



FY23 Compilation of School Business Alert Articles (July 2022-June 2023)

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July 2022

Financial

FY22 Year End

The fiscal year end closeout period is here again. Please submit all FY22 requests for payments by July 31. As in prior years, the Department is required to pay FY22 expenses by the end of August. We need your help to accomplish this important effort. Please review all FY22 grants and contracts, complete any final reports, and prepare requests for payment by July 31. We will be issuing final payments for Title I, Title II, Title VI, nonpublic transportation, Perkins, and Regional Planning Partnership (RPP) within the month, with your help and cooperation.

If you have further questions, please contact Angie James at Angela.James2@iowa.gov or 515-281-3646.

Secure an Advanced Vision for Education (SAVE) Distributions

On June 17, 2022, Governor Reynolds signed Senate File 2367 into law. Division II of the bill changes SAVE distributions from estimated payments to actual amounts collected each month. As a transition, the first two monthly payments of FY23 (August and September, 2022) will be based on estimates and the remaining 10 monthly payments (October, 2022 through July, 2023) will be based on actual collections.

The reconciliation payment for FY22 that would usually happen in November will be made earlier. The Department of Revenue (IDR) hopes to make the payment by the end of September. This will be the last reconciliation payment before the change to actual distributions.

Even though distributions will no longer be based on estimates, IDR will still publish annual SAVE estimates. Instead of mailing the individual estimates, IDR will continue to post the yearly estimates on the agency's website: <https://tax.iowa.gov> and send an email notification when they have been posted.

The Department's Local Government Services Division of IDR is maintaining a record of the SAVE contact emails. If you have not done so already, contact Barbara Lewison at barbara.lewison@iowa.gov to add your resume and email address to the list.

Sales Tax Payments

July

The July payment districts will receive for SAVE Statewide Sales and Services Tax (Source/Project 3316) is related to June taxes collected. Accordingly, districts should record this receipt as an intergovernmental receivable (Fund 33, Account 141) and include this in SAVE revenue reported in the FY22 Certified Annual Report (CAR).

August

Property tax receipts are not all related to the prior year. Districts need to evaluate what should be accrued as taxes receivable and as FY22 revenues or what should be FY23 revenues. Delinquent property taxes received in August are accrued to FY22. Current mobile home (unless noted as delinquent) and ag land taxes received in August are FY23 revenues.

If you have further questions, please contact Song Luong at Song.Luong1@iowa.gov or 515-205-0259, or Jina Brincks at Jina.Brincks@iowa.gov or 515-313-5942.

SWVPP Increased Enrollment Claims

An email was sent to the field on July 8, 2022 from Kimberly Villotti sharing information on how to submit claims for funds awarded by the School Budget Review Committee (SBRC) for costs related to FY22 Statewide Voluntary Preschool Program (SWVPP) increased enrollment. Summary bullet points are provided below.

- [Claims](#) submitted by July 21, 2022 will be paid in August. Claims submitted after July 21 will be processed with FY23 Q1 claims.
- Use Program 460 with all expenditures.
- Use Source/Project 4043 (ARP ESSER III - Learning Loss) for costs related to learning loss.
- Use Source/Project 4045 (ARP ESSER III) for costs not related to learning loss.
- Reminder: These funds are only available to those eligible and requesting districts as identified in the original notification from the Department sent on January 13, 2022.

If you have questions regarding the claims process, please contact Eric Gebhart at Eric.Gebhart@iowa.gov.

Local Auditor Access to Prior Year Local Education Agency (LEA) Financial Information

Local auditors are encouraged to access the “Department Warrants” application within the Iowa Education Portal. Payments for all districts are available to the user from the dropdown list. This application has been expanded to include the grant identifying number and the Catalog of Federal Domestic Assistance (CFDA) number.

Nonpublic Transportation Reimbursement - Accounting

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

If you have further questions, please contact Song Luong at Song.Luong1@iowa.gov or 515-205-0259, or Jina Brincks at Jina.Brincks@iowa.gov or 515-313-5942.

Financial Reporting for Pensions (GASB 68)

Districts and auditors will soon be working through the Governmental Accounting Standards Board (GASB) 68 entries relating to Iowa Public Employees Retirement System (IPERS). Districts will only include entries in Fund 09 (Governmental Long-term Liabilities/Debt Summary Accounts) and Proprietary Funds (6X, 7X) on the FY22 Certified Annual Report (CAR). Since pension expenses may be positive or negative after GASB 68 entries have been made in the enterprise funds, districts will continue to use Object 233, "GASB 68 Pension Expense" for GASB 68 entries related to pension expenses. Negative amounts are allowed in this object.

Fund 09 will report the governmental funds share of the net pension liability and debit account 304, "Amount to be provided for retirement of governmental long-term debt" and credit account 593, "Net Pension Liability." The FY22 CAR includes an edit in Fund 09 and a warning in Proprietary Funds related to GASB 68 Net Pension Liability reporting.

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

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

Districts and auditors will continue to work through GASB 75 entries relating to OPEB based on valuations received from the actuary. Districts will only include entries in Fund 09 and Proprietary Funds on the FY22 CAR.

A separate object code for the health benefit expense adjustment has not been assigned at this point since we do not know if this adjustment will result in a negative expense after GASB 75 entries have been made in the Enterprise Funds. The various deferred inflows of resources (Account 64X) and deferred outflows of resources (Account 33X) numbers that may be needed have been assigned. See the [Iowa Chart of Account Coding document](#) for the specific account numbers.

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

If you have further questions, please contact Song Luong at Song.Luong1@iowa.gov or 515-205-0259, or Jina Brincks at Jina.Brincks@iowa.gov or 515-313-5942.

Fiduciary Activities - Custodial and Scholarship Funds (GASB 84)

Custodial Funds

All districts and Area Education Agencies (AEAs) should have implemented GASB 84, which included changes for Fiduciary Activities. Agency Funds (Fund 9X) were renamed to Custodial Funds, which are used when holding funds for others. Custodial Funds also require additional information in financial statements regarding additions and deductions. We have suggested using the same account codes as used for other funds for revenues and expenditures/expenses. Districts should include all applicable dimensions in the upload files for FY22.

Another change for Custodial Funds is that balances are only reported as a liability if an event has occurred that compels the government to release the funds. This occurs when a demand for the

resources has been made or when no further action, approval, or condition is required to be taken. All other balances are reported as net position (account 770 if restricted, or account 780 if unrestricted).

Since all exceptions to edits for the Custodial Funds may not have been considered, please contact Song Luong at Song.Luong1@iowa.gov or 515-205-0259, or Jina Brincks at Jina.Brincks@iowa.gov or 515-313-5942, if it appears an edit modification is needed.

Scholarship Funds

Scholarship Funds may be impacted from the changes in GASB 84 if the scholarships do not meet the criteria for a trust or if the district has administrative involvement.

Whether these are accounted for in a Special Revenue Fund, Trust Fund, or Custodial Fund will depend on the characteristics of each individual scholarship. Districts should complete the GASB 84 Flowchart ([GASB 84](#), pages 44-46) for each scholarship to help determine how it should be reported and review this with the district's auditors. We avoided use of the General Fund due to spending authority issues, and anticipate that most scholarships will either remain in Fund 81 (Scholarship Trust Funds) or move to newly added Fund 19 (Non-Fiduciary Scholarship Funds). Following are the possibilities:

- If the Scholarship Fund meets the criteria for a trust and the district does not have administrative involvement, scholarships will remain in Fund 81, Fiduciary Scholarship Trust Funds.
- If the Scholarship Fund does not meet the criteria for a trust and the district does not have administrative involvement, and the funds are held for a separate legal entity, scholarships will be accounted for in a Custodial Fund (Fund 99, Custodial Scholarship Funds). Districts will move balances using upward and downward adjustments.
- If the district does have administrative involvement, regardless of whether or not the scholarship meets the criteria for a trust or custodial fund, scholarships will be accounted for in a Special Revenue Fund (Fund 19, Non-Fiduciary Scholarship Funds). Districts will move balances using upward and downward adjustments.

