



School Business Alert

FY26 Compilation of School Business Alert Articles
(July 2025-June 2026)

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School Business Alert

July 2025

Legislative Update

Minimum Teacher Salaries: Retirees

[House File \(HF\) 787](#) modifies Iowa Code section 257.10(9)"a". The minimum teacher salary for full-time teachers in an IPERS covered position who have a bona fide IPERS retirement, even those with more than 12 years of teaching experience, is \$50,000 effective July 1, 2025.

Featured

Staffing Update: Welcome Amy DeVault!



The Department's Bureau of School Business Operations is pleased to announce the addition of Amy DeVault to our team! She brings with her many years of experience as a school nurse for the Nodaway Valley CSD in Greenfield and Fontanelle, Iowa, where she provided direct care and support for district students and families. Prior experience also includes serving patient populations in public health and community-based settings. Amy will be supporting the field in the realm of School-Based Medicaid and can be reached at amy.devault@iowa.gov. Welcome, Amy!

Ed and Media Services for Students Attending Nonpublic Schools

Senate File (SF) 659 modifies educational and media services funding for students attending nonpublic schools. The funding will flow directly to Area Education Agencies (AEAs) who will provide services. The Senate File 659 Implementation FAQ is available on the Department's [HF2612 Implementation](#) web page under the [FAQs](#) section.

Allowable Uses of Special Education Funds Webinar | August 13

The Department continues to receive questions regarding allowable uses of special education funds, including costs allowable to the special education program as well as the 10% of special education support services funding that will be retained by districts beginning in FY26.

The Department will host a webinar to review allowable uses of special education funding on Wednesday, August 13 at 10:00 am. Meeting information is listed below.

<https://IDOE.zoom.us/j/81888837121?pwd=UxHFvMaVWN4WLWYG82AqrFTOYQFtRw.1>

Passcode:552536

New School Bus Driver Training Available Soon!

The School Transportation Operator's Program (S.T.O.P.) online training component for new school bus drivers has been updated and utilizes a new delivery system. This training is required for all new school bus drivers, including drivers of Type III vehicles (e.g., vans, suburbans, cars) used as school buses. Details can be found in the transportation section at the end of the publication.

Reminder: Virtual Office Hours Schedule

The Bureau of School Business Operations will be offering virtual office hours during the upcoming FY25 application submission period for the Certified Annual Report (CAR), Special Education Supplement (SES), and the Annual Transportation Report (ATR). Members of the Department's team as well as other School Business Officials will be available to answer questions related to the applications. Mark your calendars and bring any questions related to the CAR, SES, or ATR. The schedule and topic information below is also available on the Department's [Certified Annual Report](#) web page.

Virtual office hours dates and times:

<i>Date</i>	<i>Time</i>
Tuesday, August 26	1:00 pm - 2:30 pm
Wednesday, August 27	9:30 am - 11:00 am
Wednesday, September 3	1:30 pm - 3:00 pm
Friday, September 5	9:30 am - 11:00 am
Tuesday, September 9	1:30 pm - 3:00 pm (New date and time)
Thursday, September 11	1:30 pm - 3:00 pm

Join the webinar:

<https://IDOE.zoom.us/j/92631407487?pwd=pLb6PlAKZ2QYsYnM3yXity2X7ikfZa.1>

Meeting ID: 926 3140 7487

Passcode: 545958

Fiscal Year 2025 (FY25) Year End

The fiscal year end closeout period is here again. Please submit all FY25 requests for grants and contract payments by the end of July. As in prior years, the Department is required to pay FY25 expenses by the end of August. Cooperation and timely submission from the field is needed to meet this timeline.

Further questions can be directed to Angie James at angela.james2@iowa.gov or 515-281-3646.

School Finance Resources

Note to superintendents and business managers who are new to the state or new to the position: Please review the resources below.

- The [Department's calendar](#) can be filtered to show all events or categories such as deadlines, Department-sponsored meetings and technical assistance, and SBRC deadlines and hearings.
- [Special Education Finance](#) provides links to topics such as the Special Education Billing (SEB) application directions, Special Education Supplement (SES) Instructions, appropriate uses of special education funding, School-Based Medicaid, and a sample invoice for special education services.
- [School Facilities](#) provides information on construction, school safety, disaster recovery, and facilities planning.
- [Pupil 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 (ATR).
- [School Finance Resources](#) provides links to the Department of Management (Aid and Levy worksheet), the Uniform Financial Accounting manual, Uniform Administrative Procedures manual, and The Iowa Legislature (Iowa Code and Administrative Code lookups).

For more information on a specific topic listed above, inquiries can be directed to the contact listed on each web page. If you have further questions on available resources, please contact Kassandra Cline at kassandra.cline@iowa.gov or 515-326-2242.

Recent Questions

8-Way Lights at Bus Stops

Question: When do 8-way lights on buses need to be used?

Answer: The driver of a yellow school bus used to transport children to and from a public or private school should activate the 8-way warning light system anytime the bus stops to receive or discharge pupils.

It is important to note that the driver is not required to use the 8-way warning light system when receiving or discharging pupils at a designated loading and unloading zone at a school attendance center or at extracurricular or educational activity locations where students exiting the bus do not have to cross the street or highway.

More information can be found in [Iowa Code section 321.372](#). Questions related to school bus stop procedures may be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

Employing Students

Question: Can a district pay a student to work for a school-based enterprise program (e.g., coffee bar, student farm, greenhouse)?

Answer: Yes, a district may provide programs that employ students to work in various types of positions as long as federal and state employment laws and local board policies to operate the programs are followed. The district should also be mindful of how or if the employment impacts the school day.

Education Support Personnel Salary Supplement

[Senate File \(SF\) 660](#) appropriates \$14 million to the Department for additional salary for education support personnel (i.e., hourly staff) employed by school districts. The Department is anticipating warrants will be issued by early August for each district's allocation of the education support personnel salary supplement (ESPSS). Please see anticipated questions and answers below regarding account coding and the use of funds.

Q: How is the ESPSS funding coded?

A: ESPSS funding is receipted to Source 3111, same as other state aid funds. A project code is not required to use the funds.

Q: Is every support personnel required to receive an equal amount or percent of the district's ESPSS funding?

A: No. Districts determine how to use the funds to supplement support personnel wages.

Q: Do districts have to spend the money received for ESPSS in FY26 or can it be used in a subsequent fiscal year?

A: It is expected the funds will be fully expended in FY26.

School Safety Spotlight

Save the Date: GSSB Training | August 4

The Governor's School Safety Bureau (GSSB) has partnered with the "i love you guys" foundation to host a free day-long Train-the-Trainer Workshop for an advanced introduction for the Standard Response Protocol and the Standard Reunification Method. These training protocols are used by more than 50,000 schools, districts, departments, agencies, organizations, and communities around the world.

Additional information, including a link to register, is available on the [GSSB](#) web page.

Reminder: Emergency Operation Plan Update | July 1

[House File \(HF\) 782](#) established Iowa Code section 279.87 *Limitation on the use of personal electronic devices* and requires schools to adopt a board policy regarding student use of personal electronic devices during school hours that restrict student use of such devices during classroom time. The policy, titled "Model Policy Implementing House File 782: Personal Electronic Devices in Schools", is available on the Department's Legislative Information page, under section [Guidance & Updates on Legislation](#).

Section 3 of the bill requires school districts to update their emergency operations plans so that the plans are consistent with the provisions of Iowa Code 279.87. Please remember to send updated plans to local law enforcement and the Governor's School Safety Bureau (GSSB) at SchoolSafety@dps.state.ia.us. Questions regarding the update to the plan can be sent to GSSB at SchoolSafety@dps.state.ia.us.

The Department and GSSB hosted a statewide webinar of expert panelists on June 17 to provide support and guidance to schools. The webinar recording is available on the Department's Legislative Information page, under section [Guidance & Updates on Legislation](#).

Financial

Secure an Advanced Vision for Education (SAVE) Distributions

Iowa Department of Revenue (IDR)

It is anticipated that the annual SAVE estimates will be posted mid-August to the [Iowa Department of Revenue \(IDR\)](#) website. Payments made by the State can be verified on the Department of Administrative Services [Vendor Payment Portal](#) web page.

Tax Payments

July

The July payment districts will receive for SAVE Statewide Sales and Services Tax (Source/Project 3361) is related to June taxes collected. Accordingly, districts should record this receipt as an intergovernmental receivable (Fund 33, Account 141) and include this in the SAVE revenue reported in the FY25 CAR.

- Recording the July SAVE payment as a receivable in FY25
 - Debit Fund 33, Account 141, Project 3361
 - Credit Fund 33, Project 3361, Source 3361
- Clearing the SAVE receivable when payment is received in FY26
 - Debit Fund 33, Account 10X, Cash
 - Credit Fund 33, Account 141, Project 3361

August

Property tax receipts are not all related to the prior year. Districts need to evaluate which receipts should be accrued to FY25 revenues as taxes receivable, versus those that should be recorded as FY26 revenues. Delinquent property taxes received in August are accrued to FY25. Current mobile home (unless noted as delinquent) and ag land taxes received in August are FY26 revenues.

Further questions can be directed to Jina Brincks at jina.brincks@iowa.gov or 515-313-5942 or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Reminder: Local Auditor Access to Prior Year Financial Information

Local auditors are encouraged to access the “Department Warrants” application within the Iowa Education Portal. Payments from the Department to all school districts, charter schools, and area education agencies (AEAs) are available to the user from the dropdown list. This application also includes the grant identifying number and the Catalog of Federal Domestic Assistance (CFDA) number.

Nonpublic Transportation Reimbursement - Accounting

The Department will issue warrants for nonpublic transportation claims by August 15. Accounting for various scenarios a district could encounter may be referenced in the Uniform Financial Accounting (UFA) Journal Entries spreadsheet found on the Department’s [Uniform Financial Accounting](#) web page. All revenues must equal expenditures for Project 3221.

Further questions can be directed to Jina Brincks at jina.brincks@iowa.gov or 515-313-5942 or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Reminder: Financial Reporting for Pensions (IPERS) (GASB 68)

Please review important reminders below regarding [GASB 68](#) entries relating to the Iowa Public Employees Retirement System (IPERS).

- Only include entries in Fund 09 and Proprietary Funds (6X, 7X) on the FY25 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 expenses.
 - Note: Negative amounts are allowed in this object code.

Fund 09 will report the governmental funds' share of the net pension liability or net pension asset.

- Recording a net pension liability
 - Debit: Account 304 - Amount to be provided for retirement of governmental long-term debt
 - Credit: Account 593 - Net Pension Liability
- Recording a net pension asset
 - Debit: Account 293 - Net Pension Asset
 - Credit: Account 304 - Amount to be provided for retirement of governmental long-term debt

The FY25 CAR includes an edit in Fund 09 and a warning in Proprietary Funds related to GASB 68 Net Pension Liability reporting. Refer to the Auditor of State's [GASB 68 Pensions](#) web page for information regarding GASB 68.

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

Reminder: Financial Reporting for Other Post-Employment Benefits (OPEB) (GASB 75)

Please review important reminders below regarding [GASB 75](#) entries relating to OPEB based on valuations received from the actuary.

- Only include entries in Fund 09 and Proprietary Funds (6X, 7X) on the FY25 CAR.
- Since insurance expenses may be positive or negative after GASB 75 entries have been made, use Object 278 (GASB 75 insurance expense) for entries related to insurance expenses.
 - Note: Negative amounts are allowed in this object code.
 - The various deferred inflows of resources, Accounts 64X, and deferred outflows of resources, Accounts 33X, have been assigned.

Fund 09 will report the governmental funds' share of the total OPEB liability. Districts may continue to use Accounts 59X (not 591 or 593) for the net OPEB liability.

- Recording a net OPEB liability
 - Debit Account 304, amount to be provided for retirement of governmental long-term debt
 - Credit Account 59X (not 591 or 593), other long-term liabilities

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

Reminder: Scholarship Funds (GASB 84)

Scholarship Funds are classified based on the characteristics of each individual scholarship. Districts may follow the flowchart on [GASB Statement No. 84](#) pages 36-38 and consult with auditors to determine appropriate reporting. Most scholarships will fall into one of the following categories:

- **Fund 81 - Fiduciary Scholarship Trust Fund**
Meets the criteria for a trust and the district has no administrative involvement.
- **Fund 99 - Custodial Scholarship**
Does not meet the criteria for a trust, district has no administrative involvement, and funds are held for another entity.
- **Fund 19 - Non-Fiduciary Scholarship**
The district has administrative or financial involvement, regardless of trust status.

GASB Statement No. 84, Footnote 1 on page 4 defines administrative involvement. For purposes of this provision, a government has administrative involvement with the assets if, for example, it (a) monitors compliance with the requirements of the activity that are established by the government or by a resource provider that does not receive the direct benefits of the activity, (b) determines eligible expenditures that are established by the government or by a resource provider that does not receive the direct benefits of the activity, or (c) has the ability to exercise discretion over how assets are allocated. A government has direct financial involvement with the assets if, for example, it provides matching resources for the activities.

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

Reminder: Financial Reporting for Leases (GASB 87)

Please see important reminders below regarding [GASB 87](#), which established a single model for lease accounting for lessees and lessors based on the principle that leases are financings of the right-to-use an underlying asset and eliminated the classification of leases into operating or capital leases. GASB 87 defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange/exchange-like transaction. GASB 87 applies to all contracts meeting this definition of a lease, unless specifically excluded.

Excluded from GASB 87

- Leases of intangible, biological, or investment assets
- Leases of inventory or supply contracts
- Certain legally regulated leases (paragraph 42 GASB 87)
- Contracts that meet the definition of a service concession arrangements in paragraph 4 of GASB 60
- Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor
- Leases that transfer ownership of the underlying asset
- Short term leases including any options to extend, of 12 months or less (paragraph 16 GASB 87)
- Lease with cancelable option where both the lessee and the lessor have an option to terminate the lease without permission from the other party (or if both parties have to agree to extend). (paragraph 12 GASB 87)

Please refer to the UFA Journal Entries spreadsheet on the Department's [Uniform Financial Accounting](#) web page for sample journal entries related to GASB 87.

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

Reminder: Financial Reporting for Subscription-Based Information Technology Arrangements (SBITAs) (GASB 96)

All districts and AEAs will continue to work through [GASB 96](#). This Statement addresses accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITAs), a type of information technology (IT) arrangement (e.g., software licensing). The standards for SBITAs are based on the standards established in GASB Statement 87, Leases.

For GASB 96 to apply, the subscription term would include both of the scenarios below:

- Contract period during which a district has a noncancelable right to use the underlying IT assets.
- Contract periods covered by an option to: o extend (if it is reasonably certain the district or SBITA vendor will exercise that option) or terminate (if it is reasonably certain the district or SBITA vendor will not exercise that option).

Excluded from GASB 96:

- Contracts that convey control of the right to use another party's combination of IT software and tangible capital assets that meet the definition of a lease in GASB 87, in which the software component is insignificant compared to the cost of the underlying tangible capital asset.
- Governments that provide the right to use their IT software and associated tangible capital assets to other entities through SBITAs.
- Contracts that meet the definition of a public-private and public-public partnership, which would be covered by Statement 94 ([GASB 94](#)), Public-Private and Public-Public Partnerships and Availability Payment Arrangements.
- Licensing arrangements that provide a perpetual license to governments to use a vendor's computer software, which are subject to Statement 51 ([GASB 51](#)), Accounting and Financial Reporting for Intangible Assets.
- Short-Term SBITAs
 - Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised.
 - Periods for which both the government and the SBITA vendor have an option to terminate the SBITA without permission from the other party (or if both parties have to agree to extend) are cancellable periods and are excluded from the subscription term

Please refer to the UFA Journal Entries spreadsheet on the Department's [Uniform Financial Accounting](#) web page for sample journal entries related to GASB 96.

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

Maximum Tuition Rates: Fiscal Year 2025-26

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

Further questions can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Coding

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the Department's [Uniform Financial Accounting](#) web page, is regularly updated to reflect changes necessary to meet fiscal reporting needs.

<i>Account Code</i>	<i>Description</i>
Source/Project 3258 Program 260	Choose Iowa Food Purchasing Program (IDALS) (IC 187.331) (Jun25) Special Education Support Services-10% Retained (District only) (Must have a project) (Jun25)
Source/Project 3306	Special Education Support Services-10% Retained (District only) (Jun25)
Project 3300	Special Education (General Fund only, used with Programs 211-249, 260) (Name change Jun25)

Applications

Action Requested: Reporting Employee Changes: School Board Officers and District Leadership Contacts Application

School districts are required to report changes to school board membership to the Department annually by December 15 ([Iowa Code § 291.11](#)) in the [School Board Officers and District Leadership Contacts](#) application in the [Education Portal](#).

The Department also uses other district leadership reported in this application to build other email distribution lists.

Action Requested: Please check your district to ensure each of the key leadership position contacts for your district are *reported and current*.

- Chief financial officer/school business official (CFO/SBO)
- Building and grounds director
- Transportation director
- Auditor
- Special Education (*158 missing*)
- Work-Based Learning (*187 missing*)
- Career and Technical Education (*177 missing*)
- School-Based Medicaid (*164 missing*)
- School Safety (*182 missing*)
- Curriculum Contact (*164 missing*)

The application is available for updates throughout the year, which helps ensure the Department has the most accurate contact information for each of these key district stakeholders.

Questions regarding this application can be directed to Holli Marolf at holli.marolf@iowa.gov or 515-281-5812.

Special Education Billing: Timeline and Claims

Throughout the school year, districts enter students into the Special Education Billing (SEB) application. Students who are entered by a serving district into the SEB application will appear on the Tuition Payable tab at the top of the SEB application. Districts are asked to verify the accuracy of the Tuition Payable between June 15 and June 30. If errors are noted, the resident district should contact the serving district to resolve any discrepancy. The overall goal of the SEB application is 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 there are remaining students who are not entered into the SEB application, please do so immediately.

After all students are entered and student information is verified as accurate, upload a CSV CAR file. Districts should click on the "Bulk Update" button on screen 3 to ensure the calculations are correct for the final billing. Once Screen 9 is determined to be 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 1. It is critical that all claims be accurately entered prior to this date.

Further questions can be directed to Valerie Moos at valerie.moos@iowa.gov or 515-393-8349.

Regular Education Foster Care Claim | Due August 1

The Regular Education Foster Care Claim opened on July 16, 2025 and is due August 1, 2025. Claims are generated from the fall 2024 and spring 2025 Student Reporting in Iowa (SRI) submissions. The application includes:

- Regular education students who were in foster care (under the responsibility and care of the Department of Human Services) and living in a district only because of the foster care placement.
- Resident students who were in a psychiatric medical institute for children (PMIC) placement or placed in a juvenile psychiatric unit of a hospital and NOT included in the district's fall 2024 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 a district is eligible for a claim. Claims are based on the excess days a district served regular education students in foster care above days funded for regular education foster care students in the fall 2024 certified enrollment count. Calculations are based on the number of school days during the 2024-2025 school year, as reported in the spring 2025 SRI. The instructions for the Foster Care Claim for Regular Education Students are available on the Department's [Education of Children in Foster Care](#) web page. Questions regarding the application can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468. Questions regarding student enrollment counts can be directed to Rachel Kruse at rachel.kruse@iowa.gov or 515-281-4153.

AEA Juvenile Home Claims

The Juvenile Home application is open to AEAs for completion of FY25 Juvenile Home Program claims. The application can be found on the Iowa Education Portal and is due August 1, 2025. The instructions are posted on the Department's [Budgets, Area Education Agencies](#) web page. This claim is for regular education students only. Funds due to serving out-of-state students or students served pursuant to an Individualized Education Program (IEP) are billed to the student's district of residence. Also, do not include the average daily membership (ADM) of students for whom the AEA is paid tuition.

Further questions can be directed to Jina Brincks at jina.brincks@iowa.gov or 515-313-5942.

General Information

School Food Authority Resource Management/Procurement Pre-Assessment | Due September 30

This information applies to School Food Authorities (SFAs) that have a scheduled administrative review (AR) in school year (SY) 2025-26. The U.S. Department of Agriculture (USDA) requires that State Agencies provide oversight of each SFA's resource management [7 CFR 210.14](#) of the nonprofit school food service account and procurement practices [2 CFR 200.318-326](#), [Appendix II to Part 200](#) during the AR process. The Bureau of Nutrition and Health Services is changing the way this information will be gathered. In order to streamline and simplify data collection from SFAs having an AR in SY 2025-26, SFAs will be asked to complete one single Google Form. The form will be sent to each SFA scheduled for a SY 2025-26 AR in late August by their Regional School Nutrition Consultant. School Business Officials should work closely with their School Food Service Director to answer specific questions and upload multiple documents. The areas addressed in the form include maintenance of the nonprofit school food service account, paid lunch equity, nonprogram food revenue, indirect costs, and procurement.

In order to prepare for this, SFA staff should refer to the [School Year 2025-26 Pre-Assessment Resource Management/Procurement School Nutrition Program Administrative Review Document List](#). Many of the questions and documents needed relate to SY 2024-25, so this document list will be helpful while completing the Certified Annual Report.

Questions related to resource management can be directed to your [Regional School Nutrition Consultant](#).

Questions related to procurement can be directed to idoen.snlprocurement@iowa.gov.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

School-Based Medicaid

2024-25 Medicaid Revenue

During FY25, Iowa's Local Education Agencies (LEAs) were paid \$113,275,296 and following payback of the state share, retained \$71,690,084, up 6.19 percent from FY24. Iowa's AEAs were paid \$753,603 and retained \$477,040 for Individuals with Disabilities Education Act (IDEA) Part B services, down 2.54 percent from FY24. Iowa's Infant Toddler IDEA Part C providers were paid \$318,541, retained \$201,842, down 5.61 percent from FY24.

In total, Iowa's IDEA Medicaid programs retained \$72,368,966, down 6.09 percent from FY24.

Medicaid - Federal Share

For claims paid July 1, 2025 through September 2025, the federal share (i.e., the amount retained by a district) is 63.25 percent and the state share is 36.75 percent. For claims paid October 1, 2025 through June 2026, the federal share is 62.7 percent and the state share is 37.3 percent.

Transportation

New Online School Bus Driver Training Platform

Beginning July 1, 2025, the online component of the School Transportation Operators's Program (S.T.O.P.) for new school bus drivers has transitioned to [AEA Learning Online](#). The training is anticipated to be available in early August 2025.

In addition to the change in delivery, the training has been updated with the priorities listed below.

- The AEA Online interface is more user friendly and already familiar to drivers for other required training.
- The updated content does not overlap with ELDT training requirements.
- The content is relevant for both yellow school bus drivers and Type III school bus drivers.
- The updated content is *much* shorter than the previous 14-hour online portion.
- The training is available at no cost to the driver or employer.
- Applies to all new drivers after July 1, 2025.

All districts/schools that opt in to AEA Online already have a verification code. This includes many public and nonpublic schools. Bus drivers that need to establish new accounts must include the related verification code in their profile. Once affiliated, each driver will be able to access the training at no cost to them or the school. Drivers may access the step-by-step [tutorial](#) for setting up a new account. Please note, drivers from nonpublic school partners and contractors will also be able to access this training at no cost.

Tip for nonpublic schools and contractors: Step 7 specifically addresses how to affiliate an account with a district.

Other helpful tips related to the online training include the items listed below.

- The online portion and the face-to-face portion are now independent and may be taken in any order.
- The online training no longer requires a final proctored exam. Each module includes an independent test.
- All drivers now have the option to test out of each module by scoring 80% or better on the pretest.

The face-to-face component of the new driver S.T.O.P training and the annual renewal training for returning drivers will continue to be offered through local community colleges and Mississippi Bend AEA.

Questions related to the updated online S.T.O.P. training for new drivers should be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

Inspector Tip of the Month: Summer Maintenance

Summer is an ideal time for performing yellow school bus and Type III vehicle maintenance. A few important inspection and maintenance items are listed below.

- Emergency Equipment
 - Fire extinguishers should be properly charged, have a current inspection tag, and the safety pin and seal should be present and intact.
 - Items inside First Aid Kits and Body Fluid Spill Kits should be inspected for content and ready condition. Missing, opened, or damaged items should be replaced. The container should also close properly and be labeled clearly. These kits need to be secured, but also easily removable when needed.
 - Seat belt web cutters should be securely mounted and easily accessible to a properly restrained driver.

- Emergency reflective triangles and the storage box should also be inspected and replaced as necessary.
- Emergency Exits
 - Rear and side emergency doors should be inspected for ease of operation and to ensure that the hold-open device functions properly. If equipped, vandal locks should be checked for alignment and to ensure that the bus will not start and the alarm will sound when the lock is engaged.
 - Emergency windows and roof hatches should be opened fully to ensure proper operation. Latches and alarms should be inspected and repaired as necessary.
- Brake Systems and Tires
 - Perform a visual inspection of these items and drive the vehicle at least once per month.
 - Driving the vehicles periodically over the summer will help to keep seals and lubricated parts in good working order.
- Heating and Filters
 - Though heaters are most likely not being used this time of year, it is an ideal time to perform preventative maintenance.
 - Cleaning or replacing filters now will help to ensure that heaters work efficiently during the school year when the vehicles are operating more frequently and maintenance time is at a premium.

Further questions related to summer maintenance can be directed to the inspector for your region as listed below.

- Chris Errthum (Northeast) at chris.errthum@iowa.gov or 515-669-4994
- Joe Funk (Southeast) at joseph.funk@iowa.gov or 515-669-4987
- Codie Kellen (West) at codie.kellen@iowa.gov or 515-326-1022
- Tom Simpson (Statewide) at tom.simpson@iowa.gov or 515-336-3965

Inspector Corner: Digital CDL Medical Certificates

The [Iowa Department of Transportation](#) (IDOT) recently announced that CDL medical certificates will be issued digitally beginning October 19, 2025.

According to the Federal Motor Carrier Safety Administration (FMCSA) [National Registry II Learning Center](#) web page, Commercial Learner's Permit (CLP) and Commercial Driver's License (CDL) holders will no longer be required to submit a paper medical examiner's certificate to IDOT. Instead, driver physical qualification examination results will be electronically transmitted from the FMCSA's National Registry to IDOT and posted on the driver's record.

CLP and CDL holders will no longer receive the original/paper medical examiner's certificate from the certified medical examiner unless they request a copy for their records.

Please note that the electronic record will be the official proof of medical certification and that the original/paper medical examiner's certificate cannot be used by the driver as official proof of medical certification.

Employers are no longer required to verify that the medical examiner's certificate was issued by a medical examiner on the FMCSA National Registry.

Employers must obtain the [Commercial Driver's License Information System](#) (CDLIS) driver motor vehicle record (MVR) from IDOT with driver medical certification information and retain it in the driver's qualification file.

Questions related to medical examiner's certificates may be directed to the Iowa Division of FMCSA at MCIAOFF@dot.gov or (515) 233-7400.

Reminder: Type III Driver Requirements

Type III vehicle drivers who transport students to and from school are school bus drivers and are required to hold a school bus driver authorization. Authorizations are issued by the employer through the driver authorization system (DAS) available in the Department's [EdPortal](#).

To be eligible for a school bus driver authorization valid for Type III vehicles, drivers must meet the requirements listed below.

1. Possess a valid Class D (chauffeur) driver's license with the "3" (passenger endorsement) or a commercial driver's license (CDL).
2. Possess a valid medical examiner's certificate from a certified medical examiner on the [Federal Motor Carrier Association's \(FMCSA\) National Registry for Certified Medical Examiners](#).
3. Meet the training requirements of the School Transportation Operator's Program (S.T.O.P.).
 - New drivers must complete online training discussed above and the 3-hour face-to-face class for new drivers. These drivers have six months from the date of authorization to complete both components of the training.
 - Returning drivers must have attended the annual 3-hour renewal class during the previous school year.

Questions related to Type III driver requirements should be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

Fall 2025 School Bus Inspection Schedules

The fall 2025 school bus inspection schedules are available on the Department's school bus inspection [public calendar](#). The inspection date for your district should be communicated to the transportation staff and added to the district's calendar.

Further questions can be directed to the inspector for your region as listed below.

- Chris Errthum (Northeast) at chris.errthum@iowa.gov or 515-669-4994
- Joe Funk (Southeast) at joseph.funk@iowa.gov or 515-669-4987
- Codie Kellen (West) at codie.kellen@iowa.gov or 515-326-1022
- Tom Simpson (Statewide) at tom.simpson@iowa.gov or 515-336-3965

Bus Driver Physicals

Each school bus driver must maintain a current medical examiner's certificate for his or her school bus driver authorization to be valid. [Federal Motor Carrier Safety Administration \(FMCSA\)](#) regulations require that Department of Transportation (DOT) physicals be performed by a certified medical examiner on the [National Registry for Certified Medical Examiners](#).

School bus driver authorizations for both yellow school bus drivers and Type III school bus drivers must be reviewed, updated, and renewed by August 15 each year. Access to the Driver Authorization System (DAS) is gained through the [EdPortal](#). The new school bus driver authorization should be printed and provided to the driver.

Further questions can be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.



August 2025

Featured

Staffing Update: Seeking SBO!

Do you enjoy the topic of Iowa school finance in general? Are you intrinsically motivated to be a resource for others? Have you thought about the impact you could make at a state level being a resource for peers across the state? Consider joining our team! We will be accepting applications for an Education Program Consultant (School Finance - Accounting) position.

Posting: The position is anticipated to be posted by the end of August on the Department-specific [State of Iowa Careers](#) web page.

If you have questions about the position responsibilities or ways this person will make a difference internally and across the state, please reach out to Cassandra Cline at kassandra.cline@iowa.gov or 515-326-2242.

Allowable Uses of Special Education Funds Webinar: Video and Presentation Available

The Department hosted a webinar to review allowable uses of special education funding, including special education support services funds, on Wednesday, August 13. Panelists included Dr. Angelisa Fynaardt, Division Administrator for Regional Special Education; Mrs. Leisa Breifelder, Division Administrator for Central Special Education; Dr. Cassandra Cline, Bureau Chief for the Bureau of School Business Operations; and Mr. Thomas Mayes, General Counsel.

A video recording of the webinar and the presentation is available on the Department's [Special Education Finance](#) web page.

Reminder: Virtual Office Hours Schedule

The Bureau of School Business Operations will be offering virtual office hours during the upcoming FY25 application submission period for the Certified Annual Report (CAR), Special Education Supplement (SES), and the Annual Transportation Report (ATR). Members of the Department's team as well as other School Business Officials will be available to answer questions related to the applications. Mark your calendars and bring any questions related to the CAR, SES, or ATR. The schedule and topic information below is also available on the Department's [Certified Annual Report](#) web page.

Virtual office hours dates and times:

<i>Date</i>	<i>Time</i>
Tuesday, August 26	1:00 pm - 2:30 pm
Wednesday, August 27	9:30 am - 11:00 am
Wednesday, September 3	1:30 pm - 3:00 pm
Friday, September 5	9:30 am - 11:00 am
Tuesday, September 9	1:30 pm - 3:00 pm
Thursday, September 11	1:30 pm - 3:00 pm

Join the webinar:

<https://IDOE.zoom.us/j/92631407487?pwd=pLb6PlakZ2QYsYnM3yXity2X7ikfZa.1>

Meeting ID: 926 3140 7487

Passcode: 545958

Quick Links: CAR, SES, and ATR Instructions

CAR instructions may be found on the Department's [Certified Annual Reports](#) web page. For more information, see the CAR application article in the Applications section below titled "Certified Annual Report - Due September 15".

SES instructions may be found on the Department's [Special Education Finance](#) web page. For more information, see the SES application article in the Applications section below titled "Special Education Supplement - Due September 15".

ATR instructions may be found on the Department's [Pupil Transportation](#) web page. For more information, see the ATR application article in the Applications section below titled "Annual Transportation Report - Due September 15".

FY26 Rates for Procedures

The 2025-26 Local Education Agency (LEA), Area Education Agency (AEA), and Infant Toddler program Medicaid rates are now posted on the Department's [School-Based Medicaid](#) web page.

Recent Questions

ESPSS: Spending Authority

Question: Will districts receive spending authority for the payments of education support personnel salary supplement (ESPSS)?

Answer: Yes. The Department issued warrants at the end of July 2025 for each district's FY26 ESPSS allocation. The Department will include this amount as miscellaneous income at the end of FY26, thereby assigning additional spending authority for the same amount.

