



## FY21 Compilation of School Business Alert Articles (July 2020-June 2021)

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July 2020

## Financial

### FY20 Year End

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The fiscal year end closeout period is here again. Please submit requests for payments as soon as possible. As in prior years, the Department is required to pay FY20 expenses by the end of August. We need your help to accomplish this. Please review all FY20 grants and contracts, complete any final reports, and prepare requests for payment as soon as possible. We will be issuing final payments for Title I, Title II, Title VI, nonpublic transportation, Perkins, and Regional Planning Partnership (RPP) within the month, with your help and cooperation.

Please remember that billing for Special Education between districts is to occur by July 15, 2020.

If you have further questions, please contact [Angela James](#), 515-281-3646.

### Nonpublic Transportation Reimbursement - Accounting

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Reimbursement requests must be collected twice per year by districts (Iowa Code 285.3). The accounting for the various scenarios that a district could encounter has been added to the [UFA Journal Entries](#) document. Keep in mind all revenues will equal all expenditures for this number.

If you have further questions, please contact [Denise Ragias](#), 515-281-4741 or [Janice Evans](#), 515-281-4740.

### Tax Receipts

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#### July Sales Tax

The July payment districts will receive for Secure an Advanced Vision for Education (SAVE) Statewide Sales and Services Tax (source/project 3316) is related to June taxes collected. Accordingly, districts should record this receipt as an intergovernmental receivable (Fund 33, account 141) and include this in SAVE revenue reported in the FY20 Certified Annual Report (CAR).

#### August Property Tax

August property tax receipts are not all related to the prior year. Districts need to evaluate what should be accrued as taxes receivable and as FY20 revenues, and what should be FY21 revenues. Delinquent

property taxes received in August are accrued to FY20. Current mobile home (unless noted as delinquent) and ag land taxes received in August are FY21 revenues. Since there was a suspension of penalties and interest for delayed property tax payments until July 25, 2020, there may be more current property taxes received in August than usual.

If you have further questions, please contact [Janice Evans](#), 515-281-4740.

## **GASB Updates**

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### **Financial Reporting for Pensions (GASB 68)**

Many districts and auditors will soon be working through the GASB 68 entries relating to IPERS. Districts will only include entries in Fund 09 (Governmental Long-term Liabilities/Debt Summary Accounts) and Proprietary Funds (6X, 7X) on the FY20 Certified Annual Report (CAR). Since pension expenses may be positive or negative after GASB 68 entries have been made in the enterprise funds, districts will continue to use object 233, "GASB 68 Pension Expense" for GASB 68 entries related to pension expense. Negative amounts are allowed in this object.

Fund 09 will report the governmental funds share of the net pension liability and debit account 304, "Amount to be provided for retirement of governmental long-term debt" and credit account 593, "Net Pension Liability." The FY20 CAR includes an edit in Fund 09 and a warning in Proprietary Funds related to GASB 68 Net Pension Liability reporting.

Refer to the [State Auditor's Office](#) website for information regarding GASB 68.

### **Financial Reporting for Other Post-Employment Benefits (OPEB) (GASB 75)**

Many districts and auditors will continue to work through GASB 75 entries relating to OPEB, based on valuations received from the actuary. Districts will only include entries in Fund 09 and Proprietary Funds on the FY20 CAR. A separate object code for the health benefit expense adjustment has not been assigned at this point since we do not know if this adjustment will result in a negative expense after GASB 75 entries have been made in the Enterprise Funds. If districts find this is negative, let [Janice Evans](#) know and a separate object code will be assigned. The various deferred inflows of resources (account 64X) and deferred outflows of resources (account 33X) numbers that may be needed have been assigned. See the [Iowa Chart of Account Coding](#) document for the specific account numbers.

Fund 09 will report the governmental funds share of the Total OPEB liability and debit account 304, "Amount to be provided for retirement of governmental long-term debt" and credit account 59X, "Total OPEB Liability." Districts can continue to use the 59X account they were already using for the net OPEB liability.

If you have further questions, please contact [Janice Evans](#), 515-281-4740.

## **Local Auditor Access to Prior Year Local Education Agency Financial Information**

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To view information on a local school district's prior year revenue from the state, local auditors can go to [Edinfo](#) and select the Auditor button in the bottom left-hand corner, enter FY20 in the "Login ID" and click "Submit." You will see the "Payments to Department of Education Subrecipients" screen. Enter the district's headquarter number or district name and click the "go" button.

There is also a "Department Warrants" application within the [Iowa Education Portal](#). This application has been expanded to include the grant identifying number and the Catalog of Federal Domestic Assistance (CFDA) number. Work with the local school district's portal security officer for access to this application.



## Indirect Cost Rate Plan and Required Coding Changes for FY21

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The U.S. Department of Education (ED) recently approved the Iowa Department of Education's Indirect Cost Rate proposal for computing Iowa LEA and AEA restricted and unrestricted indirect cost rates. The approved plan is effective from July 1, 2020 through June 30, 2025.

The change approved with the largest impact, as requested by districts, is to treat equipment repair and maintenance, function 2640, as a direct cost rather than an indirect cost. Effective with **FY21** reporting, nutrition equipment repair will be accounted for in the School Nutrition Fund rather than the General Fund. **Further, function 2600 will become a header record only and detail will be required, effective with FY21 reporting.** The plan also establishes a maximum restricted rate indirect cost rate of seven percent and a maximum unrestricted indirect cost rate of 17 percent, even if the rate calculated is higher. Questions regarding indirect cost rates can be directed to [Janice Evans](#), 515-281-4740.

## Applications

### Tuition-In Billing: Timeline

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Throughout the school year, districts enter students into the Tuition-In Billing (TIB) program and submit bills to other districts. Students who are entered by other districts into the TIB as being a resident of your district, where they will be seeking payment for these services, will appear on your district's Special Education Supplement (SES) Home Page. Between June 15 and June 30, districts were asked to verify the accuracy of the Tuition-Out portion of the Home Page. If errors were noted, you were to contact the other district and work out any issue, with the overall goal being to ensure the correct district was billed and no students were overlooked and omitted. All students should now be entered and any necessary corrections and adjustments completed. If you have any remaining students who are not entered into the TIB, please do so immediately.

As you finalize your work in the TIB, have entered all students, verified accuracy of all student information, uploaded your final comma delimited text file, and reviewed Screen 9 ensuring that this information is accurate, click the "certify" button on Screen 9. Then, print or email the final bills.

The Department will begin processing Foster Care claims, Termination of Rights claims (also called District Court Placed), Nonpublic claims, and High Cost claims after August 3. It is critical that all claims be accurately entered prior to this date.

### AEA Juvenile Home Claims

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The new Juvenile Home application is open to AEAs for completion of the claims and certification by August 1. The application can be found on the [Iowa Education Portal](#). The instructions are posted on the web at [Budgets, Area Education Agencies](#). Please remember this claim is for regular education students only. Out-of-state students and students served pursuant to an Individualized Education Program (IEP) would be billed to their district of residence. Also, do not include the average daily membership (ADM) of students for whom the AEA is paid tuition.

If you have further questions, please contact [Denise Ragias](#), 515-281-4741.

### Regular Education Foster Care Claim

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The Regular Education Foster Care Claim will be available soon for districts to certify. All individuals with

access to the Foster Care Claim application in the [Iowa Education Portal](#) will receive an email once the application is available. Claims are generated from the fall 2019 and spring 2020 Student Reporting in Iowa (SRI) submissions. Modifications have been completed for any foster care student's days enrolled when the student remained enrolled beyond March 13.

The modifications allow for the inclusion of days when districts provided voluntary continuous learning opportunities for students. Through the use of the foster care data provided by the Department of Human Services to the Department of Education, students whose services through DHS ended during the spring will be credited with days enrolled only through the placement end date. Additional attempts were made to remove students from the regular education foster care claim application who continued to be served pursuant to an IEP and students not identified as being in foster care by DHS.

This year's application includes:

- Regular education students who were in foster care (under the responsibility and care of the Department of Human Services) and living in your district only because of the foster care placement.
- Resident students who were in a psychiatric medical institute for children (PMIC) placement and NOT included in your district's fall 2019 certified enrollment count, regardless of who placed the student in the facility.

The only tasks required from a district are to verify the students and certify. **Certification is required only if your district is eligible to receive a reimbursement.** Reimbursements are based on the excess days your district served regular education students in foster care above days funded on regular education foster care students in the fall 2019 certified enrollment count. Calculations are based on the number of days of school during the 2019-2020 school year, as reported in 2019 Spring BEDS or the district's official 2019-2020 academic calendar.

You will receive an email from Carla Schimelfenig once the application is available. The due date for certifying Regular Education Foster Care Claim is Monday, August 3.

If you have further questions, please contact [Carla Schimelfenig](#), 515-242-5612.

## District Contact Information

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The Department sends financial communications to the CFO/Business Manager(s) and Additional Financial Officer contacts from information provided in the School Board Officers application. If your district has a change in personnel, be sure to update the information through the [Iowa Education Portal](#).

The Department of Education's source information that identifies superintendents for school districts is the School Information Update application. If your district has a new superintendent and the School Information Update application in the portal has not been updated to reflect the change, your superintendent will not receive timely notifications.

Please provide updates as needed anytime throughout the year.

If you have further questions, please contact [Carolyn Engelhardt](#), 515-281-5293.

## Medicaid

### 2019-2020 Medicaid Revenue

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During FY20, Iowa's local education agencies (LEAs) were paid \$80,790,651 and retained, following payback of the state share, \$52,349,852, down 22.1 percent from FY19. Iowa's area education agencies

(AEAs) were paid \$574,455, retaining \$379,322, up 49.3 percent for Individuals with Disabilities Education Act (IDEA) Part B services. Iowa's Infant Toddler IDEA Part C providers were paid \$418,781, retaining \$271,774, up 13.4 percent. In total, Iowa's IDEA Medicaid programs retained \$52,997,160, down 15.3 percent from FY19. Please note that schools were closed for approximately 24% of the year during which LEA Medicaid health services were not provided.

If you have further questions, please contact [Jim Donoghue](#), 515-281-8505.

## School Transportation

### Fall Inspection Schedules

The fall 2020 school bus inspection schedules have been posted to the Department's [website](#). **Please help ensure that the inspection date for your district is communicated to the transportation staff and added to the district calendar.**

If you have further questions, please contact the inspector for your region: [Joe Funk \(east\)](#), 515-669-4987; [Tom Simpson \(west\)](#), 515-326-1022; and [Verlan Vos \(central\)](#) 515-669-4994.

Also, as a reminder, effective July 1, 2020 the per vehicle inspection fee increased from \$40 to \$50.

### Bus Driver Physicals

Department of Transportation (DOT) physicals for school bus drivers must be performed by a certified medical examiner. The federal government has made this a requirement for anyone obtaining a DOT physical. The [National Registry of Certified Medical Examiners](#) website includes a search engine showing the location of all certified medical examiners within the state of Iowa and across the nation. It offers a number of options to search for medical examiners in your area. Also, remember that all school bus driver authorizations must be updated and renewed by August 15. Once updated data on the driver's physical is entered in the Driver Authorization application accessed through the [Iowa Education Portal](#), be sure to print off the new authorizations for your drivers to carry with them.

If you have further questions, please contact [Max Christensen](#), 515-281-4749.

## General Information

### Department of Education Preschool Staffing

Iowa Code 256C.5(4) provides funding to the Department from preschool foundation aid to pay for state administration and oversight of the preschool program. This funding is critical for the ongoing implementation and monitoring of the program.

This is an on-behalf payment. The district will record the amount as preschool revenue with an equal amount recorded as a preschool expenditure. The amount is \$33.17 per preschool budget enrollment. The deduction for the on-behalf payment will be spread throughout the ten state aid payments, September through June. This is a reduction to cash flow (state aid) sent directly to the district but does not result in general fund spending authority in excess of state aid received, because it is recorded by the district as both an on-behalf revenue and expenditure. The on-behalf revenue will be recorded in source and project 3117, program 460, and the expenditure in an equal amount will be recorded in function 233X, program 460, project 3117, object 31X. See [FY20 Preschool Funding](#) for preschool amounts per district.

The [FY21 Preschool Funding](#) document for preschool amounts has been posted to the [State Payment Information for FY21](#) page of the Department's website. The amount remains at the \$33.17 per preschool budget enrollment.

If you have further questions, please contact [Tom Cooley](#), 515-725-1120.

## School Finance Resources

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Superintendents and business managers who are new to the state or new to the position may find the following resources located on the [Iowa Department of Education's website](#) beneficial:

- The Department [Calendar](#) can be filtered to show all events or categories such as deadlines, Department-sponsored meetings and technical assistance, and School Budget Review Committee (SBRC) deadlines and meetings.
- [School Business and Finance](#) has links to areas such as accounting and reporting, levies and funds, and financial management.
- [Special Education Finance](#) provides links to topics such as the Tuition-In Billing application directions, appropriate uses of special education funding, school-based Medicaid, and sample contracts for special education services.
- [School Facilities](#) provides information on construction, school safety, disaster recovery, and facilities planning.
- [School Budget Review Committee](#) (SBRC) provides an explanation of the purpose and authority granted through Iowa Code for the committee, information related to future and past hearings, as well as information pertaining to SBRC applications and exhibit guidance.
- [School Transportation](#) provides links to bus inspection schedules, driver trainings and conferences, open enrollment transportation assistance, nonpublic reimbursement claim, and instructions to and results from prior year's Annual Transportation Report.
- [School Finance Resources](#) provides links to the Department of Management (Aid and Levy worksheet), the Uniform Financial Accounting manual, Uniform Administrative Procedures manual, and Iowa Legislature (Iowa Code and Administrative Code lookups).
- [School Finance Tools](#) is a reference page for such topics as budgeting and projections, district-to-district comparisons, possible corrective action for districts incurring a negative unspent balance, and suggested monthly reports to district administration and school boards.

For more information on a specific topic listed above, inquiries can be directed to the consultant listed on each webpage.

If you have further questions on available resources, please contact [Carla Schimelfenig](#), 515-242-5612.

## Did you know?

It is important to maintain at least two portal security officers in each district, since a portal security officer cannot give access to himself or herself. To inquire about upcoming fall portal security officer training sessions, email [ed.portal@iowa.gov](mailto:ed.portal@iowa.gov).

District cost per pupil amounts ([maximum tuition rates](#)) for the new school year are posted on the [Tuition and Fees](#) page of the Department's website.



August 2020

## Financial

### Juvenile Home Advance Payment Schedule

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The 2020-2021 Juvenile Home Advance Payment Schedule for area education agencies has been posted to the web at [Budgets, Area Education Agencies](#).

If you have further questions, please contact [Denise Ragias](#), 515-281-4741.

### Governor's Emergency Education Relief Fund (GEERF) Allocations

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On August 7, districts received notification of the Governor's Emergency Education Relief Fund (GEERF) [allocations](#). These funds are for the district's use in increasing connectivity for students in preschool through 12th grade for the 2020-2021 school year beginning on September 1, 2020. The Source/Project assigned to these funds is:

Source/project 4051 Education Stabilization Fund (Governor's Emergency Education Relief Fund) (GEERF) (CFDA 84.425)

Since districts can use the funds for expenditures incurred since March 13, allowable expenditures incurred in FY20, prior to June 30, should be coded to Project 4051. The district will also need a receivable (Account 141, Project 4051) and a Deferred Outflow of Resources (Account 623, Project 4051) since the funds will not be received until after the 60-day accrual period. If coded properly (with the project code), this will go through the CAR edits. Only the amount actually expended in FY20 will be coded as a receivable and deferred outflow. Many districts will have allowable expenditures in FY21 only and should code revenue and expenditures appropriately to Project 4051 in FY21.

If you have further questions, please contact [Denise Ragias](#), 515-281-4741 or [Janice Evans](#), 515-281-4740.

### Nutrition Fund Coding

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Districts must be cautious in coding nutrition payments. Some programs are not covered under the USDA CARES Act and will have a different source and project number than the meal reimbursements made

through the emergency provision of the Summer Food Service Program (SFSP), Source/Project 4056. Some of these programs are:

- Cash in lieu (CIL), cash payments made in place of USDA Food assistance provided Child and Adult Care Food Program (CACFP) - Source/Project 4554
- Fresh Fruit and Vegetable Program - Source/Project 4557

As we transition out of the Summer Food Service Program to the National School Lunch Program (NSLP) with the start of the school year, USDA CARES Act grant funds remaining will be used to cover NSLP reimbursements for lunch, breakfast and milk programs through September 30, 2020, or until the funding runs out, which is not anticipated. Note that districts should return to the use of the function code 3110 once the regular National School Lunch Program resumes.

Districts may check the source of funding with each Department payment in the [Ed Portal](#) application, "Department Warrants." If a Portal user does not have this application, a request can be made through "My Profile" in the top right corner of the Portal.

Additional fiscal-related questions related to nutrition are included in the [School Nutrition Back to School Questions & Answers](#) document.

If you have further questions, please contact [Denise Ragias](#), 515-281-4741 or [Janice Evans](#), 515-281-4740.

## Certified Annual Report

### Certifying the Certified Annual Report (CAR)

In the euphoria of completing the district's CAR, make sure to plan sufficient time to thoroughly review what is about to be certified before clicking the "Certify" button. The Special Education Supplement (SES), the Transportation Annual Report (ATR), and the CAR itself are not the only reports that should be reviewed prior to certification. The Facilities, Elections and Sales Tax application and the LEP Allowable Costs application also pull data from the CAR. Completing the CAR is a significant culmination to more than a year's worth of work, and viewing the reports created by the CAR is an important step needed before certifying to help ensure accuracy of the submission.

- Balance Sheet
  - ❖ Review the balances of each account and compare to the prior year.
    - Think through any large variances to determine a reasonable explanation. Perhaps a second look for accuracy is in order.
  - ❖ Are all payables and receivables booked?
  - ❖ Do the Fund Balances make sense? Is the Committed Fund Balance that upon which the board acted by June 30? If there were expenditures against this balance during the year, has the balance been adjusted accordingly? If there is an Assigned Fund Balance, is it accurate? Are they the amount expected? Take a quick look at the expenditures for each categorical—do they appear appropriate?
  - ❖ In the Proprietary and Fiduciary funds (60 – 89), does Account 76x, Investments in Capital Assets, Net of Related Debt, equal the balance of the capital assets less depreciation?
- Treasurer Report by Fund
  - ❖ This report is a quick summary of beginning balance, revenues, expenditures, and ending balance. Compare the beginning balance to the beginning balance on the district's software. The Adjustments to Beginning Balance row is a forced adjustment if the report doesn't add up—this should be zero. Compare balances, revenues, and expenditures to the previous year for consistency. Research any large variance if an explanation does not come to mind.
- Revenues and Expenditures
  - ❖ Same as above. Compare to prior year and research large unusual variances.



- Miscellaneous Income and Expenditure Report
  - ❖ Same as above. Compare to prior year and research large unusual variances.
  - ❖ Does the maximum Cash Reserve Levy amount seem correct in comparison to expected, or last year? If not, are all payables/expenditures coded? Are Fund Balances coded correctly, as Unassigned and Assigned Fund Balances flow into this formula?
- Balance Sheet by Long-Term Governmental Account Group
  - ❖ For funds 8 and 9, start with the audit report. Be sure the district starts with the same balances reported in the previous year's audit. Increases and decreases should be journalized and reported as the ending balance in the current CAR.

The CAR is used extensively to provide the data required for federal reporting purposes. The state files reports with the [U.S. Census Bureau](#), the [National Center for Education Statistics \(NCES\)](#), and provides a smaller data collection to the [National Education Association \(NEA\)](#).

If you have further questions, please contact [Denise Ragias](#), 515-281-4741.

## Certified Annual Report – Due on or before September 15

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Although the CAR - 2020 COA Test Records application remains available for use for individual records, the CAR – 2020 Upload and Reports application must be used for a full file upload once the application is open. Multiple uploads can take place in the Upload and Reports, just as they can in the Test Records.

**Please read the home page for any important messages.** Districts must comment on any warnings remaining on the CAR, giving a brief explanation as to why each situation is not applicable to their district. If the situation is applicable, corrections need to be made in the FY20 district financials and the district must reupload the CAR file.