GASB 84 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.

GASB 84 (Paragraph 11c (1)) states the criteria for a trust as: the assets are (1) administered through a trust agreement or equivalent arrangement (hereafter jointly referred to as a trust) in which the government itself is not a beneficiary, (2) dedicated to providing benefits to recipients in accordance with the benefit terms, and (3) legally protected from the creditors of the government.

The following entries will be used to move funds from Fund 81, Scholarship Funds to Fund 19 or 99, when applicable. We recommend keeping the same project code currently used for the scholarship.

Fund 81 - Debit Downward Adjustment to Beginning Fund Balance (Function 6900, object 990) and Credit Cash

Fund 19 or 99 - Debit Cash and Credit Upward Adjustment to Beginning Fund Balance (source 5900)

If you have questions, please contact Song Luong at Song.Luong1@iowa.gov or 515-205-0259, or Jina Brincks at Jina.Brincks@iowa.gov or 515-313-5942.

Maximum Tuition Rate - 2022-2023 School Year

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

If you have questions, please contact Scott Dryer at Scott.Dryer@iowa.gov or 515-402-8700.

Coding

Iowa Chart of Account Coding Updates

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

June 2022

<i>Code</i>	<i>Description</i>
Source/Project 4536	Invalid (Previously Comprehensive Centers (Tech-Prep Education) (Title II) (FAL/CFDA 84.243)
Source/Project 4014	Supply Chain Assistance Funds (FAL/CFDA 10.555)

Applications

Tuition-In Billing: Timeline

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

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

The Department will begin processing Foster Care claims, Termination of Rights claims (also called District Court Placed), Nonpublic claims, and High Cost claims after August 2. It is critical that all claims be accurately entered prior to this date.

If you have further questions, please contact Bill Roederer at Bill.Roederer@iowa.gov or 515-281-7972.

Regular Education Foster Care Claim

The Regular Education Foster Care Claim will be open by July 15, 2022. Claims are generated from the fall 2021 and spring 2022 Student Reporting in Iowa (SRI) submissions. This year's application includes:

- Regular education students who were in foster care (under the responsibility and care of the Department of Human Services) and living in your district only because of the foster care placement.
- Resident students who were in a psychiatric medical institute for children (PMIC) placement or placed in a juvenile psychiatric unit of a hospital and NOT included in your district's fall 2021 certified enrollment count, regardless of who placed the student in the facility.

The only tasks required from a district are to verify the students and certify. Certification is required only if your district is eligible to receive a reimbursement. Reimbursements are based on the excess days your district served regular education students in foster care above days funded on regular education foster care students in the fall 2021 certified enrollment count. Calculations are based on the number of days of school during the 2021-2022 school year, as reported in the spring 2022 SRI.

The due date for certifying Regular Education Foster Care Claim is Monday, August 1. If you have further questions, please contact Scott Dryer at Scott.Dryer@iowa.gov or 515-402-8700.

AEA Juvenile Home Claims

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

If you have further questions, please contact Jina Brincks at Jina.Brincks@iowa.gov or 515-313-5942.

Action Request: Update District Contact Information

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

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

Please provide updates as needed anytime throughout the year.

Medicaid

2021-2022 Medicaid Review

During FY22, Iowa's Local Education Agencies (LEAs) were paid \$106,811,883 and, following payback of

the state share, retained \$72,988,118, up 30.14 percent from FY21. Iowa's AEAs were paid \$961,507 and retained \$709,963 for Individuals with Disabilities Education Act (IDEA) Part B services, up 4.2 percent from FY21. Iowa's Infant Toddler IDEA Part C providers were paid \$287,135, retaining \$196,293, up 10.9 percent.

In total, Iowa's IDEA Medicaid programs retained \$73,894,374, up 28.6 percent from FY21. Please note that many FY22 LEA behavior paraprofessional claims are pending but are expected to be paid by August 31 if not sooner.

If you have further questions, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

Enhanced Medicaid Rate May be Extended through December 31, 2022

CARES Act funding included an increase of 6.2 percent in the federal share of state Medicaid programs starting January 2020 and will continue through September 30, 2022. It appears likely that it will continue to December 31, 2022. For claims paid October 1, 2021 through September 30, 2022, the enhanced federal share is 69.33 percent. When there is an announcement about federal share starting October 1, 2022, the Department will advise districts through the School Business Alert.

If you have further questions, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

Please Continue to Perform Exclusion List Verification Checks

All participating LEA and AEA Medicaid providers are expected to complete checks each month to see if any of their participating staff are on the Health and Human Services-Office of the Inspector General Exclusion List or the Iowa Medicaid Sanctioned Provider List. Please continue to use the School-Based Provider Search Template posted on the [School-Based Medicaid page](#) of the Department's website. Most Iowa LEAs and AEAs have been performing their checks and submitting quarterly reports to the DE. If your district is having challenges in completing this, please watch the [Medicaid Exclusions and Suspensions Check for School-Based Providers webinar](#) posted on the Department's website. **It is important that you do not bill for services provided by an excluded individual.**

For any questions or assistance with checking the Exclusions databases, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

School Transportation

Fall 2022 Inspection Schedules

The fall 2022 school bus inspection schedules for the East and West regions will be posted to the [Bus Inspection Schedules page](#) of the Department's website. Inspection schedules for the Central region will be posted at a later date. Please help ensure that the inspection date for your district is communicated to the transportation staff and added to the district calendar.

If you have further questions, please contact the inspector for your region: Joe Funk (East) at 515-669-4987 and Tom Simpson (West) at 515-326-1022.

Bus Driver Physicals

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

If you have further questions, please contact Max Christensen at Max.Christensen@iowa.gov or 515-336-3965.

General Information

Iowa Education Portal

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

School Finance Resources

Superintendents and business managers who are new to the state or new to the position may find the following resources located on the Department's website (<https://educateiowa.gov/>) beneficial:

- The [Department 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 Tuition-In Billing application directions, appropriate uses of special education funding, school-based Medicaid, and sample contracts for special education services.
- [School Facilities](#) provides information on construction, school safety, disaster recovery, and facilities planning.
- [School 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 Iowa Legislature (Iowa Code and Administrative Code lookups).

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



August 2022

Financial

Juvenile Home Advance Payment Schedule

The 2022-2023 Juvenile Home Advance Payment Schedule for area education agencies has been posted to the Department website at [Budgets, Area Education Agencies](#).

If you have further questions, please contact jina.brincks@iowa.gov or 515-313-5942.

Coding

Nutrition Fund Coding

As we transition to the National School Lunch Program (NSLP) with the start of the 2022-23 school year, districts should return to the use of the function code 3110. Districts may check the source of funding with each Department payment in the [Iowa Education Portal](#) application, "Department Warrants." If a Portal user does not have this application, a request can be made through "My Profile" in the top right corner of the Portal.

Coding Payments to a Student/Adult Nutrition Account

Deposits made into student/adult meal accounts (Fund 61) are an 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 code 16XX. Districts may record student/adult sales monthly using reports or data from the POS system. As districts are aware, school meals were free through the Seamless Summer Option to all students in school year 2021-22; there is a CAR edit prohibiting any revenue recorded in 161X for FY2022.