It is expected the funds will be fully expended in FY26. Additional information regarding FY26 ESPSS payments were published in the July School Business Alert (SBA) available on the Department's [SBA](#) web page.

ESPSS: Account Coding

Question: How should the use of ESPSS funds be coded?

Answer: The district has flexibility to code the expenditure where appropriate.

1. Regular wages (i.e., IPERS covered wages)
 - Non-special education regular wages - Use the employee's normal salary account code combination.
 - Special education regular wages - Use the employee's normal salary account code combination with Program 100, Project 0000 or 8XXX.
2. Additional wages (e.g., recruitment payment, retention payment, or other incentive)
 - Non-special education additional wages - Use the employee's normal salary account code combination. Required dimensions include Fund XX, Function XXXX, and Object 1X9.

Special education additional wages - Use the employee's normal salary account code combination with Program 100, Project 0000 or 8XXX, Object 1X9.

Allowable Uses of Teacher Salary Supplement

Question: Can Teacher Salary Supplement (TSS) funds be used to pay for employee benefits other than FICA and IPERS (e.g., health insurance, dental insurance)?

Answer: No. In accordance with [Iowa Administrative Code r. 281-98.24](#), TSS funds cannot be used to pay employer-paid benefits other than FICA, IPERS, or a pension and annuity retirement system established under [Iowa Code chapter 294](#).

Special Education SBRC Administrative Costs

Question: How do I know if the district is eligible to enter costs for the "SBRC Approval for Administrative Costs" section on Screen 8 of the SES?

Answer: Only districts with eligible programs pursuant to [Iowa Administrative Code r. 289-6.6](#) and who were approved by the School Budget Review Committee (SBRC) may charge administrative costs to the resident district's special education program. Serving districts should include these amounts when billing districts in Special Education Billing (SEB), which will flow to screen 8 of the Special Education Supplement (SES). Only districts with eligible charges should enter the related amount in the "SBRC Approval for Administrative Costs" field in screen 8 of the SES.

FY25 SBRC-approved eligible programs include:

District Name	Program/Facility Name
Cedar Rapids	Transition Center/Polk Ed. Center
Cedar Rapids	Four Oaks - Tanager Place - ASAC
College	Prairie Edge - Four Oaks
Council Bluffs	Heartland Family Services/Children's Sq.
Des Moines	Ruby Van Meter
Des Moines	Orchard Place
Glenwood	APEX
Grandwood Consortium in Woodward	Grandwood
Johnston	ChildServe & Youth Homes

Lied Center Consortium in Waverly-Shell Rock	Bremwood - Lied Center
Mason City	Four Oaks & Francis Lauer
River Hills Consortium in Cedar Falls	River Hills
Waverly-Shell Rock	Bremwood
Woodward-Granger	Woodward Academy

For districts whose resident student attends an approved program, the SBRC administrative costs will appear on their bills from the serving district and will appear on screen 8 of the SES.

All districts should review the special education bills to ensure special education administrative costs are only being charged if a resident student attended an eligible program, and the charges are correctly reflected in the special education surplus or deficit.

Questions regarding special education administrative costs can be sent to specialeducationfinance@iowa.gov.

Applications

Certified Annual Report | Due Sept. 15

The *CAR 2025 Upload and Reports* application opens August 15 and is due September 15.

- Read the home screen of the application for important messages.
- Edits are required to be corrected.
- Review warnings to determine if they are applicable.
 - Applicable warnings: Make the correction in the FY25 accounting software and upload a new file to the CAR application.
 - Not applicable warnings: A comment is required to be provided for any warning that remains in the CAR at the time the application is certified. Be sure to explain why the warning does not apply.
- A “Certify” button will not appear until the file is edit free and comments have been made for each remaining warning.
- Note: The CAR 2025 COA Test Records application remains available for testing of individual records.

Extension Reminder: 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 unusual or unique circumstances ([281 IAC 99.3](#)). Please refer to the FY25 CAR Instructions on the [Certified Annual Report](#) web page for more information about extension requests. Extension requests can be emailed to kassandra.cline@iowa.gov, no sooner than two weeks prior to the due date and no later than two days prior to the due date.

Flexibility Account Reminder: If the district has expenditures paid from the flexibility fund account, the board-approved resolution required by [Iowa Code subsection 298A.2\(2\)](#) is statutorily required to be filed with the Department. Please send resolutions to song.luong1@iowa.gov.

Important Steps Prior to Certifying the CAR:

- Thoroughly review CAR data in the SES, ATR, and EL Excess Costs applications before certifying the CAR. Once certified, school districts, charter schools and AEAs will not be able to make changes to the CAR data.
- Review CAR reports in EdInsight to help ensure accuracy of the CAR submission.
- Certification order: CAR, ATR, SES.

CAR Reports: CAR reports are available in EdInsight in the Portal. Instructions to run CAR reports are in the [How to Run CAR Reports on EdInsight](#) document on the [Certified Annual Report](#) web page.

- Balance Sheet
 - Review the balances of each account and compare it to the prior year.
 - Review large variances to determine a reasonable explanation.
 - Ensure all payables and receivables are recorded.
 - Verify the fund balances are accurate.
 - Verify that the committed fund balance matches the balance the board acted upon by June 30.
 - For each fund -
 - If there were expenditures against this balance during the year, verify that the balance was adjusted accordingly.
 - If there is an assigned fund balance, verify it is accurate.
 - Verify the amounts are as expected.
 - Review and verify the expenditures for each categorical are appropriate.
 - For proprietary and fiduciary funds (60 – 89), verify the balance of the Net Investment in Capital Assets (Account 760) equals the balance of the capital assets (Account 241) less accumulated depreciation (Account 242).
- 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 accounting software. The adjustments to the beginning balance row is a forced adjustment if the report does not add up—this should be zero. Compare balances, revenues, and expenditures to the prior year for consistency. Research any large or unusual variances.
- Revenues and Expenditures
 - Same as above. Compare values to the prior year and research large or unusual variances.
- Miscellaneous Income and Expenditure Report
 - Same as above. Compare values to the prior year and research large or unusual variances.
 - Does the maximum cash reserve levy amount seem correct in comparison to what was expected? If not, are all payables/expenditures coded? Are fund balances coded correctly?

The CAR is used extensively to provide the data required for state and federal reporting purposes, including reports to the United States Census Bureau, the National Center for Education Statistics (NCES), and the National Education Association (NEA).

For further questions or assistance with uploads, reports, account codes or journal entries, please contact Jina Brincks at jina.brincks@iowa.gov or 515-313-5942 or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Special Education Supplement | Due Sept. 15

The Special Education Supplement (SES) opens on August 15 and is available through the [Iowa Education Portal](#). The SES is due September 15 and must be certified on or before that date. Districts must submit all the screens in order to ensure the deficit/surplus is calculated correctly before the SES is certified. Districts must receive board approval for the Modified Supplement Amount for their special education deficit. Districts can include this request on their September or October school board meeting agenda. Please upload the board minutes with the amount that was approved on the Certification Screen of the SES.

Best practice: Certify the CAR and ATR before certifying the SES. After the CAR and ATR are certified, go through each screen in the SES one more time to ensure all data is pulled in the SES from the other two applications.

For further questions related to the SES, please contact Valerie Moos at valerie.moos@iowa.gov or 515-393-8349.

Annual Transportation Report | Due Sept. 15

The Annual Transportation Report (ATR) opens on August 15 and is available through the [Ed Portal](#). The ATR is due September 15 and must be certified on or before that date. The application includes multiple items that are pre-populated from CAR data and the Vehicle Information System (VIS). There are four values the district must enter.

1. Number of miles traveled
2. Number of days buses operated
3. Number of students transported
4. Aggregate number of weeks students were transported

Troubleshooting tip: The number entered into the "Aggregate Number of Weeks" column should be the sum total of weeks for all individual riders – not the total number of weeks for riders as a group. For example, if buses ran for 36 weeks and 10 students rode the bus 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 Line 1 of the "Miscellaneous" form 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.

Please refer to the "[Annual Transportation Report Instructions](#)" document posted on the Department's [Pupil Transportation](#) web page. For further assistance, please contact Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

District Contact Verification

All school business officials, and all other district 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 current. This process may be completed on the contact page of the Special Education Billing application in the [EdPortal](#).

For further questions, please contact Valerie Moos at valerie.moos@iowa.gov or 515-393-8349.

Fall BEDS Staff and Operational Sharing Applications | Due Oct. 30

The Fall BEDS Staff application is anticipated to open in early September. The Operational Sharing application is anticipated to be open October 1, with a certification deadline of October 30. The Fall BEDS Staff application is not required to be certified before completing the Operational Sharing application. *Reminder:* Both the district holding the contract and the district purchasing a portion of the contract are required to 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 full-time equivalent (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; there will be a new validation check for this field, if purchasing services. 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.

The maximum FTEs a district can generate has been increased to 25 [Senate File \(SF\) 167](#). Beginning with FY25 reporting, [House File \(HF\) 2615](#) modifies Iowa Code section 257.11 to not include any supplementary weighting generated for a college and career transition counselor or coordinator toward the maximum 25 FTEs. If a district has an eligible sharing arrangement for a college and career transition counselor or coordinator, supplementary weighting may generate up to 27 FTEs. Sharing arrangements that qualify for supplementary weighting are limited to the position codes below reported in Fall BEDS Staff.

- Superintendent (9 FTEs)
 - 511 - Superintendent
- Business Management (each district can generate supplementary weighting for only one of the following) (4 FTEs)
 - 612 - School Business Official (each district can only have one SBO)
 - 133 - Other Business Official
 - 112 - Board Secretary
- HR Manager (4 FTEs)
 - 134 - HR Manager
- Transportation Director (4 FTEs)
 - 167 - Transportation Director
- Operation & Maintenance Director (4 FTEs)
 - 168 - Operations Director
- Curriculum Director (2 FTEs)
 - 633 - Director/Coordinator/Department Head
- Counselor (2 FTEs)
 - 721 - Counselor
- Social Worker (2 FTEs) - must have master's or independent license
 - 624 - Social Worker - with Statement of Professional Recognition (SPR) from BoEE
 - 198 - Social Worker (Non-BoEE licensed)
- Special Education Director (2 FTEs)
 - 515 - Special Education Director
- Workplace Learning Coordinator (2 FTEs)
 - 633 - Director/Coordinator/Department Head, assignment 50040
- Mental Health Professional with Statement of Professional Recognition (SPR) from BoEE (2 FTEs)
 - 621 - Mental Health Professional
- School Resource Officer (2 FTEs)
 - 190 - SRO
- College and Career Counselor or Coordinator (2 FTEs)
 - 720 - College and Career Transition Counselor (licensed)
 - 199 - College and Career Transition Coordinator (non-licensed)

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 partner does

not have to use the shared individual for the same operational function, but the position held in each district must be a position eligible to generate supplementary weighting.

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, use the Iowa Department of Public Health's [online license search](#). Social Worker license numbers must be reported in Fall BEDS Staff.

For new sharing arrangements involving other governmental entities (e.g., city, county) that are not another Iowa public school district or AEA, please submit a copy of the sharing contract and job description to ted.bauer@iowa.gov.

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 percent 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).

Questions regarding Fall BEDS Staff reporting can be directed to Shelly Wolterman at shelly.neese@iowa.gov or 515-336-3859. 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](#) web page.

Questions regarding eligible sharing arrangements can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

English Learners (EL) Excess Costs Application for MSA | Due Sept. 30

The EL Excess Costs application (formerly LEP Allowable Costs application), due September 30, 2025, is anticipated to be available on the [Iowa Education Portal](#) as an optional application beginning September 2, 2025. If eligible (see Line 21 of the application), districts may request modified supplemental amount (MSA) (i.e., spending authority) from the SBRC for the costs in excess of weightings and other resources for providing its EL program.

The EL Excess Costs application is populated using district data from the Certified Annual Report (FY24 and FY25 CAR), Student Reporting in Iowa (fall 2024 and spring 2025), Certified Enrollment (fall 2024), and Fall BEDS Staff (fall 2024). The application includes only costs for students who were served in an English Language (EL) program during the 2024-2025 school year.

Submission requirements:

- Enter data, if applicable, in the lines below.
 - Line 19: Enter revenue not captured. (Enter any revenue not already reflected in the application. An example is revenue received from other districts.)
 - Line 20: Enter expenditures captured in the calculation that are not eligible to include. (An example is costs for an EL teacher whose contract is partially purchased by another district.)
 - Line 22: Enter the amount of MSA the district is requesting.

- Board minutes approving the request, including the amount.
 - Recommend approval at the September board meeting.
 - Upload board minutes to the application.
 - If board minutes are not available prior to the September 30 due date, certify the request, complete the “File Upload Promise Date”, which is generally two business days after the board meeting at which related action will occur, and then upload board minutes by the date provided.
 - Board action template language: EL Excess Costs - The district’s administration is authorized to submit a request to the SBRC for a modified supplemental amount of \$XXX due to excess costs of providing the EL program in the prior year. Ayes: _____, Nays: _____ The motion _____ by a vote of _____.

For further questions regarding the EL Excess Cost application, please contact Ted Bauer at 515-979-5468 or ted.bauer@iowa.gov.

School Safety Spotlight

Professional Development: K-12 Back-to-School Safety and Emergency Preparedness Training | Aug. 28

Cybersecurity and Infrastructure Security Agency (CISA) School Safety is hosting a [virtual training](#) on back-to-school safety and emergency preparedness actions for kindergarten through grade 12 (K-12) schools.

The start of the school year provides a critical window for school and district leaders to reinforce a culture of safety and preparedness among students and staff. This interactive panel discussion will equip K-12 administrators with practical strategies to integrate emergency response drills, trainings, and exercises as core components of a safe and secure learning environment.

Attendees will gain insight into updating and sustaining crisis response and reunification plans with an emphasis on ensuring plans are well understood and practiced by staff and students. The session will also provide actionable tools and guidance to support the implementation of developmentally-appropriate preparedness efforts throughout the school year.

Event Details

- When: August 28, 2025, at 3:00 p.m. – 4:00 p.m. EDT
- Where: Microsoft Teams Live (access link to be provided to registrants one day in advance of the event)
- Registration: [K12SafetyPreparedness.eventbrite.com](https://k12safetypreparedness.eventbrite.com)

The subject matter covered during this event will be particularly relevant to school and district administrators, K-12 school security staff, emergency management professionals, school resource officers and school-based law enforcement personnel, state and local law enforcement, parents and guardians, and other members of the school safety community. If you have any questions, please contact CISA School Safety at SchoolSafety@mail.cisa.dhs.gov.

Financial

Reminder: Statewide Voluntary Preschool Program Funds

School districts should work to ensure community partners understand allowable uses of Statewide Voluntary Preschool Program (SWVPP) funds. The community partner contract should also clearly indicate the documentation necessary to demonstrate, for auditing purposes, that SWVPP funds were

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 met, including the reversion of community partner funding to the district.

By statute, the district must flow SWVPP funds to its community partners; however, if a community partner does not expend the full amount allocated, all remaining unexpended funds must be returned to the district no later than June 30 of the program year ([281 IAC 98.13\(2\)"b" and "c"](#)). Additionally, the district may require the return of any funds already expended that do not have the documentation necessary to illustrate the funds were used appropriately.

Additional information relating to SWVPP Finance is available on the Department's [SWVPP](#) web page under the Resource for SWVPP Educators section in the Finance FAQs for the Statewide Voluntary Preschool Program.

Programming questions relating to the SWVPP can be directed to Mary Breyfogle at mary.breyfogle@iowa.gov or 515-326-1030.

Finance questions relating to the SWVPP finance can be directed to Song Luong at song.luong1@iowa.gov or 515-205-0259.

Sources to Pay for Student Activities

The Student Activity Fund, as a special revenue fund, is used to ensure funds received to support student activities (e.g., gate receipts, fundraiser proceeds) are restricted for the purpose intended. However, the Student Activity Fund is not the only available source to pay for costs related to student activities. Below are a few common examples of costs related to student activities that could be appropriately expended from another fund.

Expenditure	Student Activity Fund	General Fund	Capital Project Fund	Enterprise Fund
Staff salary/benefits	Yes	Yes	No	Yes
Activity group meeting expenses	Yes	Yes	If capital item	Yes
Computer for student groups	Yes	Yes	If capital item	Yes
Activity group competition fees	Yes	Yes	No	Yes
Equipment	Yes	Yes	If capital item	Yes
Student travel costs	Yes	Yes	No	Yes
Uniform	Yes	Yes	No	Yes
Coaching apparel	Yes	Yes	No	Yes
Construction	No	No	Yes	No

Questions and answers regarding allowable sources to pay for costs related to the student activity program are available in the [Student Activity Fund](#) section of the Department's [Levies and Funds](#) page [Student Activity Handbook of Frequently Asked Questions](#).

Further questions can be directed to Song Luong at song.luong1@iowa.gov or 515-205-0259.

Reminder: English Learner Coding and Reporting

English Learner (EL) Expenditure Coding

This article serves as the annual reminder regarding expenditure coding for the district's EL program.

- Use Program 41X to identify EL expenditures.
- District expenditures coded to Project 1112 (property tax and state aid financed weighted EL and School Budget Review Committee (SBRC) modified supplemental amount (MSA) for EL) or Project 4644 (Title III - English Language Acquisition State Grants) cannot exceed the revenues coded to Project 1112 or 4644 respectively.
- EL expenditures in excess of all available restricted funding should retain Program 41X and include Project 0000.
- EL program expenditures that do not include Program 41X will not appear in the EL Excess Costs Application.
- **Continue to use Program 41X for excess EL expenditures, even though the project code may be changed to 0000.**

Appropriate and inappropriate uses of EL funds are found in [Iowa Administrative Code r. 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 EL funds. While these may be related costs, they are not direct costs of providing the district's EL program; therefore, the costs cannot be included in a request to the SBRC for excess costs of providing the program.

Reporting EL Instructional and Support Staff in Fall BEDS Staff

Districts that report expenditures for salaries but do not report a teacher with an appropriate English as a Second Language (ESL) assignment code in Fall BEDS Staff will not be able to submit a request to the SBRC for excess EL costs incurred during the 2024-2025 school year. Please review Fall BEDS Staff to ensure teachers in a district's EL program have been appropriately identified with the position of Regular Education Teacher and assigned to the ESL program; there are separate elementary and secondary ESL assignments.

Identifying staff: Visit the [Iowa Education Portal](#). Select the Fall BEDS Staff application. Under "Staff Filters" in the upper right on the District/Staff page, set the Program field to ESL. All teachers and paraprofessionals assigned to the program will appear when filtering on ESL. Additional individuals, such as administrators or coordinators of the EL program, may also appear. Data in the 2024-2025 Fall BEDS Staff application can be viewed, but not edited at this time.

Common Reporting Problems

Problem 1: Missing staff

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 (22% EL, 78% regular education)

In this example, the teacher has two assignments, one of which belongs under "No special program". The other assignment belongs under the ESL program. Seventy-eight percent of this teacher's salary and benefits will be paid from non-EL sources (e.g., unobligated General Fund monies, teacher salary supplement), while twenty-two percent can be paid from EL sources. For this teacher, the ESL 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 of Regular Education Teacher, FTE = 0.22, and program = ESL needs to be created. The ESL assignment will then be added to the new position.

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

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 portion 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.

Please make sure all data submitted to the Department are reviewed for accuracy. There will not necessarily be validation errors on the positions, assignments, or programs in Fall BEDS Staff. Inaccurate reporting in one application can impact other applications as well.

For questions related to the Fall BEDS Staff application, please contact Shelly Wolterman at shelly.neese@iowa.gov or 515-336-3859.

Account coding questions can be directed to Jina Brincks at jina.brincks@iowa.gov or 515-313-5942 or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Nonpublic Transportation Claim

All nonpublic transportation claims have been processed and warrants were issued at the end of July. The distribution of funds to be retained by the district or paid to families or contractors is available in the FY25 Nonpublic Transportation Claim application in the [EdPortal](#). The prorated claim amounts per claim type are populated in the yellow highlighted columns on the right side of the page.

Tip: Ensure the 2024-2025 school year is selected in the upper right hand side of the page.

For questions, please contact Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

Coding

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the Department's [Uniform Financial Accounting](#) web page, is regularly updated to reflect changes necessary to meet fiscal reporting needs.

<i>Account Code</i>	<i>Description</i>
Source/Project 4029	Antiterrorism and Emergency Assistance Program (AEAP) (FAL/CFDA 16.321) (Jul25)

Reminder: Coding Payments to a Student/Adult Nutrition Account

Deposits made into student/adult meal accounts in the Nutrition Fund (Fund 61) are unearned revenue and must be recorded in balance sheet Account 483, Unearned Revenues. These monies are to be accounted for as a liability in the event there are refunds when a student/adult leaves the district. When students/adults make purchases from their meal account, the purchase becomes a sale with Source 16XX. Districts may record student/adult sales monthly using reports or data from the point of sale (POS) system.

For further questions, please contact Jina Brincks at jina.brincks@iowa.gov or 515-313-5942 or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Reminder: Account Receivable vs. Deferred Inflow

The accounting period in which funds are available for use (i.e., received in the district's bank account) will impact how the funds are recorded. Funds that are received within the 60-day accrual period (i.e., by August 31) are recorded as the current year revenue with an account receivable. Funds that are received after the 60-day accrual period (i.e., after August 31) are recorded as a deferred inflow in the current year to be accounted as revenue for the next fiscal year.

Journal entries for funds that are received in the district's bank account by August 31, 2025 are listed below.

- FY25: Record the revenue to the appropriate project/source as FY25 revenue with an account receivable.
Debit Account 141, Project XXXX
Credit Project/Source XXXX
- FY26: Record the cash against the receivable created in FY25.
Debit Account 10X
Credit Account 141, Project XXXX

Journal entries for funds that are received in the district's bank account after August 31, 2025 are listed below.

- FY25: Record a receivable and deferred inflow.
Debit Account 141, Project XXXX
Credit Account 623, Project XXXX
- FY26: Upon funds being received, reverse the receivable and deferred inflow entry created in FY25.
Debit Account 623, Project XXXX
Credit Account 141, Project XXXX
- FY26: Record the revenue to the appropriate project/source as FY26 revenue.
Debit Account 10X
Credit Project/Source XXXX

If revenue has already been recorded as an account receivable (debit Account 141, Project XXXX and credit Project/Source XXXX) but funds are not received by August 31, 2025 as anticipated, districts will need to convert the account receivable to a deferred inflow.

- FY25: Convert the receivable account to a deferred inflow.
Debit Project/Source XXXX
Credit Account 623, Project XXXX
- FY26: Upon funds being received, reverse the receivable and deferred inflow entry created in FY25.
Debit Account 623, Project XXXX
Credit Account 141, Project XXXX
- FY26: Record the revenue to the appropriate project/source as FY26 revenue.
Debit Account 10X
Credit Project/Source XXXX

Further questions can be directed to Jina Brincks at jina.brincks@iowa.gov or 515-313-5942 or Song Luong at song.luong1@iowa.gov or 515-205-0259.

General Information

Reminder: Determining Student Residency

It is the responsibility of the local district to determine student residency pursuant to [Iowa Code section 282.1](#), which defines residency.

Additional questions can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468 or Sara Nickel at sara.nickel@iowa.gov or 515-281-3778.

Reminder: Bonding Petitions

Pursuant to [Iowa Code section 296.2](#), a petition signed by eligible electors equal in number to 25 percent of those voting at the last election of school officials shall be filed with the president of the board of directors before it is accepted for filing.

- The school board president shall call a meeting of the board within 10 days of receipt of a petition for a school bond election, pursuant to [Iowa Code section 296.3](#). The meeting shall be held within 30 days after the petition is received.
- At the board meeting the board will call the election, fixing the time of the election as required by Iowa Code section 39.2(4)"d".

[Iowa Code section 39.2\(4\)"d"](#) defines when bond elections can be held. As of July 1, 2023, an election for voters to consider the issuance of bonds or other indebtedness can be held only on the first Tuesday after the first Monday in November.

Date Criteria	2025	2026	2027	2028	2029	2030
November - first Tuesday, following the first Monday	November 4	November 3	November 2	November 7	November 6	November 5

Questions can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

SBO Access in ACHIEVE

Question: How is ACHIEVE access granted to district employees?

Answer: The steps required to gain access to ACHIEVE are provided below.

1. The employee must have an EdPortal account.
2. The district employee who works with the Student Information System (SIS) needs to set up the employee requesting access in the SIS with an ACHIEVE user role.
3. An overnight sync will occur.

The following day, the employee should be able to access ACHIEVE by logging in through the EdPortal.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

Dual Enrollment: Student Coding Option

Reminder: Student Reporting in Iowa (SRI) codes are available for students who are sent from their resident district to another district (tuition out) pursuant to a 28E agreement for a Home School Assistance Program (HSAP), who are also dual enrolled in their resident district for academics and/or activities. Students will be kept actively enrolled by the resident district.

Questions regarding SRI codes can be sent to Rachel Kruse at rachel.kruse@iowa.gov or 515-281-4153.

School-Based Medicaid

Action Required: Department's Annual Report of Medicaid Exclusion/Suspension Verifications Due Sept. 1 (For FY25-26), Identifies Non-Compliant LEAs

The Department is required to submit an annual report identifying the year's Medicaid Exclusion/Suspension Verifications that were reported, including listing non-compliant providers. Iowa Medicaid school-based providers are required to check two sources each month to capture employee exclusions and suspensions: the federal list is available on the [LEIE Downloadable Database](#) web page and the state list is available on the [Iowa HHS Program Integrity](#) web page.

A search of these sources is to occur monthly to confirm individuals whose services are billed to Medicaid are not excluded. It is important that a district does not bill for services provided by an excluded or suspended individual.

ACTION ITEM:

In August, please send a report listing each staff member whose services were billed during FY25. Only list each individual once and include the individual's date of birth and the last 4 digits of their Social Security number.

NEW: The [Exclusion and Suspensions Yearly Check Template](#) is available on the [School-Based Medicaid](#) web page, under the Guiding Practices section.

Action Required: Medicaid Data Breach Three Year History | Due Sept. 8

Iowa Department of Health and Human Services (Iowa HHS) has requested an assurance from each school district that a Medicaid data breach did not occur.

ACTION ITEM:

- No data breach: Send email to Amy DeVault attesting no data breach has occurred within the last three years.
- Data breach occurred: Send email to Amy DeVault providing the date of the data breach and the date the breach was reported.

Medicaid Reimbursement Documentation for Open Enrolled Students

Receiving districts are required to provide to the resident districts the documentation necessary to seek Medicaid reimbursement for eligible IEP-ordered health services (Iowa Code § 282.18(8)"c"). Either the receiving or resident district may bill Medicaid for these eligible services. Thus, it is recommended the districts have an agreement in place at the beginning of the year defining which district will submit the Medicaid billing.

Medicaid Reminder: Change of District Medicaid Lead

If the district will have a new lead for School-Based Medicaid in 2025-26, please have them contact Amy DeVault.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

School Bus Driver Authorizations: Expire Aug. 15

Standard school bus driver authorizations issued in the 2024-2025 school year expires on August 15. Beginning July 1, school districts have access to issue new authorizations in the Driver Authorization System (DAS) application located in the [Ed Portal](#). Authorizations should be updated between July 1 and August 15 to avoid a lapse in driving eligibility.

Action items:

- If a driver is no longer employed as a driver for the school district or contractor, please delete the individual from the DAS system by selecting "Delete".
- Review the driver list for yellow or orange highlighting, reflecting missing or expired items. Expired licensing, physicals, and/or training records will need to be updated to obtain a new authorization.

Steps to issue a new authorization are provided below.

- Log in to the EdPortal.
- Under EdInfo, select "Transportation Applications", then "Driver Authorization System".
- Select "Driver Information" menu, then "Manage Driver".
- Click on the "Authorization" button, select the appropriate authorization, then click "Submit".
- Tip: Ensure authorizations are printed for each driver. Drivers are required to carry school bus authorizations while operating a school bus.

Failure to possess an accurately reported, current authorization can result in a citation from law enforcement.

Reminder: New Driver Training Update

Beginning July 1, 2025, the online component of the School Transportation Operators's Program (S.T.O.P.) for new school bus drivers has transitioned to [AEA Learning Online](#). **The training application is currently in production and the Department will notify districts when it is available.**

In addition to the change in delivery, the training has been updated with the priorities listed below.

- The AEA Online interface is more user friendly and already familiar to drivers for other required training.
- The updated content does not overlap with ELDT training requirements.
- The content is relevant for both yellow school bus drivers and Type III school bus drivers.
- The updated content is *much* shorter than the previous 14-hour online portion.
- The training is available at no cost to the driver or employer.
- Applies to all new drivers after July 1, 2025.

All districts/schools that opt in to AEA Online already have a verification code. This includes many public and nonpublic schools. Bus drivers that need to establish new accounts must include the related verification code in their profile. Once affiliated, each driver will be able to access the training at no cost to them or the school. Drivers may access the step-by-step [tutorial](#) for setting up a new account. Please note, drivers from nonpublic school partners and contractors will also be able to access this training at no cost.

Tip for nonpublic schools and contractors: Step 7 specifically addresses how to affiliate an account with a district.

Other helpful tips related to the online training include the items listed below.

- The online portion and the face-to-face portion are now independent and may be taken in any order.
- The online training no longer requires a final proctored exam. Each module includes an independent test.
- All drivers now have the option to test out of each module by scoring 80% or better on the pretest.

The face-to-face component of the new driver S.T.O.P training and the annual renewal training for returning drivers will continue to be offered through local community colleges and Mississippi Bend AEA.

Questions related to the updated online S.T.O.P. training for new drivers should be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

Professional Development: Railroad Crossing Training

“See Tracks? Think Train Week” (formerly Rail Safety Week) is September 15-21, 2025.

According to the [Operation Lifesaver Rail Safety Education](#) website, “See Tracks? Think Train Week” is a focused campaign spotlighting the critical importance of making safe choices around railroad tracks and trains. The [See Tracks? Think Train Week](#) web page offers statistics and free training materials related to rail safety.

Operation Lifesaver also offers free presentations on highway-rail grade crossing safety. Authorized volunteers are available to provide rail safety programs in school classrooms and for school bus drivers and other student transportation professionals. Presentations can be requested on the [“Request a Presentation”](#) page of the Operation Lifesaver website.

Inspector Tip of the Month: First Aid Kit Requirements

[Iowa Administrative Code r. 281-44](#) requirements for first aid kits are uniform for all vehicles used for student transportation. Type III vehicles, regardless of capacity, require the same first aid kits as yellow school buses.

281-44.5(2)e. First aid kit. A first aid kit meeting the national recommendations (most current National School Transportation Specifications and Procedures Manual—first aid kit) is required on all vehicles used for student transportation.

The [2015 National School Transportation Specifications and Procedures Manual](#) provides the requirements listed below.

First Aid Kit

- The bus shall have a removable, moisture-proof and dust-proof first aid kit in an accessible place in the driver's compartment. It shall be mounted and identified as a first aid kit. The location for the first aid kit shall be marked.
- Suggested contents include:
 - 2 – 1-inch x 2 ½ yards of adhesive tape rolls
 - 24 – Sterile gauze pads 3x3 inches
 - 100 – ¾ x 3 inches adhesive bandages
 - 8 – 2-inch bandage compress
 - 10 – 3-inch bandage compress
 - 2 – 2-inch x 6 foot sterile gauze roller bandages
 - 2 – Non-sterile triangular bandages, minimum 39x35x54 inches with two safety pins
 - 3 – Sterile gauze pads 36x36 inches
 - 3 – Sterile eye pads
 - 1 – Rounded-end scissors
 - 1 – Pair medical examination gloves
 - 1 – Mouth-to-mouth airway

Inspector Corner: Tire Inspection

“That light worked this morning!” is a phrase often heard by the Department’s school bus inspectors. The inoperable light may be a 30-day deficiency or it may cause the vehicle to be put in an out-of-service condition until repairs are made. Regardless of the severity of the deficiency, it is entirely possible that the light *did* work that morning.

Tires, however, are a different story. Tires marked deficient by Department inspectors often show alarming signs of excessive treadwear that can not occur in the course of a single morning. Excessive treadwear found by inspectors is a clear indication that either proper pre-trip inspections are not being performed, deficiencies are not being reported, or deficiencies are not being timely corrected.

