

Iowa State Board of Education

Executive Summary

February 12, 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): Cassandra 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 and work session on January 27, 2026. This update will share highlights from the hearing and work session.

SCHOOL BUDGET REVIEW COMMITTEE
Summary of Action
January 27, 2026

The School Budget Review Committee met to hold hearings beginning at 10:00 a.m. on Tuesday, January 27, 2026 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
 - Special Education Population & Expenditure Review Report. Reviewed the historical special education population and expenditure data as requested by the Committee at the December 16, 2025 SBRC hearing and an initial description of the special education fiscal monitoring activities occurring.
 - EL Expenditure Review Report. Reviewed the additional information regarding an increased number of requests for modified supplemental amount due to excess costs of the English Learner (EL) program as requested by the Committee at the December 16, 2025 SBRC hearing.
2. Linn-Mar Community School District. Approved negative modified supplemental amount of \$162,516.80 in 2024-2025, which is equal to the amount of MSA incorrectly awarded for the 2024-2025 fiscal year for the costs of providing additional instructional services to English Learner students in excess of weightings generated and other resources available in school year 2024-2025.
3. AEA Special Education Support Services Balances. Recommended to the Department of Education and Management that no deductions be made from school district budgets for excess special education support services assigned and unassigned June 30, 2025 fund balances in the AEAs because none exceed 10% of special education expenditures.

Work Session. The Committee held a work session to discuss the calculation of the Open Enrollment Out Not of Prior Year Headcount MSA requests and multiple items related to spending authority in context.