School District. Approved modified supplemental amount for the 2025-2026 fiscal year in the amount of \$19,240 for environmental hazard abatement.
13. Waterloo Community School District. Approved modified supplemental amount for the 2025-2026 fiscal year in the amount of \$296,926.44 for new program start-up costs.

14. Eddyville-Blakesburg-Fremont Community School District. Approved negative modified supplemental amount for the 2024-2025 fiscal year in the amount of \$909,490.58 for amounts incorrectly awarded for FY22, FY23 and FY24 special education deficits.
15. Clear Creek Amana Community School District. The hearing was an informational item and no action was required.
16. Graettinger-Terril Community School District. The hearing was an informational item and no action was required.
17. Iowa City Community School District. The hearing was an informational item and no action was required.
18. Adair-Casey Community School District. Accepted the plan provided by the district and directed the district to file all future financial reports in the manner and by the date prescribed by the Department of Education, including extensions granted for unusual circumstances that meet the definition of good cause. The date prescribed is September 15 following the close of the fiscal year.
19. South Tama Community School District. Accepted the plan provided by the district and directed the district to file all future financial reports in the manner and by the date prescribed by the Department of Education, including extensions granted for unusual circumstances that meet the definition of good cause. The date prescribed is September 15 following the close of the fiscal year.
20. Camanche Community School District. Accepted the district's corrective action plan due to a negative unspent balance (FY25) and denied the related modified supplement amount of \$326,261. The district was directed to operate its expenditures in compliance with Iowa Code. The district shall not expend in the General Fund for FY26 more than \$9,733,453, not including any allowable special education expenditures in excess of special education receipts, plus actual miscellaneous income received, and plus additional SBRC approved MSA amounts for the current year. Miscellaneous income shall not be expended until received.

The district was directed to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC upon request and shall be provided to the auditor.

21. Colfax-Mingo Community School District. Tabled the district's corrective action plan due to a negative unspent balance (FY25) and the related modified supplement amount of \$956,028. The district was directed to appear at the March SBRC hearing to provide an updated corrective action plan, including updated financial projections detailing FY26 reductions, year-to-date actuals and may include a request for MSA at that time. The district shall not expend in the General Fund for FY26 more than \$7,845,467, not including any allowable special education expenditures in excess of special education receipts, plus actual miscellaneous income received, and plus additional SBRC approved MSA amounts for the current year. Miscellaneous income shall not be expended until received.

The district was directed to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC upon request and shall be provided to the auditor.

22. Orient-Macksburg Community School District. Accepted the district's corrective action plan due to a negative unspent balance for FY25. The district was directed to operate its expenditures in compliance with Iowa Code. The district shall not expend in the General Fund for FY26 more than \$1,946,420, not including any allowable special education expenditures in excess of special education receipts, plus actual miscellaneous income received, and plus additional SBRC approved MSA amounts for the current year. Miscellaneous income shall not be expended until received.

The district was directed to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC upon request and shall be provided to the auditor.