

Iowa State Board of Education

Executive Summary

March 13, 2026

Agenda Item: FY27 Heartland Area Education Agency Budget Review

State Board Goal: All

State Board Role/Authority: Iowa Code section 273.3(12) requires the State Board to review the proposed budget of each area education agency (AEA) by March 15 and either grant approval or return an unapproved budget with comments. An unapproved budget shall be resubmitted to the State Board for final approval before May 1.

Presenters:

Angelisa Fynaardt, Administrator
Division of Special Education – Regional Team

Tina Wahlert, Administrator
Division of PK-12 Learning

Kassandra Cline, Chief
Bureau of School Business Operations

Cindy Yelick, Chief Administrator
Heartland AEA

Brian Whalen, School Business Official
Heartland AEA

Attachment(s): One

Recommendation: It is recommended that the State Board approve the Heartland AEA budget as presented.

Background: Iowa Code section 273.3(12) requires the State Board to review the proposed budget of each AEA by March 15 and either grant approval or return an unapproved budget with comments. An unapproved budget shall be resubmitted to the State Board for final approval before May 1.



FY 2027 Budget Request & Report

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FY27 Heartland Area Education Agency Budget Request & Report

Submitted by:

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Feb. 27, 2026

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Executive Summary

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

This report provides an overview of Heartland Area Education Agency's (AEA's) financial position, staffing, services and operational priorities, including fiscal year FY27 budget requests and projections.

Iowa's AEA's are educational partners embedded in Iowa schools. We exist to create a thriving educational landscape where all learners and educators have access to high-quality, evidence-based and strategic supports and services, collaboratively provided within districts, to help all learners achieve their full potential.

Iowa's AEA's support accredited schools, educators and learners from birth through age 21 through special education support services, educational services, media services and centralized statewide initiatives. These services help strengthen educator effectiveness, expand access to high-quality instruction and improve academic outcomes for Iowa learners.

The FY27 budget request and financial projections align with Iowa's AEA's Strategic Plan for 2025–2030, which focuses on excellence, accountability, collaboration and sustainability. AEA's continue to prioritize evidence-based practices, coordinated statewide service delivery and data-driven decision-making. The [Iowa's AEA's Strategic Plan's](#) mission, vision and goals are aligned to the State Board of Education Goals. A copy of the plan is included in Appendix A.

This report also outlines organizational structure, staffing, capital assets, administrative expenditures and program changes. The report includes administrative cost management, operational efficiency and strategic allocation of resources to directly support schools, educators and learners. Fiscal comparisons across multiple years show funding trends, expenditure management and responsible planning for FY27 and beyond.

Heartland AEA remains committed to delivering high-quality services that strengthen Iowa's educational system. The FY27 budget request reflects a continued focus on sustainability, accountability and measurable outcomes, ensuring AEA's continue to effectively serve Iowa's students, educators and districts/schools.

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, charter schools, nonpublic schools, 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 AEA works in partnership with public, accredited non-public and charter schools to provide educational services, programs and resources that improve 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 2025-26 school year, Heartland AEA served 57 public school districts, 56 accredited non-public schools and 4 charter schools. Beginning this school year, we began serving four school districts from within the Prairie Lakes AEA boundaries – Greene County, Paton-Churdan, South Central Calhoun and South Hamilton.

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

Public School Districts (57)

Adair-Casey	Colfax-Mingo	Guthrie Center
Adel-DeSoto-Minburn	Collins-Maxwell	Indianola
Ames	Colo-NESCO	Interstate 35
Ankeny	Coon Rapids-Bayard	Johnston
Audubon	Dallas Center-Grimes	Knoxville
Ballard	Des Moines	Lynnville-Sully
Baxter	Earlham	Madrid
Bondurant-Farrar	Exira-EHK	Martensdale-St. Marys
Boone	Gilbert	Melcher-Dallas
Carlisle	Glidden-Ralston	Nevada
Carroll	Greene County	Newton

North Polk
Norwalk
Ogden
Panorama
Paton-Churdan
PCM
Pella
Perry

Pleasantville
Roland-Story
Saydel
South Central Calhoun
South Hamilton
Southeast Polk
Southeast Warren
Twin Cedars

United
Urbandale
Van Meter
Waukee
West Central Valley
West Des Moines
Winterset
Woodward-Granger

Non-public Schools (56)

AlRazi Academy
Ames Christian School
Ankeny Christian Academy
Ankeny Christian Academy
Elementary
Apiary Leadership Academy
Bergman Academy
Bridges Outdoor School -
Dallas Center
Bridges Outdoor School -
Norwalk
Christ the King School
Cornerstone Christian School
Des Moines Adventist School
Des Moines Christian
Elementary School
Des Moines Christian
Secondary School
Dowling Catholic High School
Gospel Assembly Christian
Academy
Grand View Christian
Elementary School
Grand View Christian High
School