Example:

Deposit into individual/family food service account:

Debit cash 61-XXX-XXXX-101
Credit unearned revenue 61-XXX-XXXX-483

Monthly as sales occur:
Credit appropriate revenue accounts 61-XXXX-XXX-XXXX-16XX
Debit unearned revenue 61-XXX-XXXX-483

If you have further questions, please contact jina.brincks@iowa.gov or 515-313-5942, or song.luong1@iowa.gov or 515-205-0259.

Indirect Cost Rate Plan

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

The change approved with the largest impact, as requested by districts, is to treat equipment repair and maintenance, function 2640, as a direct cost rather than an indirect cost. Effective with FY21 reporting, nutrition equipment repairs were accounted for in the School Nutrition Fund rather than the General Fund. Further, function 2600 became a header record only and detail will be required, effective with FY21 reporting. The plan also establishes a maximum restricted rate indirect cost rate of seven percent and a maximum unrestricted indirect cost rate of 17 percent, even if the rate calculated is higher.

If you have further questions, please contact jina.brincks@iowa.gov or 515-313-5942, or song.luong1@iowa.gov or 515-205-0259.

Nutrition Programs and Indirect Costs

Districts have continued to ask questions about capturing indirect costs for the Nutrition Fund. Districts are not required to capture indirect costs. Indirect cost recovery is a **federal** concept and does not apply to any non-federal source.

Direct costs include salaries and benefits of food service workers, cost of purchased food (not commodities), equipment repair, and supplies and materials (not federal equipment grant) for the nutrition program. Indirect costs include business office, payroll, human resources, utilities, custodial services, trash, etc. When applying the indirect cost rate, the district must first identify allowable costs across all federal programs in a consistent manner. Criteria for this determination include the following: are necessary, reasonable, allocable, legal under state and local law, conform with federal law, regulation and grant terms, consistently treated as direct or indirect, determined in accordance with Generally Accepted Accounting Principles (GAAP), not included as a cost or matching contribution of any other grant (except where allowed by federal regulations), net of applicable credits, and adequately documented. Allowable direct costs plus any indirect costs captured cannot exceed the amount of federal reimbursement the district has received.

The *restricted* indirect cost rate is the maximum rate an area education agency (AEA) or local education agency (LEA) may apply to a federal grant program that allows indirect cost recovery and requires funds to be used to supplement, not supplant, non-federal funds. The unrestricted indirect cost rate is the maximum rate an LEA or AEA may apply to federal grant programs that allow indirect cost recovery and do not have the supplement, not supplant provision.

The LEA may use up to the unrestricted indirect cost rate found on the Department's [Indirect Cost Rates spreadsheet](#) for nutrition programs. Applying the maximum unrestricted rate against the direct costs of the award will generate the maximum indirect costs that may be recovered from the award. Indirect cost recoveries are that portion of the grant funding used to support the indirect costs of the program. The maximum unrestricted rate calculated for a program year will be applied to expenditures from the award in that year. If the grant award contains costs that are excluded from the direct or indirect cost base, the direct costs of the award will be modified to reflect the elimination of these costs from inclusion in the indirect cost reimbursement calculation. The indirect cost recovery is calculated by multiplying direct cost base by the indirect cost rate.

Federal expenditures (not to exceed federal reimbursement) / (1 + unrestricted rate) = direct cost base
 Direct cost base x indirect cost rate = indirect cost recovery

Example:

District revenue for project 4552, School Breakfast Program	\$14,000
District revenue for project 4553, National School Lunch Program	<u>\$128,000</u>
Total federal revenues	\$142,000
District expenditures for salary and benefits	\$241,000
Supplies	<u>\$12,000</u>
Total Expenditures	\$253,000

District's unrestricted indirect cost rate 11.34 percent

Federal expenditures (not to exceed federal reimbursement) \$253,000 > maximum \$142,000

Federal expenditures (not to exceed federal reimbursement) / (1 + unrestricted rate) = direct cost base for project 4552 \$14,000/ (1 + .1134) = \$12,574.10

Direct cost base x indirect cost rate = Maximum indirect cost recovery for project 4552 \$12,574.10 x .1134 = \$1,425.90

Federal expenditures (not to exceed federal reimbursement) / (1 + unrestricted rate) = direct cost base for project 4553 \$128,000/ (1 + .1134) = \$114,963.18

Direct cost base x indirect cost rate = Maximum indirect cost recovery for project 4553 \$114,963.18 x .1134 = \$13,036.82

Since functions 25XX are used to compute the unrestricted indirect cost rates, these cannot be recorded as direct costs for any federal program, including the Nutrition Fund programs. If the district has been reporting these as direct costs in the Nutrition Fund, they need to be coded as expenditures in the General Fund and then recorded in the Nutrition Fund as indirect costs, not exceeding the maximum allowable amount.

Since indirect costs are related to expenditures in another fund, the district will record this through interfund transfers rather than intrafund transfers. Following are entries to record the indirect costs captured for the school nutrition programs.

School Nutrition Fund

Debit function 6210, object 910, project 4552 or 4553

Credit cash (interfund accounts payable account 402 is transferred after 6-30)

General Fund

Debit cash (interfund accounts receivable account 132 if cash transferred after 6-30)

Credit source 5261 in the General Fund (do not include project 4552 or 4553)

If you have further questions, please contact jina.brincks@iowa.gov or 515-313-5942, or song.luong1@iowa.gov or 515-205-0259.

GASB 87 Leases

GASB 87 journal entry examples have been added under the “GASB 87 Leases” tab on the [UFA Journal Entries Spreadsheet](#). GASB 87 establishes a single model for lease accounting based on a principle that leases are a financing of the right to use an underlying asset.

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

1. Lease with option to purchase asset
2. Short term leases (including any options to extend, of 12 months or less)
3. Lease with cancelable option

GASB 87 is effective June 30 of FY22. For districts that did not implement GASB 87 in FY22, please do so for FY23.

If you have further questions, please contact jina.brincks@iowa.gov or 515-313-5942, or song.luong1@iowa.gov or 515-205-0259.

Applications

Certified Annual Report (CAR) - Due on or before September 15

Although the CAR - 2022 COA Test Records application remains available for use for individual records, the CAR – 2022 Upload and Reports application must be used for a full file upload once the application is open on August 15. Multiple uploads can take place in the Upload and Reports, just as they can in the Test Records. **Please read the home page for any important messages.** Districts must comment on any warnings remaining on the CAR, giving a brief explanation as to why each situation is not applicable to their district. If the situation is applicable, corrections need to be made in the FY22 district financials and the district must reupload the CAR file.

A “Certify” button will not appear until the file is edit free and comments have been made for each remaining warning.

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 [CAR instructions](#) for more information about extension requests. Extension requests can be emailed to kassandra.cline@iowa.gov, but no sooner than two weeks prior to the due date and no later than two days prior to the due date.

Also, as a 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 to kassandra.cline@iowa.gov or with one of the Finance Consultants in the Bureau of School Business Operations, if you haven't done so already.

If you have further questions or need assistance with uploads, reports, extensions, account codes and journal entries, please contact jina.brincks@iowa.gov or 515-313-5942, or song.luong1@iowa.gov or 515-205-0259.