There is only one non-fiscal report to be completed: Nonprofit School Organizations. Instructions for the CAR are found on the [Certified Annual Reports webpage](#) that define the criteria for the Nonprofit School Organizations report. If the criteria do not apply to a district, the district must still click on the "Update" button within the report. A "Certify" button will not appear until the file is edit free, comments have been made for each remaining warning, the Nonprofit School Organizations report is completed if applicable or updated if not applicable.

By rule, extensions are available only for good cause such as illness or death of the staff member responsible for the filing, acts of God, or unforeseeable circumstances ([281 IAC 99.3](#)). Please refer to the CAR instructions for more information about extension requests and the CAR deadline. Requests should be sent by email to [Tom Cooley](#).

The [Flexibility Legislation Guidance](#) document includes coding guidance on page 6. As indicated, object 958 was assigned for this intrafund transfer. Numerous edits and warnings are included in the FY20 CAR for the flexibility fund accounts. If the district has expenditures paid from the flexibility fund accounts, the resolution required by Iowa Code subsection 298A.2(2) approved by the board should be filed with the School Business Operations Bureau if it wasn't already.

If you have further questions or need assistance with uploads, reports, extensions, account codes and journal entries, please contact [Denise Ragias](#), 515-281-4741 or [Janice Evans](#), 515-281-4740.

# School Transportation

## School Bus Driver Authorizations

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All school bus driver authorizations expire on August 15. Beginning July 1, school districts were given a window of opportunity to update all authorizations in the “Driver Authorization” application on the [Ed Portal](#) as needed. **Authorizations for your school district’s bus drivers should have been updated between July 1 and August 15. Please double check to ensure this action was completed.**

- If a driver is no longer on your staff, please delete the individual from the system by selecting “Remove.”
- When reviewing the driver list, make note of any missing or expired information, which will be shown in red. If licensing, physicals, and/or training is not up to date, fix as needed in order to obtain the new authorization. To update an authorization from the driver page, select the “View” button next to the driver.

If all licensing, physicals, and training information is up to date, you will see a message above the Driver Detail section stating, “A New Authorization Would Expire 8/15/21.” To finish, click the button labeled “Create Authorization” and print the driver’s authorization document. Repeat this process for each individual. Once completed, be sure to provide the new authorizations to your drivers to carry with them – they are required to carry it whenever driving a school bus.

Failure to possess an accurately reported, current authorization can result in a citation from law enforcement. If you have further questions, please contact [Max Christensen](#), 515-281-4749.

# Applications

## District Contact Verification

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All school business officials and other district and Area Education Agency (AEA) staff responsible for completing the Special Education Supplement, Special Education Billings, Claim Forms, and Medicaid Claiming are reminded to check whether the contact person(s) listed for each of these applications is correct. Please verify that the individuals, telephone numbers, and email addresses are up to date. You may complete this process on the main page of the Tuition In Billing program.

If you have further questions, please contact [Bill Roederer](#), 515-281-7972.

## Special Education Supplement – Due on or before September 15

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The Special Education Supplement (SES) is now available on the [Ed Portal](#). On the initial screen of the application, there is a link to obtain the “District Resident Tuitioned Out Report,” which contains information needed for Screen 1 of the SES. The SES is due September 15 and must be certified on or before that date. Districts must receive board approval for the “Request for Modified Allowable Growth and Supplemental Aid” for their special education deficit. However, districts can include this request on their September or October school board meeting agenda. Please upload your board minutes on the Certification Screen of the SES or email your minutes to Bill Roederer.

If you have further questions related to the SES, please contact [Bill Roederer](#), 515-281-7972.



## Vehicle Information System

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Please review your district's Vehicle Information System (VIS), which is accessed via the [Ed Portal](#), to verify that all district vehicle information is correct. If a vehicle is listed in the VIS that the district no longer owns or operates, please delete that vehicle in order to make your fleet information current. Also, make sure to verify all license plate, ID/name, and vehicle usage information (i.e., route, SPED, no route) is current. Accurate data are necessary for inspection purposes, as well as various reports.

If you have further questions, please contact [Max Christensen](#), 515-281-4749. Please refer to full VIS instructions [here](#).

## Transportation Annual Report – Due on or before September 15

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A new Annual Transportation Report application is scheduled to be ready for this year's report. It will have many new features and capabilities to make the report easier to complete and to make it more accurate. Once the new application is launched, complete instructions will be shared to help guide you through it. Many items will be pre-populated; however, there are three things the district must provide manually:

- 1) the number of miles,
- 2) the number of students, and
- 3) the aggregate number of weeks.

**The number entered into the “aggregate weeks” column by the district should be the sum total of weeks for the individual riders – not the total number of weeks for the riders as a group.** As an example, if buses ran for 36 weeks and 10 students rode the buses every week, the total aggregate weeks would be 360 (10 students x 36 weeks) rather than 36. The aggregate weeks information is used to calculate the average number of students transported, which is shown in Form 4 of the application (total aggregate weeks/number of weeks = average number of students). This is a good item to spot check to make sure the number seems reasonable. Keep in mind a student need only ride a bus one time per week to be counted for one aggregate week.

If you have further questions, please contact [Max Christensen](#), 515-281-4749. Please see full instructions [here](#).

## Facilities, Elections and Sales Tax – Due on or before September 30

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The FY20 Facilities, Elections, and Sales Tax (FEST) data collection application will be available during the first part of September on the [Ed Portal](#). This data collection is due on or before September 30. School districts should certify the CAR and verify that all screens within the FEST application have been completed prior to certifying the FEST. Instructions for this data collection are found at [School Facilities – Data Collection](#).

If you have further questions regarding this report, please contact [Rob Olsen](#), 515-281-4743.

## Fall BEDS Staff and Operational Sharing

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The intent is to have the Fall BEDS Staff application open by late September. At this time, the Operational Sharing application is planned to be open on October 1, with a certification deadline of October 15.

While districts do not need to have their Fall BEDS Staff certified before completing the Operational Sharing application, both the district holding the contract and the district purchasing a portion of a

person's contract must report the shared individual in Fall BEDS Staff in order for the sharing to appear in the Operational Sharing application.

- The contract-holding district reports the individual's entire salary, benefits, and FTE according to the employee's contract.
- The district purchasing a portion of the contract reports the combined amounts of salary and benefits in the "purchased amount" field. This field is located on the Edit Assignment screen where the district selects the shared status. The district purchasing the service also reports the individual's FTE according to the portion being purchased. The FTE field is located on the Edit Position screen.

There is no change to the positions eligible for operational function sharing supplementary weighting. Sharing arrangements that qualify for shared operational function supplementary weighting are limited to the following position codes in Fall BEDS Staff:

- Superintendent (8 FTEs)
  - 510 - AEA Chief Administrator
  - 511 - Superintendent
- Business Management (each district can generate supplementary weighting for only one of the following) (5 FTEs)
  - 612 - School Business Official (each district can only have one SBO)
  - 133 - Other Business Official
  - 112 - Board Secretary
- HR Manager (5 FTEs)
  - 134 - HR Manager
- Transportation Director (5 FTEs)
  - 167 - Transportation Director
- Operation & Maintenance Director (5 FTEs)
  - 168 - Operations Director
- Curriculum Director (3 FTEs)
  - 633 - Director/Coordinator/Department Head
- Counselor (3 FTEs)
  - 721 - Counselor
- Social Worker (3 FTEs)
  - 624 - Social Worker
  - Social Worker (Non-BoEE licensed), position code yet to be determined

Each district that enters into an eligible sharing agreement with eligible sharing partner(s) will generate supplementary weighting as designated above. A district can only generate supplementary weighting for sharing one individual per position. If an individual holds two eligible operational sharing assignments and is shared with another district for both assignments, only one of the two positions will generate supplementary weighting, assuming the minimum 20 percent time requirement is met. Each district can generate no more than 21 FTEs.

Social Workers must be licensed by the Iowa Department of Public Health and hold either a master social worker or independent social worker license. To verify a social worker's license type, go to the Iowa Department of Public Health's [online license search](#).

For new sharing arrangements involving other governmental entities that are not another Iowa public school district or area education agency (AEA), the district will be asked to submit a copy of the sharing contract and job description. This information is used to verify the sharing arrangement as eligible for generating supplementary weighting.

New sharing arrangements should begin at the beginning of the normal contract period. For example, a 12-month position begins July 1. A new sharing arrangement involving five districts, each purchasing 20%

of the contract for a position that does not begin until November 1, would be ineligible for operational sharing during the first year of the arrangement. One-third of the year would have transpired. Each district would then have contracted for only two-thirds of 20 percent, or 13.3 percent (0.133 FTE) of the full-time equivalent. However, if a sharing arrangement is contracted to begin October 1 and involves only three partners, each purchasing a minimum of 27 percent of the full-time contract, each partner would then meet the 20 percent minimum (three-fourths of 0.27 = 0.203 FTE).

If you have further questions regarding Fall BEDS or Fall BEDS Staff, please contact [Shelly Neese](#), 515-281-3111. Additional information regarding reporting of shared positions in Fall BEDS Staff can be found on the Fall BEDS Staff Documentation section of the [Fall BEDS webpage](#).

If you have further questions regarding Operational Sharing, please contact [Carla Schimelfenig](#), 515-242-5612.

## General Information

### Medicaid

On July 15, 2020, the Iowa Department of Education and the Area Education Agencies, the collaboration with local districts, released the [Iowa IDEA Information \(i3\)](#) website. The i3 website provides guidance, procedures, and resources for early intervention and special education in Iowa. The site has multiple resources found on the [Resources](#) page, including guidance for Educators specific to School-Based Medicaid. To locate the Medicaid resources, on the [Resources](#) page, scroll down the 'Educators' column to the 'Fiscal' section, and select Medicaid Reimbursement Resources. Please share the Individualized Education Program (IEP) document "Reviewing an IEP for Medicaid Reimbursement Information" with the lead person at your district for Medicaid claiming.

If you have further questions, please contact [Jim Donoghue](#), 515-281-8505.

### Residency and Tuition: To Charge or Not to Charge

There are many reasons why a parent may desire to have his or her child attend school in a district other than the district where a parent lives. COVID-19 may have resulted in an increase in requests to enroll so a student could: attend an online school, attend face-to-face instead of online or hybrid, or play sports. Nonpublic schools charge tuition, so determining residency is not an issue. For public schools, the answer to the residency question has a financial implication ranging from \$0 to \$7,203.

Linked to this article are a few of references to help you determine if a student is a resident of your district or is not and must pay tuition if they wish to enroll.

- [Residency Issues](#) from September 2018 School Leader Update
- [Resident or Not – That is the Question](#)
- [Iowa Code 282.1](#), definition of "resident"
- Uniform Administrative Procedures, [Chapter 4](#), page 7
- Attorney General Opinion, [March 6, 1957](#)

Determination of a student's resident district is a determination to be made by the local school district. A district's criteria must be applied consistently from one student to another and from one year to the next. It may be helpful to apply a "reasonable person" test to determine if a student should be considered a resident of your district. A good "reasonable person" test would be to ask yourself, given the situation and facts presented about a particular student and if a neighboring district were to enroll the student as their resident student, would I agree with their decision?

## Kudos

Iowa was recently recognized with two awards from the National Center for Education Statistics of the United States Department of Education. The two awards were for recognition of outstanding performance in timely and complete reporting of the Common Core of Data National Public Education Finance Survey and for the Common Core of Data F-33 Survey for FY18, which are submitted by the School Business Operations bureau. These awards, which Iowa has received each reporting year since 2009, would not be possible without the timely submission of quality data by each of the state's districts and area education agencies. Congratulations to all!



September 2020

## Financial

### Notification to SBRC of Negative Unspent Balance

Districts should calculate their authorized unspent budget (UAB) at the end of each fiscal year to determine if the district ended the year with a negative unspent balance. Districts that ended the year with a negative unspent balance are required to notify the School Budget Review Committee (SBRC) in writing by October 15, 2020 (289 IAC 6.5(3)). The notification requirement is satisfied through the completion of an [SBRC Hearing Request](#) form. Districts incurring a negative unspent balance will be required to complete a corrective action plan and to appear at the SBRC hearing on December 15, 2020.

If you have additional questions regarding the School Budget Review Committee they may be directed to the SBRC Liaison, Kassandra Cline, at [kassandra.cline@iowa.gov](mailto:kassandra.cline@iowa.gov) or 515-281-4738.

## General Information

### Billing for Open Enrollment, Homeless, and Foster Care

The majority of students who utilize open enrollment are open enrolled into the serving district on the first day of school, remain enrolled through the last day of school, and never move during the course of the year. For these students, a district bills the resident district twice a year. This is relatively simple.

All other situations involving open enrollment and moving are not as simple. The following information provides a brief review of how billing is to be handled when changes occur during the year.

1. A student is not utilizing open enrollment on count day, moves after count day, and utilizes open enrollment to remain enrolled in the former district of residency or to attend a different district than the new district of residence.

No district is billed for days served under open enrollment for the remainder of the school year. A district cannot bill for the 1.0 funds (last year's state cost per pupil) or special education costs. If a student utilizes open enrollment to remain enrolled in the same district, the district would have already counted the student in the fall's certified enrollment count. Billing to the new resident district will begin the following year. [281 IAC 17.8\(7\)](#)

2. A student is under open enrollment on count day, moves after count day, and continues to utilize open enrollment to remain enrolled in the same serving district or to attend a different district than the new district of residence.

In either case, the serving district will bill the district that generated the count on count day. The serving district can bill for 1.0 funds (last year's state cost per pupil) or special education costs. [281 IAC 17.8\(6\)](#)

3. A student is identified as homeless and is temporarily living in a different district.

A homeless student can attend school in the district where the student is currently living or in the school of origin, the school the student attended prior to or at the point of becoming homeless. If the parent chooses to enroll the student in a different district other than the district where the student is living or the district of origin, then the parent or guardian must apply for open enrollment. A qualifying move must have occurred and the open enrollment should be accepted under good cause. The question of who pays/provides transportation is not negotiable. Under open enrollment, the parent assumes responsibility for transportation. [281 IAC 33.8\(4\)](#), [281 IAC 17.9\(1\)](#)

4. A student is placed into foster care.

A "best interest determination" decision will be made regarding the school of attendance.

- a. The student remains enrolled in the school of origin, the school of attendance at the time of foster care placement or change in foster care placement.

Whether the student's foster care placement is within the same district or not, the student's resident district does not change in the student information system. The student continues to be identified as having the same resident district. The student does not utilize open enrollment to remain enrolled in the school of origin unless the student was already under open enrollment. The attending district will maintain the same enrollment information, but add the foster care indicator on the new enrollment period record. [Iowa Code § 282.31\(1\)\(b\)](#)

- b. The student does not remain enrolled in the school of origin and enrolls in the district where the student resides while in foster care.
  - If the student does not have an Individualized Education Program (IEP), the student is a resident in the district where he or she is living while in foster care. There is no billing. The student will be included in the district's general education foster care claim, as long as the district identifies the student as being in foster care. [Iowa Code § 282.19\(3\)](#); [Iowa Code § 282.31\(1\)\(b\)](#)
  - If the student is under open enrollment while in foster care to attend a district that is not the district of origin or the district where the student is currently living while in foster care, the serving district can only bill if the student were under open enrollment on count day. Otherwise, there is no billing. [IAC 281-17.8\(6 & 7\)](#)
  - If the student has an IEP, regardless of where the student attends school, the resident district remains the resident district where a parent lives, if the parent lives in Iowa. The resident district is billed through the Tuition in Billing application. [Iowa Code § 282.31\(2\)\(a\)](#)
  - If the student has an IEP and parents do not live or cannot be found living in Iowa, regardless of where the student attends school, the serving district will use the Look Back feature in Tuition in Billing to determine if a district counted the student in the October special education count. If a district counted the student, the district that counted the student will be billed for the student's educational costs. If no district counted the student on the October special education count, the serving district will bill the state under the foster care claim in the Tuition in Billing application at the end of the year. [Iowa Code § 282.31\(3\)](#); [281 IAC 41.907\(5\)\(c\)](#)
  - If the student has an IEP and parental rights have been terminated, the serving district will bill the state under Termination of Parental Rights in the Tuition in Billing application for

days served from the date parental rights were terminated. Billing to the state is completed at the end of the year. A copy of the court action is to be shared with the area education agency (AEA) so the Information Management System (IMS) can be updated accordingly. [281 IAC 41.907\(6\)](#)

When billing can occur for a student under open enrollment, the components to be billed may include:

- Tuition
- Teacher Leadership and Compensation (TLC)
- English Language Learner (ELL) supplementary weighting, and
- Concurrent enrollment/Project Lead the Way supplementary weighting

If you have further questions on billing, please contact [Carla Schimelfenig](#), 515-242-5612.

## School-Based Medicaid Telehealth

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Medicaid billing will continue this school year and follow the usual requirements of Individualized Education Program (IEP) order, parent consent, delivery and documentation of services.

- For brick and mortar instruction, please continue as before the public health emergency.
- For virtual/hybrid learning plans, there have been questions about billing Medicaid for IEP/ I page ordered health or behavior services delivered remotely (telehealth).
- Medicaid requires that the district must have a HIPAA compliant platform that will be used
- Medicaid requires that the district must have a Business Associate Agreement with that platform's vendor.

For the time being, if remote behavior or health para services are in the IEP/ I page, please follow the guideline below from Iowa Medicaid's [COVID-19 Provider FAQs](#) regarding Telehealth and have the paraprofessional document as if billing.

*Some of the Local Education Agency (LEA) services are performed by staff that do not have a professional practice act\* related license, unlike the Area Education Agency (AEA) staff. As long as they are only documenting and claiming for services defined by the Individualized Education Program (IEP) and normally covered by Medicaid, would the LEA be able to claim for the paraprofessional services via telehealth?*

The intervention must be clinically appropriate to the identified need in the member's IEP, i.e. if the intervention is clinically appropriate to be delivered via telehealth. Providers will need to document the service delivery and ensure that the delivery and documentation aligns to what is billed. However, services that are more reliant on physical modeling, hands on intervention or visual observation will need to be vetted by the individual provider as part of the member's overall plan of support to determine appropriateness of delivery via telehealth.

*\*A state's professional practice act governs the license specific to that provider type, such as Nurse or Physical Therapist, and the rules adopted pursuant to that act.*

If you have further questions regarding Medicaid telehealth, please contact [Jim Donoghue](#), 515-281-8505.

## School Bus Driver Authorizations

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The new school year brings a number of reminders in regard to school transportation.

- Driver authorizations must be current to allow your school bus drivers to legally drive the school bus.



- Update your driver authorization system as needed, including deleting the drivers who no longer drive for your school.
- Print a current authorization for each of your school bus drivers to carry with them when driving the bus.

The vehicle information system (VIS) also requires regular monitoring to be sure all of your school buses are on the list, and those you no longer use have been removed. Complete information on maintaining your VIS can be found under [VIS Instructions](#).

All types of guidance, forms, links, training schedules, publications, code references, and other information pertaining to school transportation can be found on the [School Transportation](#) page of the Department's website. Also, be sure to check the [bus inspection schedules](#) page to learn when your next school bus inspection is scheduled and communicate this information to your school transportation staff.

If you have further questions, please contact [Max Christensen](#), 515-281-4749.

## Applications

### Limited English Proficient (LEP) Applications

Two Limited English Proficient (LEP) applications are due this fall. Both applications are available on the [Iowa Education Portal](#) under the EdInfo menu.

- LEP Allowable Costs is currently available and is due October 1, 2020. This application is located under the Finance Applications submenu under EdInfo. Districts may request modified supplemental amount (MSA) from the School Budget Review Committee (SBRC) for the *costs in excess of weightings and other resources* for providing additional instruction to limited English proficient students beyond regular instruction.
- The SBRC Application will open October 1, 2020, and is due December 1, 2020. This application allows school districts to submit a request for MSA to the SBRC for increased enrollment, open enrollment not on the prior year's count, and limited English proficient programs beyond the five years of supplementary weighting. More information about the SBRC Application will be provided next month.