Transportation supervisors should ensure that drivers are performing proper pre-trip inspections prior to transporting students in any vehicle, are aware of how deficiencies should be reported, and ensure deficiency corrections are timely scheduled and completed. One critical safety component of any trip is tire condition. Tires should be properly inflated, free from defects or damage, and have tread depth in excess of the minimum required by law to help ensure the safest trip possible.

School Business Alert

September 2025

Featured

Join Our Team!

Did you enjoy the recent CAR experience? Do you think you can help others tackle the process? Do you consider yourself an account coding guru? Do you experience a high level of satisfaction when you are able to be a resource for others? Join our team!

[Education Program Consultant \(School Finance - Accounting\)](#) (closes 10/12/25)

Reach out to Kassandra Cline at kassandra.cline@iowa.gov or 515-326-2242 if you want to learn more about the incredible impact you can have working on our team supporting SBOs across the State!

End of Fiscal Year Reporting

Congratulations on completing the Certified Annual Report (CAR), the Special Education Supplement (SES), and the Annual Transportation Report (ATR). We recognize and appreciate everyone's hard work, cooperation, and patience throughout the reporting process!

Virtual Office Hours

If you attended and have feedback regarding the virtual office hours held in August and September, please let us know.

First-Time Users

If you were a first-time user of the Department's applications, please let us know if the instructions were helpful and what type of information or training might be helpful prior to starting the process (be specific) in future years. Feedback, thoughts, and fresh ideas for enhancements, training, and future collaboration is appreciated.

Please send any feedback to Song Luong at song.luong1@iowa.gov or 515-205-0259.

Recent Questions

Recording Revenue Received for a Special Program

Question: Where should a fiscal agent for a special program (e.g., therapeutic classroom, alternative program, special education program) record related revenue for serving nonresident students?

Answer: If the district serves as a fiscal agent for a program, related revenues and expenditures should be captured in a Custodial Fund. Only the costs incurred by the district for serving its own students should be reflected outside of the Custodial Fund.

However, if the district did not use a Custodial Fund to account for the special program, additional steps may be required to properly reflect revenue received for programs with special education costs to ensure the district's special education balance (including a potential deficit) are not impacted for costs and revenues to serve nonresident students.

- The amount of the special education revenue received will need to be entered in Screen 8 of the SES in the "Other Revenue" field.
- **Action Item:** If the amount received for special education costs to serve nonresident students in a special program from other districts was not included in the SES, the district's special education deficit balance would be overstated; therefore, the district should request an equal amount of negative MSA from the SBRC to offset the unclaimed revenue.

Reminder: The default appropriate source to pay for special programs is revenue received for that purpose or the unobligated General Fund. For example, just because a student participates in a therapeutic classroom program does not equate to the student being a special education student. Only services provided pursuant to an IEP should be charged to the special education program, and if so, related special education costs for students in special programs are individualized costs.

School Safety Spotlight

SchoolSafety.gov | Back-to-School Campaign

SchoolSafety.gov launched the [2025 Back-to-School Campaign](#), which provides information and guidance to support K-12 schools and districts in preparing for a safe school year. This annual initiative is designed to empower K-12 communities to learn about and engage with resources, trainings, and tools available through SchoolSafety.gov to create safer learning environments for children and educators.

This year's campaign focuses on prevention, which encompasses the actions schools can take to stop or deter school safety threats or incidents and create safer places of learning. Through the campaign, SchoolSafety.gov released two new resources that can help support K-12 school safety and prevention efforts this school year.

- A [Back-to-School Tip Sheet](#), which outlines eight prevention actions to enhance student and school safety across multiple topic areas. These tips can serve as a starting point for integrating prevention strategies into a comprehensive school safety program this school year.
- A [Back-to-School Reading List](#), which highlights ten prevention-related resources that can inform school safety plans and initiatives. These resources provide guidance and insights on topics such as threat assessment and reporting, bullying prevention, emergency planning, and youth substance use.

SchoolSafety.gov also published a [Back-to-School Communications Toolkit](#) that provides sample communications and social media content to promote the campaign and its resources. To learn more and find additional campaign materials, please visit schoolsafety.gov/back-to-school-campaign. If you have any questions, please contact SchoolSafety@mail.cisa.dhs.gov.

School Bus Safety Week | October 20 - 24

School Bus Safety Week is observed by school districts throughout the country during the third full week of October. This year, School Bus Safety Week is October 20 through October 24. It is a great opportunity for parents, students, teachers, school bus drivers, emergency management personnel, and the media to remind students and other motorists of safe habits around school buses.

Financial

Two-Tiered Assessment Limitation Payment for FY26

School districts will receive a payment from the County Treasurer in September and March for the Two-Tiered Assessment Limitation. The payment is for an exemption of taxable valuation in Commercial, Industrial and Railroad value for Assessment Year 2024 or Budget Year 2026.

The Business Property Tax Credit (BPTC) was changed from a credit to an exemption in [HF 2552](#) during the 2022 Legislative Session. Property for Commercial, Industrial and Railroad has a 90% rollback, or 90% of their assessed valuation is used to calculate property taxes. This change to the BPTC (now called the Two-Tiered Assessment Limitation) changes the first \$150,000 of property valuation to be assessed at a lower rollback equal to the residential rollback of 47.43%. The difference between the residential rollback and 90% of the first \$150,000 is what the payment replaces.

The FY26 Aid and Levy has been adjusted to account for and prevent a double payment for the Uniform Levy and Additional Levy portion of your tax rate. You will receive additional revenue for the following levies: Ed Improvement, Instructional Support, Management, Voted and Regular Physical Plant and Equipment, Public Education/Recreation (Playground) and Debt Service.

The payments from the County Treasurer will be distributed by levy rate. This will allow the district to code the payment to the correct fund. Most counties call the payment Tier One payment.

Revenue will be coded to Source 3804, State Replacement for Two-Tiered Assessment Limitation.

Charter School Payment Deductions

Pursuant to [Iowa Code chapter 256E](#), charter schools organized under this chapter receive payments from the state in the year the students are served. For FY25, the amount paid to charter schools was based on the current year's state cost per pupil (SCPP) and supplemental amounts of teacher leadership and compensation (TLC), professional development (PD), and early intervention childhood (EIC). If the student was counted on the certified enrollment of the resident district in the school year, the actual amount paid to the charter school, including whether the amount was prorated for students attending less than a full year, will be deducted from the amount generated by the resident district for that student in the following year (FY26).

The FY26 deductions for students attending charter schools in FY25 are available on the Department's [State Payment Information](#) web page.

For questions regarding student reporting in Iowa, please contact Rachel Kruse at rachel.kruse@iowa.gov or 515-281-4153. For questions regarding charter school payments, please contact Kassandra Cline at kassandra.cline@iowa.gov or 515-326-2242.

Reminder: Notifying the SBRC of a Negative Unspent Balance

Districts should calculate their unspent authorized budget (UAB) at the end of each fiscal year to determine if the district ended the year with a negative unspent balance. The determination of whether or not the district ended the year with a positive or negative unspent balance is not contingent upon any anticipated award of modified supplemental amount (MSA) from the School Budget Review Committee (SBRC) (e.g., MSA related to special education deficit, excess English Language (EL) instructional program costs).

Districts that ended the year with a negative unspent balance are required to notify the SBRC in writing by October 15, 2025 (289 IAC 6.5(3)). The notification requirement is satisfied through the completion of an [SBRC Hearing Request](#) or providing an email to Stephanie Edler (see below). Please include the amount by which the district was negative within the district's notification. Districts incurring a negative unspent balance larger than the amount of their special education deficit will be required to submit a corrective action plan to the SBRC for the December 16, 2025 hearing. Upon receipt of the notification to appear, the district will receive further exhibit guidance.

Questions regarding the SBRC may be directed to Stephanie Edler, SBRC Liaison, at stephanie.edler@iowa.gov or 515-689-2258.

Coding

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the Department's [Uniform Financial Accounting](#) web page, is regularly updated to reflect changes necessary to meet fiscal reporting needs.

<i>Account Code</i>	<i>Description</i>
Source/Project 3424	Division of Special Education (IDOE) (IC 256B.1) (Aug25)
Source/Project 4535	Career and Technical Education (Industry-Recognized Credentials - Credentials to Careers Grant) (FAL/CFDA 84.048) (Aug25)

FY26 State Payments: Statewide Voluntary Preschool Program

[Iowa Code section 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 10 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.

The FY26 Preschool Funding document for preschool amounts is posted to the [State Payment Information for FY26](#) page of the Department's website. The amount remains at the \$33.17 per preschool budget enrollment.

Further questions can be directed to Song Luong at song.luong1@iowa.gov or 515-205-0259.

General Information

School Meal Programs - Verification

Verification is confirmation of eligibility for free and reduced price meals under the National School Lunch and Breakfast Programs. The United States Department of Agriculture (USDA) requires verification based on a school's sample size of free and reduced price school meal applications as of October 1 each school year. The verification process must be completed by November 15. A school district may request an extension of the November 15 deadline. Extension requests may be sent to [Patti Harding](#), Administrative Consultant. The State agency may approve an extension up to December 15 of the current school year due to natural disaster, civil disorder, strike or other circumstances that prevent the district from timely completion of verification activities. USDA requires all School Food Authorities (SFAs), including SFAs that are not required to conduct verification, to complete the Verification Collection Report in IowaCNP by December 12. IowaCNP is the [Bureau of Nutrition and Health Services](#) Child Nutrition Program data system for reporting and claiming. A webinar covering the [verification process](#) is available on September 29 and the webinar on how to complete the [Verification Collection Report](#) for SFAs (public and nonpublic schools, including RCCIs) is October 20. Districts should contact their assigned [School Nutrition Program Consultant](#), Meredith Vrchoťicky at meredith.vrchoťicky@iowa.gov or 515-975-8103, or Patti Harding at patti.harding@iowa.gov or 515-868-1956 for assistance.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

School-Based Medicaid

Reminder: Medicaid and Employer/Commercial Insurance

Iowa Medicaid will bill any employer/commercial insurance that the Medicaid student holds. The IEP team or Medicaid lead for the district may receive inquiries from families regarding the impact of multiple coverages including private insurance and Medicaid. An informative response would include the relationship between the coverages, including that Iowa Medicaid practices "pay and chase," meaning that after paying a claim from a district or AEA, if Iowa Medicaid identifies another insurer/ funder, Iowa Medicaid will send the paid claim information to the other insurance company and seek reimbursement.

This is a required practice for Medicaid participants. [Federal Code 42 U.S. Code § 1396a](#) of the Social Security Act requires states to take all reasonable measures to ascertain the legal liability of "third parties" for health care items and services provided to Medicaid beneficiaries. As such, Iowa Medicaid Enterprise has no option but to bill third party insurers when policies exist. This is acknowledged on page 24 of the Medicaid application which reads, "You must agree to assign medical payments from a third party to the Medicaid agency for yourself and others who are eligible for Medicaid for whom you can legally assign benefits, cooperate in getting medical payments from third parties, give the Medicaid agency rights to pursue and get medical support from a spouse, and give the Medicaid agency rights to pursue and get money from other health insurance, legal settlements, or other third parties."

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

Update: New Driver Training (Online Component)

Beginning July 1, 2025, the online component of the School Transportation Operators's Program (S.T.O.P.) for new school bus drivers has transitioned to [AEA Learning Online](#). **The training application is currently in the final stages of testing and is anticipated to be available the final week of September.**

Additional information, including the inspiration for the updates and directions for accessing the AEA Learning Online system was published in the August School Business Alert and will be published in the October School Business Alert when the training is live. Past School Business Alert newsletters are available on the Department's [School Business Alert](#) web page.

Tip: New drivers are not required to take the online component *prior* to taking the face-to-face portion of the new driver training.

Driver Authorization System (DAS) Application

The new school year brings a number of reminders regarding school transportation.

- Ensure one or more contacts are reported in the Driver Authorization System (DAS) application found in the [EdPortal](#).
- The driver list in the DAS should be accurate, which includes deleting drivers who no longer drive for the district, school, or entity.
- A current authorization must be provided to each school bus driver to carry with them when driving the bus.
- Driver authorizations must be current for school bus drivers to legally operate a school bus.

For the school bus driver authorization to be valid, the driver's license, medical examiner's card, and in-service training must be current.

Vehicle Information System (VIS) Application

Contact Information

All entities utilizing the VIS are requested to add local contacts within the application for each of the sections below.

- Vehicle Information System (main contact - required)
- Transportation Director
- Lead Mechanic
- Billing/Accounts Receivable

After logging in to the VIS, the entry area for contacts is accessed through the navigation bar located at the top of the page. The Department uses this contact information for communications.

Required Updates

The VIS also requires regular monitoring to ensure all active school buses are on the list and those no longer in use have been removed. School buses in this context are defined as all vehicles used to provide pupil transportation. Complete information regarding maintenance of the VIS can be obtained by contacting Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

Guidance, forms, links, training schedules, publications, code references, and other information pertaining to school transportation are available on the Department's [Pupil Transportation](#) web page.

Reminder: Type III Vehicle Capacity Information

Purchases: Schools may purchase vans of up to 12-passenger capacity, but any van with a rated capacity of 11 or 12, including the driver, must be purchased as a “used” vehicle only. [Iowa Code section 322.2\(29\)](#) defines “used motor vehicle” or “second-hand motor vehicle” as any motor vehicle of a type subject to registration under the laws of this state which has been sold “at retail” as defined in this chapter and previously registered in this or any other state.

Seating Capacity Defined: The seating capacity of the vehicle is set at the time of manufacture, by the manufacturer. The seating capacity rating may not be changed or modified except by the original equipment manufacturer (OEM), dealer, or remanufacturer. Seating capacities which vary from the OEM are required by the National Highway Traffic Safety Administration (NHTSA) to be identified by an alterer’s certification and information label affixed to the frame of the driver’s door.

Seating Capacity Alteration: [Iowa Administrative Code r. 281-44.5\(1\)](#) states alteration of a Type III vehicle, following manufacture by the OEM, is prohibited. While this includes the addition or removal of seats, the Department will grant an exception for seats which are added or removed as long as the seating capacity does not exceed the capacity as certified by the OEM or on the installed alterer’s certificate and information label as referenced above.

Additional information regarding seating capacity definitions and alterations is available in the Type III Vehicle Information resource located on the Department’s [Pupil Transportation](#) page under the Guidance, Information, and Instructions section.

Reminder: Ramp Vans

Districts may purchase and use Type III vehicles (typically vans) that are equipped with ramps for use with wheelchairs to transport students. [Iowa Administrative Code r. 281-44.5\(1\)](#) authorizes ramps on the passenger side of the vehicle only and requires compliance with all applicable FMVSS and ADA requirements.

Please note that only “curb-side” ramps are allowed; they may be powered or manual ramps.

Inspector Tip of the Month: Clean Windshield and Windows

A school bus driver’s ability to have a clear, unobstructed view out of the bus is critical for the safety of the driver, the driver’s passengers, other motorists, and pedestrians that may include students walking to school. Listed below are important items for drivers to consider.

1. Items should not be placed on the dash or placed in front of glass near the service door or the driver’s window.
2. The service door glass should be clean and unobstructed. The top service door glass is used primarily for the driver to observe oncoming traffic, while the bottom glass allows the driver to see if students are close to the door. Frost, moisture, mud, or dirt should all be removed before the bus is used.

3. Items should not be attached to or hang in front of the windshield or windows.
4. Frost, bugs, and other debris should be removed from the windshield.
5. The inside of the windshield and other critical windows should also be cleaned regularly to remove any dust or residue.
6. Proper operation of the defrost system and auxiliary windshield fans must be maintained.

Adherence to the items above creates the best opportunity for the driver to have a clear and unobstructed view which enhances safety for all.

Inspector Corner: Fall Driving Tips

September is a special time in Iowa. Students and teachers are eager to learn and teach, Friday night football is back, and farmers are preparing for harvest. These events, however, bring special challenges for student transportation. Student transportation personnel should consider the items listed below.

1. Tall corn may reduce visibility at unmarked rural intersections.
2. Farm machinery moves slowly and may take up a large amount of the roadway. Drivers should slow immediately upon seeing farm machinery on the road. Drivers should also remember that farm machinery may slow or turn unexpectedly and that the operator of the machinery may not be able to see vehicles around them.
3. Drivers should remain patient with farm machinery and only pass when it is safe to do so. Drivers should also remember that other motorists are not necessarily professional drivers and may not exhibit the same level of caution or patience.
4. In addition to increased farm machinery and school bus traffic, harvest season often creates more movement in the deer population. Drivers should be aware of the heightened risk of deer on the roadway.

Vigilant drivers are a key component to providing safe and efficient transportation to the students of Iowa during this special time of year.



October 2025

Featured

Staffing Update: Welcome Sarah Sheeder!



The Iowa Department of Education (Department) Bureau of School Business Operations is pleased to announce the addition of Sarah Sheeder to our team! Sarah joins us from Guthrie Center, Iowa. She has served as a School Business Official for the past fifteen years, with experience in five different Iowa school districts through operational sharing agreements. Prior experience also includes serving as a junior high and high school girls' basketball coach. Sarah will be supporting the field in the realm of special education finance and fiscal monitoring and can be reached at sarah.sheeder@iowa.gov and 515-326-0854. Welcome, Sarah!

Driver Training Update

The [S.T.O.P. Training for New School Bus Drivers \(Online Component\)](#) is now available. Details and instructions are available in the Transportation section below.

Resource to Remember: Map to Identify Student Resident District

Use the [School District Look-Up Map](#) to determine the resident district for any address in Iowa.

Directions: Click on the search icon, the magnifying glass, in the upper right-hand corner (it is the smaller and lower icon). Enter the address in the search box. Use your scroll to zoom in and out of the map. Click anywhere within the boundaries of the district to see the district's information.

Recent Questions

SESS AEA Payment

Question: Where can school districts find the monthly payment amounts for the 10% Special Education Support Services (SESS) funding?

Answer: Monthly payment amounts for the 10% SESS are in the *LEA Monthly Payment Summaries* section on the Department's [State Payment Information](#) web page. The amounts can be found in Column H of the *Payment by Source* tab in the monthly LEA State Aid Payment Summary file.

		A	B	C	D	F	G	H	I	J
							State Aid Portion of the 90% Portion District shall pay to AEA (Code 3214)	10% Portion District may Retain from State Aid Payment (Code 3306)	State Foundation Aid (Code 3111)	Regular State Payment
		Preschool State Aid (Code 3117)	Teacher Salary (Code 3204)	Early Intervention (Code 3216)	Professional Development (Code 3376)	Teacher Leadership (Code 3116)				(A+B+C+D+E+F+G+H+I)
0009	AGWSR	13,921	71,205	83	5,598	27,868	14,933	2,383	319,109	460,100
0018	Adair-Casey	6,762	42,540	28	2,203	11,331	6,282	959	158,396	230,901
0027	Adel-Desoto-Minburn	21,876	181,213	5	16,671	84,725	45,840	849	1,397,140	1,771,779
0063	Akron-Westfield	6,364	59,025	67	4,445	20,628	11,257	1,797	315,362	423,245
0072	Albert City-Truesdale	3,182	27,319	212	1,156	8,218	4,306	691	80,802	126,886
Budget Total		Budget by Source	Payment Total	Payment by Source	AEA Funding and Payments	AEA Coding				

Question: What is the related account coding for the 10% SESS retained funds?

Answer: Revenues for the 10% SESS funding is coded to Source/Project 3306, Program 260. Expenditures for the 10% SESS funding is coded to Project 3306, Program 260. If a balance remains, a restricted fund balance (Program 260, Project 3306, Account 729) will be created.

Question: Where are the school district's monthly payment amounts found for the 90% SESS funding?

Answer: Monthly payment amounts for the 90% SESS funding are in the *LEA Monthly Payment Summaries* section on the Department's [State Payment Information](#) web page.

- State aid portion of the 90% - Column R (blue) of the *AEA Funding and Payments* tab in the monthly LEA State Aid Payment Summary file.
- Property tax portion of the 90% - Column S (yellow) of the *AEA Funding and Payments* tab in the monthly LEA State Aid Payment Summary file.

		Flowthrough - From State To AEA Directly	Media Services Total	Educational Services Total	AEA Special Education Total District May Retain	AEA Special Education - State Aid Portion District Pays to AEA	AEA Special Education - Property Tax Portion District Pays AEA	AEA Special Education - Total Payment From District To AEA	Monthly State Aid Portion of 90% Payment September - May to Pay to AEA Included in State Aid Payment	Monthly Property Tax Portion of 90% Payment September - May to Pay to AEA From Local Property Taxes	Total Monthly Payment to AEA for 90%
		AEA Flowthrough - Portion State Pays Directly to AEA Line 16.11 of A&L	Total Media Services (included in General Fund Property Taxes)	Total Educational Services (included in General Fund Property Taxes)	10% Portion District may Retain from State Aid Payment	State Aid Portion of the 90% Portion District shall pay to AEA	Property Tax Portion of the 90% Portion District shall pay to AEA	Total 90% Portion District Shall Pay AEA			Monthly 90% Portion District Shall Pay AEA
		Source/Project 3214	Source 1111	Source 1111	Source/Project 3306 Program 260	Source/Project 3214	Source/Project 3214	Source/Project 3214	Source/Project 3306	Source/Project 3214	Source/Project 3214
		Function 6100 Project 3214 Object 961	Optional: District Defined Project number	Optional: District Defined Project number	Project 3306 Program 260	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961
0009	AGWSR	38,952	45,964	1,237	23,827	149,333	65,111	214,444	14,933	6,511	21,444
0018	Adair-Casey	9,785	19,069	956	9,593	62,816	23,523	86,339	6,282	2,352	8,634
0027	Adel-Desoto-Minburn	78,147	140,811	2,749	68,494	458,396	158,053	616,449	45,840	15,805	61,645
0063	Akron-Westfield	23,791	34,397	8,502	17,973	112,568	49,185	161,753	11,257	4,919	16,176
Budget Total		Budget by Source	Payment Total	Payment by Source	AEA Funding and Payments	AEA Coding					

Question: What is the related account coding for paying the 90% SESS funding to the AEA's?

Answer: Districts will code revenues received as flow through, similar to prior practice for AEA flow through funding. Districts will code the funds to Source/Project 3214.

- The state aid portion of the 90% (blue from the previous question) is coded to Source/Project 3214.
- The property tax portion of the 90% (yellow from previous question) is coded to Source/Project 3214.

The amount required to be paid to the AEA will be coded to Function 6100, Project 3214, Object 961.

Question: How do school districts account for the AEA teacher salary supplement (TSS), AEA operational sharing, and educational and media services amounts generated by students attending nonpublic schools that the AEA receives directly from the State?

Answer: School districts are to record these amounts that the AEAs receive from the State as AEA flow through.

- Debit Function 6100, Project 3214, Object 961
- Credit Source/Project 3214

The FY26 amount to be recorded as AEA flowthrough is on Line 16.11 of the Aid & Levy and in the *LEA Monthly Payment Summaries* section on the Department's [State Payment Information](#) web page. The amount is in Column C of the *AEA Funding and Payments* tab in the monthly LEA State Aid Payment Summary file.

FY 2026 AEA Flowthrough, Media & Education Services, Special Education Funding and Special Education Payments											
	Flowthrough - From State To AEA Directly	Media Services Total	Educational Services Total	AEA Special Education Total District May Retain	AEA Special Education - State Aid Portion District Pays to AEA	AEA Special Education - Property Tax Portion District Pays AEA	AEA Special Education - Total Payment From District To AEA	Monthly State Aid Portion	Monthly Property Tax Portion	Total Monthly Payment to AEA for 90%	
	AEA Flowthrough - Portion State Pays Directly to AEA Line 16.11 of A&L	Total Media Services (included in General Fund Property Taxes)	Total Educational Services (included in General Fund Property Taxes)	10% Portion District may Retain from State Aid Payment	State Aid Portion of the 90% Portion District shall pay to AEA	Property Tax Portion of the 90% Portion District shall pay to AEA	Total 90% Portion District Shall Pay AEA	Monthly State Aid Portion of 90% Payment September - May to Pay to AEA Included in State Aid Payment	Monthly Property Tax Portion of 90% Payment September - May From Local Property Taxes	Monthly 90% Portion District Shall Pay AEA	
Revenue Coding	Source/Project 3214	Source 1111	Source 1111	Source/Project 3306 Program 260	Source/Project 3214	Source/Project 3214	Source/Project 3214	Source/Project 3214	Source/Project 3214	Source/Project 3214	
Expenditure Coding	Function 6100 Project 3214 Object 961	Optional: District Defined Project number	Optional: District Defined Project number	Project 3306 Program 260	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	Function 6100 Project 3214 Object 961	
0009 AGWSR	38,952	45,964	1,237	23,827	149,333	65,111	214,444	14,933	6,511	21,444	
0018 Adam-Casey	9,785	19,069	9,956	9,593	62,816	23,523	86,339	6,282	2,352	8,634	
0027 Adel-Desoto-Minbun	78,147	140,811	749	68,494	458,396	158,053	616,449	45,840	15,805	61,645	
0063 Akron-Westfield	23,791	34,397	8,502	17,973	112,568	49,185	161,753	11,257	4,919	16,176	
2025	183,665	338,251	10,786	110,397	738,602	327,972	1,066,574	88,368	35,587	123,955	

Applications

Reminder: AR/DOP - Required Plans and MSA Request

Each year, districts may request a modified supplemental amount (MSA), or additional spending authority, from the School Budget Review Committee (SBRC) to support at-risk, alternative school, returning dropout, and dropout prevention programs. This request generated more than \$150 million statewide this year and impacts nearly all districts.

Under [Iowa Code section 257.38](#), boards must approve an annual at-risk/dropout plan before submitting an MSA request. Plans must include:

- Program goals and objectives for the designated population
- Student identification criteria and procedures
- Staff in-service education design
- Staff utilization plans
- Evaluation criteria, procedures, and performance measures
- Qualifications of personnel delivering the program
- A program for at-risk students
- A process for identifying at-risk students

- A budget supporting the request to the SBRC

Reminder: Boards must approve both the request for additional spending authority and the at-risk/dropout plan (with all required components) each year. Failure to do so invalidates the district's authority to request the additional spending authority.

If you have questions related to the At-Risk/Dropout Application, please contact Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Operational Sharing Application | Due October 30

Information in the Operational Sharing application is populated from Fall BEDS Staff. 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 October 30.

Application Process

1. Fall BEDS Staff must be updated before the Operational Sharing application is reviewed.
2. The district or area education agency (AEA) holding the shared employee's contract reports the 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 with 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 are listed below.
 - We hold the employee's contract and the assignment is in both districts.
 - We are the district purchasing services and assignment is in both districts.
 - We hold the employee's contract, and an operational sharing position is in each district.
 - We are the purchasing district, and an operational sharing position is in each district.
 - We are sharing with some other governmental subdivision.
5. The district must select the district that is also a party to the sharing, unless sharing with a non-district governmental subdivision.
 - 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.
6. Data will need to be reviewed and certified in the Operational Sharing application.

Troubleshooting

If errors on shared staff are experienced, request the other district to check its Fall BEDS Staff information to see if the sharing status and sharing partner have been completed. A common error is for one district to identify an individual and related assignment as shared, but not identify the sharing district. Once the sharing information has been corrected, click the Check for Errors/Omissions button to clear the error message. Additional guidance about reporting shared staff can be found on the [Fall BEDS Staff](#) web page.

Tip: Curriculum Director

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.

New Sharing Arrangements

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 ted.bauer@iowa.gov. Contracts are used to verify that the duties performed for the governmental subdivision are an eligible operational function ([281 IAC 97.66](#)). Sharing arrangements that were approved in a prior year do not need to be resubmitted unless a significant change in the arrangement has occurred.

Resources

A list of positions eligible to generate supplementary weighting for operational function sharing was published in the August 2025 edition of the [School Business Alert](#) newsletter and is also available in the [Operational Function Sharing Guidance](#).

For assistance with corrections to Fall BEDS Staff or Operational Sharing application, please contact Shelly Wolterman at shelly.neese@iowa.gov or 515-336-3859.

For assistance determining if a sharing agreement is eligible for supplementary weighting, please contact Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

School Association Reporting | Due November 3

The School Association Reporting application, due November 3, is available on the [EdPortal](#) and the related due date is November 3.

[Iowa Code section 279.38A](#) requires boards of school corporations that pay membership dues to organizations which directly relate to the functions of the board of directors to report annually to the local community and the Department. 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.

Districts must report information for four different associations: Iowa Association of School Business Officials (IASBO), Rural School Advocates of Iowa (RSAI), School Administrators of Iowa (SAI), and Urban Education Network (UEN). Effective with FY21 filing, districts are no longer required to provide information regarding the Iowa Association of School Boards (IASB) to the Department as this will be provided to the Department from IASB.

Instructions are posted on the home page of the School Association Reporting application. For additional questions, please contact Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

SBRC Application | Due December 1

The SBRC Application is anticipated to open in mid-November. The application calculates eligibility for the Modified Supplemental Amount (MSA) requests below.

1. Increased Enrollment – for districts showing Fall 2025 actual enrollment greater than Fall 2024 actual enrollment ([Iowa Code § 257.31\(5\)"a"](#)).
2. Open Enrollment Out Not Included on Prior Year's Headcount – students identified as open enrolled out in Fall 2025 who were not included in the district's Fall 2024 certified enrollment count, minus any increase in enrollment described in item 1 above ([Iowa Code § 282.18\(9\)"e"](#)).

3. English Learners (EL) Instruction Beyond 5 Years – for resident students included in Fall 2025 certified enrollment who already generated the maximum English Learner (EL) supplementary weighting earn an intermediate or intensive rating on the ELPA and are continuing to receive EL instructional services ([Iowa Code § 257.31\(5\)“j”](#)).

This application is pre-populated from each district’s certified enrollment and Student Reporting in Iowa (SRI) submission. Directions to complete the request are listed below.

- Verify the accuracy of the data. The amounts can change during the certified enrollment verification period of the last two weeks in October and early November. Therefore, do not certify the SBRC Application until the district’s certified enrollment information is correct.
- Enter the amount of a request. Click “Save Values”.
- Certify the application.
- The SBRC considers individual action for each request and appreciates local boards doing the same when acting upon the requests during local board meetings, so please do not include requests as part of a consent agenda.
- Each request should be listed as a **separate** action item considered at the November board meeting. Sample board action language is provided below.
 - Increased Enrollment - The district’s administration is authorized to submit a request to the School Budget Review Committee for a modified supplemental amount of \$XXX due to an increase of certified enrollment from the prior year.
 - Open Enrollment Out Not on Prior Year’s Headcount - The district’s administration is authorized to submit a request to the School Budget Review Committee for a modified supplemental amount of \$XXX for open enrolled out students who were not included in the district’s previous year certified enrollment count.
 - English Learners (EL) Instruction Beyond Five Years - The district’s administration is authorized to submit a request to the School Budget Review Committee for a modified supplemental amount of \$XXX related to the EL program for students who have exceeded five years of weighting that are included on the Fall 2025 certified enrollment headcount.
- On the SBRC Application page, upload the board minutes authorizing the request(s). If board minutes are not available at the time of submission, enter the date the board will take action. Then upload the minutes within two business days of that board meeting.

If you have questions related to the SBRC Application, please contact Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

FEST Application | Due November 3

The Facilities, Elections and Sales Tax (FEST) application, due November 3, is available on the [EdPortal](#). The four forms required for FEST certification are listed below.

- Replacement Cost of Educational Facilities
- Voter-Approved PPEL
- Bond Issue Elections
- SAVE Reporting

[Iowa Code section 256.9\(19\)](#) requires the Iowa Department of Education to collect information about the use of Secure an Advanced Vision for Education (SAVE) tax dollars. The SAVE portion of the form requires the school district to update information about the revenue purpose statement, provide information how the district has reduced levies through the use of SAVE funds, and miscellaneous information about whether the district had issued revenue bonds and reduced property tax through SAVE. Instructions are posted in the FEST application. For additional questions, please contact Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

School Safety Spotlight

SchoolSafety.gov | Professional Development - U.S. Secret Service: Enhancing School Safety Using Behavioral Threat Assessment

The U.S. Secret Service National Threat Assessment Center (NTAC) is offering a virtual training presentation on targeted violence prevention titled: Enhancing School Safety Using Behavioral Threat Assessment. The audience is school administrators, educators, and other school safety stakeholders. Register for one of the dates (11/19/25, 1/21/25, or 3/18/26) at SchoolSafety.gov.