Certifying the CAR

Make sure to plan sufficient time to thoroughly review what is about to be certified before clicking the “Certify” button. The Special Education Supplement (SES), the Transportation Annual Report (ATR), and the CAR itself are not the only reports that should be reviewed prior to certification. The LEP Allowable Costs application will also pull data from the CAR.

Completing the CAR is a significant culmination to more than a year's worth of work, and viewing the reports created by the CAR is an important step needed before certifying to help ensure accuracy of the submission.

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

- For funds 8 and 9, start with the audit report. Be sure the district starts with the same balances reported in the previous year's audit. Increases and decreases should be journalized and reported as the ending balance in the current CAR.

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

If you have further questions, please contact jina.brincks@iowa.gov or 515-313-5942, or song.luong1@iowa.gov or 515-205-0259.

Special Education Supplement - Due on or before September 15

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

If you have further questions related to the SES, please contact bill.roederer@iowa.gov or 515-281-7972.

Transportation Annual Report - Due on or before September 15

The Annual Transportation Report has many features and capabilities to make it easy to complete and to assist in ensuring accuracy. Many items will be pre-populated from the district's CAR and Vehicle Information System (VIS) data; however, there are four things the district must provide manually:

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

The number entered into the "aggregate weeks" column by the district should be the sum total of weeks for the individual riders – not the total number of weeks for the riders as a group. For example, if buses ran for 36 weeks and 10 students rode the buses every week, the total aggregate weeks would be 360 (10 students x 36 weeks) rather than 36.

The aggregate weeks information is used to calculate the average number of students transported, which is shown in 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 [full instructions](#) posted on the [Transportation Guidance](#) page of the Department's website. For further assistance, please contact max.christensen@iowa.gov or 515-336-3965.

District Contact Verification

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

If you have further questions, please contact bill.roederer@iowa.gov or 515-281-7972.

Fall BEDS Staff and Operational Function Sharing

The intent is to have the Fall BEDS Staff application open by late September. At this time, the Operational Sharing application is planned to be open on October 1, with a certification deadline of October 30.

While districts do not need to have their Fall BEDS Staff certified before completing the Operational Sharing application, both the district holding the contract and the district purchasing a portion of a person's contract must report the shared individual in Fall BEDS Staff in order for the sharing to appear in the Operational Sharing application.

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

Due to recently enacted legislation (House File [\(HF\) 2589](#) and [HF 2080](#)), there are changes to the positions eligible for operational function sharing supplementary weighting, as well as changes to the weighting that will be generated by most positions. The maximum FTEs a district can generate remains at 21.

Sharing arrangements that qualify for shared operational function supplementary weighting are limited to the following position codes 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)

- 624 – Social Worker
 - 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)
 - Codes TBD

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.

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

For new sharing arrangements involving other governmental entities that are not another Iowa public school district or AEA, please submit a copy of the sharing contract and job description to scott.dryer@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).

If you have further questions regarding Fall BEDS or Fall BEDS Staff, please contact 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 webpage](#).

If you have further questions regarding Operational Sharing, contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Medicaid

Medicaid Reimbursement Documentation Related to Open Enrolled Students

Iowa Code section 282.18(8)"c" relates to the Medicaid-eligible health services provided by a receiving district to open-enrolled students receiving special education services. Receiving districts are required to provide to the resident districts the documentation necessary to seek Medicaid reimbursement for the eligible IEP-ordered health services. 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. A guidance document containing a list of the required documentation is available on the Department's [website](#).

If you have questions regarding this requirement, please contact jim.donoghue@iowa.gov or 515-281-8505.

Medicaid Reminder: Change of District Medicaid Lead

If your district will have a new lead for School-Based Medicaid in 2022-2023, please have them contact Jim Donoghue to arrange an orientation as well as a question and answer call.

If you have further questions please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

Please Continue to Perform Exclusion List Verification Checks

All participating LEA and AEA Medicaid providers are expected to complete checks each month to see if any of their participating staff are on the Health and Human Services-Office of the Inspector General Exclusion List or the Iowa Medicaid Sanctioned Provider List. Please continue to use the School-Based Provider Search Template posted on the [School-Based Medicaid page](#) of the Department's website. Most Iowa LEAs and AEAs have been performing their checks and submitting quarterly reports to the DE. If your district is having challenges in completing this requirement, please watch the [Medicaid Exclusions and Suspensions Check for School-Based Providers webinar](#) posted on the Department's website. **It is important that you do not bill for services provided by an excluded individual.**

For any questions or assistance with checking the Exclusions databases, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

School Transportation

School Bus Driver Authorization

All school bus driver authorizations expire on August 15. Beginning July 1, school districts were given a window of opportunity to update all authorizations in the "Driver Authorization" application accessed through the [Iowa Education Portal](#). **Authorizations for your school district's bus drivers must be updated between July 1 and August 15. Please verify that this action was completed.**

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

To update an authorization from the driver page of the Portal, select the “Authorization” button in each driver’s row. If all licensing, physicals, and training information is up to date, you will be able to update the authorization by selecting the type of authorization and then clicking “Submit.” To finish, click either the button labeled “View” or “PDF” and print the driver’s authorization document. Repeat this process for each individual. Once completed, be sure to provide the new authorizations to your drivers to carry with them – they are required to carry it whenever driving a school bus.

Failure to possess an accurately reported, current authorization can result in a citation from law enforcement. If you have further questions, please contact max.christensen@iowa.gov or 515-336-3965.

General Information

Determining Student Residency

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

Following are several references to assist in determining whether a student is or is not a resident of your district.

- [Residency Issues](#) Department Legal Lesson
- [Resident or Not – That is the Question](#) Department Legal Lesson
- [Iowa Code §282.1](#), definition of “resident”
- Uniform Administrative Procedures, [Chapter 4](#), page 7
- Attorney General Opinion, [March 6, 1957](#)

If you have questions, please contact: Scott Dryer at scott.dryer@iowa.gov or 515-402-8700, or Sara Nickel at sara.nickel@iowa.gov or 515-281-3778.

Open Enrollment

Open Enrollment is the process by which a parent or guardian residing in an Iowa district may enroll their child(ren) into another Iowa school district under the terms and conditions of [Iowa Code 282.18](#) and [Iowa Administrative Code 281-17](#).

[HF 2589](#) eliminates the March 1 deadline for open enrollment. This change allows parents/guardians to apply for open enrollment at any time without the need for good cause. The receiving district may deny an open enrollment request if one of the following applies:

- The application violates the district’s insufficient classroom space policy,
- The district does not have the appropriate special education program,
- The application would adversely affect the district’s implementation of a court-ordered desegregation plan, or
- The student has been expelled or suspended.

If a parent/guardian moves and wishes for their student to continue at the original resident district under open enrollment (often known as the “continuation rule”), requests cannot be denied due to insufficient classroom space policies.

There have been no changes to the October 1 count date. Unless a student was under open enrollment to another school district, tuition is not paid to the receiving district. The resident district is not obligated to pay tuition or additional costs such as special education weighting and transportation assistance if an application is approved after October 1 (count date).

If you have questions relating to open enrollment, please contact Sara Nickel at sara.nickel@iowa.gov or 515-281-3778 or Marietta Rives at marietta.rives@iowa.gov or 515-281-6038.

Kudos

Iowa was recently recognized with two awards from the National Center for Education Statistics of the United States Department of Education. The two awards were for recognition of outstanding performance in timely and complete reporting of the Common Core of Data National Public Education Finance Survey (NPEFS) and for the Common Core of Data Survey (F-33) for FY20, which were submitted by the Bureau of School Business Operations. Iowa has received these awards each reporting year since 2009. In addition, this year Iowa also received recognition for its reporting of the Common Core of Data School Level Finance Survey (SLFS). These awards would not be possible without the timely submission of quality data by each of the state's districts and AEAs. Congratulations to all!



