



## House File 68 Guidance: Categorical Funding and Operational Sharing

### Purpose

[House File 68 \(HF 68\)](#), signed into law on January 24, 2023, was effective upon enactment. This guidance document summarizes the additional uses authorized for specific categorical funding and provides an update to the operational function sharing supplementary weighting eligibility timeline.

### Categorical Funding – Increased Authority

The legislation increases allowable uses of the following categorical funds: professional development (PD) ([Iowa Code § 257.10\(10\)"d"](#)), teacher leadership and compensation (TLC) ([Iowa Code § 257.10\(12\)"d"](#)), and gifted and talented (TAG) ([Iowa Code § 257.46\(3\)](#)).

Beginning with FY24, available PD, TLC, or TAG funds may be used for teacher salary supplement (TSS) purposes and distributed to teachers pursuant to [Iowa Code section 284.3A](#): teacher compensation – single salary system. Available funds include any balance carried forward from the prior year (i.e., carryforward balance) as well as the current year's allocation. Transfers may be made beginning July 1, 2023.

### Account Coding

To use PD (Project 3373 or 3376), TLC (Project 3116), or TAG (Project 1118) sources for TSS purposes, the funds must be transferred via the account coding below. Account coding reflecting the use of these funds, similar to other salary coding, should include the Facility, Function, and Program codes of the employee's regular salary account coding.

- Debit Function 231X, Program XXX, Project XXXX (PD, TLC, or TAG), Object 959
- Credit Function 231X, Program XXX, Project 319X (PD 3191, TLC 3192, TAG 3193), Object 959

### Operational Function Sharing Timeline

The legislation modifies [Iowa Code section 257.11\(5\)](#) related to the timeline of the operational function sharing supplementary weighting eligibility. Supplementary weighting generated from operational function sharing was previously scheduled to sunset in 2024. The timeframe has been extended to 2034. Eligible positions reported through Fall BEDS Staff and the Operational Sharing applications through the Fall of 2034 are eligible to generate supplementary weighting.

### Resources

Additional information relating to categorical funding is available on the Department of Education [categorical funding page](#). Questions relating to the use of categorical funds, or related account coding, can be directed to Song Luong at [Song.Luong1@iowa.gov](mailto:Song.Luong1@iowa.gov) or 515-205-0259.

Questions relating to eligible operational function sharing position arrangements can be directed to Scott Dryer at [Scott.Dryer@iowa.gov](mailto:Scott.Dryer@iowa.gov) or 515-402-8700.