Safe+Sound Iowa

Many districts across the state are using the Governor's School Safety Bureau and the Iowa Department of Public Safety's free tool for anonymous reporting of school threats. If your district is interested in joining other districts, or for more information, please visit the [Safe + Sound Iowa](https://Safe+SoundIowa.com) website.

Iowa State Patrol: Student Transportation Driver Training

The Iowa State Patrol is offering Student Transportation Active Threat Training (STATT). Presentations will provide bus drivers with examples of active threats on school buses, including those that have occurred in Iowa, and statistics about past attackers. The training provides a look at some of the causes of violent behavior in children and possible warning signs. Drivers will be given examples of what can be done to prevent an attack. Drivers will also learn how people react under stressful conditions, how to manage that stress, and the three options a person has when encountering an active threat.

For more information about STATT or to schedule training, schools and contractors should contact their local [Iowa State Patrol Public Resource Officer \(PRO\)](#).

Coding

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the Department's [Uniform Financial Accounting](#) web page, is regularly updated to reflect changes necessary to meet fiscal reporting needs.

<i>Account Code</i>	<i>Description</i>
Source/Project 4629	Child Care and Development Block Grants (HHS) (Iowa Early Childhood Continuum of Care) (FAL/CFDA 93.575) (Sep25)
Source/Project 4682	Cooperative Forestry Assistance (Keepers of the Land Planting Grant (1/2)) (FAL/CFDA 10.664) (Name change Sep25)

General Information

Reminder: Reporting Special Education Vehicles in VIS

Districts should indicate the primary route for a vehicle as special education in the Vehicle Information System (VIS) only if the vehicle is used exclusively for special education routes. A special education vehicle designation can be removed by updating the "Primary Routes" category in VIS to "Regular Route" or "Not Used For Routes". The vehicle can also be categorized as "Activities", "Spare", or "Other".

Lead Testing of Drinking Water

Funding is available to assist Iowa public schools and child care centers in testing and reducing lead in drinking water. Administered by the Department, the Water Infrastructure Improvement for the Nation (WIIN) grant is a voluntary funding opportunity that covers costs for water test kits, training and educational resources on lead exposure. Participating sites that are found to have lead levels in their drinking water can also receive funding assistance for lead remediation expenses. Applications for the WIIN grant opportunity are being accepted on a rolling basis while funding is available. Additional information is available on the Department's [WIIN Lead Testing Grant](#) web page.

Specific inquiries can be directed to Lyn Jenkins, Education Program Consultant, at lyn.jenkins@iowa.gov or 515-664-6732.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

New Driver Training Update

The [S.T.O.P. Training for New School Bus Drivers \(Online Component\)](#) is now available.

Beginning July 1, 2025, the online component of the School Transportation Operator's Program (S.T.O.P.) for new school bus drivers was transitioned to [AEA Learning Online](#). The updated online component will usually take less than four hours to complete.

Accessing the Training

1. Log in to the AEA Learning Online system and use this link to access the [S.T.O.P. Training for New School Bus Drivers \(Online Component\)](#).
2. Begin the course.

All districts/schools that opt in to AEA Online already have a verification code. This includes many public and nonpublic schools. Bus drivers that need to establish new accounts must include the related verification code in their profile. Once affiliated, each driver will be able to access the training at no cost to them or the school. Drivers may access the step-by-step [tutorial](#) for setting up a new account.

Tip for nonpublic schools and contractors: Step 7 specifically addresses how to affiliate an account with a district.

Required Action

Ensure each driver's AEA Learning Online account profile includes the driver's license number.

Directions: [How to add/update your Driver's License Number](#)

Frequently Asked Questions

Q: I don't have an AEA Learning Online account. What should I do?

A: If you are certain you do not have an account, follow the directions to create a new one.

Directions: [How to register for AEA Learning Online \(Create an Account\)](#)

Q: It's asking me to pay—why?

A: Your account profile currently lists you as a “Pay Customer”.

Directions: [Update your profile to reflect your district of employment](#)

Please note, drivers from nonpublic school partners and contractors will also be able to access this training at no cost.

Impact of Changes

In addition to the change in delivery, the training has been updated with the priorities listed below.

- The user-friendly AEA Online interface is already familiar to drivers for other required training.
- The updated content does not overlap with ELDT training requirements.
- The content is relevant for both yellow school bus drivers and Type III school bus drivers.
- The updated content is *much* shorter than the previous 14-hour online portion.
- The training is available at no cost to the driver or employer.
- Applies to all new drivers after July 1, 2025.

Other helpful tips related to the online training include the items listed below.

- The online portion and the face-to-face portion are now independent and may be taken in any order.
- The online training no longer requires a final proctored exam. Each module includes an independent test.
- All drivers now have the option to test out of each module by scoring 80% or better on the pretest.

The face-to-face component of the new driver S.T.O.P training and the annual renewal training for returning drivers will continue to be offered through local community colleges and Mississippi Bend AEA.

School Bus Inspections: Online Schedule and Retrieving Invoices

School bus inspections are conducted twice per year at each facility. The Department sends reminders two to four weeks in advance of the inspection via email. These reminders are sent to the entity's contact(s) listed in the Vehicle Information System (VIS) application within the [EdPortal](#).

Schedule Availability: The [school bus inspection schedule](#) is always available on the Department's [Pupil Transportation](#) web page.

Fees: Following each inspection, school bus inspection fees are processed and invoices mailed out. Invoices can also be accessed and downloaded from the VIS under the “Invoice” menu at the top of the page. Please note that payment information is not tracked within this application.

Inspector Tip of the Month: Trash Containers in School Buses

Trash containers and holding devices located in school buses are subject to federal and state requirements ([281 IAC 44.3\(69\)](#)) as listed below.

1. Meet the requirements of [Federal Motor Vehicle Safety Standard \(FMVSS\) No. 302](#), Flammability of Interior Materials.
2. Be no greater than 20-quart capacity.
3. Be secured by a holding device that is designed to prevent movement and to allow easy removal and replacement.
4. Trash containers may be placed behind the rearmost passenger seat or, with Department approval, in an accessible location in the driver's compartment.
5. The container must not obstruct the aisle of the bus, access to safety equipment, or passenger use of the service door.

Inspector Corner: Strobe Light - Appropriate Uses

Recent Question: When should a driver use the strobe light on a school bus?

Answer: [Iowa Administrative Code r 281-44.3](#) defines rules for strobe lights on school buses. Strobe lights are intended to be used when a driver experiences fog, rain, snow, at times when visibility is restricted, or when otherwise determined necessary.

Iowa's current minimum construction standards for school buses require the strobe light to meet the provisions of SAE J845 Class 1. This is a very high intensity light equivalent to those used on emergency vehicles.

Strobe Light Impact on Other Motorists

The Department received recent reports of school bus operators using strobe lights when weather events were not present and visibility did not appear to be limited.

The combination of a clear evening and the high intensity light from a J845 Class 1 strobe light may be distracting to other motorists, at a minimum. More seriously, other motorists' night vision could be impaired by the strobe light.

Requested Action

Please ensure drivers are trained on the appropriate uses of strobe lights, including events such as fog, rain, snow, smoke, and other limited visibility events, and that other use should be accompanied by extreme caution so others are not adversely affected.



November 2025

Featured

FY25 CAR Report Update - Miscellaneous Income and Actual Expenditures (GAAP Basis)

The FY25 CAR Report titled "Miscellaneous Income and Actual Expenditures (GAAP Basis)" on EdInsight has been updated to include the district's Education Support Personnel Salary Supplement (ESPSS) funds in the *Miscellaneous Income* amount (Row 11). This will match the *Other Miscellaneous Income* amount (Row 30) on the "Unspent Authorized Budget Report" available on the Department of Management's [School Resources](#) web page.

CAR reports are available in EdInsight in the Portal. Instructions to run CAR reports are in the [How to Run CAR Reports on EdInsight](#) resource document available on the [CAR](#) web page.

SBO Resource: FY26 Allocation Summary

The [FY26 Allocation Summary](#) is available. The summary includes individual district data for selected federal, state, and local resources by source and/or project code in one file for easy reference. The second tab in the file provides additional information, which may be especially helpful for new School Business Officials (SBOs) or those looking to learn more about revenue streams.

Required: Time & Effort Documentation

Recipients and subrecipients of federal funds are required to maintain time and effort documentation as required by the Code of Federal Regulation's Uniform Administrative Requirements for Federal Awards ([2 C.F.R. § 200.430\(b\)](#)). The documentation must prove costs for employee salaries and benefits that were paid using federal funding (e.g., IDEA Part B) were appropriate to the source and accurately reflect the work performed. Records requirements are listed below.

- Be supported by a system of internal controls that provides reasonable assurance that the charges are accurate, allowable, and properly allocated.
- Be incorporated into the official records of the subrecipient.
- Reasonably reflect the total activity for which the employee is compensated by the subrecipient, not exceeding 100 percent of compensated activities.

- Encompass federally-assisted and all other activities compensated by the subrecipient on an integrated basis but may include the use of subsidiary records as defined in the subrecipient's written policy.
- Comply with the established accounting policies and procedures of the subrecipient.
- Support the distribution of salary or wages among specific activities or cost objectives if an employee works on more than one award or activity.

Reminder: Post-Crash Procedures/Drug & Alcohol Testing

Post-crash drug and alcohol testing requirements are available in the Transportation section below.

Recent Questions

Account Coding for SESS Funds

Question: What is the related account coding for the Special Education Support Services (SESS) funding?

Answer: Please refer back to the SESS AEA Payment article from the October 2025 [School Business Alert](#) (SBA).

Annual Requirement: At-Risk/Dropout Plan

Question: Does the school board have to approve the at-risk, alternative school, and returning dropouts and dropout prevention programs (AR/DOP) **program plan** each year?

Answer: [Iowa Code section 257.38](#) requires school boards to approve an annual program plan with all required components before submitting a request for modified supplemental amount (MSA) to support at-risk, alternative school, and returning dropouts and dropout prevention programs. Failure to do so invalidates the district's authority to request the additional spending authority. This section of the code also provides the 9 elements that each plan must include.

Board Action: Boards must approve both (1) the request for additional spending authority and (2) the at-risk/dropout plan each year.

Questions may be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Fully Expended: Statewide Voluntary Preschool Program Funds

Question: If a district's Statewide Voluntary Preschool Program (SWVPP) incurs costs beyond the available SWVPP funds, what options are available to cover the excess expenditures?

Answer: There are multiple options a district may consider.

- First, review the SWVPP expenditures to ensure costs are actually SWVPP costs or should be appropriately attributed to other programs (e.g., Head Start, child care, special education) as well as other sources (e.g., Teacher Salary Supplement (TSS)). For example, an associate salary may be appropriately split between SWVPP, child care, and Head Start programs; or a teacher may have part of their salary paid from SWVPP, TSS, and special education.
- Next, consider costs that could have multiple appropriate sources. For example, teacher salaries could also be paid from repurposed gifted and talented (TAG), Professional Development (PD), or Teacher Leadership & Compensation (TLC) funds (carryforward and current funding) for TSS

purposes; computers could be purchased from PPEL, and other costs may be paid from the flexibility account.

Additional information about using the flexibility account or TLC, PD, or TAG for TSS purposes (i.e., teacher salaries) is available below in the article titled “Leverage Available Categorical Resources” and on the Department’s [Levies & Funds](#) and [Categorical Funding](#) web pages.

Financial

December Income Surtax Payment

The December 2025 income surtax payment (to be paid by the end of December by the Department of Revenue) represents three quarters of the amount of income surtaxes collected for your district from January 1, 2025, through October 30, 2025. 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, 2026.

This payment is based upon the income surtax rates established for your 2024-2025 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 Department of Education will post the payment amount, rates for each fund, and dollar amount for each fund on the [State Payment Information FY26](#) web page.

Questions may be directed to John Parker at john.parker@dom.iowa.gov or 515-281-8485.

Coding

Reminder: Teacher Leadership and Compensation

oding reminders for [TLC](#) are provided below.

- Use Source/Project Code 3116 for coding revenue and expenditures.
- Expenditure functions are determined by the use of funds. For example, expenditures for Instructional Staff Support Services (Function 221X) are common. Keep in mind that use of the instruction function code (Function 1XXX) is only appropriate for expenditures related to instruction to students, not other teachers.
- FY26 district allocations are calculated based on the budget enrollment multiplied by the per pupil amount of \$385.29 (Aid and Levy Line 4.46).
- Tuition received for open enrollment in (Source 1323) and expenditures incurred for open enrollment out (Object 567) should include the TLC project code (3116) for the portion of TLC received or paid.
- FY26 TLC amount for open enrollment of \$385.29 is based on the current year amount.

Questions related to account coding may be directed to Song Luong at song.luong1@iowa.gov or 515-205-0259 or Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

Questions related to the TLC program may be directed to Stephanie Langstraat at stephanie.langstraat@iowa.gov or 515-402-8700.

C

Applications

Required Reporting: School Board Officers and District Leadership Contacts Application | Due December 15

Action Item #1: School districts are required to report school board membership changes to the Department annually by December 15 ([Iowa Code § 291.11](#)) in the [School Board Officers and District Leadership Contacts](#) application in the [Education Portal](#).

The Department also uses other district leadership reported in this application to build other email distribution lists.

Action Item #2: Please check your district to ensure each of the key leadership position contacts for your district are reported and current. The Department uses information reported through the School Board Officers and District Leadership Contacts application to populate the Department's email distribution lists. It is important for this information to be accurate at all times to ensure correct routing.

- Chief financial officer/school business official (CFO/SBO)
- Building and grounds director
- Transportation director
- Auditor
- Special Education
- Work-Based Learning
- Career and Technical Education
- School-Based Medicaid
- School Safety
- Curriculum Contact

The application is available for updates throughout the year, which helps ensure the Department has the most accurate contact information for each of these key district stakeholders.

Questions regarding this application may be directed to Holli Marolf at holli.marolf@iowa.gov or 515-281-5812.

Reminder: SBRC Application | Due December 1

The SBRC Application will open in mid November. The application calculates eligibility for modified supplemental amount (MSA) requests related to increased enrollment, open enrollment out not on prior year headcount, and English learners receiving instruction beyond five years.

Additional information, including board language for approving these requests, was published in the October 2025 [School Business Alert](#).

Questions may be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

At-Risk/Dropout Application | Due January 15

The At-Risk/Dropout Application will be available via the [Iowa Education Portal](#) by early December. The application will open after Fall 2025 Certified Enrollment numbers are finalized. The application includes an optional request for MSA so only those districts wishing to request SBRC-granted MSA (Project 1119) will need to complete a submission.

Eligibility: The purpose of the requested MSA is to provide additional resources for the 2026-2027 school year that are necessary to implement the at-risk, alternative school, and returning dropouts and dropout prevention programs ([Iowa Code § 257.38](#)). Boards must approve both the request for additional spending authority and the at-risk/dropout plan (with all required components) each year. Failure to do so invalidates the district's authority to request the additional spending authority.

Questions about related programming or the application may be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Nonpublic Transportation Parental Claims | Due December 1

First semester parental claims for nonpublic transportation are due to the student's resident district no later than December 1 ([Iowa Code § 285.3](#)). Parents providing transportation for their children to attend an accredited nonpublic school are eligible to file a claim with their resident district. Please communicate this information to the nonpublic schools within your district.

Once the claims 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.

Tip: The most common information to track, possibly on a spreadsheet, are the names of the parent(s) and student(s), legal address, name and address of the nonpublic school, and the mileage distance for which the parent is transporting the student from home to the nonpublic school. This will make the claim from the district to the Department at the end of the year much easier to file and verify.

Verify Accuracy

- Please be sure to check for errors on parental claims as the information is submitted.
- Incorrectly submitted claims affect the proration factor and payment to all parties.
- Annually, the total amount of claims requested exceeds the available appropriation so all claims are prorated.
- Once the proration factor is determined, all claims are paid at once which fully expends the appropriation.
- Errors in parent forms or district submissions discovered after the nonpublic transportation claim is submitted are therefore unable to be addressed as the appropriation is fully expended.

As a reminder, second semester claims from parents to the districts are due May 1, 2026 ([Iowa Code § 285.3](#)). Information regarding this program can be found on the Department's [Nonpublic Transportation Reimbursement](#) web page.

Questions regarding nonpublic transportation may be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

School Safety Spotlight

SchoolSafety.gov | Youth Human Trafficking Risk Factors and Protective Actions for K-12 Schools

School leaders and employees serve an essential role in preventing and responding to youth human trafficking. Understanding risk factors that make students susceptible is a critical first step to recognition. [SchoolSafety.gov](#) has published an issue brief published September 2025 titled [Youth Human Trafficking Risk Factors and Protective Actions for K-12 Schools](#) that outlines youth human trafficking risk factors and corresponding strategies that K-12 schools can implement to help protect students from trafficking situations.

U.S. Department of Homeland Security: Free Security Training and Assessment

The Transportation Security Administration (TSA), a branch of the United States Department of Homeland Security, offers free security training and assessments for school transportation departments in Iowa. The agency visits districts in Iowa to evaluate current plans and offer suggestions for improving transportation security. TSA will also offer training for school bus drivers regarding threat recognition, mitigating threats, and responding to threats. This training will include recognizing suspicious packages, suspicious persons, and suspicious behavior. These are free services to each school district.

Questions about, or requests to participate in, this program can be directed to TSA Inspector Ron Gann at ronald.gann@tsa.dhs.gov or 402-672-4898.

General Information

School Budget Review Committee Hearing | October 28

The School Budget Review Committee (SBRC) met in regular session to hold hearings on October 28, 2025. The Committee reviewed FY26 member terms and final FY26 cash reserve levy amounts totaling \$211,904,981, up 13% from FY25. The Committee received an update from two districts that were granted MSA in FY25 based on anticipated costs and provided documentation the amount awarded was fully expended for the intended purpose. Action was taken to direct districts that were late filing financial reports to appear at the next SBRC hearing to present corrective action plans, approve MSA for three districts relating to hazard abatement, recommend approval of a district's Certificate of Need (CON) request, and approve a transfer from the General Fund to the Student Construction Enterprise Fund including an equal amount of MSA for program start-up costs. The [Summary of Action](#) is available on the Department's SBRC web page.

Questions may be directed to Stephanie Edler, SBRC liaison, at stephanie.edler@iowa.gov or 515-689-2258.

Leverage Available Categorical Resources

If additional resources are needed now, consider leveraging available resources through either the flexibility account or the increased uses of some restricted funds for TSS purposes.

Flexibility Account

A school district may authorize a transfer of all or any portion of the unexpended, unobligated amounts remaining at the end of the fiscal year for the categorical funds below to the Flexibility Account.

- Project 3117: SWVPP
- Project 3373 or 3376: PD
- Project 1113: Home School Assistance Program (HSAP)
- Project 3116: TLC
- Other categorical sources if the program, purpose, or requirements for the expenditure of such moneys have been repealed or are no longer in effect

Requirements: The process to use the Flexibility Account, including information about the required public hearing and language for the board resolution, are available on the Department's [General Fund](#) web page, under the Flexibility Account section titled "General Fund: Flexibility Account".

Increased Use for TSS Purposes

Beginning FY24, a school district may use carryforward funds as well as the current year's allocation of the categorical funding below for TSS purposes.

- Project 3373 or 3376: PD
- Project 3116: TLC
- Project 1118: Gifted and Talented (TAG)

Best practice: Include as an informational item to the district’s board of education or through formal board action (e.g., negotiation process) when using PD, TLC, or TAG funds for TSS purposes. Additional guidance on how to use these funds for TSS purposes is available on the Department’s [Categorical Funding](#) web page, under the Budgetary Allocation Information section titled “HF 68 Guidance: Categorical Funding and Operational Sharing”.

FY25 Statewide Carryforward Balances

Preliminary FY25 statewide carryforward amounts for categorical funds that may be available to transfer to a Flexibility Account or available to use for TSS purposes are provided below.

Project Number	Preliminary FY25 Statewide Carryforward Balances	Available for Flexibility Account	Available for TSS Purposes
1113 (HSAP)	\$12,579,275.75	Yes	No
1118 (TAG)	\$23,285,304.47	No	Yes
3116 (TLC)	\$51,324,974.81	Yes	Yes
3117 (SWVPP)	\$19,614,100.26	Yes	No
3373 and 3376 (PD)	\$24,055,782.44	Yes	Yes

Reminder: Federal Procurement Requirements Related to Food Service Management Companies

The Bureau of Nutrition and Health Services offers the following reminder about federal and program-specific procurement regulations for LEAs who are considering contracting with a Food Service Management Company (FSMC).

Federal regulations at [2 C.F.R. § 200.319\(a\)](#) require all organizations that receive federal funding provide a level playing field that allows for full and open competition for all potential vendors. When one FSMC is allowed to promote their business to district officials, then an equal opportunity must be provided to other FSMCs. Only allowing one FSMC to promote their business is providing them with an unfair advantage in the bidding process. If an FSMC is found to have an unfair advantage they may be excluded from bidding on potential contracts. Additionally, vendors who assist with contract language or specifications shall be excluded from competing for the procurement.

For additional information, refer to [USDA Guidance - Contracting with Food Service Management Companies: Guidance for School Food Authorities](#).

Questions may be directed to Shea Cook at shea.cook@iowa.gov or 515-326-1682.

Educational Savings Accounts

Information regarding Iowa’s Students First Education Savings Account (ESA) program can be found on the Department’s [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

Post-Crash Procedures/Drug & Alcohol Testing

The United States Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA) defines when drug and alcohol tests are required to be performed after a crash for a school bus driver with a commercial driver's license (CDL) ([49 CFR § 382.303](#)).

Employer Responsibility: It is the responsibility of the employer to ensure that testing is performed as federally required. The employer may choose to perform post-crash drug and alcohol testing even when not federally required.

FMCSA's "[When does testing occur and what tests are required?](#)" web page provides information related to post-crash drug and alcohol testing for CDL drivers. The table below, excerpted from the same site, defines the type of accident and whether testing is required.

Type of Accident Involved	Citation Issued to the CMV Driver	Test Must Be Performed by Employer
Human Fatality	Yes	Yes
Human Fatality	No	Yes
Bodily Injury With Immediate Medical Treatment Away From the Scene	Yes	Yes
Bodily Injury With Immediate Medical Treatment Away From the Scene	No	No
Disabling Damage to Any Motor Vehicle Requiring Tow Away	Yes	Yes
Disabling Damage to Any Motor Vehicle Requiring Tow Away	No	No

Inspector Tip of the Month: Clear Windows for Safe Fall Driving

Fall brings frost and the ideal opportunity to ensure that each school bus driver's view of the road remains unobstructed.

Key maintenance items to consider include those listed below.

- Determine whether new windshield wipers are needed. Many buses remain unsheltered over the summer causing rubber windshield wipers to deteriorate and become hard. Fall is a great time to replace blades so they are pliable for the colder weather.
- Cabin air filters should be checked and replaced as needed. Dirty filters can block airflow for defrosters and heaters.
- Verify defroster and heater fans are providing proper air flow to clear the windshield and other windows and provide heat for passengers.
- Check valves to ensure warm coolant is allowed to flow to heaters and defrosters. These valves may have been shut off over the summer to keep the heat out of the passenger compartment.

- Remind drivers to ensure the windshield is clear of frost and/or fog before driving the vehicle.

The ability for drivers to see out of the vehicle is critically important to the safety of the driver, passengers, and other motorists. Ensuring that drivers have adequate visibility makes everyone safer.

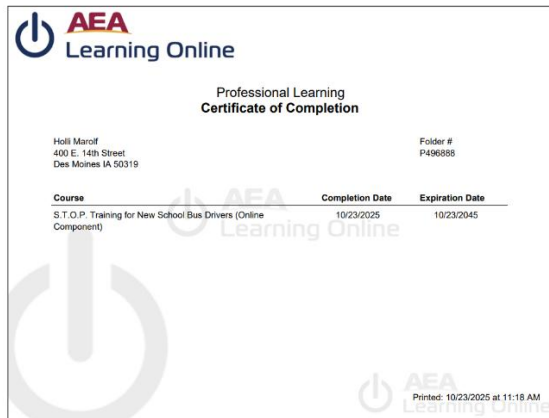
Inspector Corner: New Driver S.T.O.P. Completion Certificate

Many drivers have successfully completed the [S.T.O.P. Training for New School Bus Drivers \(Online Component\)](#) through [AEA Learning Online](#).

Upon successful completion of all nine modules, drivers will be able to print two distinct certificates.



The first certificate is for the final module, How School Transportation Can Combat Human Trafficking. This certificate is co-branded by the Department and Truckers Against Trafficking (TAT). Iowa is one of only nine states that provides this type of training to all new school bus drivers.



The second certificate shows that the driver completed the entire online component of New Driver S.T.O.P. Training.

Helpful Tip: Drivers should be reminded to print both certificates. Printing both certificates is the final step necessary for the driver's records to show that the online component has been completed. The driver's employer may ask the driver for a copy of the final completion certificate to help ensure that the driver has met the online training requirement.

School Business Alert

December 2025

Featured

Join Our Team!

Do you enjoy helping others in the realm of school finance and accounting? Do you enjoy troubleshooting account coding practices? Do you consider yourself an account coding guru? Are you intrinsically motivated to help and be a resource for others? The position below will be posted soon. Join our team!

Position Name: Education Program Consultant (School Finance - Accounting)

Posting Link when available: [Department of Education - Current Openings](#)

Reach out to Cassandra Cline at kassandra.cline@iowa.gov or 515-326-2242 if you want to learn more about the incredible impact you can have working on our team supporting SBOs across the State!

Holiday Challenge

'Twas the day of dismissal, and all through the halls,
The students were bouncing off freshly cleaned walls.
The buses were loading, the teachers said "Go!"
At last, winter break—just one more meeting to go.

The laptops were nestled all snug in their carts,
While I dreamed of reports, spreadsheets, and charts.
I processed the payroll, the last of the year.
When everything balanced, I let out a cheer!

When out on the lawn there arose such a clatter,
I sprang from my desk to see what was the matter.
I ran to the window, shoved papers aside—
It was just Amazon, on their twentieth drive-by.

I signed for the package and got right back on task.
Do we have an At-Risk plan, who can I ask?
Has the plan been reviewed and approved by the Board?
I need to confirm; this just can't be ignored.

It's the end of the year, so check account codes,
And special ed teachers' total student caseloads.
The COA was uploaded through the end of the year,
Test Records came back that all coding was clear!

And then, in a twinkling, I heard on the roof,
Footsteps and clanging and then the word "OOF!"
I looked out the window, prepared for a sight—
It was just the custodian, salting the ice.

I spoke not a word, I was deep in my zone,
Just nodded and turned right back to my phone.
I checked categorical funds, budgets, and more,
And updated the UAB, which is never a bore!

Tuition invoices need sent in 2026,
I reviewed student lists with just a few clicks.
Preparation can start for the employee W-2 form.
Can I get out of here before the looming snow storm?

Grabbing my bag, I rolled out the door,
Muttering, "After New Year's, I'll tackle some more!"
But until then, I'll take a break with no budgets or scans.
Happy Holidays to all SBOs and good luck with your plans!

Recent Questions

Career and Technical Student Organizations - Charging Students Fees

Question: Can districts charge students memberships fees for the career and technical student organizations (CTSO)?

Answer: Districts may not charge students CTSO membership fees as districts do not have the authority to charge fees that are not expressly authorized in law ([Iowa Code § 274.3\(2\)](#)). [Iowa Code section 282.6](#) provides that all schools shall be free of tuition. [Iowa Administrative Code r. 281 – 12.2](#) defines the educational program as the entire offering of the school, including out-of-class activities and the sequence of curriculum areas and activities.

Coding/Tracking Special Education Unallocated Costs

Question: Can the district use "Special Program, Unallocated" (Program 2X9) to account for special education expenditures?

Answer: Special education program expenditures are required to be coded to the level of students(s) being served, including staff salaries and benefits. If a staff member is serving students at different levels, the salaries and benefits should be coded appropriately using a percentage basis for each level. The use of unallocated special education account codes for first semester billing should be limited, but the use is inappropriate for individualized student costs.

The district should periodically (e.g., each year, semester, quarter) evaluate student rosters for special education teachers to determine where the teacher's time is actually spent and update account coding as appropriate. This is a best practice for districts that historically find teachers serving different populations throughout the school year.

Refer to the [Chart of Allowable Special Education Costs](#) for a list of allowable uses for special education funds.

Financial

State Payment Tracking

The Department of Education payments information on the EdPortal includes the Catalog of Federal Domestic Assistance (CFDA) number and the Grant Number for federal funds. A source code should also be assigned to all payments to districts or area education agencies (AEAs). Questions about the payment received can be directed to Angie James at angela.james2@iowa.gov or 515-281-3646.

Districts and AEAs may receive payments 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. All state payments may be accessed through the Department of Administrative Services (DAS) [Vendor Payment Portal](#). The link is also on the Department's [State Payment Information](#) web page.

SAVE distribution questions can be directed to Department of Revenue staff Adam Floyd at adam.floyd@iowa.gov or 515-601-4229.

Financial

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the Department's [Uniform Financial Accounting](#) web page, is regularly updated to reflect changes necessary to meet fiscal reporting needs.

<i>Account Code</i>	<i>Description</i>
Source/Project 4326	School Violence Prevention Program (SVPP) (COPS DOJ) (FAL/CFDA 16.071) (Reinstated Nov25) (Previously Bilingual Education Professional Development (FAL/CFDA 84.195) (Del 04) (Jan17)
Source/Project 4544	Targeted Support and Improvement (TSI) Competitive Grant (FAL/CFDA 84.010A) (Previously Juvenile Justice and Delinquency Prevention – Allocations to States, (DHR) (Community Collaboration Support) (FAL/CFDA 16.540) (Apr17) (Nov25)

Applications

Reminder: School Board Officers and District Leadership Contacts Application | Due December 15

Changes to school board membership are required to be reported to the Department annually by December 15 ([Iowa Code § 291.11](#)) in the [School Board Officers](#) application in the [Education Portal](#). The Department uses district leadership contacts reported in this application to build email distribution lists.

Action Requested: Please check your district to ensure each of the key leadership position contacts for your district are *reported and current*.

- Chief financial officer/school business official (CFO/SBO)
- Building and grounds director

- Transportation director
- Auditor
- Special Education (130 missing)
- Work-Based Learning (183 missing)
- Career and Technical Education (168 missing)
- School-Based Medicaid (148 missing)
- School Safety (170 missing)
- Curriculum Contact (144 missing)

The application is available for updates throughout the year, which helps ensure the Department has the most accurate contact information for each of these key district stakeholders.

Questions regarding this application can be directed to Holli Marolf at holli.marolf@iowa.gov or 515-281-5812.

At-Risk/Dropout MSA Application | Due January 15

The SBRC application for At-Risk/Dropout modified supplement amount (MSA) is now available via the EdPortal. The application is optional; only districts requesting SBRC-granted MSA (Project 1119) will need to complete the “MSA Application” page.

The restricted use of related MSA is to provide additional resources for the 2026-2027 school year that are necessary to implement the at-risk, alternative school, dropout prevention, and returning dropout services for identified students as defined in the local school board’s adopted plan pursuant to [Iowa Code section 257.38](#). MSA awarded for this purpose will not increase regular program spending authority.

Reminder: Boards must approve both the request for additional spending authority and the at-risk/dropout plan (with all required components) each year. Failure to do so invalidates the district’s authority to request the additional spending authority. Templates for both actions that are required by the board are below.

- **At Risk/Dropout Plan** - Motion by _____ to approve the At-Risk/Dropout Plan for the 2026-2027 school year. Seconded by _____; Ayes: _____, Nays: _____ The motion _____ by a vote of _____.
- **Request to the SBRC for MSA** for the At-Risk/Dropout Program - Motion by _____ to approve the request to the School Budget Review Committee (SBRC) for the Modified Supplemental Amount (MSA) in the amount of \$_____ for the 2026-2027 At-Risk/Dropout Plan. Seconded by _____; Ayes: _____, Nays: _____ The motion _____ by a vote of _____.

Technical note: Uploading board minutes prior to certifying MSA application: In the MSA Application page, click the Save button when entering or modifying the numbers in line 5 (requested modified supplemental amount) and/or line 7 (number of identified students) BEFORE clicking the Upload Board Minutes button. If entries are made without being saved and then board minutes are uploaded, the amounts in lines 5 and 7 may not be retained.