The LEP Allowable Costs application is populated using district data from the Certified Annual Report (FY19 and FY20 CAR), Student Reporting in Iowa (fall 2019 and spring 2020), Certified Enrollment (fall 2019), and Fall BEDS Staff (fall 2019). The application includes only those students who were served in an English Language Learner (ELL) program during the 2019-2020 school year.

The LEP Allowable Costs application requires just two fields to be completed to submit a request:

- Line 18: any expenditures included in the total expenditures submitted through the CAR that were not expressly allowed by Iowa Administrative Code, and
- Line 20: the requested amount to be submitted to the SBRC.

The LEP Allowable Costs application has a certification deadline of October 1, 2020. In order to file an SBRC request, the following timeline is recommended:

- Submit the amount of the district's MSA request on line 20 and certify by October 1, 2020.
- Add the request as an action item to your board's October meeting agenda, seeking approval for the MSA request for excess LEP costs for serving English language learners in a Limited English Instructional Program during the 2019-2020 school year. All SBRC requests will be rounded to the nearest dollar; therefore, feel free to seek board approval for the rounded dollar amount.



- Send a copy of the board minutes to [Carla Schimelfenig](#) or provide a link to your board minutes in the textbox located at the top of the LEP Allowable Cost application. The link can be added after the application is certified.

To gain access to either application, submit a request through My Profile in the [Iowa Education Portal](#) (upper right corner).

If you experience technical difficulties with the LEP Allowable Cost application, try logging into the portal using the Firefox browser. Some of the older applications in the portal have exceeded their technological lifespan and Firefox appears to be the mechanism best suited to complete this year's collection.

If you have further questions regarding completion of either application, please contact [Carla Schimelfenig](#), 515-242-5612.

## Facilities, Elections and Sales Tax – Due September 30

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The FY20 data collection for [Facilities, Elections, and Sales Tax](#) (FEST) is available on the [Iowa Education Portal](#). School districts should complete the CAR before certifying this application. Instructions for this data collection are at [Facilities, Election, and Sales Tax – Data Collection](#).

**The Department's IT team suggests using the Firefox browser for completing the application.** Below are a couple tips you will want to keep in mind when filling out the FEST data collection.

- Do not use the "Form" selector at the top of the page. To go to each section of the form, use the links in the homepage table.
- After completing a form page and clicking the submit or update button, use the browser back button to navigate back to the home page to select a different form.

We appreciate your patience and understanding as our IT team works through some bugs and changes. If you have further questions, please contact [Rob Olsen](#), 515-281-4743.

## School Association Reporting – Due November 1

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The FY20 data collection for [School Association Reporting](#) (SAR) will be available on the [Iowa Education Portal](#) during the first week of October. Instructions can be found at [School Association Reporting Instructions](#).

If you have further questions, please contact to [Rob Olsen](#), 515-281-4743.

## Facilities Data Reporting – Target Date December 15

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The [Facilities Data Reporting](#) application on the [Iowa Education Portal](#) is available for school districts use. The data collection is ongoing to allow sufficient time for input. The Department has created a "point in time" data archive. This application will remain open to allow school districts to continue inputting and updating facilities information, with a new archive created annually each December. Annual updating of the Facilities Data Reporting application may include adding/revising information about existing facilities, new buildings, additions, and building renovations.

The application is designed to collect data about school sites, buildings, and additions. Facility data information allows organizations to collect and manage data; guides decision-making utility, efficiency, safety, and adequacy; informs decisions relating to funding, design, renovation, improvements, and prioritize resources; supports drafting of legislation, policymaking, research and dissemination; and provides high-quality and timely data used to compare facilities.

[Facilities Application Instructions](#) are located under the “Help” menu of the application. The “Site” information is updated when school districts update the “School Information Update” application on the [Iowa Education Portal](#).

If you have further questions, please contact [Rob Olsen](#), 515-281-4743.

## Things You Need To Know

### Email Correspondence

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It is sometimes difficult to determine district names solely from email addresses. Many districts share personnel and the same email address is used for both districts, which makes it difficult to determine the district for which the question pertains. When sending the Department an email, please include your school district name in your signature line or in the subject line. Including the district number is also helpful when the question is in regard to an application. Similarly, when sending emails to specific districts, we will also try to include the district name.



October 2020

## Medicaid

### Business Associate Agreement

One of the most frequent questions asked about services delivered when a student is not in brick and mortar, such as through telehealth, is whether their district is using a platform compliant with the Health Information Portability and Accountability Act (HIPAA). That compliance is a requirement for billing Medicaid for telehealth services. While the Office of Civil Rights announced a temporary waiver from having the requirement enforced, it is still expected and will be enforced after the national public health emergency.

There does not appear to be an accreditation or licensing organization who reviews and confirms that a product is compliant. However, because HIPAA compliance requires a Business Associate Agreement (BAA) between the education agency provider and the platform vendor, one way to find the answer is to call the vendor and ask for a BAA for your agency.

More about this can be learned from several sources.

1. The federal office of Health and Human Services (HHS) where one can find good advice from 2013 and a sample Business Associate Agreement. <https://www.hhs.gov/hipaa/for-professionals/covered-entities/sample-business-associate-agreement-provisions/index.html>.
2. For more recent advice from HHS <https://www.hhs.gov/sites/default/files/telehealth-faqs-508.pdf>.
3. If you are using a google product, <https://support.google.com/a/answer/3407074?hl=en>

If you have further questions, please contact [Jim Donoghue](#), 515-281-8505.

## General Information

### Green Ribbon School Applications Available

The U.S. Department of Education Green Ribbon Schools (ED-GRS) recognition award honors public and private elementary, middle, and high schools, districts, and Institutions of Higher Education (IHE) that are demonstrating progress in three Pillars:

1. Reducing environmental impact and costs;
2. Improving the health and wellness of students and staff; and
3. Providing effective environmental and sustainability education.

Encouraging resource-efficient schools, districts, and IHEs allow administrators to dedicate more resources to instruction rather than operational costs. Healthy schools and wellness practices ensure that all students learn in an environment conducive to achieving their full potential. Outdoor, environmental, and sustainability education helps all students engage in hands-on, authentic learning, hone critical thinking and collaboration skills, stay active and fit, and develop a solid foundation in many disciplines.

The purpose of the ED-GRS award is to recognize schools, districts, and IHEs progress in the three Pillars, thereby encouraging other schools, districts, and IHEs to adopt similarly innovative practices. ED-GRS, district sustainability awardees, and post-secondary sustainability awardees are nationally recognized as some of America's most successful educational institutions in reducing their environmental impact and costs; improving health and wellness; and providing effective sustainability education.

Three applications for the GRS program will be available through [IowaGrants.gov](http://IowaGrants.gov):

- Individual School: FY21 Iowa Green Ribbon Schools – School Application
- District: FY21 Iowa Green Ribbon Schools – District Sustainability Award Application
- College/University: FY21 Iowa Green Ribbon Schools – College Application

Applications must be submitted to the Department by January 4, 2021. The Department will review applications based on the applicant's demonstrated progress towards the goals of each of the three pillars. Nominees demonstrating progress in all three pillars will be ranked highest.

Instructions for applying are located on the Department's website: Green Ribbon Schools. [Visit the ED-GRS website](#) to learn about the GRS program.

If you have questions or need assistance, please contact [Rob Olsen](#), 515-281-4743.

## Suggestions for Reporting Processes

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Congratulations on completing the Certified Annual Financial Report (CAR), the Special Ed Supplement (SES) and the Annual Transportation Report (ATR). While this reporting process is still fresh in your mind, Bureau of School Business Operations staff would appreciate if you would take a moment and let us know what you liked and did not like about the process. Suggestions, no matter how small, help inform programmatic changes to improve future processes. While using the applications, let us know if you found the order logical and user-friendly, or difficult to follow. Please note any navigation or printing problems you may have encountered.

If you were a first-time user, let us know if the instructions were helpful and what type of information or training you wish you had before starting the process (be specific). We appreciate your thoughts and ideas for enhancements for our applications, instructions, and trainings.

Please send your comments to [Denise Ragias](#), 515-281-4741.

## Coding Reminders

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The [Iowa Chart of Account Coding](#) is posted at the beginning of each month with updated account codes.

- Effective with FY21 reporting, nutrition equipment repair will be accounted for in the School Nutrition Fund rather than the General Fund. Due to the change in the indirect cost rate plan, equipment repair is a direct cost in other federal programs as well when allowed by the federal program. Further, function 2600 will become a header record only and detail will be required, effective with FY21 reporting.

- Project 0019 was created to give districts a way to track Covid-19 expenditures that are not funded by particular categoricals. In FY21 districts should plan as best as they can to code to federal funding as expended and not just by journal entry at the end of the year. Districts are not required to track expenditures of nutrition programs funded by a per-meal rate rather than actual costs.
- Many districts received ESSER funds from the State's portion of ESSER for the purpose of using it on a learning management system such as Canvas. If that need has been satisfied, the district may use whatever remains for other allowable ESSER expenditures. The district will not distinguish between ESSER and ESSER (state). All ESSER expenditures should be coded to Project 4052.
- We've received several coding questions from districts receiving CARES funds from the Department of Human Service Mental Health and Disability Services (MHDS) Regions. This funding is part of the Coronavirus Relief Fund received by the state from the U.S. Treasury. Since these funds are received from the MHDS region, use Source 4790, Federal Funds Through Another Agency, with project 4059, Coronavirus Relief Fund (CFDA 21.019).

If you have further questions, please contact [Janice Evans](#), 515-281-4740 or [Denise Ragias](#), 515-281-4741.

## Home School Assistance Programs and Fall BEDS Staff

### Program Code

Fall 2020 [Fall BEDS Staff](#). Individuals funded through home school assistance program ([HSAP](#)) categorical funding are to be identified with program code of 11.

### Assignment Code

Districts with a home school assistance program must report teachers with appropriate assignment codes of either 60034 or 30004. Teachers in a district's home school assistance program can only supervise and/or teach students in grades corresponding to the teacher's license (Iowa Code 299A.2). Teachers supervising or teaching students in grades kindergarten through grade 8 are to be reported with the assignment code of 60034. Teachers supervising or teaching students in grades 9 through 12 are to be reported with the assignment code of 30004. If a teacher is licensed to teach grades kindergarten through 12, the teacher is to be reported with two assignments utilizing the assignment codes of 60034 and 30004. In addition, Iowa Administrative Code 281-31.4(2) states, "A practitioner who possesses only a valid Iowa substitute authorization may neither provide direct instruction nor instructional supervision under this rule."

For questions related to Fall BEDS Staff reporting, please contact [Shelly Neese](#), 515-281-3111.

For questions related to the home school assistance program, please contact [Buffy Campbell](#), 515-954-8651.

## Transportation

### Environmental Protection Agency School Bus Rebates Available

The United States Environmental Protection Agency (EPA) is announcing the availability of over \$10 million in rebates to school bus fleet owners to help them replace or retrofit older school buses. Upgrading buses with older engines reduces diesel emissions and improves air quality. EPA will accept applications through 4:00 p.m. October 30, 2020. This is the ninth year of this rebate program to fund cleaner school

buses offered under the Diesel Emission Reduction Act (DERA) reauthorization. Every state that has an application will have at least one awardee. In the most recent round last year, ten districts selected to receive rebates were from Iowa, bringing a total of \$300,000 of rebate funding into our state.

To learn more about the rebate program, applicant eligibility, and selection process, [visit the DERA School Bus Rebates website](#).

For information about applying for DERA School Bus Rebates please go to [DERA's website](#) or email your questions to [dera@epa.gov](mailto:dera@epa.gov).

## Applications

### Operational Sharing

The Operational Sharing application is currently under construction. Check the application beginning October 26 for the latest information on the opening date. Since the information in the Operational Sharing application is populated from Fall BEDS Staff, it is important to enter the sharing information correctly in Fall BEDS Staff at this time. Once the Operational Sharing application is available, the information can be reviewed and certified. Any changes required in the Operational Sharing application must be made in the Fall BEDS Staff application. The deadline to certify Fall BEDS Staff and Operational Sharing is November 13 this year.

For assistance with corrections to Fall BEDS Staff, please contact [Shelly Neese](#), 515-281-3111, For assistance with the Operational Sharing application, please contact [Carla Schimelfenig](#), 515-242-5612.

The general process for the operational sharing supplemental weighting request is outlined below.

1. Fall BEDS Staff must be updated before your review of the Operational Sharing application begins.
2. The district or AEA holding the contract reports the shared individual's full salary and benefits according to the individual's contract.
3. The district or AEA purchasing a portion of the shared individual's contract reports the purchased service (portion of the salary and benefits). This should be the projected amount to be reported in the local financial system with an object code of 59X when the contract holder is another district or AEA or an object code of 3XX when the contract holder is some other governmental subdivision.
4. A shared individual must be reported by all parties as shared. The sharing information can be added or edited by editing the individual's assignment that is being shared. Shared Status options for operational sharing include the following:
  - We hold employee's contract & assignment is in both districts.
  - We are the district purchasing services & assignment is in both districts.
  - We are sharing with other governmental subdivisions.
5. The district must select the district that is also a party to the sharing.
  - Use the drop-down arrow to select the sharing partner.
  - Click Add.
  - Click Save.
  - If the contract holder has more than one sharing arrangement for the individual, select the second district that has also purchased a portion of the individual's contract. Click Add and repeat step 5.
  - Click Save to exit the edit pop-up screen.

If sharing errors are found in Fall BEDS Staff, the errors will most likely be on the other district's Fall BEDS Staff application. If you see errors on shared staff, have the other district check its Fall BEDS Staff



information to see if the sharing status and sharing partner have been completed. A common error is to have one district identify an individual and assignment as shared, but not identify the sharing district. Once the sharing information has been corrected by the other district, click the Check for Errors/Omissions button to clear the error message.

In order to have a curriculum director appear in the Operational Sharing application, the curriculum director must be reported with the position code of 633, Director/Coordinator/Department Head. Individuals reported with the position code of Content/Curriculum Consultant position will not generate operational sharing supplementary weighting.

For new shared positions with another governmental subdivision other than sharing arrangements with another Iowa public school district or AEA, please send a copy of the signed contract to [Carla Schimelfenig](#). Sharing arrangements that were approved in a prior year do not need to be resubmitted unless a significant change in the arrangement has occurred.

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## School Board Officers Report – Due December 15

If you have not already done so, be sure to enter your new board officers and any changes in financial leadership in your district or AEA as soon as those changes are known, and before **December 15**. The data collection is currently available on the [EdPortal](#).

If you have any questions, please contact [Carolyn Engelhardt](#), 515-281-5293.

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## School Associations Report – Due November 2

Iowa Codes [279.38](#) and [279.38A](#) requires boards of school corporations that pay membership dues to the Iowa Association of School Boards (IASB) or other organizations which directly relate to the functions of the board of directors, to report annually to the local community and the Iowa Department of Education. The board must report the amount paid in annual dues to the organization, any fees paid and revenue or dividend payments received for services the board receives from the organization, and the products or services the school district received inclusive with the membership in the organization. The data collection is currently available on the [EdPortal](#). Districts must report information for five different associations: Iowa Association of School Business Officials (IASBO), Iowa Association of School Boards (IASB), Rural School Advocates of Iowa (RSAI), School Administrators of Iowa (SAI), and Urban Education Network (UEN). Instructions are located on the certification page of the report and posted on the [School Association Reporting](#) web page.

If you have additional questions, please contact [Rob Olsen](#), 515-281-4743.

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## School Budget Review Committee Requests for Modified Supplemental Amounts – Due December 1

The SBRC Application is currently open and available for requesting MSA in the following areas:

1. **Increasing Enrollment** – for districts showing Fall 2020 actual enrollment (formerly known as row 7) greater than Fall 2019 actual enrollment. (Iowa Code section 257.31(5)(a))
2. **Open Enrollment Out** – students identified as open enrolled out in Fall 2020 who were not included in the district's Fall 2019 certified enrollment count, minus any increase in enrollment described in item 1 above. (Iowa Code section 282.18(9)(e))
3. **Limited English Proficient (LEP) Instruction Beyond 5 Years** – for resident students included in Fall 2020 certified enrollment who have already received the maximum English language learner (ELL) supplementary weighting and who are continuing to receive ELL instructional services. (Iowa Code section 257.31(5)(j))

This application is prepopulated from your district's certified enrollment and Student Reporting in Iowa (SRI) submission. In order to complete a request:

- Verify the accuracy of the data. The amounts can change during the Certified Enrollment verification period during the last two weeks in October. Therefore, *do not certify the SBRC application until you are confident that your district's certified enrollment information is correct.*
- Enter the amount of a request. Click "Save Values."
- Certify the application.
- Add each request as a separate action item to the November board meeting's agenda.
- Examples of each are listed below:
  - Motion was made by \_\_, seconded by \_\_\_\_ to authorize the district's administration to submit a request to the School Budget Review Committee in the amount of \$xxxx for MSA for increasing enrollment in Fall 2020. The motion \_\_\_\_\_ by a vote of \_\_-\_\_.
  - Motion was made by \_\_, seconded by \_\_\_\_ to authorize the district's administration to submit a request to the School Budget Review Committee in the amount of \$xxxx for MSA for open enrolled out students not included in the district's previous year's certified enrollment count. The motion \_\_\_\_\_ by a vote of \_\_-\_\_.
  - Motion was made by \_\_, seconded by \_\_\_\_ to authorize the district's administration to submit a request to the School Budget Review Committee in the amount of \$xxxx for MSA for providing an English language learner program for students who have exceeded five years of weighted funding in Fall 2020. The motion \_\_\_\_\_ by a vote of \_\_-\_\_.
- On the SBRC Application page, provide the date of your board meeting and either a link to your board minutes or email a copy of the minutes to [Carla Schimelfenig](#).

Although the deadline for this application stated in Iowa Code is December 1, your cooperation in completing this request in November will ensure timely presentations at the December 15 SBRC hearing.

Guidance for completing the above requests, [SBRC Application Instructions](#), is available on the Department's website.

Prior to the board meeting, check the SBRC Application to see if the maximum request amounts have changed. Please contact [Carla Schimelfenig](#) (515-242-5612) if the application has been certified and the maximum request amount is no longer correct.





November 2020

## Financial

### Sales Tax Revenue Reconciliation Payment

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Each year districts receive an estimated sales tax payment from the Department of Revenue beginning with July (received in August) and ending in June (received in July). These estimates are found on the [Department of Revenue's website](#).

A reconciliation of the actual sales tax takes place after the end of the fiscal year and any remaining money due the district is normally paid out in November. We wanted to make districts aware of this as many times districts receive this payment and can't identify it.

Any payments coming through the Department of Education are posted in the Portal application "Department Warrants". This is found under the Edinfo section - Finance folder (where the CAR and SES are located). Any payments coming through a State Agency may be identified through this link: [DAS Vendor Payment Portal](#).

### Special Education Billing

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#### Special Education Billing - Days Only

The Tuition In Billing (TIB) program will be available for districts to complete their first semester billings on December 21. As has been the case in the past few years, you will be required to enter student information by the number of "DAYS" the student was enrolled for FY21.

#### Special Education Estimated Billing

The Department will continue to use the predetermined daily rate feature as implemented in the TIB program, which allows an additional option in determining the amount billed for the first semester. A CAR upload is not required if this option is selected. The goal is to simplify the process and assure that every district is sending/receiving first semester bills. This option includes a basic daily rate for special education costs and general purpose percentages. Refer to the examples below.