Grand View Christian Middle
School
Holy Family School
Holy Trinity School
Joshua Christian Academy
(Main)
Joshua Christian Academy
(South)
Joshua Christian Academy
(West)
JW Reed Christian Academy
Kuemper Catholic Grade
School
Kuemper High School
Main Street School
Mt. Olive Lutheran School
Nevada Seventh-day Adventist
School
Newton Christian Day School
OneSchool Global - Des
Moines
Pella Christian Grade School
Pella Christian High School
Peoria Christian School
Providence Christian School

Sacred Heart School (Boone)
Sacred Heart School (WDM)
St. Anthony School
St. Augustin School
St. Cecilia School
St. Francis of Assisi School
St. Joseph Elementary School
St. Luke the Evangelist Catholic
School
St. Patrick School
St. Pius X Catholic School
St. Theresa School
Strong Roots Christian School
Sully Christian School
The Conservatory of Worship
Arts
Trinity Lutheran School
Two Rivers Classical Academy
(DSM)
Two Rivers Classical Academy
(WDM)
Victory Christian Academy
Winterset Christian Academy
Xceed Oakmoor Academy

Charter Schools (4)

OEN Des Moines Prep Academy, Great Oaks High School & Career Center, Horizon Science Academy, Distinctive Innovation Academy

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 over 160,000 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 11,375 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 that are provided by 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.]

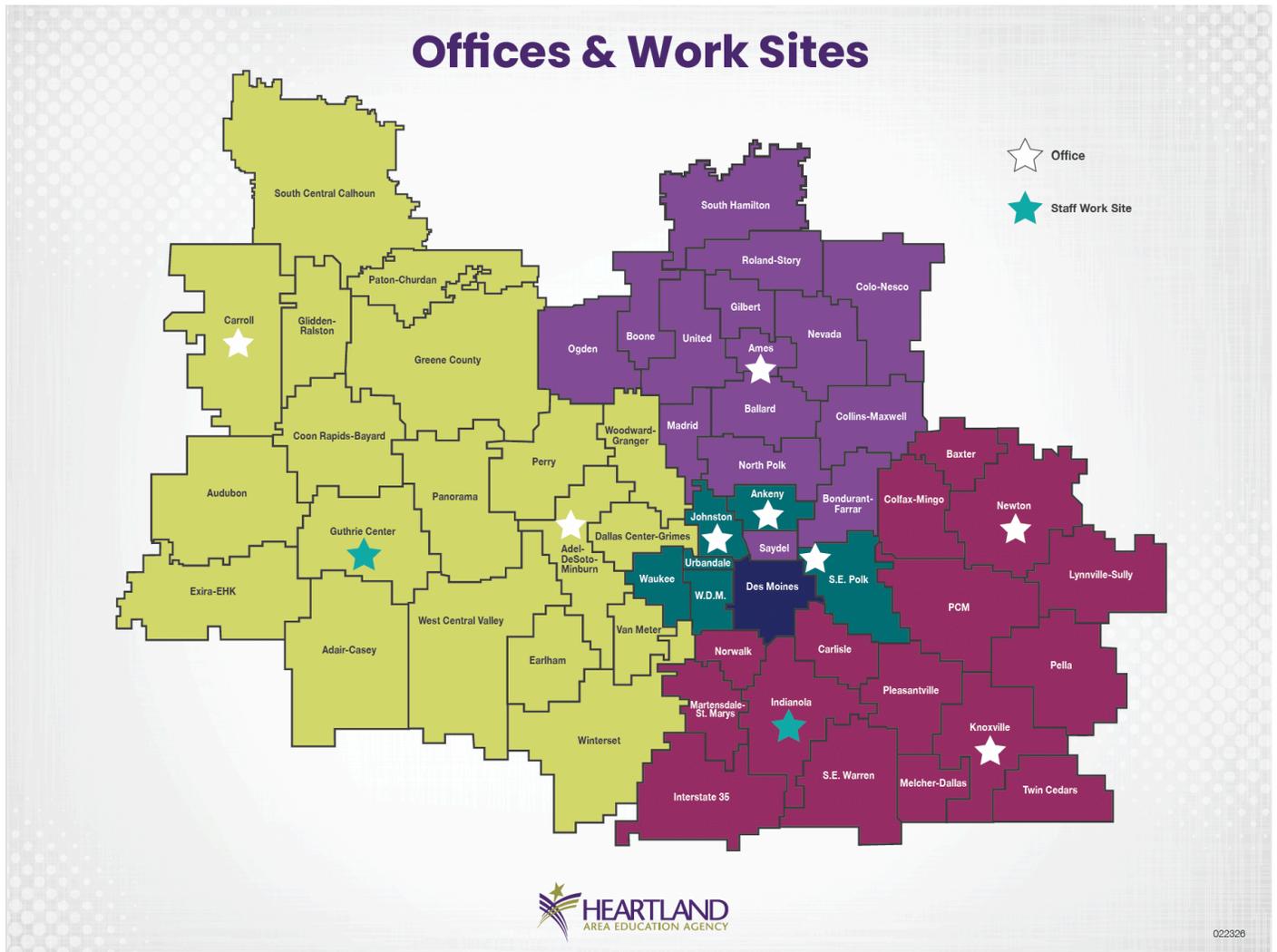
Heartland AEA grounds its services to districts around the Iowa Department of Education-approved [AEA Professional Development](#), the Iowa Department of Education's eleven education priorities and the [Iowa's AEA's Strategic Plan](#).