Questions regarding the At-Risk/Dropout program or application can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

School Safety Spotlight

SchoolSafety.gov | Professional Development Reminder - U.S. Secret Service: Enhancing School Safety Using Behavioral Threat Assessment

The U.S. Secret Service National Threat Assessment Center (NTAC) is offering a virtual training presentation on targeted violence prevention titled: Enhancing School Safety Using Behavioral Threat Assessment. The audience is school administrators, educators, and other school safety stakeholders. Register for one of the dates (1/21/26, 3/18/26, or 5/20/26) at [SchoolSafety.gov](https://www.schoolsafety.gov).

Resource Spotlight: Empower Your School Community to Prevent Online Child Exploitation

Students may spend more time online while at home during extended school breaks. With winter vacation approaching, teachers, parents, and guardians can take action now to encourage online safety. The U.S. Department of Homeland Security's [Know2Protect](https://www.know2protect.gov) program offers tip sheets and activities that teachers can use in the classroom to educate students on the signs of online child exploitation and how to respond. Through the campaign, school communities can also find helpful materials like internet safety checklists and an online safety agreement for families. Other [published](#) resources include activities for students such as content-related crosswords and bingo to raise awareness, social media assets, and tips for educators.

General Information

Finance Roundtable Recap | November 14

The Bureau of School Business Operations hosted the Finance Roundtable at the Grimes Building on Friday, November 14. Led by Bureau Chief Cassandra Cline, 31 members attended and discussed agenda topics including introductions of new and returning members, continuation of SBRC-directed unspent authorized budget discussion, off-season student activity camps, at-risk/dropout prevention plans, post-crash procedures, use of federal fiscal risk assessment outcomes, fiscal agent special education costs, student safety, CAR extension guidance, and student lunch debt. This diverse group is an invited focus group comprised of school business officials, superintendents and AEA representatives from around the state including members of the Department of Education, Department of Management, Legislative Services Agency, and Office of the Auditor of State, as well as individuals from various organizations that support school districts across the state including IASBO, IASB, SAI, and ISFIS. The group meets three times during the school year to discuss school finance-related issues and is scheduled to meet again in January.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

Transportation Reminders

1. Signage: “No Trespassing” signs are allowed on school buses. Iowa Administrative Code r. 281-44.3(34) states, a ‘No Trespassing’ sign may be affixed to the face of the top step in 2-inch black letters on a white background. The addition of this sticker is a simple step that can assist with the safety and security of the vehicle.
2. Vehicles Purchased: [Iowa Code section 321-374](#) requires vehicles purchased by districts, nonpublic schools, charter schools, or contractors to be inspected before being used for student transportation. If the initial pre-use inspection is not performed by a member of the Department’s school bus inspection team, the owner must have the vehicle inspected and submit the completed pre-use inspection form to the Department before using the vehicle for student transportation. The [forms](#) are available on the Department’s [Pupil Transportation](#) web page, under the Forms section.
3. Substitute School Bus Drivers: Substitute drivers must meet the same qualifications as all other school bus drivers. These qualifications can be found in Iowa Code sections [321.375](#) and [321.376](#).

Inspector Tip of the Month: Urgent NTSB Recommendations

The National Transportation Safety Board (NTSB) recently published an article titled, “[School Bus Roadway Departure and Rollover](#)” in the wake of the August 13, 2025, school bus crash in Leander, Texas. As part of the accident investigation, NTSB also issued three urgent recommendations on October 20, 2025, detailed in the following report: [Ensuring Passenger Seat Belt Use on School Buses](#).

Crash Summary: At the time of the crash, the bus was transporting 46 student passengers between ages four and ten from Bagdad Elementary School to their residences. Sixteen of the passengers and the driver were injured in the crash; no one was fatally injured although some of the victims sustained serious injuries.

According to the NTSB preliminary report, video evidence showed that, of the 42 student passengers visible in the video (out of the 46 passengers onboard), only six were belted and four of those passengers were wearing only the lap portion of the lap/shoulder belt. The proper use of the lap/shoulder belt for the two remaining belted passengers of the six could not be determined due to the limited visibility in the video of their seating positions on the left side of the bus.

As seen in the video footage, when the school bus departed the roadway and began to roll onto its right side and subsequently onto its roof, the unbelted passengers were displaced from their seating compartments and into the roof area, striking the ceiling of the school bus and other passengers. Some passengers struck the emergency exit roof hatch, causing it to partially open. As the bus rolled further and came to rest on its left side, the unbelted passengers ended up on the left side of the bus, on top of other passengers, the seats, and the left-side windows. The four passengers who were wearing only the lap portion of the lap/shoulder belt were partially restrained by the lap belt, reducing their upward excursion and preventing impact with the ceiling and the left-side seats. However, these four passengers were still vulnerable to injury from upper body flailing and occupant-to-occupant impacts. Although

visibility of the two additional belted passengers was limited, they remained within their seating compartments during the extent of the rollover sequence.

NTSB Recommendations: NTSB's urgent recommendations to student transportation organizations are listed below.

Inform your members of the circumstances of the Leander, Texas, rollover crash, the lack of seat belt use by most passengers, and the need for school districts to establish enforceable policies and procedures for seat belt use on school buses so that every student and driver on every school bus equipped with passenger seat belts is properly restrained by lap/shoulder belts or five-point harnesses, as appropriate, on every trip. The policies and procedures should at a minimum include:

- mandatory pre-departure driver instruction to students to properly belt and periodic pre-departure inspection by drivers or other staff to ensure that each student is properly belted;
- periodic review of onboard video camera footage, when equipped, to verify seat belt use; and
- increased training and education of school administrators and staff, bus drivers, parents, and students about proper seat belt use and adjustment, seat belt policies and procedures, the safety benefits of seat belt use, and the importance of being properly belted.

Inspector Corner: Intrastate CDL Driver Medical Certification

In October, CDL medical certificates began being issued electronically. At that time, the Federal Motor Carrier Safety Administration (FMCSA) [National Registry II Learning Center](#) web page stated that Commercial Learner's Permit (CLP) and Commercial Driver's License (CDL) holders will no longer be required to submit a paper medical examiner's certificate to the Iowa Department of Transportation (IDOT). Instead, driver physical qualification examination results will be electronically transmitted from the FMCSA's National Registry to IDOT and posted on the driver's record.

The FMCSA web page also stated that CLP and CDL holders will no longer receive the original/paper medical examiner's certificate from the certified medical examiner unless they request a copy for their records.

The Department was recently notified by IDOT that this only applies to drivers that self-certify as "non-excepted interstate". All other self-certification statuses will not be electronically reported to IDOT. Many Iowa school bus drivers self-certify as "excepted intrastate" status and are therefore not required by IDOT to have a medical certificate on file. However, [Iowa Administrative Code r. 281-43.12](#) requires all school bus drivers to submit a signed medical examiner's certificate to the driver's employer on an annual basis.

Next Steps:

- Each district should require each driver to request a paper copy of the medical examiner's certificate from the medical examiner.
- Each district should retain a copy of each driver's medical examiner's certificate, which is used to update the driver's information in the Driver Authorization System.



January 2026

Featured

Happy New Year from the Bureau of School Business Operations

As we step into a new year, the Bureau of School Business Operations would like to recognize the dedicated school business employees in the field who work diligently all year to serve the students of Iowa. The work done in business offices across the state is crucial to the continued growth and success of the state's educational system. The Bureau shares this commitment to the students of Iowa and strives to be a resource for all. From our team to yours, we wish you health, productivity, happiness, simple reconciliations, clean audits, and account codes that all work. Happy New Year!

A special section at the end of the newsletter highlights the specific areas of contribution for all members of our team.

Join Our Team!

Do you enjoy helping others in the realm of school finance and accounting? Do you enjoy troubleshooting account coding practices? Do you consider yourself an account coding guru? Are you intrinsically motivated to help and be a resource for others? Join our team!

Position Name #1: [Education Program Consultant \(School Finance - Accounting\)](#) (closes 2/14/26)

Position Name #2: [Education Program Consultant \(School Business Operations\)](#) (closes 2/1/26)

Reach out to Cassandra Cline at kassandra.cline@iowa.gov or 515-326-2242 if you want to learn more about the incredible impact you can have working on our team supporting SBOs across the State!

IDEA Part B: New EdPortal Application | February 10

The Department will be hosting a statewide webinar on February 10 at 11:00 am to introduce the new Individuals with Disabilities Education Act (IDEA) Part B application available in the EdPortal, which will be used to submit budgets and claims for use of IDEA Part B funds previously issued through the AEA system. The intended audience is those who oversee the special education program as well as the person who will submit the budget and the claims.

Please click the link below to join the webinar.

<https://IDOE.zoom.us/j/87456513773?pwd=ebv4KjYpILsTPN69bbZiKvegs8ttVm.1>

Passcode: 529284

Or One tap mobile :

+16465189805,,87456513773#,,,,*529284# US (New York)

+16513728299,,87456513773#,,,,*529284# US (Minnesota)

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+1 720 928 9299 US (Denver)

Webinar ID: 874 5651 3773

Passcode: 529284

IDEA Part B: Coding District Payments

Prior to this year, IDEA Part B revenues were coded to Source 4720 as payments were being made to the district through the Area Education Agencies (AEAs). This year and going forward, these payments will be made by the Department of Education directly to districts and the revenues received will be coded to Source 4521.

Questions may be directed to Sarah Sheeder at sarah.sheeder@iowa.gov or 515-326-0854.

Iowa School Bus Safety Week Poster Contest

The Department is excited to announce the first annual Iowa School Bus Safety Week Poster Contest. This is a great opportunity for students to learn about school bus safety and to share this important information with others through art.

Details of the Iowa School Bus Safety Week Poster Contest are available in the Transportation section below.

Reminder: Budget Amendment Checkpoint

Districts should be closely monitoring the district's financial position in relationship to the certified budget control lines.

Next Steps: The budget should be amended if the district expects to spend more in the budget control lines as adopted in the 2025-26 Certified Budget (Iowa Code §§ [257.7\(2\)](#) and [24.9\(2\)](#)).

Reminder: Payments From Other State Agencies

Payments may come from other state agencies. If the payment in question is not listed in the Department Warrants application in the [EdPortal](#), it was generated by another agency.

Visit the [Department of Administrative Services \(DAS\) Vendor Payment Portal](#) to view all state payments. The district's Employer Identification Number (EIN), issued by the Internal Revenue Service is needed to

search for the payment. The "details" link by each payment that can be expanded to display a description and contact information.

Financial

Update: Nutrition Programs Maximum Indirect Cost Recovery Calculation for Public Schools

The Department has updated the Nutrition Programs Indirect Cost Recovery Calculations Examples and Coding (Calculator) on the Department's [Indirect Cost Rate](#) web page. The Calculator is a structured, step-by-step process to calculate the maximum indirect cost recovery on all allowable expenses in the Nutrition Fund. The tool includes the components below.

- Overview and Instructions: The top section provides an explanation of how the indirect cost recovery amount is calculated.
- The Calculator now includes an "FSM" tab to identify payments to Food Service Management (FSM) vendors that may be limited under the federal Modified Total Direct Cost (MTDC) rules. In accordance with [2 CFR § 200.1](#), only the first \$50,000 of total annual payments to each FSM vendor (Object 570-579) may be included in the MTDC base. Any amount over \$50,000 per FSM vendor is excluded.
- District Selection and Input Fields: Users first select the district and then enter revenue and expense amounts for each program.
- Calculation Examples:
 - Example A: the spreadsheet automatically calculates the maximum indirect costs recovery for federal programs that allow indirect costs.
 - Example B: the spreadsheet automatically calculates the maximum indirect costs recovery for all eligible expenses in the nutrition fund.
- Journal Entry Templates: The final section provides example journal entries to record indirect cost recovery between the School Nutrition Fund (Fund 61) and the General Fund (Fund 10). Separate examples are provided for each calculation method.

The Calculator and related examples have been updated to include FY26 allocations, ensuring that calculations align with current indirect cost rate data.

Questions may be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

Explanation of January 2026 Juvenile Home and Other Deductions from State Payments to School Districts

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 a district's spending authority. Visit the [State Payment Information FY26](#) web page for an updated breakdown of categorical funding.

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

Coding

Special Education Billing Application | Due February 16

The Special Education Billing application is used to bill districts for costs incurred to serve special education students. The application is open and districts are required to bill by February 16 for first semester billing based on either actual cost per day or estimated cost per day.

Special Education Billing - Days Only

Districts will enter student information by the number of days the student was enrolled and served pursuant to an Individualized Education Plan (IEP) during FY26.

Special Education Estimated Billing

The Department will continue to use the predetermined daily rate feature as implemented in the Special Education Billing application, which allows an additional option in determining the amount billed for the first semester. A Certified Annual Report (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 program percentages. Refer to the examples below.

Basic Daily Rate for a Level I Student

Special Education Cost:

District Cost Per Pupil (DCPP) X Special Ed Weighting / 180 X 1st Semester Billing Days = Special Ed Expenditures

$$[(\$7,988 \times .72) / 180] \times 90 \text{ days} = \$2,875.68$$

General Purpose Percentage

DCPP X Level I GPP Per Pupil % (each district is different) / 180 X 1st Semester Billing Days = GPP

$$[(\$7,988 \times .82) / 180] \times 90 \text{ days} = \$3,275.08$$

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

$$[(\$7,988 \times 1.21) / 180] \times 90 \text{ days} = \$4,832.74$$

General Purpose Percentage

DCPP X Level II GPP Per Pupil % (all districts are the same) / 180 X 1st Semester Billing Days = GPP

$$[(\$7,988 \times .32) / 180] \times 90 \text{ days} = \$1,278.08$$

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

$[(\$7,988 \times 2.74) / 180] \times 90 \text{ days} = \$10,943.56$

General Purpose Percentage

DCPP X Level III GPP Per Pupil % (all districts are the same) / 180 X 1st Semester Billing Days = GPP

$[(\$7,988 \times .27) / 180] \times 90 \text{ days} = \$1,078.38$

Days Enrolled and Served - Full or Partial Semester

“First semester billing days” means the number of days the student was enrolled and served pursuant to the student’s IEP. The examples above assume the student was present for the full semester or 90 days. However, for students enrolled and served less than a full semester, the district will enter the actual days enrolled and served rather than 90 (i.e., $(\$7,988 \times 1.21) / 180 \times 25 \text{ days} = \$1,342.42$). If a student was Level II for part of the semester and then became Level III, the student will be included as Level II for the number of days served pursuant to the IEP at Level II, and again included as Level III for the number of days served pursuant to the IEP at Level III.

Completing the Application

Upon entering the application, the Local Education Agency (LEA) will need to enter at least one contact person in the categories Special Education Supplement, Claim Forms, and Special Education Billing. Then, select the billing option that will be used for semester one billing.

- Per Day Estimated Rate is the option described above.
- Per Day Actual Costs from Screen 1 is similar to what districts use for final billing.

Please ensure the accuracy of the data pre-populated in the application as listed below.

- Student name
- State Student ID
- Special education weighting
- Resident district

The district is responsible for entering the information below.

- Days enrolled and served
- Individualized costs

If you have further questions regarding Special Education Billing, please contact specialeducationfinance@iowa.gov.

School Safety Spotlight

United States Secret Service Research Report

The United States Secret Service National Threat Assessment Center (NTAC), a branch of the United States Department of Homeland Security, published a research report titled, “[The State of Behavioral Threat Assessment and Management in K-12 Public Schools](#)” from a 2025 American School Leader Panel Survey. In 2024, NTAC tasked the Homeland Security Operational Analysis Center (HSOAC) with conducting a study to advance the field’s understanding of behavioral threat assessment and management practices in K-12 schools. This report takes a comprehensive look at how K-12 schools are implementing and using behavioral threat assessment and management programs as part of their violence prevention efforts. The intended audience for the report include school- and district-level administrators, school safety partners, law enforcement, and other community-based organizations.

General Information

Reminder: Psychiatric Medical Institution for Children Placements and Psychiatric Hospital Stays: Responsible party

If the student who is placed in a Psychiatric Medical Institute for Children (PMIC):

- Is served pursuant to an 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.

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

Answer: If the student has an IEP and parental rights have been 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 Special Education Billing (SEB) application.

Question: How is the resident district determined?

Answer: According to [Iowa Code section 282.1\(2\)](#) defines the resident district as 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.

Question: If the resident district did not get to count the student in certified enrollment, does the resident district still have to pay?

Answer: 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 section 282.27\(5\)](#) allows 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 where the PMIC facility is located will educate the student and bill the PMIC's district cost per pupil to the resident district. 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 their local student information system in order to generate the record that will populate the regular education foster care claim.

Questions related to billing may be directed to contact Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Billing for Open Enrollment, Homeless, and Foster Care

The majority of students who utilize open enrollment attend the serving district on the first day of school, remain enrolled through the last day of school, and do not move during the course of the year. For these students, the serving district bills the resident district twice a year. This is a simplified process. All other situations - involving open enrollment and moving - are not as simple. The information below provides a brief review of how billing is to be handled when changes occur during the year ([281 IAC 17](#)).

1. Scenario: 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 residence, known as Iowa's "continuation rule".
 - Related billing: 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 (the budget year state cost per pupil) or special education costs. If a student utilizes open enrollment to remain enrolled in the same district, that 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.
2. Scenario: 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.
 - Related billing: The serving district will bill the district that generated the count on count day. The serving district can bill for 1.0 funds (the budget year state cost per pupil) and, if applicable, actual special education costs incurred.
3. Scenario: 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 district of origin ([281 IAC 33.2](#)), which is the Iowa public school district in which the student was last enrolled or in which the child last attended when permanently housed.
 - If the district elects to place the student in an educational placement other than the district where they are currently living or the district of origin, the district must provide written justification for this decision ([281 IAC 33.7\(1\)](#)).
 - 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, the parent or guardian must apply for open enrollment, and cannot be denied open enrollment on the basis of their homelessness alone.
 - If the application for open enrollment is approved after the student is determined to be homeless, the parent assumes responsibility for transportation ([281 IAC 33.8\(4\)](#), [281 IAC 17.9\(1\)](#)).
 - Transportation services to the school of origin (pursuant to open enrollment agreement in place prior to homelessness occurring) is required to be provided pursuant to [42 U.S. Code § 11432 \(e\)\(3\)\(E\)\(i\)\(III\)](#). If the school of origin is not the same as the district in which the student is physically located, the district in which the student is physically located and the district in which the student is attending are required to work together to determine a method to apportion responsibility and costs for providing transportation to the school or origin. If a method cannot be agreed upon, costs shall be shared equally between the two districts [[42 U.S. Code § 11432 \(g\)\(1\)\(J\)\(iii\)\(II\)](#)].
4. Scenario: A student is placed into foster care. When a foster care placement occurs, a "best interest determination" decision will be made in consultation with HHS regarding the school of attendance, resulting in either remaining in the school of origin or, if that is found to not be in the student's best interest, another educational placement that will best serve the student's needs, including the district where the student resides in foster care. Additional information for each service arrangement is provided below.
 - The student remains enrolled in the school of origin.
 - 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\(1\)\(b\)](#)).

- The student does not remain enrolled in the school of origin and enrolls in the district where the student resides while in foster care, or another suitable placement.
- If the student does not have an Individualized Education Program (IEP), the student is a resident in the district where he or she is attending 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 utilizes 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 will include the student on the regular education foster care claim.
- 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 Special Education 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 Special Education 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 Special Education 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 Special Education 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\(6\)](#)).

If applicable, the amount to bill for open enrolled students equals the sum of the budget (i.e., current) year state cost per pupil and the supplemental state cost per pupil for the following: teacher leadership and compensation (TLC), professional development (PD), and early intervention childhood (EIC). If the student was included in the resident district's October 2025 English Learner (EL) supplementary weighting calculation, funds due to the resident district for this purpose are also billable.

For updated billing guidance, including prorated billing amounts, please refer to the 2025-2026 [Open Enrollment Billing Chart](#).

For questions relating to serving homeless students, contact Tyler Navin at tyler.navin@iowa.gov or 515-669-8622.

For questions relating to open enrollment, contact Sara Nickel at sara.nickel@iowa.gov or 515-971-7558.

For questions relating to billing, contact Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

For questions relating to foster care, contact Elisa Koler at elisa.koler@iowa.gov or 515-669-4052.

2026 Legislative Session Began January 13

The 2026 legislative session began on Monday, January 13. There are various resources available to access information related to any action taken or progress made by The Iowa Legislature.

[Department of Education's Legislative Information](#) web page

[Iowa Legislature](#) website

For further information on legislative issues, contact Eric St Clair, Legislative Liaison, at eric.stclair@iowa.gov or 515-326-0274.

School Budget Review Committee Hearing | December 16, 2025

The School Budget Review Committee (SBRC) met in regular session to hold hearings on December 16, 2025. The Committee discussed the list of districts that preliminarily incurred a negative unspent balance and negative regular program balance; reviewed lists of late filers for Certified Enrollment, School Association Report (SAR), and the Facilities, Elections, and Sales Tax (FEST) Report; reviewed state decile rankings for unspent authorized budget (UAB) and regular program amounts on a per pupil basis; reviewed the historical list of districts and AEAs that late-filed their Certified Annual Report (CAR), Special Education Supplement (SES), or Annual Transportation Report (ATR); and set the fiscal year 2026-2027 hearing schedule. The Committee certified to the Department of Management (DOM) the list of supplementary weightings for FY27 and approved modified supplemental amounts (MSA) for eligible and requesting districts related to excess costs of providing an English Learner (EL) program in the prior fiscal year, increased enrollment applications, open enrollment out students not included in the prior year headcount, and EL programs offered beyond five years. The Committee reviewed district special education balances and approved MSA for eligible and requesting districts with deficit balances. The Committee accepted the Director's recommendation to not change the special education weightings.

The Committee approved three requests for modified supplemental amounts (MSA) due to hazard abatement and one request for MSA related to start-up costs for new student programs. The Committee approved a request from one district for a negative MSA equal to excess MSA requests in prior years related to special education deficit amounts and received fiscal updates from three districts that were required to appear based on fiscal triggers. The Committee accepted corrective action plans from two districts that late filed the CAR, SES, and/or ATR and from three districts that preliminarily incurred a negative unspent balance, of which two were accepted and one was tabled, including a directive to appear at the March 2026 hearing with an updated plan.

The Summary of Action can be found on the [SBRC Hearing Information](#) web page under the Summary of SBRC Hearing Decisions.

If you have further questions, please contact Stephanie Edler, SBRC Liaison, at stephanie.edler@iowa.gov or 515-689-2258.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

HF395 Training Requirement Changes Effective January 1, 2026

Beginning January 1, 2026, House File 395 (Iowa Acts) grants districts the authority to choose not to participate in (i.e., opt out of) the School Transportation Operator's Program (S.T.O.P.), which is the Department's school bus driver training program. S.T.O.P. consists of three components, two for new drivers (online and face-to-face) and the annual renewal class for all drivers.

Default: No action is required of districts who wish to continue to participate in the Department's S.T.O.P. training.

Non-Participants: Districts who choose not to participate in the S.T.O.P. training program for new and/or returning school bus drivers must complete two tasks.

1. Take annual board action.
2. Notify the Department.

1. Take Annual Board Action

Districts that choose to opt out of S.T.O.P. training must do so *annually*.

To Opt Out of School Year 2025-2026

Window for Board Action: January 1, 2026 to June 30, 2026

To Opt Out of School Year 2026-2027 and beyond

Window for Board Action: January 1 to June 30 prior to the beginning of the school year.

Example 1: Opt Out for School Year 2026-2027

Window for Board Action: January 1, 2026 to June 30, 2026

Example 2: Opt Out for School Year 2027-2028

Window for Board Action: January 1, 2027 to June 30, 2027

Districts that choose to opt out of S.T.O.P. training for any school year, beginning with the 2026-27 school year, should complete the opt out procedure prior to July 1 of that school year. This will allow driver authorizations to be issued to drivers that have not participated in S.T.O.P. training, but are otherwise qualified.

Template Board Language

Department S.T.O.P Training Requirement: The district's administration is authorized to **opt out** of the Department's S.T.O.P.[new school bus driver or annual school bus driver] training for new and returning drivers for the 2025-26 school year.

Motion by _____ to approve the decision to not require S.T.O.P. training for the district's school bus drivers for the 2026-27 school year. Seconded by _____; Ayes: _____, Nays: _____ The motion _____ by a vote of _____.

2. Notify the Department

If a district's board of directors approves the decision to discontinue the requirement for its school bus drivers to receive the Department's S.T.O.P. training, the district must notify the Department via the Driver Authorization System (DAS) each school year. The steps to complete this process are listed below.

1. Log in to the Driver Authorization System (DAS).
2. Select the "Driver Training" tab at the top of the page.
3. Choose the "Opt Out Training" option.
4. On line 2, choose the date that the board meeting took place.
5. On line 3, check the "Opt out of Training" box.
6. On line 4, check the "District Approval" box.
7. Select the "Upload Minutes of Meeting" button.
8. Choose the district's board minutes file and then select the "Upload" button.
9. Select the "Certify" button at the bottom of the page.

Once this process is complete, the Department will review the board minutes. The Department will then either approve the request or notify the district that more information is needed.

If approved, the training requirement for the drivers of the district will be eliminated for the school year reflected in the board minutes. Drivers will still be required to have a valid school bus driver authorization, but the DAS will only require the district's drivers to have a current license and a current medical certificate to be eligible for an authorization.

Iowa School Bus Safety Week Poster Contest

Artistic and creative students of Iowa are encouraged to participate in the first annual Iowa School Bus Safety Week Poster Contest. In addition to showcasing student creativity, the contest also allows students to spread the word about school bus safety throughout Iowa.

The theme for the first annual Iowa School Bus Safety Week Poster Contest is "Safe Rides, Everyday Heroes". Students will compete in three different age divisions (K-2, 3-5, 6-8), and a Computer-Aided Design (CAD) division. Entries must be received no later than April 17, 2026, and can be submitted by mail or electronically.

Winning artists will receive recognition from the Department and their posters will be shared across the state in time for National School Bus Safety Week (October 19-23, 2026). The winning poster in each division will also advance to the national competition.

Rules and detailed information about the contest can be found on the Department's [Iowa School Bus Safety Week Poster Contest](#) web page.

Inspector Tip of the Month: NHTSA's Recall Notification System

The [National Highway Traffic Safety Administration](#) (NHTSA), a branch of the United States Department of Transportation, offers convenient email notification of recalls that might affect district owned school buses, Type III vehicles, tires, or child car seats. Interested parties can sign up for notifications on the [NHTSA's Recall Notification Email System](#) web page.

A confirmation email will allow the user thirty minutes to complete the user profile. Users have the option to select notifications for specific vehicles or all vehicles. Users also have the option to select car seat, tire, motorcycle, and/or school bus recall notifications.

NHTSA also offers the free SaferCar application for iOS or Android cell phone users. This application also provides recall notification. SaferCar application information can also be found on the webpage listed above.

Email and cell phone notification of NHTSA recalls provide quicker, more efficient, and more direct communication than regular mail.

Inspector Corner: Inspection Schedule and Callback Vehicles

[Inspection schedules](#) are typically posted each year by January 15 (spring semester) and July 15 (fall semester). The schedules and inspector contact information can be found on the [Department's Bus Safety and Inspection Schedules](#) web page.

Districts should make every effort to have all vehicles used to transport students available on the scheduled inspection day. If a vehicle will not be available on the day of inspection, districts should contact the Department inspector assigned to the district to find an alternate time and location to have the vehicle inspected. Vehicles can be inspected before the scheduled inspection if the district is aware that the vehicle will not be available on the scheduled day.

Meet the Bureau of School Business Operations



Kassandra Cline | Bureau Chief

Background: MS TET, MBA, Ed.D., ISBMA Graduate, and Former Teacher, Program, and Fiscal Administrator

Bureau Specialties:

- School Finance
- School Budget Review Committee (SBRC)
- ESA Auditing
- Allowable Use of Funds
- Charter School Finance
- Support this amazing team!



Stephanie Edler | Administrative Consultant - School Finance

Background: B.S. in Finance, B.S. in Accounting, ISBMA Graduate, Former Business Manager, SBO, Board Secretary, and Treasurer

Bureau Specialties:

- School Finance
- School Budget Review Committee (SBRC)
- ESA Auditing
- Uniform Administrative Procedures manual



Tom Simpson | Administrative Consultant - Pupil Transportation

Background: B.S. in Mathematics, Former State School Bus Inspector, Former District Transportation Director, North American Standard Inspections Part B Certification

Bureau Specialties:

- State Director for Pupil Transportation
- Annual Transportation Report Application
- Annual Transportation Nonpublic Claim
- Driver Authorization System
- Vehicle Information System
- School Vehicle Inspector



Eric How | Executive Officer 3 - Education Savings Accounts

Background: B.A. in Criminal and Social Justice, M.S. in Law, Northwestern University School of Police Staff and Command Graduate, Former Police Lieutenant, US Army Logistics Major

Bureau Specialty:

- Education Savings Accounts (ESA) Program Administration



Linda Ankeny | Executive Officer 2 - Education Savings Accounts

Background: B.S. & M.S. in Elementary Education, Specialist in C&I, Ed.D. in Education Administration, Master Educator License, Professional Administrator License, Former Teacher and Program Coordinator

Bureau Specialty:

- Education Savings Accounts (ESA) Program Administration



Ted Bauer | Consultant - School Finance

Background: B.A. in Accounting, ISBMA Graduate, Former Business Manager, SBO, Board Secretary, and Treasurer

Bureau Specialties:

- Tuition and Billing
- SAVE, PPEL
- At Risk/Dropout Programming
- School Facilities & Bonds
- Reorganization, Dissolution and Sharing
- SBRC Application



Valerie Moos | Consultant - Special Education Finance

Background: B.S. in Early Childhood Education, M.Ed. in Educational Administration - Certifications: EC-4 Generalist, 4-8 Generalist, ESL EC-12, Special Education EC-12, Principal, Former Special Education Teacher and Special Education Consultant in Texas

Bureau Specialties:

- Special Education Finance
- Special Education Billing
- Special Education Fiscal Monitoring



Sarah Sheeder | Consultant - Special Education Fiscal Monitoring

Background: B.S. in Business, ISBMA Graduate, Former School Business Official, Board Secretary, and Athletic Coach

Bureau Specialties:

- Special Education Finance
- Special Education Billing
- Special Education Fiscal Monitoring



Bobby Wilson | Consultant - School Finance

Background: B.S. in Accounting, B.A. in Finance, M.S. in Business Analytics, MBA University of Iowa, Former Auditor at John Deere Financial

Bureau Specialties:

- UFA Chart of Accounts
- CAR Application
- COA Application
- Federal Financial Reports
- Federal Indirect Cost Rate Plan / Annual Indirect Cost Rates
- Governmental Accounting and Auditing



COMING SOON! | Consultant - School Finance

Bureau Specialties:

- UFA Chart of Accounts
- Certified Annual Report (CAR) Application
- Chart of Accounts (COA) Application
- AEA Budgets
- Juvenile Home Claims



COMING SOON! | Consultant - School Finance

Bureau Specialties:

- UFA Chart of Accounts
- CAR Application
- COA Application
- Student Activity Fund
- Categorical Funds



Chris Errthum | School Bus Inspector (Northeast Region)

Background: Former District Lead Technician, Heavy Duty Diesel Mechanic degree, Air Brake Certification, Drive Line Certifications, CFC-12 and HFC-1341 Certified, CDL

Bureau Specialties:

- Pupil Transportation Safety
- Pupil Transportation Quality Inspection Standards



Joe Funk | School Bus Inspector (Southeast Region)

Background: ASE Certified Master School Bus Technician, Certified D.O.T. Inspector, North American Standard Inspections Part B Certification

Bureau Specialties:

- Pupil Transportation Safety
- Pupil Transportation Quality Inspection Standards



Codie Kellen | School Bus Inspector (West Region)

Background: A.S. in Automotive Repair, Former Transportation Director, Former District Mechanic, former Senior Master Technician

Bureau Specialties:

- Pupil Transportation Safety
- Pupil Transportation Quality Inspection Standards



Holli Marolf | Bureau Administrative Support Assistant

Background: A.S. in Business Administration, ISBMA Graduate and Troubleshooter Extraordinaire

Bureau Specialties:

- Pupil Transportation
- Vehicle Information System (VIS) Application
- Driver Authorization System (DAS) Application
- School Board Officers and District Leadership Contacts Application



February 2026

Featured

Join Our Team!