Basic Daily Rate for a Level 1 Student  
Special Education Cost:

DCPP X Special Ed Weighting / 180 X 1st Semester Billing Days = Special Ed Expenditures  
[( $\$7,048 \times .72$ ) / 180] X 90 days =  $\$2,537.10$

#### General Purpose Percentage

DCPP X Level I GPP Per Pupil % (each district is different) / 180 X 1st Semester Billing Days = GPP  
[( $\$7,048 \times .82$ ) / 180] X 90 days =  $\$2,889.90$

#### Basic Daily Rate for a Level II Student

##### Special Education Costs:

DCPP X Special Ed Weighting / 180 X 1st Semester Billing Days = Special Ed Expenditures  
[( $\$7,048 \times 1.21$ ) / 180] X 90 days =  $\$4,264.20$

#### General Purpose Percentage

DCPP X Level II GPP Per Pupil % (all districts are the same) / 180 X 1st Semester Billing Days = GPP  
[( $\$7,048 \times .32$ ) / 180] X 90 days =  $\$1,127.70$

#### Basic Daily Rate for a Level III Student

##### Special Education Costs:

DCPP X Special Ed Weighting / 180 X 1st Semester Billing Days = Special Ed Expenditures  
[( $\$7,048 \times 2.74$ ) / 180] X 90 days =  $\$9,656.10$

#### General Purpose Percentage

DCPP X Level III GPP Per Pupil % (all districts are the same) / 180 X 1st Semester Billing Days = GPP  
[( $\$7,048 \times .27$ ) / 180] X 90 days =  $\$951.80$

“First semester billing days” means the number of days the student was enrolled and served pursuant to the student’s Individualized Education Program (IEP). The examples above assume the student was present for the full semester or 90 days. However, some students will be enrolled and served less than a full semester. In those cases, the district would enter the actual days enrolled and served rather than 90 (i.e., ( $\$7,048 \times 1.21$ ) / 180 X 25 days =  $\$1,184.50$ ). If a student was Level II for part of the semester and then became Level III, the student would be shown once as Level II for the number of days served pursuant to the IEP at Level II, and again shown once as Level III for the number of days served pursuant to the IEP at Level III.

Upon entering the program, select which option to use. The first option, “Per Day Estimated Rate,” is the option described above. The second option, “Per Day Actual Costs from Screen 1,” is what districts have used in past years. The Department was able to pull in basic pieces of student information, such as student name, student ID, and resident district, from districts’ certified enrollment. Although the program allows this to happen, it is imperative to make sure every student’s information has been transferred successfully. The program still allows districts to add/edit student information if needed. Additionally, districts must include the information on the student information screen that did not pull from the certified enrollment (e.g., weighting, days enrolled, and individualized costs).

The Department will continue to look at ways that will save valuable time in the process. If you have further questions or suggestions regarding TIB, please contact Bill Roederer at [bill.roederer@iowa.gov](mailto:bill.roederer@iowa.gov), or 515-281-7972.

## Limited English Proficient Program

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### LEP Expenditure Coding

This article serves as the annual reminder regarding expenditure coding for the district’s English Language Learner (ELL) program. While district expenditures coded to Project 1112 or 4644 cannot

exceed the revenues coded to Project 1112 (property tax and state aid-financed weighted limited English Proficiency [LEP] and School Budget Review Committee [SBRC] MSA for LEP) or Project 4644 (Title III, English Language Acquisition State Grants), the expenditures should not be changed from program codes 410 through 419. Expenditures without a program code of 410 through 419 will not appear in the LEP Allowable Cost Application. *Continue to report LEP expenditures to Program 410 through 419, even though the project code may be changed to 0000.* The LEP Allowable Cost application only includes expenditures with these program codes.

Appropriate and Inappropriate uses of LEP funds are found in [Iowa Administrative Code 281—98.16](#). Very few expenditures that fall into the executive, building, or business administrative functions, or the operations and maintenance, transportation, and community service functions are appropriate uses of LEP categorical funds. While these are still costs of providing the program, they are not direct costs of providing the district’s ELL program; therefore, the costs cannot be included in a request to the School Budget Review Committee (SBRC) for excess costs of providing the program.

### Reporting LEP Instructional and Support Staff in Fall BEDS Staff

For districts that report expenditures for salaries but no teachers are identified with an appropriate English as a Second Language (ESL) assignment code in Fall BEDS Staff, those districts will not be able to submit a request to the SBRC for excess LEP costs incurred during the 2020-2021 school year. Please review Fall BEDS Staff to ensure teachers in a district’s LEP program have been appropriately identified with the position of Regular Education Teacher and assigned to the ESL program.

In the [Iowa Education Portal](#), go to the Fall BEDS Staff application. Under “Staff Filters” in the upper right on the home page, set the Program field to ESL. All teachers and paraprofessionals assigned to the program must appear when filtering on ESL. Additional individuals, such as administrators or coordinators of the LEP program, may also appear.

### Common Reporting Problems

#### Problem 1: Missing staff

Actions	Position	FTE	Program			
	Regular Education Teacher	FTE: 0.900	No special program			
<b>Add Assignment</b>						
Actions	Course	School	Sections	Shared	Grades	Requirements
	English as a Second Lang (60030)	Your School	10	Not Shared	6-8	Req'd Endorsement

The teacher will not appear when filtering on program = ESL if the program assignment has been identified as “No special program.” Edit the position and change the program to ESL.

#### Problem 2: Missing staff when a teacher has multiple assignments, not all of which are in the LEP program.

Actions	Position	FTE	Program			
	Regular Education Teacher	FTE: 1.000	No special program			
<b>Add Assignment</b>						
Actions	Course	School	Sections	Shared	Grades	Requirements
	English as a Second Lang (60030)	Your School	2	Not Shared	7-8	Req'd Endorsement
	Spanish	Your School	7	Not Shared	9-12	Req'd Endorsement

In this example, the teacher has two assignments, one of which belongs under “No special program”. The other assignment belongs under the ESL program. For this teacher, the English as a Second Language assignment will need to be deleted from the “No special program” and the FTE will require a modification

from 1.00 to 0.78. A new position must be added with the position of Regular Education Teacher, FTE = 0.22, and program = ESL. The English as a Second Language assignment will then be added to the added position. Seventy-eight percent of this teacher's salary and benefits will be paid from noncategorical funds while 22 percent can be paid from LEP categorical funds.

Problem 3: A teacher with a regular curriculum course assignment coded to a categorical program.






Actions	Position	FTE	Program			
 	Regular Education Teacher	FTE: 0.250	ESL			
<b>+ Add Assignment</b>						
Actions	Course	School	Sections	Shared	Grades	Requirements
  	Creative Writing (01104)	Your School		Not Shared	10-12	Req'd Endorsement
  	English as a Second Language (01008)	Your School		Not Shared	9-12	Req'd Endorsement

Actions	Position	FTE	Program			
 	Special Education Teacher	FTE: 0.750	Special Education			
<b>+ Add Assignment</b>						
Actions	Course	School	Sections	Shared	Grades	Requirements
  	5-12 Special Education (Mild/Moderate) (80010)	Your School		Not Shared	9-12	Req'd Endorsement

This teacher is coded to two different categorical programs (ESL and Special Education); however, a third program (No special program) is required. The entry for the third program must have a position of regular education teacher and an FTE equivalent to the proportion of contract time the teacher is assigned to teach the Creative Writing course. The Creative Writing assignment must be moved to the newly created position. The FTE must also be modified to reflect only the portion of time the teacher is assigned to the ESL assignment. The portion of time (FTE), the program, and the funding stream from which the teacher will be paid should be in agreement.

Problem 4: A teacher assigned to teach a regular curriculum course under the ESL program.

Actions	Position	FTE	Program			
 	Regular Education Teacher	FTE: 0.133	ESL			
<b>+ Add Assignment</b>						
Actions	Course	School	Sections	Shared	Grades	Requirements
  	Physical Science (03159)	Your School	2	Not Shared	9-12	Req'd Endorsement

If the teacher has an ESL endorsement, is appropriately licensed to teach physical science, all students in the sections taught by this teacher are ELL students. It may be possible to have that portion of the teacher's assignment paid from LEP categorical funds. If students enrolled in the course are also generating credit toward graduation, the teacher would need to be appropriately licensed in the content area as well.

Please make sure all data submitted to the Department are reviewed for accuracy. Inaccurate reporting in one application can impact other applications as well.

If you have any further questions, please contact Carla Schimelfenig at [carla.schimelfenig@iowa.gov](mailto:carla.schimelfenig@iowa.gov), or 515-242-5612.

# General Information

## Medicaid

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### Payment Error Rate Measurement Audit

Iowa's 2020-2021 Payment Error Rate Measurement (PERM) audit of supporting documentation for a sample of paid claims has begun. If your district or area education agency (AEA) has a claim selected, the PERM contractor will call first, then send a letter on Centers for Medicare and Medicaid Services letterhead stating a list of documents requested. Documentation is to be submitted within 75 days and the Department wishes to help districts and AEAs prepare materials. If you do receive a PERM request, please contact Jim Donoghue who will help you collect and coordinate the correct documents to submit. Please make sure office staff know to contact the Medicaid lead at your district or agency or, if the lead is unavailable, the School Business Official (SBO) or Jim Donoghue. This year's review will hopefully be as successful as past years. In the 2013-2014 audit, 25 claims from 17 districts were selected and zero documentation errors were found. In the 2016-2017 audit, 131 claims from 64 districts and two AEAs were selected and 1 error was found. In the one claim with an error, three more units were billed than the total minutes documented.

### Medicaid - Federal Share

CARES Act funding included an increase of 6.2 percent in the federal share of state Medicaid programs starting January 2020 and continuing through December 31, 2020 and possibly longer. On October 1, 2020, the federal share, without the additional COVID-19 dollars, increased from 61.2 percent to 61.75 percent. Claims paid July 2020-September 2020 had a federal share of 67.4 percent and a state share of 32.6 percent. For claims paid October 1, 2020 through December 31, 2020, the federal share is 67.95 percent and the state share is 32.05 percent. When there is an announcement about continuation of the increased federal share in 2021, the Department will advise districts through the School Business Alert.

### Private Duty Health Care Agency Nurse

If your district participates in Medicaid and paid for any private duty nurses during the 2019-2020 fiscal year, please contact Jim Donoghue with the hours and dollars paid for these individuals. These data are worked into the Medicaid rate setting for 2021-2022.

If you have further Medicaid questions, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505.

## School Budget Review Committee Meeting October 13

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The School Budget Review Committee (SBRC) met in regular session to hold hearings on October 13. The Committee took action on districts that were late filing financial reports and received an update on whole grade sharing districts making progress toward reorganization.

The Committee approved modified supplemental amounts (MSA) for hazard abatement and initial staffing costs. The Committee also authorized an interfund transfer request related to the COVID-19 pandemic. [The Summary of Action](#) is available on the SBRC website.

If you have further questions regarding the School Budget Review Committee, please contact the SBRC Liaison, Cassandra Cline at [kassandra.cline@iowa.gov](mailto:kassandra.cline@iowa.gov), or 515-281-4738.

## PMIC Placements and Psychiatric Hospital Stays: Who Pays?

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If the student:

- Is served pursuant to an Individualized Education Program (IEP), the resident district pays.
- Is a regular education student, the resident district pays.
- Is home schooled, the resident district pays.
- Attends a nonpublic school, the resident district pays.
- Dropped out of school, the resident district pays.
- Recently moved into your district, the current resident district pays.
- Was placed by a parent, the resident district pays.
- Was counted in certified enrollment by another district, the current resident district pays.
- Was under open enrollment prior to the placement, the resident district pays.

### **Is there a way a district can get out of paying for the educational services a student receives while at a Psychiatric Medical Institution for Children (PMIC) or psychiatric unit of a hospital?**

If the student has an IEP and parental rights were terminated, then the host district is responsible for paying. However, the district with the PMIC or hospital may file the claim with the state through the Tuition In Billing (TIB) application.

### **How is the resident district determined?**

According to Iowa Code 282.1, subsection 2, the resident district is the location where a student is physically present, whose residence has not been established in another district by operation of law, and is in the district for the purpose of making a home and not solely for school purposes.

### **What if I didn't get to count the student in certified enrollment? Do I still have to pay?**

Yes, the current resident district is still responsible for the educational costs incurred for a student in a PMIC facility or psychiatric unit of a hospital. Iowa Code 282.27, subsection 5 was added to allow districts to include in the regular education foster care claim students who were not included in the resident district's certified enrollment count and who were placed in either a PMIC facility or psychiatric unit of a hospital. The district with the PMIC facility will do all the work for you. The students who were not in the resident district's count will be automatically included in the regular education foster care claim. For students in a psychiatric unit of a hospital, the resident district will need to enter the student in the local student information system in order to generate the record that will populate the regular education foster care claim. For more information, refer to the [PMIC article](#) on page 70 of the 2019-2020 School Business Alerts (April/May 2020 issue).

For situations not described above, or when the resident district is not known, please contact Carla Schimelfenig at [carla.schimelfenig@iowa.gov](mailto:carla.schimelfenig@iowa.gov), 515-242-5612, for assistance.

## Coding

### Teacher Leadership and Compensation

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The Department has received numerous questions regarding coding and FY21 amounts for [Teacher Leadership and Compensation](#) (TLC).



- Source/project code 3116 is used for funding the district receives through the school funding formula. **All districts have expended their grant funds, Project 3387, therefore no districts should be using Project 3387 in any of the revenue, expenditure or balance sheet account codes.** Unused funds should be restricted at the end of the year.
- A district's allocation is based on the budget enrollment x per pupil amount of \$340.89 for FY21.
- The expenditure functions will depend on how the district uses the funds. Many of the expenditures will be coded to Instructional Staff Support Services (Function 221x). Keep in mind that use of the Instruction function code ( Function 1xxx) requires instruction to students, not other teachers.
- Open enrollment in (Source 1323) and open enrollment out (Object 567) should include the TLC project code (3116). The resident district pays to the receiving district any moneys received for a pupil. All districts should be using Project 3116 with these codes and will pay the open enrollment amount of \$333.23 per pupil.

If you have further questions regarding the TLC program, please contact Lora Rasey at [lora.rasey@iowa.gov](mailto:lora.rasey@iowa.gov), or 515-725-0648. For coding questions, contact Denise Ragias at [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov), or 515-281-4741, or Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov), or 515-281-4740.

## FY21 Commercial and Industrial State Replacement Payment and Property Taxes – Types and Coding

There is a tool on the Department of Management's website to help districts estimate their FY21 Commercial and Industrial (C & I) state replacement payment. See [Commercial & Industrial Replacement Payments](#). C & I is received from the counties twice a year with property taxes and is coded to Source 3803. See the Department of Education's [Property Taxes—Types and Coding](#) document for guidance on how to code the various types of taxes districts receive on property tax orders from counties.

If you have further coding questions, please contact John Parker at [john.parker@iowa.gov](mailto:john.parker@iowa.gov), or 515-281-8485, or Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov), or 515-281-4740.

## Applications

### School Budget Review Committee Requests for Modified Supplemental Amounts – Due Dec. 2

The SBRC Application is currently open and available for requesting modified supplemental amounts (MSA) in the following areas:

- **Increasing Enrollment**—for districts showing fall 2020 actual enrollment (formerly known as row 7) greater than fall 2019 actual enrollment. (Iowa Code section 257.31(5)(a))
- **Open Enrollment Out**—for students identified as open enrolled out in fall 2020 who were not included in the district's fall 2019 certified enrollment count, minus any increase in enrollment described in paragraph "a" above. (Iowa Code section 282.18(9)(e))
- **Limited English Proficient (LEP) Instruction Beyond 5 Years**—for resident students included in fall 2019 certified enrollment who have already received the maximum English language

learner (ELL) supplementary weighting and who are continuing to receive ELL instructional services. (Iowa Code section 257.31(5)(j))

This application is prepopulated from the district's certified enrollment and Student Reporting in Iowa (SRI) submission. In order to complete a request:

- Verify the accuracy of the data.
- Enter the amount of each request or click request max and modify the value as needed.
- Save Values.
- Enter the date of the board meeting when the board will act upon the request(s).
- Save Minutes information.
- Add the contact information.
- Save Contact Information.
- Certify the application.
- Add each request as a separate action item on the agenda for the next board meeting.
- Enter the link to the board minutes in the SBRC Application or send a copy of the unofficial board minutes to Carla Schimelfenig at [carla.schimelfenig@iowa.gov](mailto:carla.schimelfenig@iowa.gov).

Directions for completing the SBRC Application can be found on the [Department's website](#), or you may want to watch the [SBRC Application Video](#). Any references to 2017 should be interpreted as 2020. The only change to the information presented is the year.

Below is a suggested format for the board minutes. Each of the three areas for which MSA is requested should be noted separately. It should not be a single, combined amount.

*Motion was made by \_\_, seconded by \_\_\_\_ to authorize the district's administration to submit a request to the School Budget Review Committee in the amount of \$xxxx for MSA for the purpose of yyyy. The motion \_\_\_\_\_ by a vote of \_\_-\_\_.*

## **At-Risk/Dropout MSA Application – Due Jan. 15**

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The Department's intent is to have the revised SBRC application for At-Risk/Dropout modified supplement amount (MSA) available via the [Iowa Education Portal](#) by early December. The application will not open until the Fall 2020 Certified Enrollment numbers have been finalized. Only those districts wishing to request SBRC-granted MSA (Project 1119) will need to complete a submission.

The purpose of the requested MSA is to provide additional resources for the 2021-2022 school year that are necessary to implement the at-risk, dropout prevention, and returning dropout services for identified students that are included in your local School Board's adopted plan. The purpose is not for increasing regular program spending authority.

As in the past year, the Department intends to maintain the general structure of the pre-2020 application for MSA as a tool for developing/housing the local program plan for those districts desiring to use it. This includes planning components, including budget forms, which districts have reported as being useful in developing the program plans for the local school board's approval. Use of the planning components is not required; they are not connected to the form used to request the MSA.



If you have additional questions regarding programming, please contact Steve Crew at [steve.crew@iowa.gov](mailto:steve.crew@iowa.gov), or 515-326-1029. If you have budget questions, please contact Rob Olsen at [rob.olsen@iowa.gov](mailto:rob.olsen@iowa.gov), or 515-281-4743 or Tom Cooley at [tom.cooley@iowa.gov](mailto:tom.cooley@iowa.gov), or 515-725-1120.

## Nonpublic Transportation Parental Claims – Due Dec. 1

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First semester parental claims for nonpublic transportation are due to the districts no later than Dec. 1. Parents providing transportation for their children to attend an accredited nonpublic school are required to file these claims with their resident public district. **Please make sure to communicate this information with the nonpublic schools within your district.**

Once the requests have been received by the district, it is important to establish a good record-keeping process to ensure accurate information is reported at the end of the school year by the district to the Department. The most common information to track, possibly on a spreadsheet, are the names of the parent(s) and their child(ren), their legal address, the name and address of the nonpublic school, and the mileage distance for which the parent is transporting. This will make the claim from the district to the Department at the end of the year much easier to file and verify.

Please be sure to check for errors on parental claims. Including incorrect data in the Nonpublic Reimbursement application has an impact on the amount of funding per claim for all districts at the end of the year. Each year, the Department receives a number of requests for correction after the claims have been paid. Due to the funding mechanism, these are difficult, and in some cases impossible, to resolve.

As a reminder, second semester claims from parents to the districts will be due by May 1, 2021. Information regarding this program can be found in the [Nonpublic Reimbursement](#) page of the Department's website. If you have further questions, please contact Max Christensen at [max.christensen@iowa.gov](mailto:max.christensen@iowa.gov), or 515-281-4749.



December 2020

## Medicaid

### Annual Reminder: Double-Check Billing of Dates of Service for late December 2020 and January 2021

It is important to double-check that dates of service being billed are definitely dates when school was in session. For example, there should be no billing during holiday breaks, or when school was cancelled due to weather or other reasons. If billing for services provided by another district who is serving your student, make sure to check the school calendar of the other district.

If you have further questions, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505.

## Financial

### Message from the Department of Management

The December 2020 income surtax payment represents three-quarters of the amount of income surtaxes collected for your district from January 1, 2020, through October 21, 2020. The rest of the payment, plus or minus any adjustments made by the Iowa Department of Revenue due to their audits of income tax returns, will be paid around February 1, 2021.

This payment is based upon the income surtax rates established for your 2019-2020 budget. If you didn't have a surtax for the Physical Plant and Equipment Levy (PPEL) Fund, the entire payment should be credited to your General Fund. On the other hand, if you had both General Fund and PPEL surtax, then split the income surtax in accordance with the rates. The PPEL Income Surtax rate can be found on line 19.4 of the FY 2020 Aid and Levy Worksheet. The General Fund Income Surtax rates can be found on lines 10.15 and 11.4 of the FY 2020 Aid and Levy Worksheet.