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

Location

[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 workspace

Indianola - 1304 E. 2nd Avenue, Indianola, IA 50125

- Staff workspace

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 is provided at Ellipsis and the Polk County Juvenile Detention Center.

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

West Des Moines Learning Resource Center - 3550 Mills Civic Parkway, West Des Moines, IA 50265

- Classroom for Behavior Assessment and Treatment Center

Heartland AEA Owned/Leased Office Locations

- 3 owned buildings – Adel, Ames, Johnston
- 9 rented buildings/office suites (including warehouse), including 5 located within a school district or community college

Capital Assets

[Provide a summary description of the AEA's capital assets. For this purpose, capital assets should include buildings, land, vehicles, and other large assets; it does not include inventory.]

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)

Summary of Capital Assets

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

Heartland AEA owns three office buildings and five vans. Four vans are used for deliveries to districts/schools and public libraries. Our maintenance staff generally uses the oldest van.

Changes or Planned Changes in Capital Assets

[Identify any changes in capital assets from FY25 to FY26 and planned changes for FY27.]

Heartland AEA is evaluating the need to replace the two oldest vans and will make a decision based on FY27 demand for delivery services from districts, non-public schools, charter schools and public libraries.

Staff

Information about the AEA's organizational structure, including specific positions, staff changes from FY25 to FY27, and administrative expenditures is provided below.

Iowa's AEA's are committed to employing highly qualified staff who offer and provide services and supports to students, educators, districts and families. AEA's are working as a statewide system to ensure the educators we serve have access to our [DE-approved professional learning offerings](#), 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 our districts/schools, Heartland AEA reorganized its coverage area into five “service areas” in FY26. Heartland AEA’s Special Education Services staff work within these service areas and Educational Services staff work with districts/schools across our entire area. Heartland AEA continued to provide the HEART program in the Winterset Community Schools, as well as the Shelter Care Educational Program at Ellipsis and the Polk County Detention Center.

BEDS Position Codes: FTE Count

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

Heartland AEA has reduced staff as a result of the funding cuts. Total FY 2026 General Fund revenues are estimated to be down \$14.9 million compared to FY 2025. The Agency is not planning any significant staffing cuts or additions for FY 2027.

Table Name: AEA BEDS Position Codes - All Staff

Position Name	Position Code	FY25 FTE Count	FY26 FTE Count	FY27 FTE Count	Variance FY25 to FY27
Chief Administrator	510	1	1	1	0
School Business Official	133	1	1	1	0
Operations and Maintenance	181	5	2	2	-3
AEA Regional/Zone Coordinator	533	17	15	15	-2
District Wide Administrative Support	152	56	42.3	41.3	-14.7
Special Education Support	660	290	265.6	265.6	-24.4
Special Education Consultant	616	124	112.5	112.5	-11.5
Paraprofessionals/Aides	101	15	13	13	-2
Social Worker	624	70	62.5	62.5	-7.5
Nurse	698	1	0	0	-1
Home Intervention Teacher	744	1	0	0	-1
Content/Curriculum Consultant	618	33	16	16	-17
AEA Supervisors/Managers	138	3	1	1	-2
Other Support	107	2	3	3	1
Technology Support	141	10	9	9	-1
HR/Personnel Manager	134	1	1	1	0
Itinerant Teacher	731	7	5	5	-2
Transportation (Non-Pupil)	175	6	3.5	3.5	-2.5
Technology	121	8	7	7	-1
Juvenile Home Teacher	746	13	12	12	-1
Other Administrator	550	3	4.5	4.5	1.5
Board Secretary	112	1	1	1	0
Student Support	106	3	8	8	5
Total FTE		671	585.9	584.9	-86.1

FY25 to FY26 Program and 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, including identification of fee-based programs and services.]

Special Education staff were reduced by 41.9 FTE from FY25 to FY26 as a result of the state funding cuts. For FY25 to FY27 the Agency plans to maintain the reduction of 41.9 FTE with no additional cuts or additions. Heartland AEA continues to evaluate staffing needed to support the districts/schools being served. FTE differences for FY26 are point-in-time differences and not a result of reporting errors. Heartland AEA provides Special Education Director services and braille services on a fee for service basis. For FY27 1.2 FTE are budgeted to provide Special Education fee for services.