Do you enjoy helping others in the realm of school finance and accounting? Do you enjoy troubleshooting account coding practices? Do you consider yourself an account coding guru? Are you intrinsically motivated to help and be a resource for others? Join our team!

Position Name #1: [Education Program Consultant \(School Finance - Accounting\)](#) (closes 2/14/26)

Position Name #2: [Education Program Consultant \(School Business Operations\)](#) (closes 2/1/26)

Reach out to Cassandra Cline at kassandra.cline@iowa.gov or 515-326-2242 if you want to learn more about the incredible impact you can have working on our team supporting SBOs across the State!

IDEA PBC Application Webinar and Launch | Due February 27

The Department is excited to launch a new application in the EdPortal called IDEA PBC. Districts will use this application to complete the IDEA Part B budgets and to submit claims against the approved budgets. This application is required for all subrecipients who receive IDEA Part B funds.

The Department held a webinar on Tuesday, February 10, 2026 to demonstrate the functionality of the application and provide next steps for districts. The webinar recording and slide deck is available on the Department's [Special Education Finance](#) web page, under the IDEA Part B & C Application (IDEA PBC) section. LEA Part B Budgets are due through the IDEA PBC application February 27.

Further questions can be directed to Sarah Sheeder at sarah.sheeder@iowa.gov or 515-326-0854.

Recent Questions

IDEA PBC Application - Saving Budget Detail Pages

Question: Does the information in the Budget Detail Pages (e.g., contracts, tuition) save before the page is ready to “submit”?

Answer: Yes. The action to “Add Row” as detail is entered into each Budget Detail Pages activates an auto-save feature. The user can navigate through all Budget Detail Pages as well as make edits until the budget has been certified on the Assurances page.

Use of Management Fund Use

Question: Can a school district pay for the costs of a School Resource Officer (SRO) from the Management Fund?

Answer: No. The Management Fund may not be used to pay for the costs of an SRO.

Appropriate uses of the Management Fund are defined as costs of unemployment benefits; early retirement benefits; insurance agreements; liability insurance to protect the school districts from tort liability, loss of property, and environmental hazards; and judgments or settlements relating to such liability ([281 IAC 98.62\(2\)](#)). Additionally, the rule prohibits any use of the Management Fund which is not expressly authorized ([281 IAC 98.62\(3\)](#)).

Board President Electronic Signatures

Question: Does the school board president have to sign everything by hand?

Answer: No. [Iowa Code section 291.1](#), identified as President - duties, authorizes the president's signature, or the signature of the president's designee, to be affixed using an original or facsimile signature. The board of directors, by resolution, may designate an individual, who shall not be the secretary, to sign payments or authorize electronic funds transfers on behalf of the president.

Financial

Available: Data for FY26 Certified Annual Report

The "2025-26 District AEA Flowthrough Amounts", "2025-26 Sources for Local Projects", "2025-26 Preschool Funding" (with administrative reduction amounts), and "2025-26 Utility Replacement Tax Payments" documents are available under the heading “Data Used to File FY26 CAR” on the [Certified Annual Report \(CAR\)](#) web page.

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

February 2026 Income Surtax Payments

Message from the Department of Management:

The February 2026 income surtax payment is the second and final income surtax payment for the 2024 income tax year. The payment represents the remaining amount of income surtaxes collected for your district. Approximately 75% was paid in December so the final payment represents the remaining amount due.

This payment is based upon the income surtax rates established for your 2024-2025 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 under the Department's [State Payment Information FY26](#) web page.

Open Enrollment Transportation Assistance

The transportation reimbursement amount for the 2025-26 school year is \$751 per student for qualifying open enrolled families. Transportation assistance is only available to families with students who are open enrolled between contiguous districts and meet income requirements. 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 school year begins, the reimbursement request should be prorated.

The resident district has the authority to determine how transportation assistance is provided for eligible students. The type of transportation assistance offered is not determined by the parent/guardian.

The resident district may fulfill its statutory obligation in one of the three ways listed below.

1. Provide transportation for the student(s) to a stop on the receiving district's bus line.
2. Allow the receiving district to enter the resident district to pick up the student(s), if requested by the receiving district. If either the sending or receiving district does not approve this arrangement, the resident district is still obligated to provide transportation assistance.
3. Provide the parent/guardian with a cash reimbursement amount as determined in [Iowa Code Section 285.1\(3\)](#) or the local cost per pupil for the previous year as specified on the resident district's Annual Transportation Report, whichever is lower. The amount as determined in Iowa Code Section 285.1(3) for the 2025-26 school year is \$751. The maximum number of students can include only one secondary (9-12) student and up to three elementary (K-8) students ([Iowa Administrative Code r. 281-17.8](#)).

Additional information is available on the Department's website, including the [Open Enrollment Handbook](#) and [Open Enrollment Transportation Assistance](#) handout with income guidelines.

Questions related to transportation assistance can be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

Questions related to open enrollment can be directed to Sara Nickel at sara.nickel@iowa.gov or 515-971-7558.

Property Tax and Utility Excise Replacement Tax

Reminder: There is an important distinction between Property Tax and Utility Excise Replacement Tax. Property Tax is a levy on property. Utility Excise Replacement Tax is an excise tax and is not a property tax. Because these revenues are different, federal reporting, Certified Annual Report (CAR) reporting, and the district budget process are affected by related coding choices.

- Source 1171: Gas and Electric or Utility Replacement or Excise Tax ([Iowa Code chapter 437A](#))
- Source 111X: (Current) Utility (not gas and electric) or Delinquent Utility

Resources: FY26 Utility Excise Replacement Taxes are available on the Department's [Certified Annual Report](#) web page under the section "Data Used to File FY26 CAR", in a file titled "2025-26 Utility Replacement Tax Payments". Only utility items labeled "Gas and Electric", "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).

An additional resource is available on the Department's [Uniform Financial Accounting](#) web page titled "[Property Taxes - Types and Coding](#)" that includes coding detail for different types of taxes. FY26 estimates are available on the Department of Management's [School Resources](#) web page in a file titled "[Outstanding Property Tax Levies and Maximum Levy Limits](#)". FY26 estimates will be posted this summer.

Questions related to account coding can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

Coding

Reminder: GASB Statement No. 101 - Compensated Absences

This article serves as a reminder of requirements defined by the Governmental Accounting Standards Board (GASB), Statement 101, Compensated Absences. GASB 101 was issued to improve the clarity and consistency of financial reporting of compensated absences.

GASB 101 defines compensated absences as any of the following:

- Cash payments when the leave is used for time off;
- Other cash payments, such as payment for unused leave upon termination of employment; or
- Noncash settlements, such as conversion to defined benefit postemployment benefits.

Examples of compensated absences are below.

- Vacation leave
- Sick leave
- Paid time off (PTO)
- Holidays
- Parental leave
- Bereavement leave
- Certain types of sabbatical leave

Liabilities for compensated absences must be recognized for the leaves below.

- Leave that has not been used if the leave is attributable to services already rendered, the leaves accumulate, and it is more likely than not (a likelihood of more than 50 percent) to be used or be paid for the leave.
- Leave that has been used but not yet paid or settled through noncash means.

Exceptions to the liability recognition under this Statement.

- The following leaves should not be recognized as liabilities until the leave begins:
- Parental leave
- Military leave
- Jury duty leave

In addition:

- Unlimited leave should not be recognized as liabilities until the leave is used.
- Holiday leave that is taken on a specific date and not at the employee's discretion.

- Termination benefits under GASB Statement 47.

Measurement

- Liabilities for compensated absences are measured using the employee's pay rate at the financial statement date. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. Examples include FICA, IPERS, or other payroll taxes.

Additional detailed guidance for GASB 101 implementation can be found listed below.

- [GASB Statement 101 - Summary](#)
- [GASB Statement 101 - Full Text](#)

GASB 101 journal entry examples are still listed on the Department's [Uniform Financial Accounting](#) web page on the "[UFA journal entries](#)" spreadsheet under the "GASB 101 Comp Absences (Gov)" and "GASB 101 Comp Absences (Prop)" tabs.

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674.

School Safety Spotlight

[SchoolSafety.gov](#) | Cybersecurity Resource

[SchoolSafety.gov](#) has published a one-page resource titled [Cybersecurity Action Steps](#). Multiple federal agencies collaborate to create resources published on [SchoolSafety.gov](#): U.S. Departments of Homeland Security (DHS), Education (ED), Justice (DOJ), and Health and Human Services (HHS).

General Information

School Budget Review Committee - Hearing Summary

The School Budget Review Committee (SBRC) met in regular session to hold hearings on January 27, 2026. The Committee was presented with information requested from the December 16, 2025 hearing, including the historical special education population and expenditure data, an initial description of the special education fiscal monitoring activities occurring, and detail of an expenditure review related to requests in December for modified supplemental amounts (MSA) due to excess costs of the English Learner (EL) program.

The Committee approved a negative MSA request for FY25 for costs incorrectly coded to the EL program and the Committee took action to not revert any AEA special education balances because none exceeded ten percent. The Summary of Action is available on the [SBRC Hearing Information](#) web page under the Summary of SBRC Hearing Decisions.

Further questions can be directed to Stephanie Edler, SBRC Liaison, at stephanie.edler@iowa.gov or 515-689-2258.

Finance Roundtable Recap | January 28

The Bureau of School Business Operations hosted the Finance Roundtable at the Grimes Building on Wednesday, January 28. Led by Bureau Chief Cassandra Cline, 24 members attended and discussed various agenda topics including the new IDEA Part B Application, January SBRC recap, continuing conversation surrounding spending authority in context, and other current topics.

Membership in this invited focus group includes representatives from the Department of Education, Department of Management, Legislative Services Agency, State Auditor's Office, school districts, area education agencies, Iowa Association of School Business Officials, Iowa Association of School Boards, School Administrators of Iowa, Iowa School Finance Information Services, and Iowa State Education Association. The group meets three times during the school year to discuss school finance-related issues and is scheduled to meet again in April.

ISASP Testing Protocols and Administering to Home School Students

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 building level administrators and staff who will be included in the assessment process, as well as 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, AEA, or other location designated for testing and is to be supervised by district or AEA personnel who have completed the required training modules for those administering the assessment. Students who are homeschooled under Independent Private Instruction (IPI) assume the cost of an annual assessment if one is requested by the family. Competent Private Instruction (CPI) students are never charged for an annual assessment.

Questions related to Home Schooling (Private Instruction) can be directed to Buffy Campbell at buffy.campbell@iowa.gov or 515-954-8651.

State of Iowa Master Agreements

School districts and AEAs may purchase goods and services through master agreements negotiated by the Iowa Department of Administrative Services (DAS) available on the [Iowa Management and Procurement Contracts](#) web page. 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.

Reminder on Concurrent Enrollment Textbooks

If the school district is responsible for providing textbooks for a concurrent enrollment course, the expectation is that textbooks are provided to students enrolled in the concurrent enrollment course consistent with the district's established textbook policy and in the same manner as the district provides textbooks for all students of the district ([Iowa Code chapter 301](#)).

If the district charges an annual textbook rental fee to all students, that established fee covers all textbooks for all courses (e.g., high school credit only, concurrent enrollment). If the district charges no fee for textbooks, then no fee may be charged to students for concurrent enrollment textbooks. Only if a district's policy is to charge on a book-by-book basis to all students for all courses can a district charge a textbook fee for each concurrent enrollment course.

It would not be permissible for a district to establish a separate textbook policy specific to concurrent enrollment courses which may require a student to purchase textbooks for their concurrent enrollment courses; doing so would set additional restrictions on participation in the course, such as charging tuition which is expressly prohibited in state law ([281 IAC 22.7\(2\)](#)).

Helpful tips are provided below.

1. This applies to all instructional delivery methods (e.g., in the high school, online, on-campus, through a career academy).
2. There would be nothing preventing the student from purchasing the textbook for the concurrent enrollment course if they want to keep it, but requiring the student to purchase the book would equate to charging tuition, which is not permissible.
3. Refer to page 27 of the [Senior Year Plus Guide](#) for additional information.

Further questions can be directed to Lisa Washington, Senior Year Plus, at lisa.washington@iowa.gov or 515-326-5389, or Ted Bauer, School Business Operations, at ted.bauer@iowa.gov or 515-979-5468.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

Inspector Tip of the Month: Check the Door, Once More

On January 9, 2026, the National Transportation Safety Board (NTSB) released their [preliminary report](#) of a 5-year-old student that was fatally injured while boarding his school bus in Maine on December 16, 2025.

According to the report, a 7-year-old student boarded the bus and a 5-year-old student was approaching the bus from the right rear. As the younger student reached the service door, it began to close. The student extended his left arm into the bus, between the closing doors, and his arm became pinned between the doors as they closed. The driver then left the bus stop and began to drive down the road. The student was dragged about 280 feet before he became dislodged from the door. He then fell to the roadway, and was run over by the bus, sustaining fatal injuries.

Incidents where students are caught in the service door are relatively rare, but they are completely preventable. In addition to pinned limbs, student backpacks, bags, or even clothing items have caused students to be dragged by their school bus.

To prevent students from being dragged by their school bus, drivers should check all mirrors and check the door, once more, to ensure all students are clear of the service door before moving the school bus.

Inspector Corner: Professional Development for Directors

The [Iowa Pupil Transportation Association](#) (IPTA) provides professional development opportunities available for school transportation directors.

Between March 30 and April 15, IPTA will sponsor nine regional meetings across Iowa. The Department's transportation team will once again be presenting at all nine meetings. The team will provide information

related to driver training format and rule changes, post-crash drug and alcohol testing and crash reporting, changes in medical examiner certificate protocols, and other safety suggestions and training opportunities.

A member of the Department's Pupil Transportation team will be available to answer inspection questions as well as other questions related to safe and efficient student transportation.



March 2026

Featured

IDEA PBC (Part B) Application: Claims Webinar | April 23

The Department will host a webinar on Thursday, April 23, 2026 at 9:00 am for all district staff who may be involved in the IDEA Part B claim process. During this webinar, the Department will demonstrate the steps necessary to submit claims for IDEA Part B funds in the application for reimbursement.

The IDEA PBC application is used to monitor the activities of subrecipients who receive federal IDEA Part B and C funds through the Iowa Department of Education as required by the Code of Federal Regulation's Uniform Administrative Requirements for Federal Awards ([34 C.F.R. §§ 300.149](#), and [300.600](#) through [300.602](#)).

Budget Update: The IDEA Part B budgets that were submitted by districts in February are currently under review. Districts will receive email notification when the budget has been approved by the Department. The next step for districts will be to submit IDEA Part B claims for reimbursement in the IDEA PBC application. There will be two claims periods available for 2025-26, with the first opening in April. Meeting information is provided below.

<https://IDOE.zoom.us/j/89710526384?pwd=fEL2RKBoEral5ssbUaPKWuxu5wDn6y.1>
Passcode: 344104

IDEA PBC (Part C) Application: Budget Webinar | April 21

The Department will host a webinar on Monday, April 21, 2026 at 12:30 pm for all AEA staff who may be involved in the IDEA Part C budget process. During this webinar, the Department will demonstrate the functionality of the application and steps to submit a budget. AEAs will use this application to complete the IDEA Part C budgets and to submit claims against the approved budgets. There will be two claims periods available for 2025-26, with the first opening in May.

The IDEA PBC application is used to monitor the activities of subrecipients who receive federal IDEA Part B and C funds through the Iowa Department of Education as required by the Code of Federal Regulation's Uniform Administrative Requirements for Federal Awards ([34 C.F.R. §§ 300.149](#), and [300.600](#) through [300.602](#)).

Meeting information is provided below.

<https://IDOE.zoom.us/j/85756857368?pwd=f3HSan6FsWFoI5wQrFyGp68EKthKsb.1>
Passcode: 107054

Iowa School Bus Safety Week Poster Contest

Artistic and creative students of Iowa are encouraged to participate in the first annual Iowa School Bus Safety Week Poster Contest. In addition to showcasing student creativity, the contest also allows students to spread the word about school bus safety throughout Iowa.

The theme for the first annual Iowa School Bus Safety Week Poster Contest is “Safe Rides, Everyday Heroes”. Students will compete in three different age divisions (K-2, 3-5, 6-8), and a Computer-Aided Design (CAD) division. Entries must be received no later than April 17, 2026, and can be submitted by mail or electronically.

Winning artists will receive recognition from the Department and their posters will be shared across the state in time for National School Bus Safety Week (October 19-23, 2026). The winning poster in each division will also advance to the national competition.

Rules and detailed information about the contest can be found on the Department’s [Iowa School Bus Safety Week Poster Contest](#) web page.

Recent Questions

Time & Effort Tracking: Federal and State Sources

Question: Do similar time and effort documentation requirements apply to state funding allocations? If so, is there guidance available with details on which specific state allocations require documentation (for example, TAG, Preschool, special education weightings, at-risk funds, etc.)?

Answer: Recipients of any funding source that has any restrictions on its use are expected to be able to “prove” any cost charged to the source was allowable. Such documentation may be required to be provided to the grantor, the Department, an auditor, board, leadership, or other stakeholders. Ensuring costs are appropriately charged to any funding source should be a foundational business process.

Financial

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

If a district had a 2024-2025 special education excess positive balance, this amount is being deducted beginning with the March 2026 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 FY26](#).

If you have additional questions regarding this deduction, please contact John Parker at john.parker@dom.iowa.gov or 515-281-8485.

School Safety Spotlight

SchoolSafety.gov | Prepping for an Emergency

The U.S. Centers for Disease Control and Prevention published the “Prepping for an Emergency” web page. The page discusses building partnerships, assessing needs, creating action plans, and conducting trainings. There are a multitude of resources linked on the page addressing different types of emergencies including natural disasters and weather, chemical or radiation, infectious, and more.

Multiple federal agencies collaborate to create resources published on [SchoolSafety.gov](https://www.schoolsafety.gov): U.S. Departments of Homeland Security (DHS), Education (ED), Justice (DOJ), and Health and Human Services (HHS).

General Information

Reminder: YTD Balance Review

As we enter the fourth quarter of FY26, this is a good time to review the district’s balances. A review of balances to ensure proper coding, by fund and by funding source, identifying inconsistencies, trends, or unusual fluctuations now will ensure the district is prepared for the year-end reporting process.

Educational Savings Accounts

Information regarding Iowa’s Students First Education Savings Account (ESA) program can be found on the Department’s [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

Reminder: Bus Evacuation Drills

[Iowa Administrative Code r. 281 – 43.26](#) requires that 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. This requirement includes all students who are transported any time during the year, which includes those transported during daily bus routes as well as 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.

Reminder: School Bus Driver Licensing Information

Drivers operating a school bus with a capacity of 16 passengers or more, including the driver, are required to have a Commercial Driver’s License (CDL) with the “P” (passenger) and “S” (school bus) endorsements. Drivers operating a vehicle with a capacity of 15 passengers or fewer, including the driver, as a school bus, must have at least a Class D (chauffeur) license with a “3” (passenger) endorsement. Additional information regarding [CDL](#) and [Class D license](#) requirements can be found on the Iowa Department of Transportation website.

Reminder: Bus Inspections

School bus inspections are conducted twice per year on every vehicle used to transport students. The Department sends courtesy reminders to entities of upcoming inspections and [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. Changes to the inspection schedule are coordinated through the region's bus inspector.

[Iowa Administrative Code r. 281 – 43.27](#) requires school bus drivers to perform a pre-trip inspection prior to and a post-trip inspection after every trip of a school bus. 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.

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 to ensure the vehicle is always safe to be used to transport students. Sample pre-trip inspection forms are available on the Department's [Transportation Forms](#) web page. Questions about the proper way to perform daily inspections can be directed to the assigned Department inspector.

Transportation Advisory Group Recap

The Department's [Transportation Advisory Group](#) (TAG) is an invited focus group that meets quarterly to discuss transportation-related priorities and opportunities. Statewide representation includes both standing and rotating members. Standing members include the Department's transportation team, a representative from the Iowa State Patrol, and a representative from the Iowa Pupil Transportation Association. Rotating members include transportation directors, dispatchers, mechanics, superintendents, contractors, and school bus driver in-service instructors.

The TAG met on Wednesday, March 4 to engage in the topics below surrounding pupil transportation safety.

1. The importance of driver training and the Department's continued efforts to update training to ensure that it remains relevant and impactful, including suggestions for FY27 annual School Transportation Operator's Program (S.T.O.P.) training.
2. The National Transportation Safety Board's urgent recommendation related to three-point lap-shoulder belt usage in school buses and how to encourage seatbelt use by student passengers.
3. The Department's audit which is geared toward improving district processes for pupil instruction in safe riding practices and participation in emergency evacuation drills.
4. Proposed updates to documentation of the Department vehicle inspection results that would create more efficiency and improved accuracy.
5. Vinyl graphics or other decorations applied to the windows of district vehicles used for pupil transportation.

Inspector Tip of the Month: Seatbelts and School Buses

Since October 2, 2019, all new school buses purchased by Iowa school districts, nonpublic schools, and contractors must be equipped with three-point lap-shoulder belts for all passengers ([Iowa Administrative Code r. 281-44.4\(54\)](#)). Districts with buses utilizing three-point lap-shoulder belt must adopt a board policy regarding the use of these belts ([Iowa Administrative Code r. 281-43.10\(6\)](#)).

There have been a number of serious crashes in multiple states, including Iowa, validating how critical it is that student transportation professionals reinforce the importance of seatbelts on school buses and prioritize educating students to wear them correctly.

Following the Texas crash, the National Transportation Safety Board (NTSB) published an urgent recommendation regarding school bus passenger seatbelt use. Information on the NTSB's urgent recommendation can be found in the [December, 2025, School Business Alert](#).

Practices in the field: Department school bus inspectors regularly find seatbelt buckles tucked down below the seat bottoms in an alarming number of school buses. Student transportation professionals should be aware of, and practice, the elements of safe transportation listed below.

1. Know the district's policy on seatbelt use in school buses.
2. Ensure that seatbelts and related items are in proper working order and available for use.
3. Educate students of the importance of seatbelt use. Students should be aware that by not utilizing their seatbelt, they are not only putting themselves at risk, but they may also cause serious injury to other passengers in a crash.
4. Enforce the district policy regarding seatbelt use on school buses.

Inspector Corner: Clean School Bus Rebate Program Updates

On February 19, 2026, the Environmental Protection Agency (EPA) announced its plan to update the [Clean School Bus](#) (CSB) program.

A [Request for Information](#) (RFI) was issued to assist the EPA with the future of alternative fuels and clean technologies in school buses across the country.

As the EPA works toward designing the 2026 funding opportunities, it also announced that it is not moving forward with awards under the 2024 CSB Rebate Program.

School Business Alert

April 2026

Featured

Join Our Team!

Are you intrinsically motivated to be a resource for others? Have you thought about the impact you could make being a resource for peers across the State? Consider joining our team!

View State of Iowa [Benefits at a Glance 2026](#). We are currently accepting applications for two positions on our team.

- [Education Program Consultant \(Special Education Finance\)](#) - Closes 5/7/26
This position works to assist districts with allowable uses of special education funds, special education billing, and the special education supplement application.
- [Education Program Consultant \(School Finance - Accounting\)](#) - Closes 5/5/26
This position serves as a technical resource to the field regarding eligible services, coding, and billing and engages in statewide policy conversations.

It is important for our team to be fully staffed with knowledgeable, dedicated team members so we can best support those in the field! Questions about the position responsibilities or ways these roles make a difference internally and across the State can be sent to Cassandra Cline at kassandra.cline@iowa.gov or 515-326-2242.

Recent Questions

IDEA PBC Application: LEA and AEA Resources and Next Steps

Resources

The Department hosted webinars introducing LEAs to the IDEA PBC claims process (April 23, 2026) and AEAs to the IDEA PBC budget process (April 21, 2026). The slide decks and recordings for both webinars as well as the related instructions will be available on the Department's [Special Education Finance](#) web page.

Next Steps

LEA (Part B)

- Part B Claims Period 1 deadline is May 15.
- Part B Claims Period 2 will be available from June 15 to July 15.

AEA (Part C and Birth to 3)

- Part C and Birth to 3 Budget certification is due May 5.
- Part C and Birth to 3 Claims Period 1 deadline is May 15.
- Part C and Birth to 3 Claims Period 2 will be available from June 15 to July 15.

AEA: IDEA PBC (Part C and Birth to 3): Claims Webinar | May 5

The Department will host a webinar on Tuesday, May 5 at 12:30 pm for all AEA staff who may be involved in the IDEA Part C and Birth to 3 claims process. During this webinar, the Department will demonstrate the steps necessary to submit claims for IDEA Part C and Birth to 3 funds in the application for reimbursement.

The IDEA PBC application is used to monitor the activities of subrecipients who receive federal IDEA Part B and C funds through the Iowa Department of Education as required by the Code of Federal Regulations Uniform Administrative Requirements for Federal Awards ([34 C.F.R. §§ 300.149](#), and [300.600](#) through [300.602](#)).

Meeting information is provided below.

<https://IDOE.zoom.us/j/87116972038?pwd=t8cN6ZpdTQam6IUo3ykqyVAccZCs7k.1>

Passcode: 224938

Recent Questions

180-Day Billing Denominator/Four-Day School Day Billing

Question: Does the 180-day billing denominator apply to districts that have a calendar year based on a minimum of 1,080 hours of instruction? How do districts bill if they have a four-day school week?

Answer: Districts are billed the entire rate for students who are enrolled for the entire school year. However, billing is prorated on a per diem basis for students who attend less than the full year.

The 180-days is the denominator for all districts, regardless of whether they have chosen to count hours or days. However, for each of the four-day weeks that meet the 30-hour threshold, pursuant to [Iowa Code section 256.7\(19\)](#), the days are counted as a five-day week for billing purposes. The annual and per diem amounts can be found on page one of the 2025-2026 Open Enrollment Billing Chart & Scenarios document located on the Department's [Open Enrollment, section Billing Chart & Scenarios](#) web page.

Food Service Director Coding

Question: Can the cost of a Food Service Director be paid from the General Fund?

Answer: No. [Appendix B of 2 CFR Part 225](#) specifically identifies a School Food Service Director as a direct program cost and is therefore appropriate from the Nutrition Fund. This is further supported by [Iowa Administrative Code 281—98.61](#), which states "If another fund specifically lists an expenditure to that

other fund, it is assumed not to be appropriate to the general fund unless statute expressly states that it is an appropriate general fund expenditure." Since the nutrition program is meant to be self-sustaining, it is critical to differentiate between direct program costs, which must be paid from program sources, and indirect costs, which may be paid from other sources, up to the indirect cost maximum rate.

Billing: Tuitioned-In Service Arrangement

Question: What is the appropriate amount to bill for a student receiving regular education services who is served through a tuitioned-in service arrangement?

Answer: Pursuant to [Iowa Code section 282.24](#), the maximum tuition fee that may be charged for elementary and secondary students residing within another school district or corporation, except students attending school in another district under [section 282.7, subsection 1 or 3](#) (whole-grade sharing), is the district cost per pupil of the receiving district as computed in [section 257.10](#). The maximum tuition rate (i.e., DCPP) is available on the Department's [Tuition & Fees](#) web page.

Note: Billing for students served through a tuitioned-in service arrangement does **not** include per pupil categoricals such as teacher leadership and compensation (TLC), professional development (PD), and early intervention childhood (EIC).

Coding

The Numbers are Finalized: All thanks to your important work!

Fiscal year 2025 (FY25) Certified Annual Report (CAR) data is finalized. Thank you for your hard work throughout the year, including assisting the Department with the CAR review process. School districts managed over \$10 billion for Iowa's students across more than 458 revenue funding streams. Your work is important, essential, and appreciated every day.

FY25 CAR School District Final Data

Count	Category	
458	Total number of revenue streams received in FY25 by all school districts	
114	Highest number of revenue streams received in FY25 by a single school district	
School District Totals	All Funding Streams*	Unduplicated Funding Streams**
FY25 Total Revenues	\$10,635,848,822.37	\$9,726,785,670.24
FY25 Total Expenditures	\$10,743,434,837.76	\$9,850,629,081.35

*Totals exclude the following:

- Fiduciary Funds (Funds 8X) and Custodial Funds (Funds 9X)
- Interfund and intrafund transfers (Functions 62XX, Sources 52XX, Objects 910 and 95X)
- Upward and downward adjustments (Functions 69XX, Sources 59XX, Object 990)

**Totals exclude the following:

- Internal Service Funds (Funds 7X), Fiduciary Funds (Funds 8X) and Custodial Funds (Funds 9X)
- Interfund and intrafund transfers (Functions 62XX, Sources 52XX, Objects 910 and 95X)
- Upward and downward adjustments (Functions 69XX, Sources 59XX, Object 990)

- Tuition from other government sources, including LEAs and AEAs, within the state (Sources 1321 - 1325)
- Miscellaneous revenues from other LEAs/AEAs (Sources 195X)
- Student transportation purchased from another public LEA/AEA within the state (Object 511)
- Tuition to other LEAs/AEAs within the state (Objects 561, 564, 567, 568)
- Services purchased from another LEA/AEA within the state (Objects 591, 592, 594, 598)

Reminder: Property Taxes – Types and Coding

The Department's [Uniform Financial Accounting](#) web page includes a document titled [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 county treasurers.

Applications

School Information Update Application

The School Information Update (SIU) application, available in the [EdPortal](#), is open and should be certified by June 1 each year.

Best Practice: Complete the SIU as soon as possible to help ensure the Consolidated Accountability and Support Application (CASA) is populated correctly for the 2026-2027 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 2026-2027 school year. 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 tab 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 "Close" button.
- Districts continuing a grade sharing arrangement must click the blue "Edit" button and review the information from the 2025-2026 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 sections 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 regarding the grade sharing portion of the SIU application, please contact Ted Bauer at ted.bauer@iowa.gov or 515-979-5468. If you have other questions regarding the completion of the SIU application, please contact Jennifer Thomas at jennifer.thomas@iowa.gov or 515-725-2252.

Nonpublic Transportation Claim Due | June 15

The Nonpublic Transportation Claim application accessible through the [EdPortal](#) is anticipated to open mid-May and is due Monday, June 15. Information relating to the Nonpublic Transportation Claim process is found on the Department's [Nonpublic Transportation Claim](#) web page.

Please note: Claims filed after June 15, 2026 may not be paid.

Each year, claims exceed the funds allocated for nonpublic transportation reimbursement. Claim payments for the 2025-26 school year will be based on the claims submitted before the deadline, leaving no funds available for late filers. Personnel responsible for timely submission of district claims must be sure that the claim is complete and accurate.

Questions regarding the nonpublic transportation claim may be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

School Safety Spotlight

SchoolSafety.gov | Bullying and Cyberbullying Prevention

[SchoolSafety.gov](#)'s web page on [Bullying and Cyberbullying Prevention](#) page provides a myriad of resources for education leaders.

Multiple federal agencies collaborate to create resources published on [SchoolSafety.gov](#): U.S. Departments of Homeland Security (DHS), Education (ED), Justice (DOJ), and Health and Human Services (HHS).

StopBullying.gov

[StopBullying.gov](#) is a website created through the collaboration of multiple US federal agencies and managed by the U.S. Department of Health and Human Services. The website provides numerous resources on bullying and cyberbullying prevention, identification, facts, and potential responses.

Iowa School Resource Officer Conference

The Iowa School Resource Officers Association ([IASRO](#)) is hosting its annual school safety conference June 16 - June 18, 2026 at Camp Dodge in Johnston, IA. Additional information is available on the IASRO [2026 Training](#) web page.

General Information

School Budget Review Committee - Hearing Summary

The School Budget Review Committee (SBRC) met in regular session on Tuesday, March 10, 2026. The SBRC reviewed the Committee responsibilities pursuant to Iowa Administrative Code r. 289-6.2, preliminary district cash reserve levy limits, gifted and talented budget information, updated unspent authorized budget per pupil decile rankings, and implementation of Senate File 659 (Iowa Acts 2025) which codified an eligible request for modified supplemental amount (MSA) for districts whose percentage of students enrolled as the result of open enrollment is equal to or greater than 45% of students enrolled.