The Department of Education has posted the payment amount, rates for each fund, and dollar amount for each fund on the [State Payment Information FY21](#) webpage.

If you have any questions, please contact John Parker at [john.parker@iowa.gov](mailto:john.parker@iowa.gov), Department of Management or 515-281-8485.

## State Allocations and Selected Federal Allocations

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A comprehensive listing of state, federal, and local dollars for each school district has been compiled. Please refer to the 2020-2021 [Allocation Summaries](#) page of the Department's website.

## State Payment Tracking

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The Department of Education (Department) payments information on the [Iowa Education Portal](#) was updated to include the Catalog of Federal Domestic Assistance (CFDA) number and the Grant Number for federal funds, and should be available in early to mid-January. Go to EdInfo, Finance Applications, Department Warrants to see the revised report. Our goal is to have a source code assigned to all payments to districts or area education agencies (AEAs). If you notice a payment without the source code, please contact Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740 so this can be included on the listing. If you have other questions about the payments, please contact Angie James at [angela.james2@iowa.gov](mailto:angela.james2@iowa.gov) or 515-281-3646.

Payments may come from other state agencies as well. If the payment in question is not on the Department's page, it likely came from a different government agency. For all state payments, you may visit the Department of Administrative Services (DAS) [Vendor Payment Portal](#). You will also find this link at the bottom of the [State Payment Information FY21](#) page of the Department's website.

SAVE distribution questions can be directed to Jon Wolfe at [jon.wolfe@iowa.gov](mailto:jon.wolfe@iowa.gov) or 515-661-7709, or Adam Floyd at [adam.floyd@iowa.gov](mailto:adam.floyd@iowa.gov) or 515-601-4229, at the Department of Revenue.

## Transportation Equity Payments

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The transportation aid allocation for fiscal year 2021 exceeded the amount necessary to "buy down" districts to the state average. All 327 districts received a transportation base funding payment in fiscal year 2021 equal to \$1 per student included in its transportation equity aid base year enrollment. The base funding payment and method of distribution is stipulated in Iowa Code sections 257.16C(3)"b" and 257.16C(4).

Per Iowa Code section 257.16C(6), transportation aid payments received by school districts are miscellaneous income and deposited to the General Fund. Districts will code this payment to Source/Project 3119 Transportation Equity Aid. Expenditures do not need to be tracked by project number and there is no restricted balance for these funds. The payment schedule for [FY21 Transportation Equity](#) is found on the [State Payment Information FY21](#) webpage.

If you have further questions, please contact Denise Ragias at [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515- 281-4741.

## Applications

### Juvenile Home Budget

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The juvenile home non-fiscal budget data collection for AEAs is now available. The due date is Jan.

1. [Instructions are available at this link.](#)

### Statewide Voluntary Preschool Program for Four-Year-Old Children – New Districts

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School districts not currently participating in the [Statewide Voluntary Preschool Program](#) (SWVPP) may apply to become part of the program. The application to begin a new preschool program in 2021-2022 is now available on the [Department's website](#). This non-competitive application, which is due April 6, 2021, will require districts to fund the preschool program using other funding sources in 2021-2022. In the second year of SWVPP implementation, districts will receive state aid based on the number of eligible children served in year one. Additional details are included in the [December School Leader Update](#).

For more information about the SWVPP, contact Jennifer Adkins at [jennifer.adkins@iowa.gov](mailto:jennifer.adkins@iowa.gov) or 515-954-5652, or Mary Breyfogle at [mary.breyfogle@iowa.gov](mailto:mary.breyfogle@iowa.gov) or 515-326-1030.

### At-Risk/Dropout MSA Application – Due Jan. 15

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The Department of Education's (Department) revised SBRC application for At-Risk/Dropout modified supplement amount (MSA) is now available via the [Iowa Education Portal](#). Only those districts wishing to request SBRC-granted MSA (Project 1119) will need to complete a submission.

The purpose of the requested MSA is to provide additional resources for the 2021-2022 school year that are necessary to implement the at-risk, dropout prevention, and returning dropout services for identified students that are included in the local school board's adopted plan. The purpose is not for increasing regular program spending authority.

As in the past year, the Department has maintained the general structure of the pre-2020 application for MSA as a tool for developing/housing the local program plan for those districts desiring to use it. This includes planning components, including budget forms, which districts have reported as being useful in developing the program plans for the local school board's approval. Use of the planning components is not required; they are not connected to the form used to request the MSA.

If you have questions regarding at-risk/dropout prevention programming, please contact Steve Crew at [steve.crew@iowa.gov](mailto:steve.crew@iowa.gov) or 515-326-1029. If you have budget questions, please contact Rob Olsen at [rob.olsen@iowa.gov](mailto:rob.olsen@iowa.gov) or 515-281-4743, or Tom Cooley at [tom.cooley@iowa.gov](mailto:tom.cooley@iowa.gov) or 515-725-1120.

## General Information

### Summer Food Service Program Coding for School Year 2020-2021

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The Summer Food Service Program (SFSP) was activated to provide meals to children during the

emergency schools closures starting back in March. USDA then issued nationwide waivers on August 31 and October 9 to allow the SFSP to continue to operate through School Year 2020-2021.

During the emergency school closures, additional funding was provided by the USDA CARES grant pursuant to the Families First Coronavirus Response Act. All Child and Adult Care Food Program (CACFP), National School Lunch Program (NSLP), and SFSP claims for reimbursement were paid through the USDA CARES Grant (Source/Project 4056) from March until the funding ran out in September. When the CARES funding ran out, reimbursement reverted back to regular program funding. Districts will have a combination of funding streams in FY21. If coding expenses to a federal project code, ensure the project code follows the funding stream.

**Facility:** It is appropriate to code all USDA SFSP expenditures to a district level facility code. It is also appropriate to code expenditures related to the SFSP to a school level or school instructional level facility code as the district has the flexibility to code Fund 61 expenditures to a facility code that makes sense locally.

**Source/Project (Revenue):** Districts are now directed to code reimbursement to the SFSP, Source/Project 4556 Summer Food Service Program for Children (CFDA 10.559). Previous CARES grant funds were to be coded to Source/Project 4056 USDA Child Nutrition Program CARES grants to States (COVID-19 SFSP) (CFDA 10.555). Districts should check the Department Warrants application on the Portal for funding source.

Additional program revenues are to be coded to Source/Project 1656 for Adult SFSP Lunch Sales and Source/Project 1655 for SFSP Ala Carte sales.

**Project (Expenses):** Districts may use the federal project code for expenses (never to exceed the revenue) but for simplicity may code all Covid-related expenses to Project 0019 during the operation of the SFSP during School Year 2020-2021.

**Function:** Districts should use Function 3140 for those expenses incurred as part of the operation of the SFSP during School Year 2020-2021. This includes payroll for those who have been working in the operation of the SFSP as well as other food service expenses such as food, chemicals, and non-food supplies.

**Object:** Object codes remain the same.

**Program Coding Comparison Chart based on current funding streams – see Department Warrant application to confirm federal funding source and project.**

Code Description	Summer Food Service Program	National School Lunch Program
Fund	61	61
Facility	District level or school specific	District level or school specific
Source/Project – Reimbursement Revenue	4556	4553
Source/Project – Adult Lunch Sales	1656	1622
Source/Project – Ala Carte Sales	1655	1621
Project - Expenses	4556 or 0019 (Covid-related)	4553 or 0000

Function	3140	3110
Object – Purchased Food	631	631
Object – Paper Products & Chemicals	618	618
Object – Commodities Consumed	639	639
Object – Food Service Salaries	19x	19x
Object – Food Service Benefits	2xx	2xx

For accounting and coding questions, please contact Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-28-4740, or Denise Ragias at [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741.

For nutrition program questions, please contact Stephanie Dross at [stephanie.dross@iowa.gov](mailto:stephanie.dross@iowa.gov) or 515-281-4760, or your regional [school nutrition program consultant](#).

## 2021 Homeland Security Grant Program (HSGP)

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Iowa's Department of Homeland Security and Emergency Management (HSEMD) has announced the application period is now open for the fiscal year 2021 Homeland Security Grant Program (HSGP) sub-grants. The deadline for submission of a Notice of Interest (NOI) is Friday, January 22, 2021 with an application deadline of Friday, February 19, 2021.

Homeland Security Grant Program (HSGP) provides funding to Iowa through the State Homeland Security Grant Program (SHSP) to implement investments that address high-priority preparedness gaps across all core capabilities where a nexus to terrorism exists. Supported investments are based on capability targets and gaps identified during Iowa's Threat and Hazard Identification and Risk Assessment process and assessed in the State Preparedness Report.

HSGP/SHSP eligible applicants include local units of government, combinations of local units, tribal governments, or other specific groups or organizations. This includes county, city, and municipal governments; school districts; councils of government and tribal councils; institutions of higher education; nonprofit organizations including hospitals. Interested applicants will need to apply through HSEMD's electronic grant management system. This system is referred to as EMGrants. Access the system through the website <https://my.iowahomelandsecurity.org>.

Instructions and other necessary documents regarding the application process are located at the [documents tab](#) of the 2021 grant page in EMGrants. Technical assistance videos are also available online on [HSEMD's YouTube channel](#).

Questions related to the HSGP application process can be directed to Tara Dowd at [tara.dowd@iowa.gov](mailto:tara.dowd@iowa.gov) or 515-725-3220.





January 2021

## Financial

### Explanation of January 2021 Juvenile Home and Other Deductions from State Payments to School Districts

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A deduction is being made for the cost of certain programs that are paid "off the top of state aid." This deduction, which occurs every year, is for the cost of educational programs for children in the state training school, mental health institutes, other licensed juvenile and foster care facilities, or special education costs for foster care children with no resident district and district court placed children. As required by Iowa Code, the cost of these programs is distributed to all school districts based on each district's budget enrollment (line 1.1 of the Aid and Levy Worksheet). The deduction starts in January and will continue through the rest of the year. These deductions reduce cash flow, but have no impact on your general fund spending authority. Go to the [State Payment Information FY21](#) screen for an updated breakdown of categorical funding.

If you have future questions regarding this deduction, please contact John Parker at [john.parker@iowa.gov](mailto:john.parker@iowa.gov), Department of Management or 515-281-8485.

### Preschool Registration and Other Fees

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As districts plan for 2020-2021 Statewide Voluntary Preschool Program (SWVPP) programming, remember that no fees may be charged for SWVPP registration. In addition, fees may not be charged for items which are part of the SWVPP instructional program. It is highly recommended to clearly communicate the details of any fees to families at the time of registration, including any programming offered for which there are allowable associated fees, such as non-SWVPP programming and/or child care. For more details, see the [SWVPP Frequently Asked Finance Questions](#).

If you have further questions, please contact Tom Cooley at [tom.cooley@iowa.gov](mailto:tom.cooley@iowa.gov) or 515-725-1120, Jennifer Adkins at [jennifer.adkins@iowa.gov](mailto:jennifer.adkins@iowa.gov) or 515-954-5652, or Mary Breyfogle at [mary.breyfogle@iowa.gov](mailto:mary.breyfogle@iowa.gov) or 515-326-1030.



## Coding - COVID-19 FEMA Funding

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The Bureau of School Business Operations has received several questions from districts where the state is reimbursing districts for the state and local portions of COVID-related FEMA grants with US Treasury funds. These reimbursements are coded to source/project 4059, Coronavirus Relief Fund (CRF) rather than Iowa Disaster Assistance Funds. You can verify if CRF was used by looking at the Payment Details for the Coronavirus Relief Fund. Filter the Department to "Iowa Homeland Security and Emergency Management Department" and the Organization to the district. Click the down arrow and put part of name in the search cell. The entire name does not need to be entered. If CRF funds were used, the Federal Program states "Coronavirus Relief Fund" and the Expense Category states "State Aid". Since the reimbursements are from different funds than anticipated, we know there will be some adjustments needed to get through the FY21 CAR. Although we don't anticipate adjusting the FY20 CAR for this, we haven't ruled out the possibility if material changes are needed for the federal fiscal reports filed by the Department.

If you have further questions, please contact Denise Ragias at [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741, or Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740.

## Medicaid

### Consider a 2021 New Year's Resolution to Start Billing

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Forty-six (46) of the 52 school districts that did not bill Medicaid in FY20 ended the fiscal year with a special education deficit. Is your district one of the 52 that did not bill Medicaid? For districts that had a special education deficit, Medicaid funding would have reduced dollar-for-dollar the need for additional property taxes to support the special education program. For districts that had a special education positive balance, the positive balance would have increased. If a positive balance increases to an amount in excess of the allowable carryover, the excess is distributed to other districts in the state that had special education deficits, and the excess property taxes are returned to the taxpayers in the district.

### Payment Error Rate Measurement Audit

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Districts and Area Education Agencies (AEA) have begun receiving calls from the Payment Error Rate Measurement (PERM) audit contractor. The caller is requesting the name of the Medicaid contact for the district and the contact's address. The PERM contractor will then send a letter on Centers for Medicare and Medicaid Services letterhead stating a list of documents requested. Follow-up communications will be by fax. Please contact Jim Donoghue when your district or area education agency (AEA) receives a call or the letter. Documentation is to be submitted within 75 days and the Department wishes to help districts and AEAs prepare materials.

If you do receive a PERM request, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505 who will help you collect and coordinate the correct documents to submit.

### Medicaid - Federal Share Increase Continues

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CARES Act funding included an increase of 6.2 percent in the federal share of state Medicaid programs. That COVID-19 related increase that started January 2020 will continue through March 31, 2021 and possibly longer. For claims paid On October 1, 2020 - March 31, 2021, the federal share is 67.95 percent and the state share is 32.05 percent. When there is an announcement about continuation of the increased federal share in 2021, the Department will advise districts through the School Business Alert.

## Billing Remittance Credit

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Some districts and AEAs have a credit on their Medicaid Billing Remittance/ state share invoice. Districts are encouraged to apply the credit to a future invoice. The credit is not automatically applied. Please advise Jim Donoghue if you are making an invoice payment and wish to apply credit to the amount due. Jim in turn will advise DHS Fiscal.

If you have further questions regarding Medicaid, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505.

## General Information

### 2021 Legislative Session Begins

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The 2021 legislative session began on Monday, January 11. There are various resources available to access information related to any action taken or progress made by the Legislature:

[Department of Education's Legislation Tracking Tool](#)

[Department of Education's Legislative Information Page \(including legislative reports\)](#)

[Iowa Legislature Web Site](#)

[Iowa Code](#)

[Iowa Administrative Code \(also called Iowa Administrative Rules\)](#)

Renee Jerman is the policy liaison representing the Department of Education. For further information on legislative issues, contact Renee at [renee.jerman@iowa.gov](mailto:renee.jerman@iowa.gov) or 515-281-3399.

### School Budget Review Committee Hearing

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The School Budget Review Committee (SBRC) met in regular session to hold hearings on December 15, 2020. In this session, the Committee discussed unspent and unexpended balances in school district General Fund accounts; reviewed lists of late filers for Certified Enrollment, Facilities, Elections, and Sales Tax (FEST) Report, and the School Association Report (SAR); state decile ratings for unspent balance and unspent balance less categorical amounts on a per pupil basis; and set the fiscal year 2021-2022 hearing session schedule. The Committee approved modified supplemental amounts (MSA) for eligible districts for excess costs of providing a limited English proficiency (LEP) program, on-time funding for increased enrollment applications, open enrollment out applications, and LEP programs offered beyond five years. The Committee reviewed AEA and district special education balances and approved MSA for eligible districts with deficit balances. The Committee also discussed special education weightings. Iowa Code requires weightings to be reviewed each odd-numbered calendar year therefore no action was taken in calendar year 2020. The Committee also noticed intended action to amend 289 Chapter 6 "Duties and Operational Procedures", Iowa Administrative Code.

The Committee granted requests of four districts for MSA due to hazard abatement and tabled requests for MSA from four AR/DOP late filing districts. The Committee authorized one district to transfer from its unexpended fund balance to its capital projects fund and approved an equal amount of MSA for costs necessary to complete a construction project previously approved by local voters. The Committee approved a transfer request for two districts and granted MSA for one district based on interrupted revenue streams and costs incurred due to the COVID-19 pandemic. The Committee received an informational only fiscal update from one district and accepted a corrective action plan from two districts for late filing of financial reports.

Approved requests for MSA can be found on the [SBRC Hearing Information](#) website under the December 15, 2020 Summary of Actions. If you have further questions, please contact Cassandra Cline at [kassandra.cline@iowa.gov](mailto:kassandra.cline@iowa.gov) or 515-281-4738.



February 2021

## Financial

### February 2021 Income Surtax Payments

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Message from the Department of Management:

The February 2021 income surtax payment is the second and final income surtax payment for the 2019 income tax year. The payment represents one-quarter of the amount of income surtaxes collected for your district, plus or minus any adjustments made by the Department of Revenue.

This payment is based upon the income surtax rates established for your 2019-2020 budget. If your district did not have a surtax for the Physical Plant and Equipment (PPEL) Fund, the entire payment should be credited to the General Fund. On the other hand, if you had both General Fund and PPEL surtax, then split the income surtax in accordance with the rates. The PPEL Income Surtax rate can be found on line 19.4 of the Aid and Levy Worksheet. The General Fund income surtax rates can be found on lines 10.15 and 11.4. The Department of Management has provided a summary, including the split between funds, which is posted on the [State Payment Information FY21 webpage](#).

### Open Enrollment Transportation Assistance

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The transportation reimbursement for the 2020-2021 school year for qualifying open enrolled families is \$513. Transportation assistance is only available to families who open enroll between contiguous districts. The cost of transportation reimbursement incurred by the resident district should be deducted from the tuition sent to the receiving district. If the application for transportation assistance is filed after the beginning of the school year, the cost of providing the transportation should be pro-rated. If a parent/guardian qualifies for school transportation assistance, the resident district has the authority to determine how the transportation assistance will be provided. The type of transportation assistance is not a parent/guardian choice.

The resident district may meet its statutory obligation in one of three ways:

1. Provide transportation for the pupil(s) to a stop on the bus line of the receiving district.

2. Allow the receiving district to enter the resident district to pick up the pupil(s) if the receiving district requests this arrangement. If either the sending or receiving district does not approve the arrangement, the resident district is still obligated to provide transportation assistance.
3. The resident district may provide a parent/guardian with a cash reimbursement at \$513 per child each year for up to four children in a family. The maximum number of children can include only one secondary (9-12) child and up to three elementary (K-8) children (281 IAC 17.9).

Income guidelines can be found in the [Open Enrollment Handbook](#) on the Iowa Department of Education website.

If you need additional information on transportation assistance, please contact Max Christensen at [max.christensen@iowa.gov](mailto:max.christensen@iowa.gov) or 515-281-4749.

For additional information on open enrollment, please contact Sara Nickel at [sara.nickel@iowa.gov](mailto:sara.nickel@iowa.gov) or 515-281-3778.

## Property Taxes and Utility Excise Replacement Tax

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Many districts have miscoded their **Utility** property taxes to the **Utility Excise Replacement** tax. There is a difference in the type of taxes – the former is a property tax and the latter is not a property tax. Districts' coding of these revenues affects the federal reporting and the districts' own budget process.

Gas and Electric or Utility Replacement or Excise Tax (IC 437A) - Source 1171

(Current) Utility (not gas and electric) or Delinquent Utility - Source 111x

To assist districts, we have added the FY21 Utility Excise Replacement Taxes to the Iowa Department of Education (Department) website. Go to [Certified Annual Reports](#) - see the category "Data Used to File FY21 CAR" and look for the document: [2020-2021 Utility Replacement Tax Payments](#). Only utility items labeled "Gas and Electric" or "Utility Replacement" or "Excise Tax" should be coded as Utility Excise Replacement Taxes, Source 1171. Items labeled "Utilities" or "Current/Delinquent Utilities" are coded as regular property tax, Source 1110 (1111).