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

Position Name	Position Code	FY25 FTE Count	FY26 FTE Count	FY27 FTE Count	Variance FY25 to FY27
Special Education Support	660	290	265.6	265.6	-24.4
Special Education Consultant	616	124	112.5	112.5	-11.5
Other Administrator	550	1	3.5	3.5	2.5
AEA Regional/Zone Coordinator	533	15	13	13	-2
Social Worker	624	70	62.5	62.5	-7.5
Nurse	698	1	0	0	-1
Home Intervention Teacher	744	1	0	0	-1
Itinerant Teacher	731	7	5	5	-2
Other Support	107	2	3	3	1
Student Support	106	3	8	8	5
District Wide Administrative Support	152	6	5	5	-1
Juvenile Home Teacher	746	3	3	3	0
Paraprofessional/Aides	101	6	6	6	0
Total FTE		529	487.1	487.1	-41.9

Educational Services Program

[Complete the table below and enter a narrative related to variances for staff in the educational services program, including identification of fee-based programs and services.]

Educational Services FTE were reduced by 19 FTE from FY25 to FY26 as a result of the state funding cuts. For FY25 to FY27 the Agency plans to maintain the reduction of 19 FTE with no additional cuts or additions. Heartland AEA has attempted to match Educational Services staffing to service demands from the districts/schools being served. The Agency will continue to adjust as demand changes. FTE differences for FY26 are point-in-time differences and not a result of reporting errors. Heartland AEA provides curriculum support (literacy, math, science), talented and gifted support, professional development, critical incidence

response and 504 support on a fee for service basis. For FY27 14 FTE are budgeted to provide fee for services related to Educational Services.

Table Name: AEA BEDS Position Codes - Educational Services Program

Position Name	Position Code	FY25 FTE Count	FY26 FTE Count	FY27 FTE Count	Variance FY25 to FY27
Content/Curriculum Consultant	618	33	14	14	-19
Other Administrator	550	1	1	1	0
AEA Regional/Zone Coordinator	533	2	2	2	0
Total FTE		36	17	17	-19

Media Services Program

[Complete the table below and enter a narrative related to variances for staff in the media services program, including identification of fee-based programs and services.]

Media Services FTE was reduced by 3 FTE from FY25 to FY26 as a result of the state funding cuts. For FY25 to FY27 the Agency plans to maintain the reduction of 3 FTE with no additional cuts or additions. Heartland AEA has attempted to match Media Services staffing to service demands from the districts/schools being served. The Agency will continue to adjust as demand changes. FTE differences for FY26 are point-in-time differences and not a result of reporting errors. Heartland AEA provides van delivery services, print and production services, teacher librarian services, discounts to digital books and access to library resources on a fee for service basis. For FY27 10 FTE are budgeted to provide Media fee for services. There are no FTE dedicated to Media fee for service at this time.

Table Name: AEA BEDS Position Codes - Media Services Program

Position Name	Position Code	FY25 FTE Count	FY26 FTE Count	FY27 FTE Count	Variance FY25 to FY27
Content/Curriculum Consultant	618	5	2	2	-3
District Wide Administrative Support	152	5	5	5	0
Technology Support	141	3	3	3	0
Total FTE		13	10	10	-3

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 actual, FY26 re-estimated, and FY27 proposed administrative staff levels and administrative expenditures.

Administrative Staff by FTE: FY24-FY26

[Complete the table below and enter a narrative related to FTE variances from FY24 to FY26.]

Heartland AEA has reduced administrative staff by 12.5 FTE. The positions the Agency plans not to fill include:

- Chief Financial Officer
- 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

The Agency has added 2.5 Administrative FTE to match service demands from the districts/schools being served.

Table Name: AEA Administrative Staff by FTE FY24-FY26

Administrative Staff	FY24 Actual	FY25 Actual	FY26 Re-Estimated	FY24-FY26 Variance Amount	FY24-FY26 Variance Percent
Chief Administrator	1	1	1	0	0%
Directors and Department Heads	8	6.2	2	-6	-75%
Regional Administrators	20	15	13	-7	-35%
Regional and Zone Coordinators				0	
District Coordinators				0	
Human Resources	2	2	2	0	0%
Other Administrative Positions	5	3	5.5	0.5	10%
Total FTE	36	27.2	23.5	-12.5	-35%

Administrative Staff by FTE: FY26-FY27

[Complete the table below and enter a narrative related to FTE variances from FY26 to FY27.]

Heartland AEA is not budgeting any additions or reductions to administrative FTE in FY27.