The SBRC granted requests for permission to use special education program funds for administrative costs of special education programs and separately considered MSA requests related to FY27 at-risk, alternative school, and returning dropout and dropout prevention (AR/DOP) programs for which 315 requests were approved and one request was denied because the district did not meet the requirement to have a board approved plan pursuant to Iowa Code §§ 257.38 and 257.40. Additional action related to AR/DOP programming included the approval of negative MSA that was erroneously requested by one district for AR/DOP programming in FY24, FY25, FY26 for which the district had no authority to request because its program plan did not meet the requirements of Iowa Code section 257.38. The Committee also approved requests for MSA relating to hazard abatement for two districts, authorized a transfer from the SAVE Fund to the PPEL Fund for one district, and authorized one district to transfer from the

unexpended General Fund to the Daycare Enterprise Fund, as well as an equal amount of MSA. The Committee received one fiscal update for a district that was required to appear based on fiscal triggers. The Committee took action to accept the corrective action plan and approved MSA for one district due to a negative unspent balance.

The [Summary of Action](#) is available on the Department's [School Budget Review Committee](#) web page. Questions regarding the SBRC can be sent to SBRC liaison Stephanie Edler at stephanie.edler@iowa.gov or 515-689-2258.

Annual Reminder from SBRC

SBRC Requests: Furnishing, Equipping, and Contributing to the Construction of a New Facility

The SBRC directed the Department to remind districts that decisions by the Committee are made on a district-by-district basis and based on the individual circumstances in that district. The Committee has authority to grant use of the unexpended fund balance to furnish, equip, and contribute to the construction for a new building or structure for which the voters approved a bond issue ([Iowa Code § 257.31\(7\)](#)). However, the SBRC wishes to emphasize that no district should assume, nor plan into their building project, that the SBRC will grant a modified supplemental amount for this purpose. The only way a district can ensure that it will have enough funds to complete construction and to furnish and equip the facility is to be sure that the bond issue voted in the district is adequate to cover these costs. The SBRC will continue to review each district's circumstance and evidence of need at the time of a request.

Community Eligibility Provision Intent to Participate

School food authorities (SFAs) interested in implementing the Community Eligibility Provision (CEP) for the first time in FY27, or planning to continue CEP in FY27 are required to complete the [CEP Intent to Implement](#) no later than June 30, 2026. The [USDA CEP Fact Sheet](#) provides a brief summary of the alternative claiming process.

Federal Audit Clearinghouse

As a reminder, School Food Authorities participating in the National School Lunch and School Breakfast Program (NSLP/SBP) and the Child and Adult Care Food Program (CACFP) who expend \$1,000,000 or more in Federal awards during the fiscal year are subject to an annual single audit, unless otherwise exempt. Please note, the audit threshold increased to \$1,000,000 for fiscal years starting on/after October 1, 2024. For fiscal years that started before October 1, 2024, the Federal award threshold was \$750,000. Additionally, the auditee must electronically submit the single audit package to the Federal Audit Clearinghouse (FAC) through their website: fac.gov. The single audit reporting package is due to the FAC the earlier of 30 days after receipt of the audit report or March 31.

Additional information regarding these requirements is available in the following regulations: [7 CFR 226.8\(a\)](#), [7 CFR 210.22](#), [2 CFR Part 200 Subpart F](#), and [2 CFR 200.512\(d\)](#).

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

2026 National School Bus Driver Survey: Illegal Passing

While school buses remain incredibly safe, students are most vulnerable when they are outside the bus in the “danger zone”. The danger zone around a school bus is the area near the bus where students are most likely to be injured by their own bus or by *vehicles driven by other motorists*. Students are approximately three times more likely to be injured in the danger zone than while riding in the bus. Many of these injuries come from motorists who do not obey school bus stop signs and warning lights.

Action Requested: The Iowa Department of Education is assisting the National Association of State Directors of Pupil Transportation Services (NASDPTS) in coordinating **a national survey to document illegal passing of school buses**. The data will help improve safety countermeasures in Iowa and at the national level.

Districts, contractors, nonpublic schools, and other student transportation providers are encouraged to assist in this important project.

On Wednesday, May 6, school bus operators should observe and report any instances of motorists illegally passing their school buses. Drivers should document the time of day (morning, midday, afternoon), the direction of the pass (from front or from rear), and the side of the bus where the passing occurred (left or right). The 2026 School Bus Driver Survey: Illegal Passing form for drivers is available on the Department's [Transportation Forms](#) web page. Driver observations should be compiled and returned to Tom Simpson at tom.simpson@iowa.gov by Wednesday, May 13. The Department will then report the submitted information to NASDPTS.

Contributions to inform this important, nationwide effort are appreciated.

Vehicle Information System: Adding and Removing Vehicles

Annual Reminder: Please verify all vehicles used for transporting students are reported in the Vehicle Information System (VIS) application available in the [EdPortal](#). This includes adding newly purchased vehicles and removing vehicles that are no longer used to transport students.

Action Item: Review the entire vehicle inventory annually prior to July 1 to ensure the vehicle inspection list is accurate and any depreciation costs accurately flow into the Annual Transportation Report for FY26, which ends June 30.

To Add a Vehicle:

- Log into VIS and go to the “District Vehicles” list under the “Vehicles” heading.
- Click the “+New Vehicle” button at the top left corner of the vehicle list.
- Complete all sections of the “Add Vehicle” pop-up page.
- Click the “Save” button at the bottom of the page.

To Remove a Vehicle:

- Locate the vehicle. Click “Edit”.
- Click the drop down menu for “Vehicle Status” at the bottom of the screen.

- Select one of the three options to describe the disposition of the vehicle.
 - Options include: “Salvaged/Scrapped”, “Sold”, or “Suspended”.
 - The information is used to help calculate the related depreciation. If the vehicle disposition information is not populated correctly, depreciation information cannot be calculated. All information pertaining to the vehicles in the VIS should be accurate and complete.
- The vehicle may then be deleted from the “Vehicle Information” screen by locating the vehicle number and clicking the “Delete” button in the corresponding row.

Inspector Tip of the Month: Secure School Bus Seat Frames

The Department's inspection team is recommending that school bus seat frame securement be included in all pre-trip inspections. Seat frames that are not securely attached to the floor and wall of a school bus create an unsafe condition for students and Department inspectors will place any affected vehicle in an out-of-service status.

Unsecured seat frames can be caused by corroded, loose, or missing fasteners. Drivers should be encouraged to report loose seat frames immediately and buses with loose seat frames should not be used for student transportation until correct repairs are made.

Inspector Corner: Marijuana Use by School Bus Drivers

The [Federal Motor Vehicle Safety Administration](#) (FMCSA) recently published information related to a United States Department of Transportation (USDOT) [update](#) on the use of marijuana by people employed in safety-sensitive transportation positions, which includes school bus drivers. This update followed the Executive Order issued by the President of the United States on December 18, 2025, that directed the Department of Justice to reschedule marijuana from a Schedule I to a Schedule III drug. The USDOT has long-standing restrictions on marijuana use by people employed in safety-sensitive transportation positions. The Executive Order and the legalization of recreational marijuana use in 24 states, however, have caused many to ask if FMCSA requirements for school bus drivers with commercial driver's licenses have changed.

The USDOT update states that the USDOT drug and alcohol testing process has not changed and marijuana remains a Schedule I drug. The update further states, “It is still unacceptable for people who work in safety-sensitive transportation positions to use marijuana.” This includes school bus drivers.

[49 CFR 382.301](#) requires employers to have a negative controlled substance test result on file before a driver performs safety-sensitive functions for the employer.

The update also directs laboratories, medical review officers, and substance abuse professionals to continue to follow [49 CFR part 40](#). USDOT also points out that guidance on [medical marijuana](#) and [cannabidiol \(CBD\)](#) are also still in effect.

School Business Alert

May 2026

Featured

Staffing Update: Welcome Sheila Tharp!



The Iowa Department of Education (Department) Bureau of School Business Operations is pleased to announce the addition of Sheila Tharp to our team! Sheila joins us from Olds, Iowa. She has served as a School Business Official for the past sixteen years, with experience in three different Iowa school districts. Sheila will be supporting the field in the realm of Certified Annual Report and account coding and can be reached at sheila.tharp@iowa.gov and 515-205-0259. Welcome, Sheila!

COA is Open!

The CAR 2026 COA Test Records application is available for district and area education agency (AEA) use. Changes and updates to edits and warnings will be ongoing.

- Stages one and two validate the composition of the account code.
- Stages three and four will be available but may change as updates are made.
 - Users may get stage four reconciliation messages, as all revenue, receivables, or restricted fund balances may not be entered prior to the end of the fiscal year in the district's accounting system.
- A district may test an individual account code or an entire CAR file.
- The COA Test Records application mirrors the CAR Upload and Reports application.
 - Many of the COA Test Records edits are programmed to check tables for information. These tables may not be complete until all data is available.

Districts and AEAs are strongly encouraged to test CAR files early and often for account coding accuracy. Please be sure to update the district's financial software to the most current version before creating the export file. Districts and AEAs should not change accounting records to pass edits, as the edit may need to be modified during testing. The COA test records application is available on the [Iowa Education Portal \(EdPortal\)](#). Once logged in, go to EdInfo, then Finance Applications.

If you need access to the CAR 2026 COA Test Records application, the portal security officer at the district or AEA will be able to grant access. Any other portal login questions or issues may be directed to ed.portal@iowa.gov.

Questions regarding coding, issues with the upload, or edits and/or warning messages can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674, or Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Reminder: Nonpublic Transportation Claim | Due June 15

The Nonpublic Transportation Claim is due June 15 and available in the EdPortal. Detailed information regarding how to complete the application is available in the Applications section below.

NEW! Audit Insights

The Department is introducing a new “Audit Insights” section, listed below to highlight recurring audit themes, reporting reminders, and internal control considerations identified through statewide audit reviews and follow-up activities.

Reminder: Spending from the Flexibility Account in FY26

[Iowa Code section 298A.2](#) grants school districts the authority to transfer all or any portion of the unexpended, unobligated amounts remaining at the end of a fiscal year to the Flexibility Account from the categorical funds listed below.

- Project 3117: Statewide Voluntary Preschool Program (SVVPP)
- Project 3373 or 3376: Professional Development (PD)
- Project 1113: Home School Assistance Program (HSAP)
- Project 3116: Teacher Leadership & Compensation (TLC)
- Other categorical sources only if the program, purpose, or requirements for the expenditure of such moneys have been repealed or are no longer in effect

Reminder: Any spending from the Flexibility Account in FY26 must first be presented at a public hearing and subsequently be approved through a board resolution occurring on or before June 30, 2026. The board resolution must include the details below.

- Original source (e.g., SVVPP, PD) and purpose of the funds
- Proposed use of such funds
- Amount of the proposed expenditure
- Fiscal year from which the transfer of such funds to the Flexibility Account occurred
- Certification that the statutory requirements for each original source of the money proposed to be used have been met, have been repealed, or are no longer in effect
-

Additional information using the flexibility account is available on the Department’s [Levies & Funds](#) web page under the General Fund heading.

Resolutions and questions may be directed to Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Recent Questions

Student Lunch Account Balances

Question: May a balance in a student lunch account of a student who no longer attends the district be retained?

Answer: No. The district may not keep any part of the money. If a student has graduated or the district is reasonably certain the student will otherwise not be returning, the district must refund the parent / guardian.

If, after making reasonable attempts and documenting these attempts, the district cannot locate the family, the school should follow [Iowa Code Chapter 556 Disposition of Unclaimed Property](#). Additional information may be found at the [Great Iowa Treasure Hunt](#) website.

Special Education Classroom: Allowable Costs

Question: What costs of setting up a new special education classroom can be charged to the special education program?

Answer: Every student is a general education student first, and each generates regular state aid to pay for related costs. All students are entitled to the same (non-specialized) essentials such as a computer, desk, and instructional supplies that are appropriate to pay from non-special education sources. Examples of common questions are provided below. The [Chart of Allowable Special Education Costs](#) provides additional information regarding eligible and ineligible special education program costs.

Item	Allowable SE Cost	Test for SE Cost
General Office Supplies (file folders, paper clips, binders, expo markers, etc.)	No	N/A
Instructional Supplies	To the extent the instructional supplies are necessary to implement the Individualized Education Programs (IEPs), could include anything that is exclusive for the special education program from pencil grips to very specialized supplies	If the instructional supplies were purchased for use by a special education student, but it is available on demand for all students, and not utilized as an accommodation, modification, or specialized support, it is not a special education cost.
Furniture	To the extent that the furniture is specialized or adapted as required by the IEP of a student, or exclusive for the special education program and not appropriate in the general education program	If the furniture is purchased for the special education classroom, but it is the same furniture that is provided to all classrooms (desks, carpets, bookshelves, chairs, etc.), it is not a special education cost
Computer/ iPad	To the extent required by a current student's IEP, is specialized, and is exclusively used for special education	If all students are issued a computer, and a special education student is issued the same computer, it is not a special education cost

Curriculum	To the extent that the curriculum is specialized or adapted as required by the IEP of the student, and is used exclusively for special education	If the curriculum was purchased for use by a special education student, but it is the same curriculum used in the general education environment, it is not a special education cost
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SWVPP Snacks

Question: The district uses SWVPP funds to provide snacks for SWVPP students. The students who are served in SWVPP with IEPs are also provided snacks. Can I charge those snacks to the special education program?

Answer: No. The snacks are being provided to SWVPP students who have IEPs because they are served in SWVPP, not because they have an IEP. The costs cannot be charged to the special education program.

The appropriate source to pay for snacks provided to special education students served in SWVPP is regular state aid funds (e.g. unobligated General Fund monies). (Note: A student in SWVPP also on an IEP does not generate SWVPP funds for the general education portion of the day, but does generate regular state aid.)

Reminder: All students are general education students first. Only costs that are incurred beyond the regular education environment to implement the IEP are allowable to be charged to the special education program. For example, if your district is a 1:1 and all of the students in the preschool classroom get their own tablet, then the tablets are paid from SWVPP for preschool students without IEPs and 1.0 monies for students with IEPs if they are the same tablet.

Question: May we retain funds in student lunch accounts that no longer attend our school?

Answer: The school may not keep any part of the money. If a student has graduated or will otherwise not be returning, the school must refund the money to the student's parent or guardian. The parent/guardian paid the money in return for certain goods - the meals.

Once a school is reasonably certain that a student will not be returning, the school needs to take reasonable steps to ascertain a forwarding address. If another school makes contact to ask for the student's records, work with that school. If, after making reasonable attempts and documenting these attempts, the school cannot locate the family, the school should follow [Iowa Code Chapter 556 Disposition of Unclaimed Property](#). Additional information may be found at the [Great Iowa Treasure Hunt](#) website.

Financial

Reminder: Requirements for Negative Cash

Negative Cash in Pooled Cash

When a fund has a negative cash position within pooled cash (i.e., has overdrawn its share), the overdraft should be reported as an interfund liability, with a corresponding interfund receivable reported by another fund ([GASB Codification Section 1800.801](#)).

- Overdrawn fund → Interfund Loans Payable (Account 401)
- Lending fund → Interfund Loans Receivable (Account 131)

If the pooled account as a whole is overdrawn, the overdraft should be reported as an external liability (Account 424, bank overdrafts) rather than an interfund liability.

Questions regarding account coding can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674, or Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Open Enrollment Billing

Tuition, including open enrollment, is billed on a semester basis on or before February 15 and July 15 each year ([Iowa Code § 282.20\(3\)](#)). An open enrollment bill from the serving district to the resident district should include the student's identifier (e.g., name or state student ID), grade, entry date, exit date (if applicable), number of days attended this semester, and the amounts charged for tuition, TLC (Teacher Leadership & Compensation), PD (Professional Development), EIC (Early Intervention Childhood), and EL (English Learner), if applicable. State identification numbers for students should not be included with their names in an email. Columns and rows should be totaled. The 2025-2026 Open Enrollment Billing Chart is available on the Department's [Open Enrollment](#) web page and additional information is located on the Department's [Tuition and Fees](#) web page.

Coding

Reminder: Coding for School Meal Accounts

This article is organized into multiple subtopics providing information regarding account coding questions in the Nutrition Fund.

- Deposits made to a school meal account
- Determining and recording bad debt
- Applying revenue to student meal debts
 - Funds donated from private sources
 - Funds from the General Fund flexibility account transfer

Deposits made to a school meal account

Deposits made into a school meal account are considered unearned revenues and must be recorded in the Nutrition Fund balance sheet Account 483 - Unearned Revenues. These monies are properly accounted for as a liability (e.g., in the event refunds are requested when a student/adult leaves the district). As students/adults make purchases using funds from their meal account, the purchase becomes a sale with Source 16XX. Districts should record student/adult sales monthly using reports or data from the Point of Sale (POS) system.

Deposit payments made into individual/family food service account

Debit Cash (Fund 61, Account 10X)

Credit Unearned Revenues (Fund 61, Account 483)

Record student/adult purchases as meal sales monthly using data from POS system

Debit Unearned Revenues (Fund 61, Account 483)

Credit Meal Sale (Fund 61, Source 16XX)

Determining and recording bad debt

At the end of a school year, districts should make an adjusting journal entry to account for accounts receivable (Account 153) in the Nutrition Fund using reports or data from the POS system.

Bad debts are unpaid meal accounts which are no longer collectible or are too costly to be collected. Review the district's board policy which defines parameters for determining when a liability is uncollectible and should be considered a bad debt. Once a debt is determined to be a bad debt, the district may set up an estimated bad debt account for the amount deemed uncollectible in the Nutrition Fund balance sheet Account 154 - Allowance for uncollectible accounts receivable. Balance sheet Account 154 is a contra asset account that reduces the amount of the gross accounts receivable amount on the district's balance sheet.

Record estimated bad debt for uncollectible meal account

Debit Bad Debt Expense (Fund 61, Function 3110, Object 899)

Credit Allowance for Uncollectible Accounts Receivable (Fund 61, Account 154)

Applying revenue to student meal debts

1. Funds donated from private sources

[Iowa Code subsection 283A.11\(6\)](#) authorizes districts to deposit money received from private sources for purposes of paying student meal debt in the Nutrition Fund.

Deposit donated funds from private sources into the Nutrition Fund

Debit Cash (Fund 61, Account 10X)

Credit Donation for Negative Nutrition Account (Fund 61, Source 1922)

Pay student meal debt with donated funds from private sources

If the debt is already included in the estimated bad debt (Account 154) –

Debit Allowance for Uncollectible Accounts Receivable (Fund 61, Account 154)

Credit Other Accounts Receivable (Fund 61, Account 153)

*Districts may use a district-assigned project code to track the donation.

OR

If the debt has not been included in the estimated bad debt (Account 154) –

Debit Bad Debt Expense (Fund 61, Function 3110, Object 899)

Credit Other Accounts Receivable (Fund 61, Account 153)

*Districts may use a district-assigned project code to track the donation.

2. Funds from the General Fund flexibility account

Districts may also deposit funds from the General Fund flexibility account into the unpaid student meals account per [Iowa Code subsection 298A.2\(2\)"c"\(6\)](#).

c. Moneys deposited in the flexibility account may be used by the school district during a budget year beginning on or after the calendar years in which the moneys were transferred to the flexibility account for any of the following:

(6) For deposit in the unpaid student meals account to be used for purposes of paying student meal debt accrued by individual students in accordance with section 283A.11, subsection 6.

Transfer funds from the General Fund flexibility account into the Nutrition Fund

Debit Flexibility Account (Fund 10, Function 6261, Project 31XX, Object 910)

Credit Cash (Fund 10, Account 10X)

Debit Cash (Fund 61, Account 10X)

Credit Interfund Transfer from General Fund (Fund 61, Project 1922, Source 5210)

Pay student meal debt with funds from the General Fund flexibility account

If the debt is already included in the estimated bad debt (Account 154) –

Debit Allowance for Uncollectible Accounts Receivable (Fund 61, Account 154)

Credit Other Accounts Receivable (Fund 61, Account 153)

OR

If the debt has not been included in the estimated bad debt (Account 154) –

Debit Bad Debt Expense (Fund 61, Function 3110, Object 899)

Credit Other Accounts Receivable (Fund 61, Account 153)

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674, or Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Reminder: School-Based Medicaid Invoices and Year-End Review

As we near the end of the fiscal year, districts and AEAs should review School-Based Medicaid Activity and ensure amounts are recorded appropriately. Please review the items below.

- Medicaid reimbursements received
- Amounts due to HHS/state share
- Revenue versus payable recording
- Related expenditures reclassifications, if applicable

Additional guidance and example journal entries are available in the resource guide titled [Accounting for School-Based Medicaid](#).

Further questions can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674, or Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Applications

Nonpublic Transportation Claim | Due June 15

The Nonpublic Transportation Claim is available through the [EdPortal](#) and is due Monday, June 15. Information relating to the Nonpublic Transportation Claim process is found on the Department's [Nonpublic Transportation Claim](#) web page.

Please note: Claims filed after June 15, 2026 may not be paid.

Each year, the amount of requests received exceeds the funds appropriated for the the nonpublic transportation claims. Payments for the 2025-26 school year will be prorated based on the requests submitted before the deadline, leaving no funds available for late filers. Personnel responsible for timely submission of district requests must be sure that the claim is complete and accurate.

Questions regarding the Nonpublic Transportation Claim may be directed to Tom Simpson at tom.simpson@iowa.gov or 515-336-3965.

Billing for Concurrent Enrollment Supplementary Weighting for Open Enrolled Students

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](#). The student's resident district cost per pupil of the year in which the course was taken is used when computing the supplementary weighting. Directions for generating and verifying the bills are located on the Department's [Certified Enrollment Supplementary Weighting](#).

SRI data is open for final reporting, but data should be considered preliminary until the reporting district's last day of school. Concurrent enrollment information should not change before the end of the school year, since most community colleges already ended their school year. Districts should bill the resident districts for open enrolled students after the Non-Fall Supplementary Weighting application is available.

Questions regarding the billing process can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Questions related to student reporting can be directed to Rachel Kruse at rachel.kruse@iowa.gov or 515-281-4153.

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

Many psychiatric medical institutions for children (PMIC) placements are parent placements and not placements by the Iowa Department of Health and Human Services (Iowa HHS) or the Iowa Juvenile Court System (JCS). [Iowa Code section 282.27](#), "Children living in psychiatric hospitals or institutions - payment", was changed in 2015 to allow hospital 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\(1\)"b"\(2\)](#)".

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

1. Identify students for whom the district received a bill from another district because of a hospital stay involving the student's placement in a hospital psychiatric ward. Then, determine if the student was included in the district's certified enrollment count.
2. For any students identified above who were NOT in the 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. The student must be exited 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 the system for the period of time the student was placed in the hospital 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).

Questions regarding PMIC placement foster care reimbursements can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Questions related to reporting students in a hospital PMIC-placement can be directed to Rachel Kruse at rachel.kruse@iowa.gov and 515-281-4153.

Special Education Billing Application | Due July 15

The Special Education Billing (SEB) application is open for districts to complete final billing for FY26. Final billings are statutorily required to be submitted by July 15 per [Iowa Code § 282.20\(3\)](#).

Student information is required to be entered by the number of days only. Districts must upload a CAR file to activate the SEB application. Districts should also clear edits related to special education accounts in the CAR/COA test records application prior to sending bills through the SEB application. Instructions for the SEB application can be found in the EdPortal, within the application under the "Help" tab.

Timeline for Successfully Completing the SEB Application and Claims Timely:

By June 30: Enter all students into the SEB application, including those who will populate the special education foster care, termination of rights, non-public, and high cost claims.

Between July 1-15: Review and verify the accuracy of the tuition out information through the Tuition Payable tab in the SEB application. If it is determined that a student has been omitted, contact the district that provided educational services to add the student in their SEB application.

By August 1: Submit claims for special education foster care, termination of rights, nonpublic, and high costs.

Questions can be directed to the Special Education Finance Team at SpecialEducationFinance@iowa.gov or 515-393-8349.

Audit Insights

Status Update on Annual Audits

Due Date Reminder:

Annual audits of school districts, AEAs, and charter schools are required by March 31 following the close of the fiscal year pursuant to [Iowa Code section 11.6](#). Districts and AEAs are expected to ensure audits are completed within the statutory timeframe or to request an extension when necessary. Timely completion supports compliance with state law and ensures accurate financial reporting and oversight.

Statewide Audit Status (as of 5/5/26)

- 341 - Total audit reports due
- 266 - Audits completed
- 75 - Audits outstanding

Breakdown of outstanding audits:

- 54 - Extensions granted and still active
- 19 - Past due with no extension
- 2 - Extensions expired

Key Reminder:

Audit reports and related submissions should continue to be submitted to the Department of Education at ed.audit@iowa.gov and the Auditor of State at submitreports@aos.iowa.gov.

Requests for audit filing extensions may be sent to the Auditor of State's office at dana.davis@aos.iowa.gov.

Audit Findings: Segregation of Duties

The Department regularly conducts follow-up activities based on audit findings to determine if appropriate and timely corrective action has been taken. A recent analysis of audit results for FY24 and FY25 revealed over 400 segregation of duty findings, including many repeat findings.

School districts, AEAs, and charter schools are reminded of the importance of maintaining strong internal controls, including appropriate segregation of duties, to ensure sound financial management and compliance.

Audit findings continue to reflect challenges with segregation of duties, including repeat findings across entities. Districts are expected to demonstrate meaningful progress in strengthening internal controls and addressing these findings.

All entities are expected to establish, document, and maintain effective controls in accordance with [2 CFR 200.303](#). While full segregation of duties may be difficult in smaller districts due to staffing limitations, efforts should be made to implement compensating controls and strengthen oversight where possible.

Districts are encouraged to work with their independent auditors to identify acceptable practices and utilize available resources, including guidance from the [Iowa Auditor of State](#) website, including [Audit Practice](#) resources. Any progress made towards improving segregation of duties should be documented in the audit findings response and included in any required audit follow-up submissions.

Questions can be directed to Bobby Wilson at Bobby.Wilson@iowa.gov or 515-210-9674.

School Safety Spotlight

Strengthening K-12 Cybersecurity: Simple Steps for Safer Schools | May 28

Please join the Cybersecurity and Infrastructure Security Agency (CISA) School Safety Task Force on Thursday, May 28 from 2:00 p.m. – 3:00 p.m. CST for a [virtual training](#) on cybersecurity best practices for kindergarten through grade 12 (K-12) schools. This panel discussion will explore the current cyber threat landscape affecting K-12 schools and districts and offer actionable strategies to address emerging cyber risks, enhance K-12 cybersecurity programs, and foster a culture of cyber resilience.

Event Details

- **When:** May 28, 2026, at 2:00 p.m. – 3:00 p.m. CST
- **Where:** Microsoft Teams Live (access link to be provided to registrants one day in advance of the event)
- **Registration:** [CybersecurityK12.eventbrite.com](https://www.eventbrite.com/e/cybersecurity-k12)

[REGISTER HERE](#)

The subject matter covered during this event will be particularly relevant to school and district administrators, K-12 information technology and cybersecurity staff, school security staff, emergency management professionals, and other members of the school safety community. If you have any questions, please contact the CISA School Safety team at SchoolSafety@cisa.dhs.gov.

General Information

Reminder: Unallocated Costs

Question: Can the district use “Special Program, Unallocated” (Program 2X9) to account for special education expenditures?

Answer: Special education program expenditures are required to be coded to the level of the student(s) being served, including staff salaries and benefits. If a staff member is serving students at different levels, the salaries and benefits should be coded appropriately using a percentage basis for each level. The use of unallocated special education account codes for first semester billing should be limited, but the use is inappropriate for individualized student costs and for final billing.

The district should periodically (e.g., each year, semester, quarter) evaluate student rosters for special education teachers to determine where the teacher’s time is actually spent and update account coding as appropriate. This is a best practice for districts that historically find teachers serving different populations throughout the school year.

Refer to the [Chart of Allowable Special Education Costs](#) for a list of allowable uses for special education funds.

Community Eligibility Provision | Due June 30

The [Final Rule](#) was released by the U.S. Department of Agriculture (USDA), reducing the minimum Identified Student Percentage (ISP) from 40% to 25% to participate in Community Eligibility Provision (CEP). Student data schools reported as of April 1 will be used to calculate the ISP and the school’s free/paid reimbursement claiming percentages. A school must have an ISP of 25% or greater to operate CEP. CEP allows School Food Authorities (SFAs) located in high poverty areas to offer breakfast and lunch at no cost to all enrolled students. However, under CEP, not all meals are automatically claimed at

the free federal reimbursement rate. There may be considerable ongoing cost so electing to participate in CEP may not be a financially viable option. Some SFAs have a generous balance in the nonprofit school food service account (NSFSA) and view operating CEP as a favorable option. However, there are some limitations on using all of the available funds to support CEP. Only the nonprogram revenue (from a la carte, vended or catered meals, adult meal sale, etc.) in excess of the required amount to meet requirements at [7 CFR 210.14\(f\)](#) may be used to support CEPs. SFAs must carefully determine the funding available in the NSFSA before implementing CEP.

SFAs interested in participating in the CEP for the 2026-27 school year and returning SFAs operating CEP must complete the [CEP Intent to Implement in school year 2026-27 form](#) no later than June 30, 2026. For additional information on CEP, visit the USDA [CEP Resource Center](#) for the Estimator Tool and other resources, or contact the school's [regional school nutrition program consultant](#).

Reminder: Radon Testing and Training

[Iowa Code section 280.32](#) requires each Iowa public school district's board of directors to establish a radon plan and a subsequent schedule for short-term testing for radon gas at each attendance center. Each attendance center shall be tested, at least once, by July 1, 2027. Once initial testing is done by July 1, 2027, each attendance center must be tested again at least once every five years. The results of each test are required to be published on the district's internet site in a timely manner.

Radon testing done on and after July 1, 2022 shall be done by a person certified to conduct radon testing in accordance with [Iowa Code section 136B.1](#) or by district employees who have completed a radon testing training program approved by the Department and Iowa HHS.

Additional information is available on the Iowa HHS [K-12 Schools Radon Information](#) web page as listed below.

- Iowa Code Chapter 280 requirements
- Related radon legislation
- Radon training information for school district employees

For questions regarding radon testing training or how to become eligible to conduct radon tests, please reference the K-12 Schools Radon Information web page.

Questions about the radon testing guidance can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Special Education Claims

Special education claims are found in the Special Education Billing application on screens 4 through 7. Claims submitted will flow to the Department automatically from data entered on the student information screen and will not be included in the estimated or final billing screens. Claims are due on August 1st and are anticipated to be paid at the end of August.

Special Education Foster Care Claims

Claims for students in this status are eligible if all of the items below are applicable.

- The student is served pursuant to an 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 do not apply, the serving district will 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” in the Special Education Billing application to determine if another district counted the student on the special education weighted headcount in October of the current school year.

Special Education Termination of Parental Rights Claims

Claims for students with this status are eligible if both of the items below are applicable.

- The student is served pursuant to an IEP.
- The parental rights of the student have been terminated.

Note: The school district will file a claim regardless of whether the district counted the student on the special education weighted headcount in October of the current school year.

The claim may begin on the date the parental rights were terminated. Prior to the claim eligibility, the serving district will bill the district where the parents lived on the dates served prior to the rights being terminated, or the district that counted the student on the current year special education headcount if the parents lived out of state, or could not be located after due diligence. Use the “Look Back Tool” in the Special Education Billing application to determine if a district counted the student on the special education weighted headcount in October of the current school year.

Special Education Nonpublic Claims

Claims for students with this status are eligible if the items below 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.
 - Costs are defined as the actual special education costs incurred to serve the student pursuant to the IEP.
 - Funds generated include the funds generated by the student from being included on the special education count.

Special Education High-Cost Fund Claims

Claims for students with this status are eligible if the items below 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 expenditure, as calculated annually by the Department, 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 funds. The amount set aside might be less than the total amount 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 filed timely.

Reminder: English Learners Program Account Coding

The English Learner (EL) Excess Costs application is available in September each year. Information used in the September 2026 application is generated from fiscal year 2025-2026 data.

Reminder: Continue to code EL (formerly LEP) expenditures to program codes 410-419, even if expenditures exceed the amount of revenue coded to Project 1112 or 4644. Excess EL expenditures will use Project 0000 and retain program codes 410-419. This information is used when submitting the EL

Excess Costs application. If the program code is not used, the excess costs will not populate in the application.