There is also a document on the [Uniform Financial Accounting webpage](#) named [Property Taxes - Types and Coding](#) that has helpful information on how to code the different types of taxes. In addition, the [School Resources webpage](#) on the Department of Management's website has a document named [Outstanding Property Tax Levies and Maximum Levy Limits FY2021](#) which includes the estimates for FY21. FY22 estimates will be posted this summer and the district should check those estimated amounts to assist them in coding for FY22.

If you have any coding questions, please contact Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740, or Denise Ragias at [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741.

## Statewide Voluntary Preschool Program Funds

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School districts should communicate regularly with community partners to share guidance based on statute and administrative rules regarding use of Statewide Voluntary Preschool Program (SWVPP) funds. If documentation of SWVPP expenditures is not currently included in the district's agreements with its community partners, adding this aspect would be a recommended addition. It is also recommended for agreements to include the frequency of review with the district and community partner(s), and that this occur, at minimum, annually. The local agreement should also clearly indicate the documentation necessary to demonstrate, for auditing purposes, that SWVPP funds have been expended for appropriate

uses, the frequency that such documentation must be provided to the district, and potential implications if the terms for providing documentation are not addressed.

By statute, the district must flow SWVPP funds to its community partners; however, if a community partner does not expend the full amount allocated, the remaining unexpended funds for a given fiscal year must be returned to the district at the close of the given fiscal year (281 IAC 98.13(2)(b)-(c)). The district could also require the return of any funds that do not have the documentation necessary to show that the funds were used appropriately.

For more information, see also the currently posted [SWVPP Finance FAQ](#).

## Medicaid

### January Medicaid Billing

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#### **Please wait to pay January Medicaid Billing Remittance.**

The initial Medicaid Billing Remittance statements for January 2021 that were posted did not have the correct State Share Due amount. Those statements had a state share due of 38.25 percent based on a Federal Medical Assistance Percentage of 61.75 percent, which is not correct. In fact Iowa's (COVID) Federal Medical Assistance Percentage is 67.95 and continues through June 2021. So, your January state share should be 32.05 percent. Please wait to pay your January invoice. It is still being resolved how DHS Fiscal will handle this.

If you have further questions or need additional clarification, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505.

### Behavior Health Procedure to Procedure Edit

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Beginning with claims paid October 1, 2020, a new federal Medicaid "Procedure to Procedure" edit is in place that limits more than one behavioral health-related service code to be paid on the same day. If your district bills Behavioral Paraprofessional individual and Behavioral Paraprofessional group services on the same day, only charges for one of those procedures will be paid. Or, if on the same day your district bills Behavioral Paraprofessional services and a mental health service such as individual counseling, group counseling or behavior analysis, only one of those procedures will be paid.

A request has been submitted to Iowa Medicaid to request a waiver of this edit for school-based services, but the resolution of that waiver request may not occur soon. If you have further questions or need additional clarification, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505.

### Medicaid Eligibility Report

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Each month, a report is available on [lowaidea.org](http://lowaidea.org), the web IEP site, that includes whether a special education student is enrolled in Medicaid. The area education agency (AEA) Special Education Directors recently revised the Eligibility Report, effective February 1. One of the most important changes is that students on your district's Eligibility Report are only those with Medicaid eligibility that month. Some data fields on the prior version no longer appear. Only the following fields are now in the report: Student First Name; Student Last Name; Date of Birth; Gender; IEP Duration (from/to dates) Resident District; Attending District; Building; Medicaid ID Number; Receives Specialized Transportation y/n; Parent Refusal of LEA Consent (if signed electronically); Parent LEA Consent (if signed electronically); and LEA



Support Service Codes and Frequency, including Assistive Technology (AT0), Health Services (HS0), Medical Services (MS0), Nursing Services (NR0), Other LEA Services (OB0) , Paraprofessional (PP0), Social Work (SW0), and Transportation(TR0).

The AEAs are in the process of communicating with district about the changes. If you have further questions or need additional clarification, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505.

## General Information

### ISASP Testing Protocols and Administering to Home School Students

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As districts are preparing for the upcoming Iowa Statewide Assessment of Student Progress (ISASP) testing window, please be sure that you have discussed the testing protocols and security guidance provided by the publisher. This discussion should include not only building level administrators and staff who will be included in the assessment process, but also staff who may be working with home school families to complete the assessment. Please remember the ISASP is not to be sent home for completion by students outside of the school building, the area education agency (AEA), or other location designated for testing and is to be supervised by district or AEA personnel.

Individuals or districts with questions are welcome to contact Buffy Campbell, the Department of Education's Home Schooling (Private Instruction) contact. Depending on the nature of the inquiry, you will be referred to the best possible resource to assist you.

If you have further questions, please contact Buffy Campbell at [buffy.campbell@iowa.gov](mailto:buffy.campbell@iowa.gov) or 515-954-8651.

### State of Iowa Master Agreements

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School districts and area education agencies may purchase goods and services through master agreements negotiated by the Iowa Department of Administrative Services (DAS). A wide variety of goods and services are available at rates that are already negotiated. Items range from copy paper to automobiles. Purchases from master agreements do not require a competitive bid process. The link to the DAS procurement website can be found [here](#).

### AEA Purchasing

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AEA Purchasing is an initiative of the Iowa Association of Area Education Agencies (IAAEA) with the mission of combining the purchasing power of Iowa schools to offer aggressive pricing on materials, goods and services through a competitive bid process. Serving as a local purchasing cooperative for education, for over 20 years, AEA Purchasing has partnered with vendors from across the US – including Iowa and the Midwest – to supply schools with the products needed to operate their programs equitably, efficiently and effectively. From desks to groceries and everything in between, when a school makes a purchase using an AEA Purchasing contract, it is supporting all schools in Iowa by bringing purchase volumes up which, in turn, keeps prices low, enabling a sustainable investment to better serve Iowa students and communities. Over the last 5 years, AEA Purchasing contracts have saved Iowa schools nearly \$62 million.

To learn more about the program's offerings and the advantages of cooperative purchasing, please contact Joni Puffett at [joni@aeapurchasing.org](mailto:joni@aeapurchasing.org) or visit them on the web at [www.aeapurchasing.org](http://www.aeapurchasing.org).

## School Budget Review Committee

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The School Budget Review Committee (SBRC) met for a special work session on Friday, January 22, 2021 and met for a special hearing session and special work session on Friday, January 29, 2021.

### Late Filed AR/DOP Requests

Effective June 25, 2020 and retroactive to January 1 2020, the legislature established authority for the SBRC to hear late filed requests for modified supplemental amounts (MSA) related to programs for at-risk, alternative schools, and returning dropout and dropout prevention (AR/DOP) program plans.

During the special work session on January 22, 2021, the Committee established the criteria by which late filed requests for MSA relating to AR/DOP programs would be considered. The list can be viewed under the subtitle "[Late Filed AR/DOP Requests](#)".

During the special hearing session on January 29, 2021, the Committee considered requests from four late filing districts (January 15, 2020 deadline for plan year FY21) that had been previously tabled by the Committee at the December 15, 2020 hearing. The MSA request from each of the four districts was denied. After a review of related statute and the submitted exhibits, it was determined the SBRC did not have authority to grant the requests.

Also during the special hearing session, the SBRC requested the Department help ensure districts understand the requirements necessary in order for a district to be eligible to make a request of MSA related to AR/DOP program plans.

1. Pursuant to Iowa Code section 257.38(1), the board must pass a resolution to adopt the comprehensive AR/DOP program plan if MSA is requested from the SBRC.
2. Pursuant to Iowa Code section 257.40(1), the board must certify through a resolution the program budget complies with the board's adopted program plan.
3. Pursuant to Iowa Code section 257.40(1), the deadline for the AR/DOP MSA request remains January 15. Eligible requests completed prior to the deadline shall be granted by the SBRC at the March hearing and will be considered, per recent practice, through a class action format. Districts with timely filed requests will not be required to appear at the hearing.
4. Pursuant to Iowa Code section 257.40(2), requests from districts submitting a completed application after the January 15 deadline but prior to March 1 of the same year may be considered by the SBRC. Districts with late-filed requests may be required to appear. See the above link for more detail on the late filing process and related exhibits.
5. The current practice of not submitting the board's adopted AR/DOP program plan as part of the regular application process will not change. However, late filing districts will be required to provide, in addition to other exhibits, a copy of the board's adopted program plan as part of the process for the late request to be considered (289 IAC 6.3(3)"a").
6. Regardless if the program plan is required as part of the request process through the SBRC, the plan is still required to be made available to auditors or under any other provision of law pursuant to Iowa Code section 257.40(1).

### Requests Related to COVID-19, Additional FY21 Hearing

During the special work session held on January 29, 2021, the Committee discussed whether or not a district may request COVID-related MSA prior to expending all of its COVID-related revenue. The Committee determined it is preferred to do so if possible, but a district is not required to expend all COVID-related revenue prior to making a request for COVID-related MSA. If all COVID-related revenue is not expended and the district is requesting COVID-related MSA, the district will be required to submit

additional exhibits, including a detailed plan to expend the unexpended COVID-related revenue. The list of required exhibits for COVID-19 related requests are located under the subtitle [“Requests Related to COVID-19”](#).

In order to give districts maximum time to determine the impact of the COVID-19 pandemic to the current fiscal year and expend and/or plan to expend COVID-related revenue, the Committee determined an additional hearing will be held in FY21. The hearing is scheduled to be held on Thursday, June 17, 2021, with related exhibits and requests to appear due on Friday, May 21, 2021. The first step to appearing before the SBRC is to complete an SBRC Hearing Request available on the [SBRC site](#).

For further information, please contact Kassandra Cline at [kassandra.cline@iowa.gov](mailto:kassandra.cline@iowa.gov) or 515-281-4738.

## **Iowa School Business Management Academy**

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The Iowa School Business Management Academy will hold its Spring Academy VIRTUAL for Levels I-IV April 28-30, 2021. Due to the limitations of this online delivery, the graduate-level program will not be offered again this year. [Online registration](#) for Levels I through IV will begin at 7 a.m. on Tuesday, March 2, 2021. Registration closes April 20.

## **Applications**

### **Data for FY21 Certified Annual Financial Report**

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The 2020-2021 District AEA Flowthrough Amounts, 2020-2021 Sources for Local Projects and the 2020-2021 Preschool Funding (with Administrative reduction amounts) documents are available under the heading “Data Used to File FY21 CAR” on the [Certified Annual Financial Reports \(CAR\) webpage](#).

For further information, please contact Denise Ragias at [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741.



March 2021

## Financial

### Special Education Excess Positive Balance Deduction from State Payment to School Districts

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If you had a 2019-2020 special education excess positive balance, this amount is being deducted beginning with the March 2021 state foundation aid payment. These deductions will continue through the end of the fiscal year. Districts without an excess positive balance may also see a small change in their state aid payment (one-dollar increase or decrease) due to the March recalculation. Payment summaries can be found in the [State Payment Information FY21](#).

If you have additional questions regarding this deduction, please contact John Parker at [john.parker@iowa.gov](mailto:john.parker@iowa.gov) or 515-281-8485.

### School Nutrition Finance Webinar

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#### School Nutrition News to Know Webinar: Making Sense of School Nutrition Finances

Are you confused by what is considered an allowable expense for School Nutrition funds? Do you understand the difference between direct and indirect costs? You are not the only one with questions. The April News to Know in School Nutrition Webinar will feature Janice Evans and Denise Ragias from the Bureau of School Business Operations. They will share updates of how finance codes apply to School Nutrition as well as answer some frequently asked questions.

School Business Managers, Superintendents, Food Service Directors, and others responsible for coding expenses to the non-profit food service account will not want to miss this informative presentation on Monday, April 26 from 2:00-3:00 p.m.

[Register here](#)

If you have additional questions, please contact Brenda Windmuller at [brenda.windmuller@iowa.gov](mailto:brenda.windmuller@iowa.gov) or 515-681-5752.

# General Information

## Special Education Reminders

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### Special Education Foster Care Claims

“Foster Care” is used as the title for this claim, but this could be misleading to school districts. It does not mean all students under foster care should be reported as such on a claim. This student status should only be used if all the following items are applicable:

- The student is served pursuant to an Individualized Education Program (IEP).
- Parental rights have not been terminated.
- The student's parents do not live in Iowa, or where the parents live cannot be determined after reasonable efforts to locate them.
- No Iowa school district counted the student on the special education weighted headcount in October of the current school year.

If any one of these items is not applicable, the district needs to bill the district where the parents lived on the dates served, or bill the district that counted the student on the special education count if the parents moved out of state or could not be located after due diligence. Use the Look Back Tool Application to find which district, if any, counted the student on the special education weighted headcount in October of the current school year.

### Special Education Termination of Parental Rights Claims

This student status should only be used if all the following items are applicable:

- The student is served pursuant to an IEP.
- The parental rights of the student have been terminated.
- No Iowa school district counted the student on the special education weighted headcount in October of the current school year.

The district needs to bill the district where the parents lived on the dates served prior to termination of rights or bill the district that counted the student on the special education count if the parent's rights were terminated on the days served. Use the Look Back Tool Application to find which district, if any, counted the student on the special education weighted headcount in October of the current school year.

### Special Education Nonpublic Claims

This student status should only be used if all the following items are applicable:

- The student is served pursuant to an IEP.
- The student is attending an accredited nonpublic school for general education services while receiving special education services from the public school district.
- The cost of providing special education services to the student exceeds the funds generated by the resident district for counting the student on its special education count (billed to the resident district if you are not the resident district) and those funds generated by your district by counting the student as nonpublic shared time on the certified enrollment (if services were provided in the public school and not at the nonpublic school location).

### Special Education High-Cost Fund Claims

This student status should only be used if all the following items are applicable:

- The student is served pursuant to an IEP.
- The costs of educating the student exceed three times the state's average per-pupil special education expenditure, as calculated annually by the Department of Education, plus the calculated amount of Medicaid eligible expenditures.

- The claim filed by the district or area education agency (AEA) does not qualify as a foster care claim, termination of rights claim, or a nonpublic claim under current Iowa law.

High-Cost Fund Claims are paid by the state from a set-aside portion of IDEA, Part B. The amount set aside might be less than the total of high-cost fund claims received. In that case, the amount paid to each district will be prorated. If a claim is filed late, funding will not be available to cover that high-cost fund claim because the available funding will already have been allocated to districts that timely filed.

### **Contracts and Agreements Between a District and Another Party**

School districts may enter into written agreements with specified parties. Best practice would follow the guidelines noted in [Iowa Code 28E](#), even if the agreement is not a 28E contract. All contracts and agreements obligating funds of the district must be signed by the board president. Contracts signed by other school officials may not be enforceable. It is always wise to have the district's attorney review a contract or agreement prior to signing.

If you have further questions, please contact Bill Roederer at [bill.roederer@iowa.gov](mailto:bill.roederer@iowa.gov) or 515-281-7972.

## **Iowa School Business Management Academy**

The Iowa School Business Management Academy will hold its Spring Academy VIRTUAL for Levels I-IV April 28-30, 2021. Due to the limitations of this online delivery, the graduate-level program will not be offered again this year. [Online registration](#) for Levels I through IV opened Monday, March 1 at 7 a.m. Register on or before April 6 and save! Registration will not be accepted after Monday, April 19.

## **Transportation**

### **Bus Evacuation Drills**

All students who are transported in a school vehicle are required to be instructed in safe riding practices and must participate in emergency evacuation drills at least twice per school year, per [Iowa Administrative Code 281 – 43.40](#). This includes all students who are transported any time during the year, which would include not only bus routes but also activity trips and field trips. The rule requires the drills to be performed once in the fall and once in the spring. Additionally, documentation of the drills must be maintained at the local level for five years and made available upon request.

If you have additional questions, please contact Max Christensen at [max.christensen@iowa.gov](mailto:max.christensen@iowa.gov) or 515-281-4749.

### **School Bus Driver Licensing and Entry Level Driver Training Update**

With recent rule changes at the state level and actions at the federal level, questions have been raised regarding licensing for school bus drivers. Licensing requirements for school bus drivers will remain as they have been for many years. If a school bus driver is operating a vehicle with a capacity of 16 passengers or more, including the driver, the driver is required to have a [Commercial Driver's License \(CDL\)](#). If a school bus driver is driving a vehicle with a capacity of 15 passengers or fewer, including the driver, the minimum requirement is a [Chauffeur's Class D3](#) license. This has been the standard requirement for years and has not changed.

The Entry-Level Driver Training (ELDT) mandate from the federal government, originally scheduled to go



into effect on February 7, 2020, has been delayed until February 7, 2022. The delay in implementation is due to technical reporting issues with the Training Provider Registry (TPR) at the federal level. All requirements of the mandate remain the same but have been postponed until next year. Additional information is available on the [Federal Motor Carrier Safety Administration \(FMCSA\) website](#).

If you need further clarification, please contact Max Christensen at [max.christensen@iowa.gov](mailto:max.christensen@iowa.gov) or 515-281-4749.

## Use of 12-Passenger Vans for Student Transportation

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In October 2019, new legislation made the use of larger vans legal in the State of Iowa by Iowa schools. The legislation allows the use of new vans up to 10-passenger and used vans up to 12-passenger (see Iowa Code section 321.373(3)). Be sure to draw the distinction between a new and a used van, dependent on passenger capacity. **If your school acquires a NEW 11 or 12-passenger van, it will NOT be allowed for use for student transportation and the school bus inspector will put it out-of-service for this purpose.**

Any van over 10-passenger for student transportation must be acquired in used condition. The definition of "used" is spelled out in Iowa Administrative Code 281 – 44.5(1)(b)(2) and emphasized below:

*b. The manufacturer's rated capacity of this vehicle, which shall be determined only by the original equipment manufacturer (OEM) on the date of manufacture, shall not exceed 12 persons including the driver. The capacity rating may not be changed or modified except by the original equipment manufacturer. Secondary stage or vehicle conversion manufacturers shall not establish vehicle capacity.*  
*(1) Vehicles with a capacity of ten or fewer passengers including the driver may be acquired new or used.*  
*(2) Vehicles with a capacity of 11 or 12 passengers including the driver shall only be acquired used. **For purposes of this sub-rule, a used vehicle is defined as a vehicle that has had a title transfer from a dealer to one or more previous retail owners.***

Why must 11 or 12-passenger vans be purchased in used condition?

Federal law requires that any vehicle over 10-passenger capacity being used for student transportation must be built to yellow school bus specifications. Vans do not meet those specifications. This means that 10-passenger vans are allowed and anything larger must be a yellow school bus. However, Federal vehicle regulations only apply to new vehicles. The Iowa Legislature chose to allow schools to use vans up to 12-passenger, but the only way to allow that was for the 11 and 12-passenger vans to be purchased in a used condition.

Also, when acquiring any van, be sure it was manufactured as nothing larger than 10-passenger (if buying new) or 12-passenger (when buying used). The passenger capacity is determined by the manufacturer at the time the vehicle is built. Taking seats out of a vehicle does not change the legal passenger capacity. For example, if you acquire a 15-passenger van and take the rear seat out of it to allow for only 12 passengers, legally, it's still a 15-passenger van. So, just be certain of what you are getting before adding a van to your fleet.

## Bus Inspection Reminders

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School bus inspections are conducted twice a year at your facility. While we do remind you of upcoming inspections, the [School Bus Inspection Schedules](#) are available at any time. Please make sure to review the posted schedule and inform all necessary personnel of the inspection date. Any change of date must be arranged through the bus inspector for your region.

In addition to Department of Education (Department) inspections, school bus drivers are required to perform a pre-trip inspection prior to, and a post-trip inspection after, every trip of a school bus. Refer

to [Iowa Administrative Code 281 – 43.41](#). The twice-yearly inspections performed by the Department inspectors reveal that most vehicle deficiencies identified are related to items that should be found during the pre- and post-trip inspections performed by school bus drivers. This includes keeping the interior of the bus clean.

Pre-trip and post-trip inspections are a means of finding the day-to-day issues that happen during normal use of the school vehicles. If you have questions about the proper way to perform these daily inspections, please contact your Department inspector or our office. Sample pre-trip inspection forms are available from the [Forms – Inspections](#) page of the Department website.