Table Name: AEA Administrative Staff by FTE FY26-FY27

Administrative Staff	FY26 Re-Estimated	FY27 Proposed	FY26-FY27 Variance Amount	FY26-FY27 Variance Percent
Chief Administrator	1	1	0	0%
Directors and Department Heads	2	2	0	0%
Regional Administrators	13	13	0	0%
Regional and Zone Coordinators			0	
District Coordinators			0	
Human Resources	2	2	0	0%
Other Administrative Positions	5.5	5.5	0	0%
Total FTE	23.5	23.5	0	0%

Total Administrative Expenditures: FY24 Actual, FY25 Actual, and FY26 Re-Estimated

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

[Complete the table below and enter the narrative comparing FY24, FY25, and FY26 expenditures, including whether or not the thirty percent statutory reduction to administrative expenditures was met.]

Heartland AEA is budgeting a 33% reduction in administrative expenditures from FY24 to FY26. The Agency is employing fewer administrators and support staff, resulting in reduced salary and benefit costs. Heartland AEA is also budgeting increased revenues associated with our print and production services and IT support services. As the Agency has moved to a fee-for-service model, it was necessary to raise the prices for our products and services.

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

Part A: Expenditures: Administration (Obj. 300 & Over)	FY24 Actual	FY25 Actual	FY26 Re-Estimated	FY24 to FY26 Reduction Amount	FY24 to FY26 Reduction Percent
General Administration (Func. 2300-2399)	3,134,886	2,498,407	3,425,565	290,679	9%
School Administration (Func. 2400-2499)	329,350	294,096	385,721	56,371	17%
Business and Central Administration (Func. 2500-2519, 2540-2599)	1,778,898	1,411,583	1,332,311	(446,587)	-25%
Purchasing, Distributing, Printing (Func. 2520-2539)	168,198	88,372	248,211	80,013	48%
Part A: Total Expenditures: Administration	5,411,332	4,292,458	5,391,808	(19,524)	0%
Part B: Expenditures: Administrative Staff (Obj. 100-299)	FY24 Actual	FY25 Actual	FY26 Re-Estimated	FY24 to FY26 Reduction Amount	FY24 to FY26 Reduction Percent
Chief Administrator	331,784	343,475	334,756	2,972	1%

Directors and Department Heads	1,605,292	1,143,564	464,540	(1,140,752)	-71%
Regional Administrators	3,907,796	2,996,957	2,658,377	(1,249,419)	-32%
Regional and Zone Coordinators				-	
District Coordinators				-	
Human Resources	380,622	383,723	391,244	10,622	3%
Other Administrative Positions	903,268	600,125	923,331	20,063	2%
Other Positions	6,367,411	5,621,378	3,739,101	(2,628,310)	-41%
Sub-Total Expenditures: Administrative Staff	13,496,173	11,089,222	8,511,349	(4,984,824)	-37%
Less Sharing Revenue (Sources: 1952, 1953, 1954, 1957)				-	
Other Revenue	1,315,867	1,287,386	2,167,187	851,320	65%
Part B: Total Expenditures: Administrative Staff	12,180,306	9,801,836	6,344,162	(5,836,144)	-48%
Total Administrative Expenditures	FY24 Actual	FY25 Actual	FY26 Re-Estimated	FY24 to FY26 Reduction Amount	FY24 to FY26 Reduction Percent
Part A: Total Expenditures: Administration	5,411,332	4,292,458	5,391,808	(19,524)	0%
Part B: Total Expenditures: Administrative Staff	12,180,306	9,801,836	6,344,162	(5,836,144)	-48%
Total Administrative Expenditures	17,591,638	14,094,294	11,735,970	(5,855,668)	-33%

Total Administrative Expenditures: FY26 Re-Estimated and FY27 Proposed

[Complete the table below and enter the narrative for FY26 re-estimated and FY27 proposed expenditures, including an explanation regarding the variance.]

Heartland AEA is budgeting raises of 3% for FY2027 and is also planning some cost savings related to changes in business practices.

Table Name: Administrative Expenditures – Administration and Administrative Staff: FY26 Re-Estimated and FY27 Proposed

Part A: Expenditures: Administration (Obj. 300 & Over)	FY26 Re-Estimated	FY27 Proposed	FY26 to FY27 Variance Amount	FY26 to FY27 Variance Percent
General Administration (Func. 2300-2399)	3,425,565	3,434,667	9,102	0%
School Administration (Func. 2400-2499)	385,721	257,238	(128,483)	-33%
Business and Central Administration (Func. 2500-2519, 2540-2599)	1,332,311	1,185,391	(146,920)	-11%
Purchasing, Distributing, Printing (Func. 2520-2539)	248,211	243,872	(4,339)	-2%
Part A: Total Expenditures: Administration	5,391,808	5,121,168	(270,640)	-5%
Part B: Expenditures: Administrative Staff (Obj. 100-299)	FY26 Re-Estimated	FY27 Proposed	FY26 to FY27 Variance Amount	FY26 to FY27 Variance Percent
Chief Administrator	334,756	344,799	10,043	3%
Directors and Department Heads	464,540	478,286	13,746	3%
Regional Administrators	2,658,377	2,738,228	79,851	3%
Regional and Zone Coordinators			-	
District Coordinators			-	