September 2022

Financial

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 Limited English Proficiency (LEP) instructional program costs).

Districts that ended the year with a negative unspent balance are required to notify the SBRC in writing by October 17, 2022 (289 IAC 6.5(3)). The notification requirement is satisfied through the completion of an [SBRC Hearing Request form](#) or providing an email to Kassandra Cline (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 13, 2022 hearing. Upon receipt of the notification to appear, the district will receive further exhibit guidance.

Questions regarding the SBRC may be directed to Kassandra Cline, SBRC Liaison, at kassandra.cline@iowa.gov or 515-326-2242.

Coding

Iowa Chart of Account Coding Updates

The [Iowa Chart of Account Coding](#) on the Department website is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent update is provided below.

August 2022

<i>Code</i>	<i>Description</i>
Source/Project 3124	Charter School: School Board - State Board Model or Founding Board - State Board Model Only (Aug22)
Source/Project 4301	Emergency Relief Program (ERP) Disaster Recovery Assistance for Commodity and Crop Producers (P.L. 117-43) (Extending Government Funding and Delivering Emergency Assistance Act)
Source/Project 4041	American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER III) (Health Careers Registered Apprenticeship Grant Program (IWD) (FAL/CFDA 84.425U) (Formerly Education Jobs Fund) (FAL/CFDA 84.410) (Sep10) (Apr14) (Aug22)
Account 200	Non-Current Assets (Funds 01,02,08, Fiduciary & Proprietary only) (name change) (Aug22)
Account 290	Other Non-Current Assets
Account 293	Net Pension Asset (Funds 01, 02, 09, Proprietary only) (Aug22)

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Deferred Inflow/Account Receivable

On Friday, September 2, 2022, an email was sent to 60 districts that were anticipated to have received an FY22 receivable in FY23. 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 after the 60-day accrual period are recorded as a receivable, account 141 and a deferred inflow, account 623 on the balance sheet.

Below is an example of how to record a receivable and deferred inflow for any revenue received after the 60-day accrual period.

FY22: Record the receivable and deferred inflow.

DR Account 141, Project XXXX

CR Account 623, Project XXXX

FY23: Upon funds being received, reverse the receivable and deferred inflow entry.

DR Account 623, Project XXXX

CR Account 141, Project XXXX

FY23: Record the revenue to the appropriate project/source.

DR Cash

CR Project/Source XXXX

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Teacher Retention Payments

Please review account codes to ensure all Teacher Retention expenditures (project 4048) are coded to the same function and program as the Teacher Retention revenue received (source 4048). If the expenditures are less than the revenue received, it is possible a refund is due to the Department as there is no carryforward provision for these funds for this purpose.

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

GASB 68 Net Pension Asset

IPERS reported a net pension asset in their FY21 ACFR due to high investment returns. If your district ends with a Net Pension Asset with the GASB 68 IPERS entries, code to balance sheet account 293, Net Pension Asset (Funds 01, 02, 09, Proprietary only).

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

FY23 State Payments: Statewide Voluntary Preschool Program

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

This is an on-behalf payment. The district will record the amount as preschool revenue with an equal amount recorded as a preschool expenditure. The amount is \$33.17 per preschool budget enrollment. The deduction for the on-behalf payment will be spread throughout the 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 FY23 Preschool Funding document for preschool amounts is posted to the [State Payment Information for FY23](#) page of the Department's website. The amount remains at the \$33.17 per preschool budget enrollment.

If you have further questions, please contact Song Luong at song.luong1@iowa.gov or 515-205-0259.

Applications

Certified Annual Report, Special Education Supplement, Annual Transportation Report - Due September 15

Reminders from [August 2022 School Business Alert publication](#):

Certified Annual Report (CAR), Special Education Supplement (SES), and Annual Transportation Report (ATR) are due September 15.

CAR Questions can be directed to Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

SES questions can be directed to Bill Roederer at bill.roederer@iowa.gov or 515-393-8349.

ATR questions can be directed to Max Christensen at max.christensen@iowa.gov or 515-336-3965.

Limited English Proficient (LEP) Allowable Costs Application for MSA

The LEP Allowable Costs application, due October 17, 2022, is available on the [Iowa Education Portal](#) as an optional application. If eligible (see Line 21 of the application), districts may request a MSA from the SBRC for the costs in excess of weightings and other resources for providing its LEP program.

The LEP Allowable Costs application is populated using district data from the Certified Annual Report (FY21 and FY22 CAR), Student Reporting in Iowa (fall 2021 and spring 2022), Certified Enrollment (fall 2021), and Fall BEDS Staff (fall 2021). The application includes only those students who were served in an English Language Learner (ELL) program during the 2021-2022 school year.

Requirements for submission:

- Enter data, if applicable, in the following lines:
 - 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.
 - Line 22: Enter the amount of MSA the district is requesting.
- Board minutes approving the request, including the amount.
 - Recommend approval at the September or October board meeting.
 - Upload board minutes to the application.
 - If board minutes are not available prior to the October 17 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: **LEP Allowable 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 LEP program in the prior year. Ayes: _____, Nays: _____ The motion _____ by a vote of _____.

Additional note: The application will update in “real time” based on data input to the CAR once Stage 3 is completed. If you are moving between the applications, it may be necessary to refresh the LEP Allowable Costs application to ensure the most recent data is reflecting.

If you have further questions regarding the LEP Allowable Costs application, please contact Scott Dryer at 515-402-8700 or scott.dryer@iowa.gov.

School Transportation

School Bus Driver Authorization

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

- Within the Driver Authorization System (DAS) application, add one or more local contacts.
- Driver authorizations must be current to allow your school bus drivers to legally drive the school bus.
- Update your DAS as needed, including deleting the drivers who no longer drive for your school.
- Print a current authorization for each of your school bus drivers to carry with them when driving the bus.

Vehicle Information System Application

Contact Information

All entities utilizing the Vehicle Information System (VIS) are requested to add local contacts within the application for each of the following areas:

- Vehicle Information System (main-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. In the near future, the Department will be enabling enhancements, such as automated bus inspection notification emails, that will rely on the contact information provided in the system.

Required Updates

The VIS also requires regular monitoring to ensure all of your school buses are on the list and those you no longer use have been removed. School buses in this context are defined as all vehicles used to provide pupil transportation. Complete information on maintaining your VIS can be obtained by contacting Max Christensen at max.christensen@iowa.gov or 515-336-3965, or Holli Marolf at holti.marolf@iowa.gov or 515-281-5812.

Guidance, forms, links, training schedules, publications, code references, and other information pertaining to school transportation can be found on the [School Transportation page](#) of the Department's website. If you have further questions, please contact Max or Holli.

General Information

Charter Students and Certified Enrollment

New this year! Iowa Code chapter 256E established two new charter school models: (1) School Board - State Board model and (2) Founding Board - State Board model. Hamburg Charter High School was established as a School Board - State Board model beginning with the 2022-2023 school year. This school is an attendance center of the district. Choice Charter School was established as a Founding Board - State Board charter school beginning with the 2022-2023 school year. Choice Charter is an

attendance center separate from any district. Students attending either of these charter schools will be reported by the charter school and will show in the certified enrollment of the resident district.

The following Department staff can assist with questions:

- Questions relating to certified enrollment: Rachel.Kruse@iowa.gov.
- Questions relating to charter school programming: Janet.Boyd@iowa.gov.
- Questions relating to charter school finance: Kassandra.Cline@iowa.gov.