April 2021

## Financial

### Property Taxes – Types and Coding

The [Uniform Financial Accounting](#) page of the Iowa Department of Education’s website includes a document called Property Taxes – Types and Coding. This document provides guidance on how to code the various types of taxes listed on property tax orders received from the counties. The Department of Management provides [Commercial and Industrial \(C & I\) state replacement payments](#) by year. Select the fiscal year, local government type (school), and district name from the dropdown lists in the workbook. C & I replacement payment is received from the counties twice a year with property taxes. District totals for FY21 should approximate column E amounts on the [la\\_backfill\\_lookup\\_2021](#) workbook, which also includes approximate amounts by fund.

If you have further coding questions, please contact Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740.

### Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent updates are provided below.

#### April 2021

<i>Code</i>	<i>Description</i>
Source/project 4045	American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) (CFDA 84.425U)

#### March 2021

<i>Code</i>	<i>Description</i>
Source/project 3412	Therapeutic Classroom Incentive Grant Program (IC 256.25)
Source 5500	Lease proceeds (expanded to include GASB 87 leases (required FY22 reporting)) (PPEL Fund or Capital Projects Funds only) (name change)

## Medicaid

### Medicaid Reminders

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#### Change of District Medicaid Lead

If your district will have a new lead for School-Based Medicaid for 2021-2022, please have them contact Jim Donoghue to arrange an orientation and question and answer call.

If you have further questions, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505.

### Procedure-to-Procedure Edit for Individual and Group Behavioral Paraprofessional Services on the Same Day

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A change made by the Iowa Medicaid Enterprise (IME) in October of 2020 resulted in the denial of payment for certain claims submitted by the district. The change was the result of a quarterly recommendation issued by the Centers for Medicare and Medicaid Services (CMS) as a component of their National Correct Coding Initiative (NCCI). The quarterly update, effective October 1, 2020, identified the codes districts bill for individual behavioral paraprofessional supports and group behavioral paraprofessional supports as mutually exclusive. The procedure-to-procedure edit implemented as a result of this recommendation has caused one claim to deny in situations when two claims, one for individual behavioral paraprofessional support and one for group behavioral paraprofessional support, are billed on the same date of service.

There were requests that the IME waive the edit for claims submitted by local education agencies (LEAs) and reprocess claims denied following the NCCI quarterly update effective date of October 1, 2020. This change would allow for districts to be paid for individual behavioral paraprofessional support services and group behavioral paraprofessional support services provided on the same date of service.

The IME has reviewed this request and determined it is appropriate to waive the edit, as requested, through the end of the June 30, 2021. The decision was to “hopefully mitigate the budgetary distress created by the implementation of this procedure-to-procedure edit mid-year and on top of the unique challenges districts are facing as a result of the COVID-19 pandemic.” The edit will be waived for LEAs effective October 1, 2020, and previously submitted impacted claims will be reprocessed. It has not yet been determined if the waiver will remain in effect past June 30, 2021.

During this period, the IME will be conducting a review of existing school based services and billing practices to ensure they are in alignment with federal guidance. If it is determined that any changes will be made, notification of those changes will be provided to impacted providers at least 30 days prior to implementation. **Please wait to submit unfiled or new claims until there is confirmation that the change has been implemented.**

If you have further questions, please contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505.

## General Information

### School Budget Review Committee

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The School Budget Review Committee (SBRC) met in regular session on Tuesday, March 16, 2021. The

SBRC reviewed preliminary district cash reserve levy limits, gifted and talented budget information, the list of districts that received warning letters on financial condition, and updated unspent authorized budget per pupil decile rankings. The Committee directed the Department of Education to distribute transportation aid from the sale of license plates to eligible districts on an equitable basis and authorized one district to make a transfer from the General Fund to the Student Activity Fund due to budgeted costs incurred whose revenue stream had been impacted by the COVID-19 pandemic.

The SBRC granted requests for permission to use special education program funds for administrative costs of special education programs and separately approved modified supplemental amount (MSA) for at-risk, alternative school, and returning dropout and dropout prevention (AR/DOP) programs, including two late-filed requests. The Committee adopted an amendment to Iowa Administrative Code r. 289.6 to be consistent with recently passed legislation ([2020 Iowa Acts chapter 1093](#)) which established statutory authority for the SBRC to consider late-filed AR/DOP requests. The Committee also approved requests for MSA relating to hazard abatement for four districts, initial staffing costs for two districts, and new program start-up costs for one district.

The [Summary of Action](#) is available on the Department of Education's website.

For further information, please contact SBRC liaison Cassandra Cline at [kassandra.cline@iowa.gov](mailto:kassandra.cline@iowa.gov) or 515-281-4738.

## Transportation

### Vehicle Information System Verification

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Districts are reminded to check their Vehicle Information System (VIS) and verify specific vehicle information before July 1, 2021. This would include adding all eligible vehicles (those used for transporting students) purchased during the year. Additionally, be sure to leave all eligible vehicle information in the VIS for vehicles that you disposed of during the period July 1, 2020, thru June 30, 2021. Even though you may no longer have those vehicles, if you used them anytime during the school year the Department of Education still needs the information for depreciation purposes. Please be sure all information pertaining to the vehicles in the VIS is accurate and complete.

If you have further questions, please contact Max Christensen at [max.christensen@iowa.gov](mailto:max.christensen@iowa.gov) or 515-281-4749.

## Applications

### School Information Update Application

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Now is the time to update the School Information Update (SIU) application. Please do so as soon as possible to ensure the Consolidated Accountability and Support Application (CASA) is populated correctly for the 2021-2022 school year.

#### **Districts in a Grade Sharing Arrangement**

Please review the information regarding grade sharing arrangements for those involved in whole grade sharing or tuition agreements.

Grade sharing information for districts currently in a whole grade sharing or tuition arrangement has been

rolled forward into the 2021-2022 school year. Each grade sharing arrangement must be reviewed in order for the orange or red warning flag to disappear. **The SIU application does not need to be uncertified to complete the Grade Sharing review process.** To review the grade sharing information, select the Grade Sharing link at the top of the SIU homepage and select Grade Sharing.

- Districts entering into a new grade sharing arrangement must click the green Add button and complete the required questions.
- Districts terminating a grade sharing arrangement must click the red Delete button.
- Districts continuing a grade sharing arrangement must click the blue Edit button and review the information from the 2021-2022 school year. Modify as needed, then click the blue Save button.

Grade sharing is defined in Iowa Code section 282.10 as “a substantial portion of the pupils in any grade in two or more school districts (that) share an educational program for all or a substantial portion of a school day under a written agreement pursuant to section 256.13, 280.15, or 282.7, subsection 1 or 3.” Sharing arrangements involving less than half the students in any grade, or arrangements involving nearly all the students but for less than half the school day, should not be recorded in the application.

If you have questions about the Grade Sharing portion of the School Information Update application, please contact Carla Schimelfenig at [carla.schimelfenig@iowa.gov](mailto:carla.schimelfenig@iowa.gov) or 515-242- 5612.

## Districts in a Whole Grade Sharing Arrangement - Supplementary Weighting

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Districts in a whole grade sharing arrangement must plan to reorganize on or before July 1, 2024 in order to generate whole grade sharing supplementary weighting. Details of the supplementary weighting can be found in [Iowa Administrative Code 281-97.5](#). Whole grade sharing supplementary weighting requests are submitted through the School Information Update application.

- For Year 1 whole grade sharing supplementary weighting, both districts in a whole grade sharing arrangement must adopt a resolution to study reorganization to take effect on or before July 1, 2024. Prior board resolutions to study reorganization effective July 1, 2019 remain valid, as long as districts continue the current whole grade sharing arrangement. The resolution must be submitted to the Department of Education by October 1 of the year in which Year 1 whole grade sharing supplementary weighting is being requested.
- For Year 2 whole grade sharing supplementary weighting, a district must submit a progress report no later than August 1 preceding October 1 of the year the district intends to request year 2 supplementary weighting. The progress report is completed within the School Information Update application under the Grade Sharing tab. Year 2 requirement is the establishment of a reorganization committee. An upload is available to submit board minutes showing the board's action establishing the reorganization committee.
- For Year 3 whole grade sharing supplementary weighting, a district must submit a progress report no later than August 1 preceding October 1 of the year the district intends to request year 3 supplementary weighting. The progress report is located within the School Information Update application under the Grade Sharing tab. Year 3 requirement is an AEA-accepted reorganization petition and a date established by the AEA for the reorganization election.

The School Budget Review Committee will then act on requests for year 2 and year 3 whole grade sharing supplementary weighting during the October hearing.

Additional information for completing the whole grade sharing portion in the School Information Update application can be found on the [School Information Update](#) page of the Department's website.

If you have further questions, please contact Carla Schimelfenig at [carla.schimelfenig@iowa.gov](mailto:carla.schimelfenig@iowa.gov) or 515-242- 5612.





May 2021

## Financial

### Perkins Consortium and Regional Planning Partnerships Accounting

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Districts that are part of a Perkins consortium or Regional Planning Partnership (RPP) should expect to receive some journal entries from the fiscal agent to record in the district's records, including transactions done by the fiscal agent on behalf of the consortium or partnership. The School Business Operations Bureau worked with the Department's Bureau of Career and Technical Education on the documents [Accounting for Perkins Funds: Consortia](#) (currently under revision) and [Accounting Guidance for Regional Planning Partnerships](#).

For Perkins question, please contact Dennis Harden at [dennis.harden@iowa.gov](mailto:dennis.harden@iowa.gov) or 515-281-4716.  
For RPP questions, please contact Jane Bradley at [jane.bradley@iowa.gov](mailto:jane.bradley@iowa.gov) or 515-281-4707.  
For coding questions, please contact Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740.

### Limited English Proficiency Allowable Cost

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Although the Limited English Proficiency (LEP) Allowable Cost application is not available until September, it is important to remember data supporting the application come from various 2020-2021 applications.

When coding FY21 expenditures, remember to continue to code LEP expenditures to program codes 410-419, even when expenditures exceed the cost of revenues coded to project 1112 or 4644. For excess expenditures, change the project code to 0000, but do not change the program codes from 410-419. The only expenditures to be included in the LEP Allowable Cost application will be those coded to the program code of 410-419.

If you need assistance with coding questions, please contact Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740, or Denise Ragias at [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741.

## Indirect Cost Rates

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Indirect cost rates for FY21-22 federal programs should be available by the end of May or the first part of June.

If you have further questions, please contact Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740.

## New Legislative Action: Student Activity Fund Transfer

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On May 10, 2021, Governor Reynolds signed HF602, which went into effective upon enactment. This legislation authorizes a school district's board of directors, through a board resolution, to transfer from the General Fund to the Student Activity Fund an amount necessary, as recommended by the superintendent, to fund co-curricular or extracurricular activities for which moneys from student-related activities (e.g., admissions, student fundraising events) were insufficient to meet the financial needs of the activity as a result of restrictions placed on the activity related to the COVID-19 pandemic.

This authority is effective during the following fiscal years: 2021, 2022, and 2023. The authority is set to be repealed effective July 1, 2023 (FY24). The full bill is available on the [Iowa Legislature](#) website.

If you have further questions, please contact Cassandra Cline at [kassandra.cline@iowa.gov](mailto:kassandra.cline@iowa.gov) or 515-281-4738.

## Iowa Chart of Account Coding Updates

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The Iowa Chart of Account Coding is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent updates are provided below.

### May 2021

<i>Code</i>	<i>Description</i>
Source/Project 4040	American Rescue Plan Act of 2021 (Previously The American Recovery and Reinvestment Act of 2009 (Additional USDE Programs) (Header only)
Source/Project 4043	American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER III – Learning Loss) (Use 4045 of other uses of ARP ESSER III) (CFDA 84.425U)
Source/project 4045	American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER III) (See 4043 for ARP Learning Loss) (CFDA 84.425U) (added 4043 reference)

### April 2021

<i>Code</i>	<i>Description</i>
Source/Project 4045	American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER/ESSER III) (CFDA 84.425U)
Source/Project 4784	Computer and Information Science and Engineering (CISE) (NSF/Digital Promise Global) (CFDA 47.070)

## Medicaid

### Change of District Medicaid Lead

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If your district will have a new lead for School-Based Medicaid for 2021-2022, please have them contact Jim Donoghue at [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515-281-8505 to arrange an orientation and question and answer call.

## Applications

### Nonpublic Transportation Reimbursement Application

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The newly revised Nonpublic Transportation Reimbursement Application opened for data input on May 15. Please double-check the data and certify the application by June 15. **If you entered data in the system prior to May 15, that information was deleted when the system opened and will need to be reentered.** The Department of Education intends to issue reimbursements to districts in July, but will need to have all district data in by June 15 to meet this goal.

The reimbursement application is accessed at the [Iowa Education Portal](#), while all information pertaining to the nonpublic transportation reimbursement process is found at the [Nonpublic Reimbursement page](#) of the Department's website.

If you have further questions, please contact Max Christensen at [max.christensen@iowa.gov](mailto:max.christensen@iowa.gov) or 515-281-4749.

### Billing for Concurrent Enrollment Supplementary Weighting for Open Enrolled Students

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Districts offering concurrent enrollment courses and eligible Project Lead the Way (PLTW) courses may bill resident districts for the supplementary weighting generated on open-enrolled students enrolled in the contracted courses. Bills for the supplementary weighting can be generated using the information provided in the Student Reporting in Iowa (SRI) application. Before paying a bill for supplementary weighting, the resident district can verify the information by reviewing the Supplementary Weighting (Non-Fall) application in the [Iowa Education Portal](#). When computing the supplementary weighting, use the student's resident district cost per pupil of the year in which the course was taken. Directions for generating and verifying the bills are located on the [Supplementary Weighting – Certified Enrollment](#) page of the Department of Education's website ([281 IAC 17.10\(8\)](#)).

Student Reporting in Iowa (SRI) data are preliminary data until the reporting district's last day of school. While the SRI application is scheduled to open for final reporting on May 12, the year may not have ended for districts by then. Concurrent enrollment information should not change between May 12 and the end of the school year, since most community colleges will have already ended their school year. Be sure to bill the resident districts of your open enrolled students after the Non-Fall Supplementary Weighting application is available.

If you have questions regarding billing for concurrent enrollment supplementary weighting, please contact Carla Schimelfenig at [carla.schimelfenig@iowa.gov](mailto:carla.schimelfenig@iowa.gov) or 515-242-5612.

## Psychiatric Medical Institutions for Children Placements and Placements in a Hospital's Psychiatric Unit (Foster Care Claim)

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Many psychiatric medical institutions for children (PMIC) placements are parent placements and not placements by the Department of Human Services (DHS) or the Iowa Juvenile Court System (JCS). Iowa Code 282.27, Children living in psychiatric hospitals or institutions, was changed in 2015 to allow PMIC-placed students to be included in the Foster Care Claim process. Subsection 5 states, "If a child placed in the psychiatric unit or institution was not enrolled in the educational program of the district of residence of the child on October 1 of the current school year, the district of residence may include that student in a (foster care) claim submitted to the department of education pursuant to section 282.31, subsection 1, paragraph "b", subparagraph (2)."

Each district must do to ensure accurate reporting of PMIC-placements in the Foster Care Claim application:

1. Identify students for whom your district received a bill from another district because of a hospital stay involving the student's placement in a hospital's psychiatric ward. Then, determine if the student was included in your district's certified enrollment count.
2. For any students identified above who were NOT in your district's certified enrollment count, either:
  - Enter the student as a new student in the district's student information system and show enrollment corresponding to the period of time of the placement with a service/facility type of 2 and service provider/facility code of 97777777. This will usually be for students who are homeschooled, attend a nonpublic school, or resident individuals who dropped out of school and were not enrolled on count date. During a hospital stay while placed in a psychiatric ward, the student is considered a public school student and must be entered into the student information system with an entry code of 1. Exit the student using the date when the student ended the hospital stay and an exit code to show the current status of the student (transferred to home school, transferred to a nonpublic school, dropped out of school).

Or

- Add a new enrollment record for any student already in your system for the period of time the student was placed in the hospital's psychiatric unit. The service/facility type field must be identified as 2 (PMIC placement) with a service provider/facility code of 97777777 (hospital psychiatric ward).
3. Add a new enrollment record for any student already in your system for the period of time the student was placed

If you have further questions regarding PMIC placement foster care reimbursements, please contact Carla Schimelfenig at [carla.schimelfenig@iowa.gov](mailto:carla.schimelfenig@iowa.gov) or 515-242-5612.

## Operational Sharing for 2021-2022

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On May 20, 2021, Governor Reynolds signed [House File 847](#), which added special education director and work-based learning coordinator to the list of eligible positions for generating operational sharing supplementary weighting. In addition, the bill reduces the full-time equivalency weightings for all positions except the sharing of a superintendent, by one FTE. The proposed legislation will not impact the generation of 8 FTEs for the sharing of a superintendent. However, the positions that currently generate 5 FTEs are reduced to 4 FTEs (business management, transportation director, operations and maintenance director, and human resources director), while the positions that currently generate 3 FTEs are reduced to

2 FTEs (counselor, curriculum director, social worker, and the newly proposed positions of special education director and work-based learning coordinator).

Below are some tips to help ensure integrity in the sharing of these positions and provide transparency for your communities:

1. Have the agreement in place, approved, and commencing on the normal start date for the position based on the length of the contract for a returning employee in that position.
2. The entity holding the contract does not give away a portion of their employee's contract. The purchasing entity must pay for the portion of the contract that is being purchased (minimum 20% of salary and benefits is required for the sharing to be an eligible sharing arrangement for supplementary weighting).
3. Any new contract with a governmental entity that is NOT another Iowa public school district or AEA must include the responsibilities the person will perform for each organization or be available for review by the Department of Education. Any questions or concerns about the eligibility for supplementary weighting should be discussed with the Department of Education prior to the signing of the agreement to allow for modifications to the contract if the sharing is dependent on the generation of supplementary weighting.
4. Continuing agreements that will not be changing do not need to be revisited, unless concerns arose regarding the agreement in the previous year.
5. If five districts enter into an agreement to share a position at 20% each, but the sharing does not start until October 1, the sharing among the five entities would not be an eligible arrangement. For a 12-month position, 25% of the year would have transpired. Only 75% of the remaining contract would be eligible to be shared. Even four districts sharing the remaining 75% would not result in each of the districts receiving 20% of the contract. The same would be true for a 10-month contract running August through May. If the sharing does not begin until October, only 80% of the full-time contract remains. Therefore, only four districts would be eligible to purchase 20% of the remaining portion of the full-time position. To avoid any questions of impropriety, the sharing arrangements must be in place at the beginning of the full-time employee's contractual year.
6. All eligible operational function sharing arrangements must be entered correctly in Fall BEDS next fall. This includes:
  - Providing the appropriate position of the individual being shared.
  - Identifying the sharing status as either the contract holder or the district purchasing services.
  - Reporting salary and benefits to be paid by your district with the contract holder reporting the full amount and the district purchasing the services reporting their portion of the salary and benefits.
  - Identifying the sharing partner(s).
  - Reporting the individual's FTE with the contract holder reporting the full amount and the district purchasing the services reporting their portion of the FTE.

If you have further questions regarding operational function sharing, please contact Tom Cooley at [tom.cooley@iowa.gov](mailto:tom.cooley@iowa.gov) or 515-725-1120.

## **FY21 Chart of Accounts Test Records**

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The CAR 2021 COA Test Records application should be available by the end of May or first part of June to all districts as the Department continues to update the program. During the test period, some edits and warnings may not be working properly, so they may change as corrections are made. When the

application first opens only stages 1 and 2 will be updated. Successful completion of these two stages validates the composition of the account code. Stages 3 and 4 will be available but may change as we continue to work on updates. Any known edits or warnings not working properly will be noted on the Home page. Districts are encouraged to start uploading and correcting their books as soon as the application is available. A district may test an individual account code or an entire file in accordance with the 2021 COA-CAR rules. The test site mirrors the “live” site, with the inclusion of the reports when they are updated. The application will be available on the [Iowa Education Portal](#). Once logged in, go to EdInfo, Finance Applications.