Human Resources	391,244	403,079	11,835	3%
Other Administrative Positions	923,331	951,019	27,688	3%
Other Positions	3,739,101	3,659,372	(79,729)	-2%
Sub-Total Expenditures: Administrative Staff	8,511,349	8,574,783	63,434	1%
Less Sharing Revenue (Sources: 1952, 1953, 1954, 1957)		30,000	30,000	
Other Revenue	2,167,187	2,098,744	(68,443)	-3%
Part B: Total Expenditures: Administrative Staff	6,344,162	6,446,039	101,877	2%
Total Administrative Expenditures	FY26 Re-Estimated	FY27 Proposed	FY26 to FY27 Variance Amount	FY26 to FY27 Variance Percent
Part A: Total Expenditures: Administration	5,391,808	5,121,168	(270,640)	-5%
Part B: Total Expenditures: Administrative Staff	6,344,162	6,446,039	101,877	2%
Total Administrative Expenditures	11,735,970	11,567,207	(168,763)	-1%

Total Administrative Expenditures: Reduction

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

Heartland AEA is estimating a 33% decrease in administrative expenses from FY24 to FY26. Most of the savings is due to reduced salary and benefit costs related to reductions in administrators and administrative support staff. Heartland AEA may realize additional administrative savings as we continue to explore greater efficiencies within the Agency and the AEA system.

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 Appendix B to find the report delivered to the Department of Education in December 2025 that outlines a detailed description of the services available for purchase at Heartland AEA and the associated costs for the entity purchasing the service.

Centralized Services

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

The AEA system continues to seek opportunities to share services with other AEA’s to increase efficiencies while delivering high-quality services to schools.

Service Provided	Centralized From	Shared With
Braille	Heartland AEA	Systemwide
Canvas User Network	Heartland AEA	Systemwide
Chief Administrator/Chief Acad Officer	Heartland AEA	Grant Wood AEA
Computer Science Professional Learning	Heartland AEA	Great Prairie AEA
Creative Services Graphic Design Support	Great Prairie AEA	Heartland AEA
Curriculum Network	Heartland AEA	Systemwide
Cybersecurity Support	Heartland AEA	Systemwide
Ed Tech Network	Heartland AEA	Systemwide
ELL/Title III	Heartland AEA	Northwest AEA
ELL/Title III	Heartland AEA	Prairie Lakes AEA
PD Registrar	Heartland AEA and Central Rivers AEA	Systemwide
Professional Development Registrar	Heartland AEA	Great Prairie AEA
Regional Planning Partnership (RPP 11)	Green Hills AEA	Heartland AEA
Regionalized Technology Services	Heartland & Green Hills AEA’s Keystone & Central Rivers AEA’s Grant Wood, Mississippi	Systemwide

	Bend & Great Prairie AEs Northwest & Prairie Lakes AEs	
Science Consultant	Heartland AEA	Prairie Lakes AEA
TAG Consultant	Heartland AEA	Systemwide
Talented & Gifted/ Extended Learning Network	Heartland AEA	Systemwide
Tech Network	Heartland, Northwest, Central Rivers, and Grant Wood AEs	Systemwide
Technology Director	Northwest AEA	Heartland AEA
Van Delivery	Systemwide	Systemwide
Audiology Services	Systemwide	Systemwide
Communications Team	Systemwide	Systemwide
Counseling Network	Grant Wood AEA	Systemwide
Data	Keystone AEA	Systemwide
Data Analytics	Mississippi Bend and Great Prairie AEA	Systemwide
Dietician	Systemwide	Systemwide
English Learners Network	Grant Wood AEA	Systemwide
Hearing Screenings in Sound Booth	Systemwide	Systemwide
Powerschool Supports	Grant Wood AEA	Systemwide
Special Education Nurse	Northwest AEA	Systemwide
Statewide Print Collaborative/ Creative Services	Systemwide	Systemwide
Teacher Librarian Network	Green Hills and Grant Wood AEA	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 is the lead agency for the **Recruitment, Retainment, Onboarding, Mentoring and Professional Learning Center of Excellence**. This Center of Excellence's goal is to impact recruitment and retention of AEA special education practitioners across the State of Iowa, particularly in those hard-to-fill positions, through comprehensive and aligned onboarding, professional learning and mentoring to instill implementation of consistent AEA special education services across the state.

