

**SCHOOL BUDGET REVIEW COMMITTEE**  
**Summary of Action**  
**October 12, 2021**

The School Budget Review Committee met to hold hearings beginning at 10:00 a.m. on Tuesday, October 12, 2021, at the Department of Education, State Board Room, Second Floor, Grimes State Office Building, 400 E. 14<sup>th</sup> St., Des Moines, Iowa 50319-0146. Members of the Committee consisted of the following: Department of Education Director Ann Lebo, Department of Management Director Kraig Paulsen, and public members: Leland Tack, Susan Battani, Keith England, and Mary Jo Hainstock. The director of the Department of Education is a non-voting member and the chair.

All decisions by the Committee shall be 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 Item

A. Cash Reserve Levy. The Committee reviewed the final listing of districts levying for the cash reserve authorized in Iowa Code section 298.10. This was an update to the cash reserve levy limit list discussed during the March 2021 hearing. Of 327 districts, 152 were unable to levy for cash reserve. Of the 173 districts levying for cash reserve, 64 did so at the maximum allowed level. Two districts had the ability to levy but did not levy. Total FY22 cash reserve levy amount is \$204,983,990, down 9% from 2021 cash reserve levy amount.

B. Verification of MSA Usage. The Committee reviewed the list of districts whose requests for modified supplemental amount in FY21 was granted based on anticipated costs. Four of the five districts receiving an anticipated amount did not fully expend the amount awarded.

District	MSA Requested	MSA Verified	MSA Unused	Purpose
Ankeny	\$905,853.42	\$883,781.66	\$22,071.76	Initial Staffing costs to open a new building
Clear Creek Amana	\$490,529.83	\$460,127.61	\$30,402.22	Initial Staffing costs to open a new building
Linn Mar	\$1,941,540.00	\$1,840,843.00	\$100,697.00	Initial staffing costs for two new buildings
Sioux Center	\$1,500,000.00	\$1,500,000.00	\$0	Costs contributing to new construction of a school building
Waterloo	\$63,106.36	\$57,726.03	\$5,380.33	New program start-up costs

2. Rules Adoption. The Committee adopted amendments to the Iowa Administrative Code rule 289 Chapter 8, "Waivers or Variances from Administrative Rules" which implements, in part, 2020 Iowa Acts, House File 2389.

3. Late Filers of CAR, SES, or Transportation Reports

The Committee directed the districts and AEAs to file all future CAR, SES, and ATR 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.

The Committee also required each district or AEA that did not certify its COA, SES, or ATR by September 15, or by the extended due date if applicable, to appear before the committee at its regular session in December following the close of the fiscal year to present the procedures that the district or AEA will implement to prevent late filing of the Certified Annual Report (CAR), special education supplement (SES), and annual transportation report (ATR) in all future years.

This action applied to the district(s) below.

- CAM
- Cardinal
- Collins-Maxwell
- Colo NESCO
- Jesup
- Midland
- Nodaway Valley
- River Valley
- Sidney

The Committee also instructed the Director of the Department of Management to withhold state aid to each district or AEA that had not filed and certified its CAR, SES, and ATR to date, and to continue withholding state aid until the committee's inquiries are satisfied completely. If any district has not certified its CAR, SES, and ATR by the day of the October 2021 hearing (October 12, 2021), the district was directed to complete its data collections within twenty-four hours.

This action applied to the district(s) below.

- Collins-Maxwell

4. Reorganization Progress Reports. The Committee accepted the reports of progress toward reorganization submitted by the whole grade sharing districts listed in the exhibit for recommended approval and to allow those districts to request supplementary weighting for whole grade sharing on their October 1, 2021 certified supplementary weighting enrollment for eligible resident students.
5. Transfer request due to COVID-19. The Committee approved a fund transfer for the 2021-2022 fiscal year for one district totaling \$1,030,297.88 based on the district's response to the COVID-19 pandemic.
6. Van Buren County. The Committee authorized a transfer from the General Fund to the Student Construction Fund and denied the request for modified supplemental amount for 2021-2022 school year, up to the amount of \$25,000 as necessary for new student construction program start-up costs.