Email Correspondence

It is becoming increasingly difficult to determine district names solely from email addresses. Many districts have shifted to use of abbreviated or mascot-related names, or share personnel and use the same email with both districts. Each of these, without additional identifying information, makes it difficult to determine the district from which the question pertains. When sending the Department an email, please include your school district name in your signature line or in the subject line. Including the district number is also helpful when the question is in reference to an application. Thank you for your assistance!

Medicaid

Watch for Upcoming PERM Audit Document Requests

Iowa Medicaid's Payment Error Rate Measurement (PERM) project for federal FY24 will begin soon. Each state participates in this review every three years. If your district or AEA is selected, you will receive a request for documentation relating to paid Medicaid claims from a review contractor. Past practice dictates the contractor will make initial contact by reaching out to the general district phone number requesting contact information for the district person that should receive this request. Please let the switchboard operator know who should field these inquiries. After receiving the request, the district has 75 days to submit the requested documents. In the past Jim Donoghue has been able to track the requests and contact providers to assist. Please contact Jim if you receive a request for related information. Additional details may be reviewed in the information letter "[IL 2369 -MC-FFS Participation in the Federal FY2024 Perm Program](#)."

If you have further questions, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

Medicaid Students Who Also Have Employer/Commercial Insurance

Please remind staff that Iowa Medicaid will bill any employer/commercial insurance that the Medicaid student holds. The IEP team or Medicaid lead for the district may not realize this and tell families that signing consent for billing Medicaid has nothing to do with their private insurance, which is not accurate. Iowa Medicaid practices "pay and chase," meaning that after paying a claim from a district or AEA, if Iowa Medicaid identifies another insurer/ funder, they will send the paid claim information to that other funder and ask for reimbursement..

This is a required Medicaid practice. Section 1902(a)(25)(A) 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.”

If you have further questions, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.



October 2022

Coding

Accounting for the 2022 Teacher & Paraeducator Registered Apprenticeship Program (TPRAP)

The 2022 Teacher & Paraeducator Registered Apprenticeship Program (TPRAP, Source/Project 4047) is a federal grant that provides additional opportunities for current high school students and adult paraeducators to earn credentials all while learning and working in the classroom. Nineteen [awarded districts](#) will be working alongside partnering districts.

If a district is an awardee with one or more partnering districts, that district is considered a sponsoring district and will act as the fiscal agent. A fiscal agent handles funds on behalf of the partnering districts; special accounts should be set up for the partnering districts' funds. Accounting for the funds cannot be done through a governmental fund of the fiscal agent, such as its general fund. It must be done through a fiduciary fund (custodial fund). Generally Accepted Accounting Principles (GAAP) defines the purpose of a custodial fund as one used to account for resources where a fiduciary relationship exists with other governments, private organizations, or individuals.

Recommended Process and Account Coding for TPRAP Funds – Fiscal Agent

Fiscal agent accounts for its own revenue and expenditures in the General Fund.

Record only the district's share of the reimbursement from the Iowa Workforce Development in the General Fund as Project 4047, Source 4047.

Record only the district's expenditures in the General Fund as Project 4047, with Function and Object based on the type of expenditure.

Fiscal agent accounts for the partnering districts' revenues and expenditures in a Custodial Fund (9X).

Establish a Custodial Fund (9x) to account for the partnering districts' activity. Custodial Funds include balance sheet accounts, additions (revenues) and deductions (expenditures), which are uploaded to the

LEA or AEA Certified Annual Report (CAR). Balance sheet accounts include, but are not limited to, cash (9X-XXXX-XXX-XXX-10X), intergovernmental accounts receivable (9X-XXXX-XXX-XXXX-141), interfund accounts receivables (9X-XXXX-XXX-XXXX-132), intergovernmental payables (9X-XXXX-XXX-XXXX-41X), interfund accounts payable (9X-XXXX-XXX-XXXX-402), accounts payable (9X-XXXX-XXX-XXXX-421) and restricted net position (9X-XXXX-XXX-XXXX-770).

Record the partnering districts' share of the reimbursement from the Iowa Workforce Development in the Custodial Fund (9X) as Project 4047, Source 4047.

Record reimbursements (expenditures) to the partnering districts in the Custodial Fund (9X) as Project 4047, with Function and Object based on the type of expenditure.

Use the Facility code (district number) to account for each partnering district. Doing so is recommended to provide an easier way to reconcile with the partnering districts.

*Object codes 565 tuition to community colleges, 566 tuition to colleges/universities, and 641 textbooks must be used with Function 2213 and Project 4047.

Recommended Process and Account Coding for TPRAP Funds – Partnering District

A partnering district accounts for expenditures and any reimbursement for these expenditures in the General Fund.

Record reimbursement received from the fiscal agent in the General Fund as Project 4047, Source 4047 (e.g., 10-XXXX-XXX-4047-4047).

Record expenditures in the General Fund as Project 4047, with the appropriate Facility, Function, and Object.

*Object codes 565 tuition to community colleges, 566 tuition to colleges/universities, and 641 textbooks must be used with Function 2213 and Project 4047.

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

September 2022 Chart of Accounts Update

The Iowa Chart of Account Coding, found on the [Uniform Financial Accounting page](#) of the Department website, is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent update is provided below.

September 2022

<i>Code</i>	<i>Description</i>
Object 836	Interest on long-term debt (Fund 73) (Sept22)
Object 278	GASB 75 insurance expense (may be positive or negative) (Funds 01, 02, Proprietary only) (Sept22)

Project 2212 Harrison County CHI Health grant
Account 611 Investment in governmental pension assets related to GASB 68
(Used only in Fund 08) (Sept22)

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Nutrition Programs and Indirect Costs

[Nutrition Programs and Indirect Costs - Calculation and Coding](#) has been updated to provide more extensive examples of Nutrition Programs indirect cost calculation.

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

School Transportation

Additional Funding Added To EPA Clean School Bus Rebate Program

The United States Environmental Protection Agency (EPA) has announced they will nearly double the amount of the rebates available for the Clean School Bus Rebate Program, which closed in August. The original amount was \$500 million, with the new amount set at \$965 million. This additional funding will significantly increase the number of recipients in the rebate program. The EPA plans to announce the rebate winners later in October. This is the eleventh year of this rebate program to fund cleaner school buses offered under the Diesel Emission Reduction Act (DERA). To learn more about the rebate program and selection process, visit the [Clean School Bus Rebates website](#).

Applications

LEP Allowable Costs Application - Due November 15

The LEP Allowable Costs application is available on the Ed Portal. Due to the application's late release, the extended deadline is November 15.

The [September 2022 SBA](#) provided information relating to the application request. If you have questions related to the LEP Allowable Costs application, please contact scott.dryer@iowa.gov or 515-402-8700.

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.

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

1. Fall BEDS Staff must be updated before the Operational Sharing application is reviewed.
2. The district or 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 include the following:
 - 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 are sharing with other governmental subdivisions.
5. The district must select the district that is also a party to the sharing.
 - Use the drop-down arrow to select the sharing partner.
 - Click Add.
 - Click Save.
 - If the contract holder has more than one sharing arrangement for the individual, select the second district that has also purchased a portion of the individual's contract. Click Add and repeat step 5.
 - Click Save to exit the edit pop-up screen.