Key action steps implemented in 2025-2026 include the following:

- Delivery of the 4-day DE-Approved Child Find Training to all new AEA special education practitioners across the AEA System. (list how many were trained)

- Creation of a Google Site for all AEAs to access onboarding tools and professional learning resources for their special education practitioners, both new and veteran staff.
- Proposal of a mentoring cadence, coaching questions and resources for all AEA leaders to use to support new staff to ensure consistency of practice and implementation.
- Development of common professional learning for specific job-alike groups, to be used for all staff now and for new staff in the future.
- Collaboration with other Centers of Excellence and AEA System task groups

See Appendix C for details.

Green Hills AEA and Heartland AEA have collaborated to plan and build a foundation for the creation of the **Assistive Technology Center of Excellence**, beginning on July 1, 2026. The purpose of the Center of Excellence is to provide specialized knowledge, coaching, and support in child need identification, implementation and evaluation of assistive technology for learners with disabilities, families, and educators across the state of Iowa to improve outcomes.

Actions taken thus far include:

- Creation of a Green Hills AEA and Heartland AEA collaborative team
- Facilitated statewide Quality Indicators of Assistive Technology (QIAT) survey administration
- AEA and DE collaboration to develop Assistive Technology Professional Development to provide internally at Green Hills AEA on February 25, 2026. Subsequently submitting for approval to provide statewide.
- AEA and DE collaboration to support Early ACCESS teams in the identification, implementation, and evaluation of Assistive Technology needs.
- Initial steps taken to build a statewide system for Assistive Technology support across all 9 AEAs.

Fiscal Detail

[Enter narrative of information provided in the section.]

Heartland AEA has reduced spending to meet the mandated revenue cuts as a result of HF 2612. Heartland AEA is looking at combining new revenue opportunities through fee-for-services with continued review of possible expense reductions.

General Fund: Historical Overview FY21-FY25

[Complete the table below. Enter narrative with a high-level explanation for the changes in revenue, expenditures, and balance.]

FY21 was influenced by the pandemic during the summer of 2020. Heartland AEA's print and production revenues were adversely affected as the districts/schools slowly returned to their normal schedules. Professional development revenue was also down as the Agency was not able to hold in-person classes. Expenses were down slightly as staff reduced travel and addendum work was limited.

At the beginning of FY22, Heartland AEA received approximately \$6.9 million from the American Rescue Plan (ARP) IDEA federal funding. This was part of the federal recovery from the pandemic. Heartland AEA spent \$3.7 million in FY22 and then spent the remaining \$3.2 million in FY23. This funding was spent on certified staff salary and benefits.

When the state legislature began talking about AEA funding cuts in January 2024, Heartland AEA immediately restricted all discretionary spending. This included out-of-state travel, professional development, computer/server purchases, addendum and overtime work and capital expenditures. In addition, some staff who were not under contract began looking for employment elsewhere. This resulted in a reduction in the Agency's expenditures in FY24.

FY25 revenues were reduced as a result of House File 2612. Heartland AEA's Media and Educational Services funding were reduced by \$12.2 million. In addition, the statewide cut to AEAs increased from \$22 million in FY24 to \$25 million in FY25. Due to the increased cut and a change in how the cut is allocated, Heartland AEA's share of the cut increased from \$6.8 million to \$9.5 million. Through attrition and continued restrictions on discretionary spending, the Agency was able to significantly reduce expenditures to match revenues. The Agency also sold an office building in Johnston for \$1.2 million in August 2024.

Table Name: General Fund - Historical Overview FY21-FY25

General Fund	FY21	FY22	FY23	FY24	FY25
Revenues	103,676,517	110,561,899	115,310,530	117,597,142	102,457,548
Expenditures	103,381,390	108,493,883	116,041,899	114,268,725	101,742,456
Balance	14,508,503	16,576,519	15,845,150	19,173,567	19,888,659

General Fund Balance: FY25 Actual, FY26 Re-Estimated, and FY27 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 has attempted to meet the reduced funding with corresponding expenditure reductions. The Agency budgeted the use of \$1.2 million of unassigned fund balance in FY26, with no use of unassigned fund balance in FY27. Heartland AEA's committed funds relate to a remodeling project put on hold in the spring of 2024. The Agency annually reviews committed funds with the Board at its June meeting.