Many of the COA-CAR edits are programmed to check tables for information. These tables may not be completely loaded during the testing period. This information is entered as we receive it; therefore, there may be some edit messages that appear during testing that normally would not. The incomplete tables are noted on the Home page of the application. Also, districts may get many Stage 4 reconciliation messages as all revenue, receivables, or restricted fund balances would not be entered prior to the end of the fiscal year.

**We strongly urge districts to test their files early and often.** Please be sure to update your financial software to the most current version before creating a text file. Districts should not “fix their books” just to pass edits, as the edit may need to be modified.

If you come across issues with the upload or edits and/or warning messages, that don’t make sense or don’t seem to be working properly, please contact Denise Ragias at [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741.

If you have coding questions, please contact Janice Evans at [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740.

## General Information

### District Information

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Much of the communication to superintendents and business managers from the Department of Education is done via e-mail. This allows the Department to provide timely communication. If you are not planning on being with the district next year, please email Carolyn Engelhardt at [carolyn.engelhardt@iowa.gov](mailto:carolyn.engelhardt@iowa.gov). If you know your replacement and the replacement’s email address, we would appreciate that information as well.





June 2021

## Financial

### Annual Reminder: Billing for Supplementary Weighting

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#### Open Enrollment and Concurrent Enrollment Supplementary Weighting

Districts offering concurrent enrollment courses and eligible Project Lead the Way (PLTW) courses may bill resident districts for the supplementary weighting generated on open-enrolled students enrolled in the contracted courses. Bills for the supplementary weighting can be generated using the information provided in the Student Reporting in Iowa (SRI) application. Before paying a bill for supplementary weighting, the resident district can verify the information by reviewing the Supplementary Weighting (Non-Fall) application in the [Iowa Education Portal](#). When computing the supplementary weighting, use the student's resident district cost per pupil of the year in which the course was taken. Directions for generating and verifying the bills are posted on the [Supplementary Weighting - Certified Enrollment page](#) of the Iowa Department of Education (Department) website ([281 IAC 17.10\(8\)](#)).

#### Whole Grade Sharing and Concurrent Enrollment Supplementary Weighting

For districts in a whole grade sharing arrangement, supplementary weighting generated on resident students remains with the resident district unless some other arrangement has been articulated in the whole grade sharing agreement. While options for distributing the concurrent enrollment supplementary weighting exist, such as having the community college contract directly with the sharing partner for the sharing partner's resident students or negotiating a higher per pupil rate for whole grade shared students in grades 9-12, addressing the issue of distributing the concurrent enrollment supplementary weighting in the whole grade sharing agreement may be the best alternative.

#### Shared Teacher and Supplementary Weighting

When two districts agree to share a teacher, only one district holds the contract for the teacher. The district buying a portion of the contract may generate supplementary weighting on their resident students enrolled in courses taught by the shared teacher. Eligibility for supplementary weighting is dependent on the purchasing district not having a licensed and endorsed teacher available within the school district to teach the course(s) being provided by the shared teacher ([281 IAC 97.2\(3\)](#)). The supplementary weighting incentive is for the non-contract holding district. The district holding the contract benefits by being able to retain a teacher and also have a portion of the contract paid by another district.

## Other Billing Situations

1. Whole grade sharing billing for the second semester is based on the count of resident students from the sending district on the second Friday in January (Iowa Code 282.12(4)). In the 2020-2021 school year, second semester count for whole grade sharing occurred on January 14, 2021.
2. If a sharing district elects not to enter into a whole grade sharing agreement when sharing “all or a substantial portion of the students in any grade” with another school district for “all or a substantial portion of a school day, then no students in that grade level are eligible for supplementary weighting except as authorized by [281 IAC 97.5](#) pursuant to the supplementary weighting plan for whole-grade sharing ([281 IAC 97.2\(8\)](#))." An exception to the “no students are eligible for supplementary weighting” is concurrent enrollment supplementary weighting. High school students attending another district, either through a whole grade sharing agreement or a tuition agreement because of the discontinuation of grades, are eligible for generating supplementary weighting when enrolled in eligible concurrent enrollment courses.
3. There is no billing of costs incurred for students taking high school, concurrent enrollment, or postsecondary enrollment options (PSEO) courses who are enrolled in the public district as:  
Competent private instruction (CPI) dual enrolled ([Iowa Code 257.6\(3\) and \(7\)](#))  
Open enrolled CPI dual enrolled ([Iowa Code 257.6\(3\) and \(7\)](#))  
Independent private instruction (IPI) for concurrent enrollment only ([Iowa Code 261E.8\(2\)](#))  
Nonpublic shared time ([Iowa Code 257.6\(3\) and \(7\)](#))  
Junior/Senior rule ([Iowa Code 257.6\(4\)](#))

For the situations listed, the serving district generates funding directly through certified enrollment.

1. No parent or student shall be billed for costs incurred from concurrent enrollment courses, even if the cost to the district exceeds the billable amount ([281 IAC 17.10\(8\)“d”](#)).
2. Districts cannot bill students or parents for failed concurrent enrollment courses.
3. A district can bill a parent (or student if 18 years of age) for the tuition cost of a failed PSEO course, the cost of equipment that becomes the property of the student, and the cost of a school-owned textbook that is not returned ([Iowa Code 261E.7\(3\)](#)).
4. A serving district can only bill the resident district of an open enrolled student for tuition, supplementary weighting generated from concurrent enrollment courses, Project Lead the Way courses, English language learner (ELL or LEP) supplementary weighting, and the teacher leadership district cost per pupil ([Iowa Code 282.18\(9\)](#); [281 IAC 17.10\(8\)“c”](#)).

If you have further questions, please contact the Bureau of School Business Operations.

## Whole Grade Sharing Supplementary Weighting

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Up to three years of whole-grade sharing supplementary weighting continues to be available to districts studying and working toward reorganization with a reorganization effective date on or before July 1, 2024. Districts that have already passed a board resolution to study reorganization effective on or before July 1, 2019 do not need to pass a new resolution. Please review [Iowa Administrative Code 281-97.5](#) for more information and whole-grade sharing supplementary weighting.

### Year 1

Districts in a whole-grade sharing arrangement with a desire to work toward reorganization that have not passed a resolution to study reorganization must do so by October 1, 2021 in order to qualify for year 1 whole-grade sharing supplementary weighting.

The requirements for the resolution to qualify the districts for supplementary weighting are as follows:

1. The resolution must be a separate action noted in the school board meeting minutes of each board. The resolution may also be included in the whole-grade sharing agreement, but passing

the whole-grade sharing agreement alone will not qualify a district for the supplementary weighting.

2. The resolution must include these three phrases:
  - a. the board adopts this resolution jointly with the \_\_\_\_\_ Community School District
  - b. to study the question of undergoing a reorganization (or dissolution, if applicable)
  - c. to occur on or before July 1, 2024 [an earlier date is acceptable]

This specific language is designed to inform the public of exactly what is being explored by the districts; variances from the above language will likely disqualify the districts' eligibility for supplementary weighting. Passing the resolution qualifies the districts for the first year of whole-grade sharing supplementary weighting.

## Year 2 and 3

To qualify for the second year of supplementary weighting, the sharing districts will need to establish a reorganization committee by August 1 of the year when submitting the Year 2 request.

To qualify for the third year of whole-grade sharing supplementary weighting, the sharing districts must have an AEA-approved plan for reorganization by August 1 and a date for an election on the proposed reorganization by the end of the calendar year when submitting the Year 3 request. If the election to reorganize is not successful, the districts may submit a request to the SBRC asking to withdraw the whole-grade sharing supplementary weighting request for Year 3. Districts may then resubmit the request for Year 3 supplementary weighting when another reorganization election has been set, thus allowing districts to take advantage of the reorganization incentive provided in [Iowa Code 257.11A](#).

Requests for year 1, 2, or 3 whole-grade sharing supplementary weighting are submitted through the School Information Update application on the Grade Sharing tab. Districts do not need to have the School Information Update application uncertified in order to complete the Grade Sharing portion of the application. While districts seeking Year 1 whole-grade sharing supplementary weighting have a deadline of October 1 to request supplementary weighting, districts seeking Year 2 or 3 must complete the request in the School Information Update application by August 1. Requests for Year 2 and 3 supplementary weighting are reviewed and approved or denied by the School Budget Review Committee (SBRC) at the October hearing.

If you have further questions, please contact Carla Schimelfenig, 515-242-5612.

## Joint Employment Whole Grade Sharing

Districts in a whole grade sharing arrangement desiring to apply for joint employment must submit the application by July 1. According to 281 IAC 97.2(4), the minimum requirements for joint employment include:

- a joint teacher evaluation process and instruments,
- a joint teacher professional development plan, and
- one single salary schedule.

Additional evidence that the partner districts, while not yet reorganized, are functioning as one may include such items as:

- same student information system
- same financial software
- identical calendars
- one website for both districts

Applications may be emailed to Carla Schimelfenig at [carla.schimelfenig@iowa.gov](mailto:carla.schimelfenig@iowa.gov) (please cc [tom.cooley@iowa.gov](mailto:tom.cooley@iowa.gov)) or mailed to:

Carla Schimelfenig

Department of Education  
Grimes State Office Building  
400 E. 14th St  
Des Moines, IA 50319-046

## Teacher Leadership and Compensation and Open Enrollment FY22

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All districts receive Teacher Leadership and Compensation (TLC) through state aid. The state aid amount for FY22 is \$349.07.

In FY22, all districts will pay open enrollment at the rate of \$340.89, which is the per pupil rate for the prior year.

If you have questions about the TLC program, please contact [lora.rasey@iowa.gov](mailto:lora.rasey@iowa.gov) or 515-725-0648. For questions regarding coding, please contact [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741, or [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740.

## Supplemental Aid for FY20 Special Education Deficit

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Payment went out earlier this month to districts that had a special education deficit in 2020. The supplemental aid payment should be coded to Source/Project 3113. Use program code between 211 and 219. This revenue source does not need matching expenditures.

If you have further questions, please contact [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740, or [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741.

## Tuition-In Billing

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The Tuition-In Billing (TIB) program is now available for districts to complete their FY21 final year billings. Please remember that all school districts will need to submit their final year billings by July 15.

You are required to enter student information by number of DAYS only. As in past years, an upload must be completed to activate the TIB program. Districts should also clear edits related to special education accounts in the CAR 2021 COA Test Records application prior to sending bills through TIB.

Between June 1 and 22, districts should ensure all students have been entered into their TIB program, including all special education foster care, termination of rights, nonpublic, and high cost claims. Also, to be entered are students educated in day programs, residential programs, and hospitals.

From June 22 to July 5, all school districts should review and verify the accuracy of the tuition out information through the Special Education Supplement (SES). If it is determined that a student has been omitted, contact the district that provided educational services to ensure they add the student in their TIB program.

If you have further questions, please contact [bill.roederer@iowa.gov](mailto:bill.roederer@iowa.gov) or 515-281-7972.

## Interfund Transfers

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Transferring money from one fund to another, especially from the general fund to a proprietary fund, has generated much discussion with the [State Appeal Board \(SAB\)](#) and the SBRC. Several studies and analyses have been requested of state agencies on the issue.

Tax levies or funds that are required by law to be expended only for the specific items listed in statute shall be accounted for in a similar way to categorical funding. Each fund is mutually exclusive and completely independent of any other fund. No fund shall be used as a clearing account for another fund, and no fund may retire the debt of another fund unless specifically authorized in statute ([IAC 281—98.60](#)). Throughout Iowa Code, there are references to the fact that funds are separate. Each fund has been created for a specific purpose, and its moneys can be used only for those purposes. There are few known expenditures which are authorized by Code to be expended from more than one fund. This would limit the possibility of legal interfund transfers because the money would have to be expended for a purpose which was authorized in the sending fund, as well as in the receiving fund. Refer to [chapter 9 of the Uniform Administrative Procedures](#) for a list of those expenditures with their Code references.

Generally, moneys may not be permanently transferred between funds, other than authorized by 298A.8, 298A.9, 298A.10, 298A.12, and 298A.15, unless the transfer is the residual equity left in a fund for which the purpose of the fund has ended ([Iowa Code 24.21](#)). This does not mean partial transfers of money considered to be surplus; instead this means a transfer of the entire balance in a fund and permanent elimination of that fund. All allowable transfers or loans require board action, some require a vote of the electorate ([Iowa Code 278.1“e”](#)), some require authorization from the SAB ([Iowa Code 24.22](#)) and some require authorization from the SBRC ([Iowa Code 257.31\(6\)](#) and [24.6\(2\)“b”](#)). The SBRC has general budget oversight on school districts and AEAs, so is authorized to act on any interfund transfers between any school district/AEA funds. Mostly, they focus on any transfers that impact budget authority for school districts or impact fund balance for AEAs.

Moneys may be temporarily loaned between certain funds, but these do not result in permanent transfers, and they are not recorded as interfund transfers. These interfund loans must follow specific steps to be allowed. Those steps have been provided in a declaratory order written by the Iowa Department of Education. A summary is presented here:

All loans between funds within a fiscal year must be accomplished through official board action and may not be accomplished until the board by resolution authorizes the loan. An interfund loan must not constitute an amendment to the budgeted revenues or expenditures for the fiscal year.

The resolution must specify the funds from which and to which the transfer will be made. A note is not necessary if the resolution specifies the terms of repayment including the payment of interest. Interest must be paid from the borrowing fund on the unpaid balance at the rate in effect at the time of the loan as established by rule pursuant to Iowa Code section 74A.6, subsection 2.

The loan must be repaid before October 1 of the fiscal year following the fiscal year within which the loan occurred. In the event repayment cannot be made by that time, the school corporation must proceed under the provisions of Iowa Code chapter 74 to issue anticipatory warrants or seek approval of the voters pursuant to Iowa Code section 278.1(5) for transfer of surplus funds from the debt service, physical plant and equipment levy, capital projects, or public education and recreation levy funds to the general fund, or, for other transfers, seek approval from the State Appeal Board pursuant to Iowa Code section 24.22. Interfund loans within a fiscal year do not require State Appeal Board approval so long as they are repaid by October 1 of the following fiscal year. ([25 D.E. Dec. Ord. 183](#)).

If you have further questions, please contact [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741, or [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740.

## Coding

### School-Level Expenditure Reporting: Choosing the Right Facility Code

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The Department has received a number of questions regarding the correct facility code use for summer school expenditures. A review of the [Statewide School-Level Financial Coding Practices](#), internal research regarding current practices, and a prior discussion with the School-Level Reporting (SLR) Advisory helped to produce the best practices provided below.

It is appropriate to code summer school expenditures to a school, school instructional, or district level facility code depending on the local logistics of the program.

1. **School Level:** If the district can determine summer school expenditures for students that normally attend a specific school, code the expenditures to that school's facility code.
2. **School Instructional Level:** If the district is unable to determine summer school expenditures by school level or the percentage of students served is distributed the same as those served by the schools, it is appropriate to code summer school expenditures to the instructional level (high school: 9331, middle school: 9332, or 9334: elementary school). Expenditures coded to the instructional level will be allocated for report card purposes to each school within the instructional level based on the average daily membership (ADM) which is the pupil count used for the report card, at each school.
3. **District Level:** If the district is unable to determine summer school costs by school or school instructional level or if the percentages of costs are approximately equal to the percentages of students at each school, it is appropriate to code the expenditures to a district level facility code. Expenditures coded to a district level facility code will be allocated for report card purposes to each school in the district based on ADM.
4. **Providing Summer School Programming for Non-resident Students:** It is appropriate to code expenditures related to providing the summer school program to non-resident students the same way other students at that level are coded.

View the [Statewide School-Level Financial Coding Practices](#) guidance for additional information. Questions regarding implementation can be directed to [kassandra.cline@iowa.gov](mailto:kassandra.cline@iowa.gov) or 515-281-4738.

Further questions regarding coding can be directed to [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741, or [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740.

### School Meals 2021-22

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USDA has issued nationwide waivers that allow School Food Authorities (SFAs) the option of operating the National School Lunch Program (NSLP)/School Breakfast Program (SBP) OR the Seamless Summer Option (SSO) in school year 2021-2022, effective through June 30, 2022. These waivers will help streamline access, enhance program flexibility, and reduce administrative burden. Districts should check the Department Warrants application on the [Education Portal](#) for source funding. Additional guidance will be provided as it becomes available.

The Summer Food Service Program (SFSP) will not be an option for the school year 2021-2022 and SFSP operations must cease with the start of the new school year.

Further questions regarding coding can be directed to [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741, or [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-281-4740. Further questions regarding the Child Nutrition Programs can



be directed to your assigned School Nutrition Program Consultant, [patti.harding@iowa.gov](mailto:patti.harding@iowa.gov) or 515-281-4754, or [stephanie.dross@iowa.gov](mailto:stephanie.dross@iowa.gov) or 515-281-4760.

## Student Activity Fund Revenues

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A recent legislative inquiry led us to review Student Activity Fund revenues and we found a few surprises. Is your district only using one or two source codes for the Student Activity Fund? If so, you might want to take a closer look at the revenue side of this fund for appropriate coding. Below are some of the more frequently used source codes:

- 151x - Interest Income
- 171x - Admissions
- 173x - Student organization membership dues and fees
- 174x - Fees - this would include entry fees for other districts to participate in a meet the district is holding (detail use 1748)
- 179x - Other Activity Income; if using detail, 1791 - Fundraisers - this could also be used for fundraisers such as concessions, or sales of clothing or other items to those that are not students
- 192x (not 1921 or 1922) - Donations
- 1958 - Other Sales of Service/Misc Revenues from other Iowa LEAs/AEAs - sharing activity programs
- 1991 - Sale of Materials or Supplies - sale of T-shirts to students at cost
- 5311 - Compensation for loss of fixed assets - payments received from students for loss of uniform

If you have further questions, please contact [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515-282-4740, or [denise.ragias@iowa.gov](mailto:denise.ragias@iowa.gov) or 515-281-4741.

## Iowa Chart of Account Coding Updates

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The Iowa Chart of Account Coding is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent update is provided below.

### May 2021

<i>Code</i>	<i>Description</i>
Project 3174	Flexibility Fund Account Originating from Excess Teacher Leadership Supplement (Project 3116) Funds (IC 298A.2(2)(a)(4))

## Applications

### School Information Update

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Thank you for the timely completion of the [School Information Update](#) review for the 2021-2022 school year. If your district experiences a superintendent or principal change over the summer, please remember to log into the portal and update the administrator information as soon as a replacement has been named. Superintendents and principals are listed in the [Iowa Educational Directory](#). This document is printed once a year. Being able to provide the most accurate information at the time of printing depends on each district keeping the School Information Update application updated as changes in administrators occur.

## School Board Officers

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If your district experiences a change in chief financial officer (CFO)/school business official (SBO) or other local officials, please remember to update the [School Board Officers](#) application in the [Education Portal](#) to reflect this change.

## Foster Care Claim – Regular Education Students

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The process used this year to create the Foster Care Claim for regular education students will be different from prior years. Because of the mandatory school closure and districts' choice to offer voluntary or required continuous learning opportunities, days enrolled during the 2020-2021 school year, as reported from each district's student information system in Spring Student Reporting in Iowa (SRI), may or may not be accurate for the purpose of generating the Foster Care Claim.

If a student ended his or her foster care enrollment before March 13, days enrolled while in foster care is assumed to be accurate.

If a student continued his or her enrollment through the end of the school year or the enrollment showing foster care placement ended after March 13, days enrolled while in foster care will be edited to show days enrolled as if the school year had not experienced any closures.

In order to create these changes, the Foster Care Claim application will not run directly from the Spring SRI data. A set of records will be created from Spring SRI to reflect modifications to days enrolled. These changes to days enrolled should minimize the impact everyone experienced this year and allow districts to continue counting students in foster care as enrolled based on the opportunity to participate in educational learning.

When the Foster Care Claim application opens later in July, you will see no difference in the application itself. The changes to be made will be to the underlying data stored in a table which you will only see as modified days enrolled in the application. The July School Business Alert will provide further details regarding the certification of the Foster Care Claim.

**If you have questions about the regular education Foster Care Claim process, please contact Carla Schimelfenig (515)242-5612.**