If sharing errors are found in Fall BEDS Staff, the errors will most likely be on the other district's Fall BEDS Staff application. If you see errors on shared staff, have the other district check its Fall BEDS Staff information to see if the sharing status and sharing partner have been completed. A common error is to have one district identify an individual and related assignment as shared, but not identify the sharing district. Once the sharing information has been corrected by the other district, click the Check for Errors/Omissions button to clear the error message.

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

For new shared positions with another governmental subdivision other than sharing arrangements with another Iowa public school district or AEA, please send a copy of the signed contract to scott.dryer@iowa.gov. This is needed to verify that the duties performed for the governmental subdivision are an eligible operational function ([281 IAC 97.7\(11\)](#)). Sharing arrangements that were approved in a prior year do not need to be resubmitted unless a significant change in the arrangement has occurred.

[Operational function sharing guidance](#) includes all eligible positions and the related supplementary weighting.

For assistance with corrections to Fall BEDS Staff or Operational Sharing application, please contact shelly.neese@iowa.gov or 515-281-3111.

For assistance determining if a sharing agreement is eligible for supplementary weighting, please contact scott.dryer@iowa.gov or 515-402-8700.

School Associations Report - Due November 3

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

Iowa Code 279.38A requires boards of school corporations that pay membership dues organizations which directly relate to the functions of the board of directors, to report annually to the local community and the Iowa Department of Education. The board must report the amount paid in annual dues to the organization, any fees paid and revenue or dividend payments received for services the board receives from the organization, and the products or services the school district received inclusive with the membership in the organization.

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 application. If you have additional questions, please contact scott.dryer@iowa.gov or 515-402-8700.

School Budget Review Committee (SBRC) Application - Due December 1

The SBRC Application is anticipated to open on November 1. The application calculates eligibility for Modified Supplemental Amount (MSA) requests in the following areas:

1. Increased Enrollment – for districts showing Fall 2022 actual enrollment (formerly known as row 7) greater than Fall 2021 actual enrollment (Iowa Code § 257.31(5)(a)).
2. Open Enrollment Out – students identified as open enrolled out in Fall 2022 who were not included in the district’s Fall 2021 certified enrollment count, minus any increase in enrollment described in item 1 above (Iowa Code § 282.18(9)“e”).
3. Limited English Proficient (LEP) Instruction Beyond 5 Years – for resident students included in Fall 2022 certified enrollment who have already received the maximum English language learner (ELL) supplementary weighting and who earn an intermediate or intensive rating on the ELPA and are continuing to receive ELL 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. In order to complete a request:

- Verify the accuracy of the data. The amounts can change during the Certified Enrollment verification period during the last two weeks in October. Therefore, *do not certify the SBRC application until you are confident that your district’s certified enrollment information is correct.*
- Enter the amount of a request. Click “Save Values.”
- Certify the application.
- 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. Examples are 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. Ayes: _____, Nays: _____ The motion _____ by a vote of _____.

- 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. Ayes: _____, Nays: _____ The motion _____ by a vote of _____.
- Limited English Proficient (LEP) 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 English language learning program for students who have exceeded five years of weighting that are included on the Fall 2022 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 in November. Then upload the minutes within three business days of that board meeting.

Although the deadline for this application stated in Iowa Code is December 1, your cooperation in completing this request in November will ensure timely presentations at the December 13 SBRC hearing. Prior to the board meeting, check the SBRC Application to see if the maximum request amounts have changed. Please contact scott.dryer@iowa.gov or 515-402-8700 if the application has been certified and the requested amount is no longer correct.

School Board Officers Report - Due December 15

If you have not already done so, be sure to update contact information for your school board officers and other key stakeholders in your district or AEA as soon as those changes are known, and before December 15. The School Board Officers application is available on the [EdPortal](#). This application is used by the Department for email distribution lists and other important communications, so it is important to keep the information up-to-date at all times to help ensure correct routing.

If you have any questions, please contact holti.marolf@iowa.gov or 515-281-5812.

General Information

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 appreciate the districts' cooperation and patience throughout the reporting process.

If you were a first-time user, let us know if the instructions were helpful and what type of information or training you think would be helpful prior to starting the process (be specific) in future years. Your thoughts and ideas for enhancements, training, and future collaboration is appreciated.

Please send your comments to jina.brincks@iowa.gov or 515-313-5942.

Home School Assistance Programs and Fall BEDS Staff

The following reminders are provided in regard to reporting of Home School Assistance Programs (HSAPs) in the 2022 [Fall BEDS Staff](#) submission.

Program Code: Fall 2022 Fall BEDS Staff. Individuals funded through HSAP categorical funding are to be identified with program code of 11.

Assignment Code: Districts with a HSAP must report teachers with appropriate assignment codes of either 60034 or 30004. Teachers in a district's HSAP can only supervise and/or teach students in grades corresponding to the teacher's license (Iowa Code 299A.2).

- Teachers supervising or teaching students in grades kindergarten through grade 8 are to be reported with the assignment code of 60034.
- Teachers supervising or teaching students in grades 9 through 12 are to be reported with the assignment code of 30004.

If a teacher is licensed to teach grades kindergarten through 12, the teacher is to be reported with two assignments utilizing the assignment codes of 60034 and 30004. In addition, [Iowa Administrative Code 281-31.4\(2\)](#) states, "A practitioner who possesses only a valid Iowa substitute authorization may neither provide direct instruction nor instructional supervision under this rule."

For questions related to Fall BEDS Staff reporting, please contact shelly.neese@iowa.gov or 515-281-3111.

For questions related to the home school assistance program, please contact buffy.campbell@iowa.gov or 515-954-8651.



November 2022

Financial

Special Education Billing

Special Education Billing - Days Only

The Tuition In Billing (TIB) program will be available for districts to complete their first semester billings on Monday, December 5. As has been the case in the past few years, you will be required to enter student information by the number of "DAYS" the student was enrolled for FY23.

Special Education Estimated Billing

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

Basic Daily Rate for a Level 1 Student

Special Education Cost:

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

$$[(\$7,413 \times .72) / 180] \times 90 \text{ days} = \$2,668.68$$

General Purpose Percentage

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

$$[(\$7,413 \times .82) / 180] \times 90 \text{ days} = \$3,039.33$$

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

$$[(\$7,413 \times 1.21) / 180] \times 90 \text{ days} = \$4,484.87$$

General Purpose Percentage

DCPP X Level II GPP Per Pupil % (all districts are the same) / 180 X 1st Semester Billing Days = GPP
[($\$7,413 \times .32$) / 180] X 90 days = $\$1,186.08$

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
[($\$7,413 \times 2.74$) / 180] X 90 days = $\$10,155.81$

General Purpose Percentage

DCPP X Level III GPP Per Pupil % (all districts are the same) / 180 X 1st Semester Billing Days = GPP
[($\$7,413 \times .27$) / 180] X 90 days = $\$1,000.76$

“First semester billing days” means the number of days the student was enrolled and served pursuant to the student’s Individualized Education Plan (IEP). The examples above assume the student was present for the full semester or 90 days. However, some students will be enrolled and served less than a full semester. In those cases, the district would enter the actual days enrolled and served rather than 90 (i.e., ($\$7,413 \times 1.21$) / 180 X 25 days = $\$1,245.80$). If a student was Level II for part of the semester and then became Level III, the student would be shown once as Level II for the number of days served pursuant to the IEP at Level II, and again shown once as Level III for the number of days served pursuant to the IEP at Level III.

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

The Department will continue to look at ways that will save valuable time in the process. If you have further questions or suggestions regarding TIB, please contact Bill Roederer at bill.roederer@iowa.gov, or 515-393-8349.

