

Iowa State Board of Education

Executive Summary

June 18, 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 the information.

Background: The School Budget Review Committee met for a special hearing on June 9, 2026. This update will provide a summary of informational items considered and related action.

SCHOOL BUDGET REVIEW COMMITTEE
Summary of Action
June 9, 2026

The School Budget Review Committee met to hold hearings beginning at 12:30 p.m. on Tuesday, June 9, 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.

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

A. Committee Responsibilities

The School Budget Review Committee is established pursuant to Iowa Code section 257.30. The Committee is required to consider the intent of chapter 257 when making decisions. Iowa Administrative Code r. 289-6.2(6) was reviewed.

B. Committee Responsibilities – IPIB Training

Department General Counsel Thomas Mayes presented the IPIB training and training providers available to all Committee members.

C. Legislative Updates: Senate File 2472 (Iowa Acts 2026)

Senate File 2472 (Iowa Acts 2026) includes legislation impacting the Committee. The legislation amends Iowa Code § 257.7 to require a UAB carryover maximum; amends Iowa Code § 257.13 to change SBRC Increased Enrollment requests for MSA from 'shall be eligible' to 'may be eligible'; and adds a section Iowa Code § 279.63A to require school boards to have a policy on unspent balance.

D. Iowa Administrative Code r. 289

General Counsel Mayes explained the Committee is not considering new proposed changes to Iowa Administrative Code r. 289.

E. Special Education Fiscal Monitoring

Bureau Chief Cassandra Cline provided an update on couple of the Department's special education fiscal monitoring activities.

2. Wapello Community School District. The Committee approved the transfer from General Fund to the Capital Projects Fund and approved an equal amount of modified supplemental amount for the 2026-2027 fiscal year in the amount of \$151,825 for the replacement of the elevator and \$145,970 for the replacement of the boiler at the secondary building.
3. Iowa City Community School District. Member Hansel recused himself from the hearing and Chair Snow approved the request. The Chair announced public comment. David Noerper made a public comment.

The Committee directed the district to appear before the Committee at its next meeting to provide an updated fiscal update, including updated FY26 year-end financials, an update on the district's audits, and updated projections.

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 provided to the SBRC and to the district's auditor. Aye: Gubbels, Paulsen, Battani, Schroeder.

4. West Bend-Mallard Community School District. The Committee accepted the recommendation of the task force regarding the Certificate of Need request from the West Bend-Mallard Community School District and made a recommendation to the Department to approve the district's request to use SAVE balance and future SAVE allocations of \$5,456,887 to partially fund a construction project.