Table Name: General Fund Balance Detail - FY25 Actual, FY26 Re-Estimated, and FY27 Proposed

General Fund Balance Detail	FY25 Actual	FY26 Re-Estimated	FY27 Proposed
Non-Spendable Fund Balance, Special Education Support Services	212,751	212,751	212,751
Non-Spendable Fund Balance, Other	98,497	98,497	98,497
Restricted Fund Balance, Special Education Support Services	222,149	991,857	668,710
Restricted Fund Balance, Other	1,471,538	1,651,863	1,833,224
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	-	-	-
Assigned Fund Balance, Other	-	-	-
Unassigned Fund Balance, Special Education Support Services	-	-	-
Unassigned Fund Balance, Other	14,176,660	12,955,733	13,026,623
Total General Fund Balance	19,888,658	19,617,764	19,546,868

Three-Year Comparison for Budgeted Funds: FY25 Actual, FY26 Re-Estimated, and FY27 Proposed

[Include narrative of the budget detail. Summarize the FY27 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 is budgeting a \$14.9 million revenue reduction for FY26. The Agency is expecting the continuation of the \$25 million AEA cut, which will reduce Heartland AEA's FY27 budgeted revenues by \$7.6 million. Heartland AEA has reduced staff FTE from 731 in FY24 to 580 in FY26. The reduction of 151 FTE represents 21% of staff. Approximately 92% of Heartland AEA's FY27 revenues relate to special education. The remaining 8% is generated through various fee-for-service initiatives.

Table Name: Resources, Expenditures & Financing Uses, and Funds Balance FY25 Actual, FY26 Re-Estimated, and FY27 Proposed

Resources: Revenues, Other Financing Sources, and Beginning Funds Balance	FY25 Actual	FY26 Re-Estimated	FY27 Proposed
Taxes (Controlled Funding)	18,572,685.00	10,925,079.00	11,606,027.00
Tuition/Transportation	1,429,520.51	1,564,000.00	1,564,000.00
Earnings on Investments	1,367,645.64	950,000.00	850,000.00
Nutrition Program Sales	-	-	-
Student Activities & Sales	-	-	-
Other Revenues from Local Sources	3,955,982.81	6,926,068.00	6,898,480.00
Intermediate Revenues	-	-	-
State Aid (Controlled Funding)	34,107,807.00	31,155,859.00	37,431,462.00

Juvenile Home Tuition Aid	1,434,107.27	1,400,000.00	1,400,000.00
Other State Revenues	5,850,785.17	6,225,849.00	6,102,326.00
IDEA Federal Grant	35,346,529.00	29,335,306.00	32,035,306.00
Other Federal Revenues	836,949.33	625,885.00	306,350.00
Long-Term Debt Proceeds	112,831.00	63,742.00	-
Interfund Transfers In	398,039.00	287,250.00	287,250.00
Proceeds of Fixed Asset Dispositions	1,172,239.72	50,000.00	50,000.00
Other Financing Sources	-	-	-
Beginning Funds Balance	19,173,565.90	19,888,658.00	19,617,764.00
Total Resources	123,758,687.35	109,397,696.00	118,148,965.00
Expenditures & Other Financing Uses			
	FY25 Actual	FY26 Re-Estimated	FY27 Proposed
Instruction	3,556,420.83	3,601,144.00	3,627,378.00
Student Support Services	45,893,167.16	45,196,221.00	53,775,393.00
Instructional Staff Support Services	30,317,184.08	22,132,174.00	22,535,840.00
General Administration	4,022,697.35	4,627,914.00	4,666,009.00
School Administration	4,296,951.25	3,397,722.00	3,353,561.00
Business & Central Support	6,286,589.00	3,959,197.00	3,800,920.00
Purchasing, Distributing, Printing, Duplicating	775,442.61	-	-
Plant Operations & Maintenance	1,202,266.15	1,210,423.00	1,161,787.00
Student Transportation	30.00	-	-
Other Support Services	-	160,775.00	145,227.00
Non-Instructional Programs	-	4,919,862.00	4,961,482.00
Facilities Acquisition & Construction	-	-	-

Debt Service	398,039.00	287,250.00	287,250.00
Interfund Transfers Out	398,039.00	287,250.00	287,250.00
Other Financing Uses	6,723,203.00	-	-
Total Expenditures & Other Financing Uses	103,870,029.43	89,779,932.00	98,602,097.00
Funds Balance			
	FY25 Actual	FY26 Re-Estimated	FY27 Proposed
Total Resources	123,758,687.35	109,397,696.00	118,148,965.00
Total Expenditures & Other Financing Uses	103,870,029.43	89,779,932.00	98,602,097.00
Ending Funds Balance	19,888,657.92	19,617,764.00	19,546,868.00

Additional FY27 Budget Assumptions

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

In addition to the expected cuts due to HF 2612, Heartland AEA has declining enrollment for only the third time in the last 30 years. The Agency will take this into consideration as we project future revenues. Heartland AEA continues to work with districts, non-public schools and charter schools, exploring new opportunities for services and support we can provide. Heartland AEA is also working on efficiencies throughout the Agency and the AEA system as we balance revenues and expenses.

Appendix A:

- [Iowa's AEAs Strategic Plan](#)

Appendix B:

- [AEA Annual Service and Costing Report - December 2025](#)

Appendix C:

- [Heartland AEA Center of Excellence](#)