Questions regarding the EL Excess Costs application can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Finance Roundtable Recap

The Bureau of School Business Operations hosted the Finance Roundtable at the Grimes Building on Wednesday, April 22. Led by Bureau Chief Kassandra Cline, there were 34 attendees who participated in discussing agenda topics including program code use in billing, expenditure reviews for federal reporting, fiscal monitoring reviews timing, AR/DOP MSA requests, IDEA PBC updates, legislative updates, and nonpublic transportation reimbursement claims. This diverse membership is an invited focus group comprised of school business officials, superintendents, and AEA representatives from around the state; members of the Department, Department of Management, Legislative Services Agency, and the Office of the Auditor of State; as well as individuals from various organizations that support school districts across the state including IASBO, IASB, SAI, ISFIS, ISEA, and an auditing firm. The group meets three times during the school year to discuss school finance-related issues and will meet again in October.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

Reminder: Use of 12-Passenger Vans for Student Transportation

Districts may use vans that are purchased new or used, up to 10-passenger, including the driver, and vans that are purchased used, up to 12-passenger, including the driver, for pupil transportation ([Iowa Code § 321.373\(3\)](#)). If the district is considering purchasing vans for pupil transportation, helpful notes are provided below.

- **New Purchases**
 - Districts that purchase new passenger vans with a capacity rating of more than 10 may not use the vans for pupil transportation.
 - The [Safe, Accountable, Flexible, Efficient Transportation Equity Act](#) of 2005 requires that any vehicles over 10-passenger capacity which are purchased new for student transportation must be built to yellow school bus specifications. Vans do not meet these specifications, meaning 10-passenger vans are allowed and anything larger and purchased *new* must be a school bus.
- **Used Purchases**
 - Vans purchased for student transportation with a rated capacity of 11 or 12, including the driver, must be acquired in used condition. "Used" is defined in [Iowa Administrative Code](#)

[r. 281-44.5\(1\)\(b\)\(2\)](#) as a vehicle that has had a title transfer from a dealer to one or more previous retail owners.

- **Alterations**

- Per [Iowa Administrative Code r. 281-44.5\(1\)](#), alteration of a Type III vehicle, following manufacture by the OEM, is prohibited. While this includes the addition or removal of seats, the Department will grant an exception for seats which are added or removed as long as the seating capacity does not exceed the capacity as certified by the OEM or on the installed alterer's certification and information label.
- Seating capacity rating may not be changed or modified except by the original equipment manufacturer (OEM), dealer, or remanufacturer. Seating capacities which vary from the OEM are required by the National Highway Traffic Safety Administration (NHTSA) to be identified by an alterer's certification and information label, affixed to the frame of the driver's door. Additional information and a sample alterer's certificate can be found on the [Type III Vehicle Information](#) document posted on the Department's [Pupil Transportation](#) web page.

Inspector Tip of the Month: TR-F-27B Pre-Use Inspection Forms

New or used Type III (family-type/multipurpose) passenger vehicle; a Type A, C, or D school bus; or a Multi-Function School Activity Bus (MFSAB) cannot be used to transport students until it been inspected in accordance with [Iowa Administrative Code \(IAC\) 281-43.25\(8\)](#). This includes passing a pre-use inspection conducted, documented, and reported on a form prescribed by the Department.

Prescribed Form: [TR-F-27B Form](#)

- Submit a completed form to the Department *before* the new or newly acquired vehicle is used to transport students.
- A properly completed form satisfies the requirements of IAC 281-43.25(8) and allows the vehicle to be used to transport students prior to the first official Department inspection.
- Receipt of this form also notifies Department inspectors that a vehicle is ready for its initial inspection.
- The completed TR-F-27B Form will serve as the chassis inspection card for the initial inspection that will be performed by the Department.
 - For subsequent inspections, the TR-F-27A card must be used as the chassis inspection card.

Proper completion of the TR-F-27B Form includes the steps listed below.

- Determine which TR-F-27B form to use (Type III or Yellow Bus/MFSAB).
- Complete the top portion of the form for owner and vehicle specifics.
- Place an "x" or a checkmark in each box for items 1-24 (Type III) or 1-47 (Yellow Bus/MFSAB).
- Include the signature of the person who performs the pre-use inspection.
- Document the date and location where the pre-use inspection was completed.
- Submit a copy of the completed form to the Department or to a Department inspector.
- Place a copy of the completed form on file.
- Place the original completed TR-F-27B in the vehicle.

Inspector Corner: Proper Signage for Type III School Buses

Department school bus inspectors recently discovered that multiple schools have been utilizing Type III vehicles that are not properly identified as school buses for student transportation to and from school.

Use on Regular Bus Routes: When being used to transport students to and from their attendance centers, however, these vehicles become school buses by definition. This can be found in [Iowa Code section 321.1\(69\)](#).

[Iowa Administrative Code r. 281.44.5\(2\)"b"](#) requires Type III vehicles to display a sign, visible to the rear, with the words "SCHOOL BUS", while transporting students to and from school. The sign must be National School Bus Glossy Yellow with black letters 6 inches high. The sign is required to be of a type that can be removed, dismantled, or covered when the vehicle is not transporting pupils to and from school.

Use for Other Reasons: Type III vehicles are cars, pickups, vans, and SUVs used for student transportation. When being used for activity trips or educational field trips, Type III vehicles are not required to be labeled as school buses.

School Business Alert

June 2026

Legislative Update

General Legislative Updates

The 2026 legislative session brings a number of legislative changes. The Department's letter to the field is anticipated to be sent in early July. Additional information regarding legislative implementation will be made available at that time.

Featured

Webinar: Special Education Expenditures

The Department has completed its review of special education expenditures in FY26 for select districts. In preparation for continuing and implementing new fiscal monitoring procedures beginning July 1, 2027, the Department is hosting a statewide webinar to share lessons learned and reiterate allowable expenditures to special education weighted funds, federal dollars, and special education support services funding.

Date: Tuesday, June 30, 2026

Time: 9:00 am

Join the meeting:

<https://IDOE.zoom.us/s/82055485855>

OR

Call: 720-928-9299

Webinar ID: 820 5548 5855

Passcode: 314219

State Payments Schedule

The FY27 Local Education Agency (LEA)/Area Education Agency (AEA) State Aid Payments Schedule is available on the Department's [State Payment Information](#) web page. This schedule contains the electronic funds transfer dates for state aid and selected other state or federal categorical aid paid to school districts.

and area education agencies. Unless otherwise stated in the file, all state aid shall be paid in quarterly installments ([SF2201](#) and [HF2800](#)) beginning July 2026.

IDEA PBC Application – Claims Period 2

The final claims period for IDEA Part B, Part C, and Birth to 3 claim submissions is available in the IDEA PBC Application located in the EdPortal from June 15 through July 15.

Districts and AEAs that fully claimed the annual award during Claims Period 1 are not required to submit a claim during Claims Period 2. Districts and AEAs that submitted a partial claim or did not submit a claim during Claims Period 1 may submit a final claim by July 15. Claims must be submitted up to the amount of the December payment.

Technical Assistance: The webinar recordings and slide decks from the Department’s statewide webinars are available on the Department’s [Special Education Finance](#) web page. User instructions for completing the claims submission in the application are also available on this web page.

Driver Authorization: Required Submission to Federal SAVE System

[Executive Order 15](#) signed October 8, 2025, orders that beginning July 1, 2026, all drivers applying for a School Bus Driver Authorization must be vetted through the federal Systematic Alien Verification for Entitlements (SAVE) process. Details are provided in the Transportation section below.

Save the Date: Virtual Office Hours

The Bureau of School Business Operations is offering virtual office hours during the upcoming FY26 application submission period for the Certified Annual Report (CAR), Special Education Supplement (SES), and the Annual Transportation Report (ATR). Members of the Department’s team and other School Business Officials will be available to answer questions related to the applications. Mark your calendars and bring any questions related to the CAR, SES, or ATR. The schedule below is also available on the Department’s [Certified Annual Report](#) web page.

Virtual office hours dates and times:

<i>Date</i>	<i>Time</i>
Tuesday, August 25	1:30 pm - 3:00 pm
Thursday, August 27	9:30 am - 11:00 am
Monday, August 31	9:30 am - 11:00 am
Wednesday, September 2	1:30 pm - 3:00 pm
Tuesday, September 8	1:30 pm - 3:00 pm
Thursday, September 10	9:30 am - 11:00 am

Join Zoom Meeting

<https://IDOE.zoom.us/j/83298416366?pwd=fSZiunALL2xnFieicjNIEESy1bar94.1>

Meeting ID: 832 9841 6366

Passcode: 2815812

School Business Alert Newsletter: Annual Compilation

The FY26 annual compilation of School Business Alert articles is now available on the Department’s [School Business Alerts](#) web page.

Recent Questions

Special Education Support Services Funding

Question: Beginning FY26, are districts required to spend the ten percent retained portion of special education support services (SESS) funding received annually?

Answer: Districts are not required to spend the full allocation of the ten percent retained portion annually. *If the district experiences a deficit special education balance, a balance should not remain in the retained portion of special education support services balance.* SESS funds may be used for special education support services or special education instructions services.

This information was published in the [HF2612 Implementation FAQ](#) available on the Department's [AEA Performance and Accountability](#) web page. Questions can be directed to SpecialEducationFinance@iowa.gov.

Financial

Year-End Reminder: TLC, PD, & TAG Funds for TSS Purposes

If additional resources are needed now, consider leveraging available resources through the increased uses of some restricted funds for Teacher Salary Supplement (TSS) purposes.

Beginning FY24, a school district may use carryforward funds as well as the current year's allocation of the categorical funding below for TSS purposes.

- Project 3373 or 3376: Professional Development (PD)
- Project 3116: Teacher Leadership & Compensation (TLC)
- Project 1118: Gifted and Talented (TAG)

Best practice: Include as an informational item to the district's board of education or through formal board action (e.g., negotiation process) when using PD, TLC, or TAG funds for TSS purposes. Additional guidance on how to use these funds for TSS purposes is available on the Department's [Categorical Funding](#) web page, under the Teacher Salary Supplement (TSS) section titled [HF 68 Guidance: Categorical Funding and Operational Sharing](#).

An additional resource for coding is on the Department's [Uniform Financial Accounting](#) web page, [UFA Journal Entries](#), which includes an example of how to restrict monies for TSS purposes in the Intrafund Transfers tab.

FY27 TLC Amount

All districts receive TLC supplement as a part of state aid payments. The TLC per pupil state aid amount for FY27 is \$393.00.

Questions regarding the TLC program can be directed to Stephanie Langstraat at stephanie.langstraat@iowa.gov or 515-402-8700.

Questions regarding account coding can be directed to Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Supplemental Aid for FY25 Special Education Deficit

Pursuant to [Iowa Code section 257.31\(14\)](#), the School Budget Review Committee (SBRC) certified the FY25 special education balances of all school districts to the Department of Management (DOM) following the December 16, 2025 SBRC hearing.

For any school district with a positive special education certified balance:

- DOM will subtract the amount of the positive balance exceeding ten percent of the additional funds generated for special education, not to include any previous carryover, from the amount of state aid remaining to be paid to the district during the FY25 budget year. See the LEA Monthly Payment Summaries starting in March on the Department's [State Payment Information FY26](#) web page.
- DOM will determine the amount of the positive balance exceeding ten percent that came from local property tax revenues and increase the district's total state aid for the subsequent budget year by the amount determined. DOM will also reduce the district's tax levy computed under section [257.4](#) for the subsequent budget year by the amount necessary to compensate for the increased state aid.

For any school district with a negative special education certified balance:

- As directed by the SBRC, DOM will make the supplemental aid for FY25 special education deficit payments to school districts that were granted the modified supplemental amounts requested during the SBRC December 16, 2025 hearing.
 - Payments will be disbursed this month and should be coded to Source/Project 3113. Use program code between 211 and 219. This revenue source does not require matching expenditures.

Questions regarding this calculation can be directed to John Parker at john.parker@dom.iowa.gov or 515-281-8485.

Questions regarding coding, issues with the upload, or edits and/or warning messages can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674, or Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Annual Reminder: Billing for Supplementary Weighting

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. The student's resident district cost per pupil of the year in which the course was taken is used to calculate supplementary weighting. Directions for generating and verifying the bills are posted on the Department's [Certified Enrollment Supplementary Weighting](#) web page.

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

The contract for a shared teacher is held by one district. The district purchasing 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 2025-26 school year, second semester count for whole grade sharing occurred on January 9, 2026.
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 97.4](#) 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 to generate 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 \(7\)](#)), and 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.
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\(2\)](#)).
4. A serving district can only bill the resident district of an open enrolled student for tuition, supplementary weighting generated from concurrent enrollment courses, PLTW courses, English learner (EL) supplementary weighting, the TLC, PD, and Early Intervention (EIC) state cost per pupil ([Iowa Code § 282.18\(7\)](#)).

Questions regarding supplementary weighting can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Questions regarding data in the SRI application can be directed to Rachel Kruse at rachel.kruse@iowa.gov or 515-281-4153.

Coding

Year-End Reminder: Student Activity Fund Revenues

Please be sure revenue accounted for in the Student Activity Fund is correctly identified. Below are some frequently used source codes.

- 151X – Interest on deposits and investments
- 171X – Admissions (gate receipts for school-sponsored activity)
- 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, 1748 if using details)
- 179X – Other activity income (this would include fundraisers such as concessions or sales of clothing or other items to those that are not students, 1791 if using details)
- 192X (not 1921 or 1922) – Contribution and donation from private sources (a district assigned project code (8001-9999) may be used)
- 1958 – Other sales of service/miscellaneous revenues from other Iowa LEAs/AEAs (from sharing activity programs with other LEAs/AEAs)
- 1991 – Sale of materials or supplies (sale of t-shirts to students at cost)
- 5311 – Compensation for loss of capital assets (payments received from students for loss of uniform)

Further questions can be directed to Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Year-End Reminder: Coding for Insurance Proceeds and Deductibles

Questions: How do districts account for repair and replacement costs of items or properties damaged from natural disasters (e.g., tornado)? How are insurance proceeds and deductibles recorded?

Answer: Districts will account for repair or replacement costs due to natural disasters in the fund that is most appropriate for the type of expenditure. Examples are provided below.

Damaged Item	General Fund	PPEL	SAVE	Nutrition
Bus	Yes	Yes	Yes, if revenue purpose statement (RPS) allows	No
Roof	No	Yes	Yes, if RPS allows	No
Tree removal	No	Yes	Yes, if RPS allows	No
Food for school meal program	No	No	No	Yes
Textbooks	Yes	Yes, if over \$500	Yes, if RPS allows	No
Computer	Yes	Replacement: Yes, if over \$500 or bundled	Replacement: Yes, if RPS allows	No

Insurance Proceeds:

Districts that receive insurance proceeds for the repair or replacement claim will deposit the revenue into the fund that incurred the cost of the repair or replacement with Source 5311 (for significant losses, use Source 6410).

Deductible:

The deductible portion of an eligible insurance claim may be transferred from the Management Fund to the fund that incurred the cost of the repair or replacement.

Transfer journal entry for the deductible portion of the claim:

Management Fund

Debit Fund 22, Function 62XX, Object 910

Credit Fund 22, Account 10X

Fund that incurred the cost of the repair or replacement

Debit Fund XX, Account 10X

Credit Fund XX, Source 5222

Questions regarding coding, issues with the upload, or edits and/or warning messages can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674, or Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Applications

School Information Update: Reporting New School Leaders

Thank you for the timely completion of the [School Information Update](#) review for the 2026-27 school year. If the district experiences a superintendent or principal change over the summer, please remember to log in to the portal and update the administrator information as soon as a replacement has been named.

Questions can be directed to Jennifer Thomas at jennifer.thomas@iowa.gov or 515-725-2252.

Foster Care Transportation Claim

Districts may submit claims for partial reimbursement of transportation services provided to children in foster care between the school of origin and the foster care placement. The school of origin is defined as the school where a student was enrolled before entering foster care or the school the student attended prior to changing foster care placements, if applicable.

The Department distributes Title IV-E funds for eligible transportation arrangements as listed below.

- Yellow bus transportation
- Public transportation
- Contracted transportation in a van or car
- Transportation provided by a care provider or family member

Information about how to submit for reimbursement can be found on the Department's [Education of Students in Foster Care](#) web page. Use the [ESSA Foster Care Transportation Reimbursement Form](#) to file one claim per household – usually an individual child, but sometimes a sibling group if the siblings are all attending the same building and are placed together. Districts may submit multiple claims as separate line items in the same form, or send claims separately. All district level [Foster Care Points of Contact](#) have received a copy of the form. The information below is needed to complete the form.

- County of the Iowa Department of Health and Human Services (Iowa HHS) case manager responsible for placement
- School of origin (SOO) name
- Receiving school district name (i.e., district of foster care placement)
- Distance in miles between the SOO and the foster care placement
- Number of days the student was transported
- Date Iowa HHS was notified of the transportation plan
- Date transportation began
- Date transportation ended (if applicable)
 - If transportation is ongoing, this field can be left blank
- Student's State ID number
- Transportation classification
 - Contiguous (district of origin and the placement district border each other)
 - Non-Contiguous (district of origin and the placement district do not directly border each other)
 - Out of State (student is placed out of state, within a reasonable distance from the Iowa border)
- Means of transportation
- Total number of trips taken by staff to transport the student during the quarter
 - Generally, there are four trips per day:
 - One trip to pick the student up
 - One trip to transport the student to school
 - One trip to take the student home from school
 - One trip to return from that trip
- One-way trip mileage driven to transport the student
- Trip staff time, rounded to the nearest quarter hour
- Hourly staff cost, for both salaries and benefits
- Number of eligible students transported
 - Only students in foster care can be claimed
 - Generally there is one student per claim, but sometimes a sibling group is transported to the same location
- Student first and last name
- Student date of birth

Because this form collects confidential information, please send this form to scot.aden@iowa.gov using the State of Iowa's encrypted email solution [gSecureMail](#). This form may be submitted any time during the school year, and claims are paid quarterly. At the end of every fiscal year, Quarter 4 claims must be submitted by July 17 in order to be paid from the previous fiscal year's budget.

Questions or requests for assistance in supporting students in foster care can be directed to Scot Aden at scot.aden@iowa.gov or 515-238-7497.

Audit Insights

Resource: Audit Practice Aids

The Iowa Auditor of State's FY2025 [Audit Practice Aids 2025](#) are available to help districts prepare for annual audits. These resources are designed to support districts and auditors in preparing for the audit process and include guidance on common compliance areas, reporting expectations, sample reports and internal control considerations.

Available resources include:

- [Code Compliance Guide - FY2025](#)

- [Sample Reports - FY2025](#)
- [Internal Control Questionnaire - FY2025](#)

Update: FY25 Audits Outstanding

As of June 23, 2026, 69 FY25 school districts, AEAs, and charter schools audits remain outstanding. The Department appreciates the continued efforts of districts, AEAs, independent auditors, and other stakeholders working to complete annual audit requirements.

Outstanding Audits

- 48 - Granted filing extensions and remain active
- 17 - Past due without an approved extension
- 4 - Previously approved extensions that have expired

Key Reminder

Audit reports and related submissions should continue to be submitted to the Department of Education at ed.audit@iowa.gov and the Auditor of State at submitreports@aos.iowa.gov.

School-Based Medicaid

For questions relating to School-Based Medicaid or other topics in this section, contact Jon Neas at jon.neas@iowa.gov or 515-326-1032.

Staffing Update: Welcome Jon Neas!



The Iowa Department of Education (Department) Bureau of Accountability, Data & Finance is pleased to announce the addition of Jon Neas! Jon started his career as a teacher and coach in western Iowa and spent the last 12 years working for a School-Based Medicaid vendor, most recently serving as their CEO. Jon will be supporting the field in the realm of School-Based Medicaid and can be reached at jon.neas@iowa.gov or 515-326-1032. Welcome, Jon!

Payment Update: Procedure Code T1019

Iowa HHS has completed the Medicaid system changes to allow Personal Care Services (T1019) to be billed with and without the HQ modifier (HQ means group setting) on the same day. Districts may submit claims back to the date of service on or after July 1, 2024. Iowa HHS Medicaid Policy personnel are drafting guidance for school districts on how to submit claims and if an exception to policy is required to allow for timely filing.

New: Behavior Paraprofessional Procedure Code

Iowa HHS will implement a new behavioral health code effective July 1, 2026, with new rates. Iowa HHS will provide additional guidance soon.

School Safety Spotlight

Dedicated School Safety Newsletter Coming Soon!

A new school safety newsletter is coming soon! Click [here](#) to subscribe and please share the link with school and district safety representatives. The recommended readership includes School Resource Officers (SROs), leadership responsible for updating emergency operations plans, and those who participate in the planning or conducting of emergency drills and exercises. Please send topic ideas to DeAnne Sesker at deanne.sesker@iowa.gov or 515-681-3236.

Save the Date: Heartland School Safety Summit | Oct. 6 & 7

SAVE THE DATE! The inaugural Heartland School Safety and Security Summit is scheduled for October 6 and 7 in Lincoln, NE. The summit will bring together 12 states and their school administrators, counselors, safety teams, first responders, school social workers & psychologists, licensed mental health professionals, school board members, and emergency managers to share best practices in incident prevention, crisis preparedness, and the promotion of psychologically safe school environments. More information will be shared via the Department's [School Safety](#) web page and newsletter when registration is available.

Study: Role of Locked Doors and Shooter Events

The study titled the [Role of Locked Doors and Access Control in School-Based Active Shooter Events](#) was published by the Advanced Law Enforcement Rapid Response Training (ALERT) Center. A first of its kind study examines how schools can prevent, mitigate, and reduce the impact of active shooter events through simple security measures.

General Information

Year-End Reminder: Perkins Consortium and Regional Planning Partnerships Accounting Resources

Districts that are part of a Perkins consortium or Regional Planning Partnership (RPP) should expect to receive journal entries from the fiscal agent to record in the district's records, including transactions completed by the fiscal agent on behalf of the consortium or partnership. The following are accounting resources available for use.

- [Accounting for Perkins Funds: Consortia](#)

Questions regarding Perkins can be directed to Amy Vybiral at amy.vybiral@iowa.gov or 515-339-4520.

Questions regarding RPPs can be directed to Heather Meissen at heather.meissen@iowa.gov or 515-326-5378.

Questions regarding account coding can be directed to Bobby Wilson at bobby.wilson@iowa.gov or 515-210-9674, or Sheila Tharp at sheila.tharp@iowa.gov or 515-205-0259.

Operational Function Sharing Supplementary Weighting

The [Operational Function Sharing Guidance](#) resource document is available on the Department's [Reorganization, Dissolution & Sharing](#) web page. The resource identifies eligible sharing

positions and the amount of supplementary weighting generated for eligible function sharing arrangements.

Questions regarding operational function sharing eligibility can be directed to Ted Bauer at ted.bauer@iowa.gov or 515-979-5468.

Questions regarding reporting positions that are part of an operational sharing agreement in Fall BEDS Staff or in the Operational Sharing Application can be directed to Shelly Wolterman at shelly.neese@iowa.gov or 515-336-3859.

Educational Savings Accounts

Information regarding Iowa's Students First Education Savings Account (ESA) program can be found on the Department's [Students First Education Savings Accounts](#) web page.

Transportation

Questions relating to the articles below may be sent to State Director for Pupil Transportation, Tom Simpson at tom.simpson@iowa.gov or 515-336-3965 or one of the inspectors below.

- Joe Funk (Southeast Region) at joe.funk@iowa.gov or 515-669-4987
- Chris Errthum (Northeast Region) at chris.errthum@iowa.gov or 515-669-4994
- Codie Kellen (West Region) at codie.kellen@iowa.gov or 515-326-1022

SAVE and School Bus Driver Authorizations

[Executive Order 15](#) signed October 8, 2025, orders that, beginning July 1, 2026, all school bus drivers be verified through the Federal [Systematic Alien Verification for Entitlements \(SAVE\)](#) system before a school bus authorization is issued to the driver.

Employers will no longer be able to issue a school bus driver authorization immediately. Once the employer requests a school bus driver authorization in the Driver Authorization System (DAS) located in the [EdPortal](#), the driver's full name, birthdate, and social security number will be submitted for SAVE verification.

Upon clearance through the SAVE system, employers will be able to issue an authorization. If additional information is needed from the driver, the Department will notify the employer and requested documentation can be added through the Driver Authorization System (DAS).

Additional information will be made available regarding this process by mid-July on the Department's [Pupil Transportation](#) web page.

School Bus Safety Week Poster Winners

The Department announced the winners of the inaugural 2026 Iowa School Bus Safety Week Poster Contest, showcasing student creativity and commitment to keeping their peers safe on the road. Winners were selected from three divisions based on grade level and were judged on safety impact, originality, artistic quality, and visual impact of their safety message. Congratulations to the winners and their districts below!



Division 1, grades K-2 - Eleanor Draeger,
Humboldt Community School District



Division 2, grades 3-5 - Scout Sexton, Benton
Community School District



Division 3, grades 6-8 - Lexi Wiley, Benton
Community School District

These three students were recognized for embracing the contest's theme of 'Safe Rides, Everyday Heroes' and using their creativity and artistic talents to raise awareness of school bus safety across Iowa.

The poster competition is part of a national initiative to promote school bus safety, encouraging students from kindergarten through eighth grade to illustrate the importance of safe practices around school buses.

Prints of the winning posters will be produced and distributed across the state in time for School Bus Safety Week in October. They were also entered into the national [School Bus Safety Poster Contest](#). The winning posters can be accessed on the Department's [School Bus Safety Contest](#) web page.

For more information on school bus operations and safety in Iowa, visit the Department's [Pupil Transportation](#) web page.

School Bus Driver Training Update

New School Bus Driver Training

The Department's School Transportation Operator's Program (S.T.O.P.) training for new school bus drivers consists of the two components listed below.

1. Online Component: [S.T.O.P. Training for New School Bus Drivers \(Online Component\)](#) is hosted exclusively via AEA Learning Online.
2. In-Person Component: The 3-hour S.T.O.P. face-to-face course is provided by local community colleges and Mississippi Bend AEA.

The online component, updated for FY26, typically takes less than four hours to complete and can be completed in as little as an hour using optional pre-test options.

Accessing AEA Online

All districts/schools that opt into AEA Online already have a verification code. This includes many public and nonpublic schools. Bus drivers that need to establish new accounts must include the related verification code in their profile. Once affiliated, each driver will be able to access the training at no cost to them or the school. Drivers may access the step-by-step [tutorial](#) for setting up a new account.

Tip for nonpublic schools and contractors: Step 7 in the tutorial linked above specifically addresses how to affiliate an account with a district.

Required Action

Ensure each driver's AEA Learning Online account profile includes the driver's license number. Directions: [How to add/update your Driver's License Number](#)

Frequently Asked Questions

Q: I don't have an AEA Learning Online account. What should I do?

A: If you are certain you do not have an account, follow the directions to create a new one.

Directions: [How to register for AEA Learning Online \(Create an Account\)](#)

Q: It's asking me to pay—why?

A: Your account profile currently lists you as a "Pay Customer."

Directions: [Update your profile to reflect your district of employment](#)

Please note, drivers from nonpublic school partners and contractors will also be able to access this training at no cost.

Other helpful tips related to the online training include the items listed below.

- The online portion and the face-to-face portion are now independent and may be taken in any order.
- The online training no longer requires a final proctored exam.
- Each module includes an independent test. All drivers now have the option to test out of each module by scoring 80% or better on the pretest.

The face-to-face component of the new driver S.T.O.P training will continue to be offered through local community colleges and Mississippi Bend AEA.

Returning School Bus Driver Annual Training

The annual S.T.O.P. 3-hour renewal class for current drivers is updated each year and will continue to be available through the community colleges and Mississippi Bend AEA.

Professional Development for Transportation Directors

The Iowa Pupil Transportation Association (IPTA) provides professional development opportunities available for school transportation directors.

The 62nd Annual IPTA Summer Conference & Trade Show will be held July 20-22 at the Airport Holiday Inn in Des Moines. The conference will once again include the valued “New Directors Workshop” where the Department’s transportation team will provide new transportation directors with useful and relevant information, explain applicable laws and rules, and share best practices for safe and efficient student transportation.

In addition to the workshop, the conference will feature local and national presenters, including Department representatives, who will provide relevant transportation-related information and discuss regulations and best practices.

The Department’s pupil transportation team will also have a table during the IPTA Summer Conference Trade Show on Tuesday, July 21. Transportation directors and other district personnel will be able to stop and pick up prints of the Iowa School Bus Safety Week Poster Contest winning posters.

Additional information, including registration details, can be found on the [IPTA](#) web page or by contacting David Johnson, IPTA Executive Director, at david@4ipta.org or 712-830-3242.

Inspector Tip of the Month: Required Vehicle Documents

Four documents are required to be in every vehicle used for student transportation, and two of these documents are often replaced during this time of year. It is important that these documents are kept current and placed in a secure and dry location in the vehicle where a driver can quickly and easily find these documents when needed, such as in case of a crash, if requested by law enforcement, or during inspections performed by the Department.

- Vehicle Registration - Most vehicles used for student transportation will use official license plates which are registered to the school district and not a specific vehicle. These registrations do not expire. Vehicles not using official license plates will have license plates registered to the specific vehicle and these registrations do expire. If the vehicle is not using official license plates, care must be taken to be sure the registration is current.
- Insurance Card - All vehicles must have a current insurance card.
- [TR-F-27A Chassis Inspection Card](#) - This form is used to document the chassis inspection performed either by school district personnel or an outside vendor. This inspection is required to be performed at least once per year and a current, completed card (or copy) that is signed and dated within the previous 12 months must be in the vehicle.
- Inspection Summary - The previous Department inspection summary must be in the vehicle and it must document any corrections made to deficiencies from the previous inspection. New vehicles that have been put into service following a pre-use inspection must have a completed [TR-F-27B Pre-Use Inspection Form](#) (or copy) in the vehicle until Department inspectors perform a regular inspection. The TR-F-27B can then be replaced by an inspection summary.

Inspector Corner: FMCSA and Marijuana Reclassification

As published in the April edition of the [School Business Alert \(SBA\)](#), the [Federal Motor Vehicle Safety Administration](#) (FMCSA) recently published information related to a United States Department of Transportation (USDOT) update on the use of marijuana by people employed in safety-sensitive transportation positions, which includes school bus drivers. This update followed the Executive Order issued by the President of the United States on December 18, 2025, that directed the Department of Justice to reschedule marijuana from a Schedule I to a Schedule III drug.

Marijuana was still classified as a Schedule I drug when the April SBA was written. Recently, however, the [Drug Enforcement Administration \(DEA\)](#) issued an order that reclassified FDA approved drug products derived from marijuana and marijuana products regulated by a State medical marijuana license from Schedule I to Schedule III drugs under the Controlled Substances Act (CSA).

Question posted to USDOT: Does this mean that a Medical Review Officer (MRO), reviewing a laboratory reported marijuana positive drug test, can deem the test a “negative” if the employee alleges the positive result is from consuming a State licensed marijuana product?

Response from USDOT: The components of the USDOT answer were published in the [May 2020 Part 40 Questions and Answers](#) document and are summarized below.

- No. Currently, there is no instance when the MRO could verify a laboratory-confirmed marijuana positive drug test result as “negative” when an employee claims the positive was caused by a State licensed marijuana product.
- Even after rescheduling, State-dispensed marijuana does not constitute an FDA-approved drug. Without FDA approval for a controlled substance, it cannot be prescribed.
- A “legitimate medical explanation” requires use of a legally prescribed controlled substance in compliance with Federal laws governing such a prescription. [49 CFR §§ 40.137\(a\); 40.141\(b\)](#)
- Although the MRO may be presented with documentation such as State-issued medical marijuana cards, physician recommendations or certifications, or dispensary records or receipts, these documents do not satisfy part 40 requirements for a “legitimate medical explanation.”
- Marijuana use under State marijuana programs or other non-prescription sources do not qualify as a “legitimate medical explanation” under [49 CFR § 40.137\(a\)](#). In addition, marijuana use is not compatible with safety-sensitive functions.

As a reminder, the USDOT further states, “It is still unacceptable for people who work in safety-sensitive transportation positions to use marijuana.” This includes school bus drivers.

[49 CFR 382.301](#) requires employers to have a negative controlled substance test result on file before a driver performs safety-sensitive functions for the employer.