English Learner (EL) Reporting

EL Expenditure Coding

This article serves as the annual reminder regarding expenditure coding for the district’s English Learner (EL) program. While district expenditures coded to Project 1112 or 4644 cannot exceed the revenues coded to Project 1112 (property tax and state aid-financed weighted Limited English Proficiency (LEP) and School Budget Review Committee (SBRC) modified supplemental amount (MSA) for LEP) or Project 4644 (Title III, English Language Acquisition State Grants), the expenditures should not be changed from program codes 410 through 419. Expenditures without a program code of 410 through 419 will not appear in the LEP Allowable Cost Application. **Continue to report LEP expenditures to Program 410 through 419, even though the project code may be changed to 0000.** The LEP Allowable Cost application only includes expenditures with these program codes.

Appropriate and inappropriate uses of EL funds are found in [Iowa Administrative Code 281—98.16](#). Very few expenditures that fall into the executive, building, or business administrative functions, or the operations and maintenance, transportation, and community service functions are appropriate uses of EL categorical 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

For districts that report expenditures for salaries but no teachers are identified with an appropriate English as a Second Language (ESL) assignment code in Fall BEDS Staff, those districts will not be able to submit a request to the SBRC for excess LEP costs incurred during the 2022-2023 school year. Please review Fall BEDS Staff to ensure teachers in a district's LEP program have been appropriately identified with the position of Regular Education Teacher and assigned to the ESL program.

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

Common Reporting Problems

Problem 1: Missing staff

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.

Actions	Position	FTE	Program
	Regular Education Teacher	FTE: 0.900	No special program

[Add Assignment](#)

Actions	Course	School	Sections	Shared	Grades	Requirements
	English as a Second Lang (60030)	Your School	10	Not Shared	6-8	Req'd Endorsement

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





In this example, the teacher has two assignments, one of which belongs under "No special program." The other assignment belongs under the ESL program. For this teacher, the 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 must be added with the position of Regular Education Teacher, FTE = 0.22, and program = ESL. The ESL assignment will then be added to the added position. Seventy-eight percent of this teacher's salary and benefits will be paid from noncategorical funds while 22 percent can be paid from LEP categorical funds.


Actions	Position	FTE	Program
	Regular Education Teacher	FTE: 1.000	No special program

[Add Assignment](#)

Actions	Course	School	Sections	Shared	Grades	Requirements
	English as a Second Lang (60030)	Your School	2	Not Shared	7-8	Req'd Endorsement
	Spanish	Your School	7	Not Shared	9-12	Req'd Endorsement

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

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

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

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

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

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

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

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

If you have questions related to the Fall BEDS Staff application, contact Shelly Neese at shelly.neese@iowa.gov or 515-336-3859.

If you have questions related to account coding, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Supply Chain Assistance Funding

Supply chain issues have significantly impacted the School Food Authorities' (SFAs) ability to procure nutritious foods. The [United States Department of Agriculture \(USDA\) Supply Chain Assistance \(SCA\) funds](#) are a critical funding stream that provide an additional financial resource for SFAs to assist with these issues.

Three total rounds of SCA funds have been made available. The first round was provided to Iowa SFAs that chose to accept the funding in Aug 2022. The second and third rounds will be combined as a single payment and schools will need to accept or decline via the form sent to the Authorized Representative.

The requirements of 7 CFR 210.19(a)(1) to maintain no more than a three month operating balance in the nonprofit foodservice account does not impact an SFA's eligibility for and/or receipt of SCA funds. SCA funds do not expire, but appropriate record keeping is required until funds are expended (Source/project 4014, Supply Chain Assistance Funds [FAL/CFDA 10.555]).

SCA funds must be used exclusively for the purchase of domestic food products that are unprocessed or minimally processed. Examples of allowable food products include the examples below.

- Fluid milk, cheese and yogurt (flavored or unflavored)
- Fruits and vegetables, including 100% juices
- Grain products such as pasta and rice
- Meats (whole, pieces or ground)
- Meat alternatives such as beans or legumes
- Foods in a wide variety of minimal processing states (e.g., whole, cut, pureed) and/or forms (e.g., fresh, frozen, dried)

SCA funds must not be used for labor, supplies, administrative expenses, past or retroactive expenditures, non-domestic food products, or foods that are significantly processed or prepared.

Examples of significantly processed or prepared foods include the examples below.

- Baked goods such as breads, muffins or crackers
- Pre-packaged sandwiches or meals
- Prepared and/or pre-cooked items such as chicken nuggets
- Foods that come ready-to-eat or require no preparation beyond heating

It is also important to note that SCA funds are only available for use in the following USDA Child Nutrition Programs: National School Lunch Program (NSLP), School Breakfast Program (SBP), Seamless Summer Option (SSO) and/or Afterschool Snack Program. SCA funds may NOT be used for Special Milk Program (SMP), Fresh Fruit and Vegetable Program (FFVP), Summer Food Service Program (SFSP) or Child and Adult Care Food Program (CACFP).

If you have additional questions on SCA funding, review our informational [webcast](#) or contact Meg Collins at meg.collins@iowa.gov or 515-336-3903.

General Information

Medicaid

Medicaid - Federal Share

CARES Act funding included an increase of 6.2 percent in the federal share of state Medicaid programs starting January 2020 and continuing through December 31, 2022, and possibly longer. On October 1, 2022, the federal share, without the additional COVID-19 dollars, increased from 62.14 percent to 63.13 percent. Claims paid October 1, 2022 to December 31, 2022 have a federal share of 69.33 percent and a state share of 30.67 percent. The Department will advise districts through the School Business Alert of future announcements related to continuation of the increased federal share in 2023.

Private Duty Health Care Agency Nurse

If your district participates in Medicaid and paid for any private duty nurses during the 2021-2022 fiscal year, please contact Jim Donoghue with the hours and dollars paid for these individuals. These data are worked into the Medicaid rate setting for 2023-2024.

Providing Medicaid Reimbursement Documentation

For children requiring special education that are also engaged in open enrollment, Iowa Code section 282.18(8)"c" directs the receiving district to complete and provide to the district of residence the documentation necessary to seek Medicaid reimbursement for eligible IEP health services. Below are questions received about this expectation.

Q: May the attending district continue to bill Iowa Medicaid and credit the resident district for the amount received on their annual bill for services?

A: Yes. The legislation does not identify or limit the district that is able to submit the billing. The legislation only requires that the resident district receive the documentation necessary to do the billing. A contract/agreement between the resident and attending districts can specify roles and clarify intentions. Additionally, the requirement applies only to open enrolled students and not to Tuition In Billing (TIB) students.

Q: Districts have previously been able to charge their cost to provide this documentation. Are they still able to do this?

A: This charge would not be allowed for open-enrolled students, as providing the documentation is now required. This does not impact a district's ability to charge an administrative fee for TIB students.

Q: The parental consent form specifically indicates the 'attending' district for the consent. Are attending districts required to obtain a parental consent form from the resident district?

A: Yes. Parent consent is one of the documents necessary to seek Medicaid reimbursement. An agreement between the resident and the attending districts can specify roles and clarify intentions.

Q: Who is responsible for the documentation to meet Medicaid standards?

A: The billing provider has this responsibility as they are responsible for services they are billing. The legislation applies only to open enrolled students. A guidance document containing a list of the required documentation is available on the [School-based Medicaid page](#) of the Department's website.

Eligibility Information for IEP Students in the ACHIEVE System

The Eligibility Report available at iowaidea.org now includes a separate column for students whose IEP is in the new ACHIEVE IEP system.

Requirement to Report Any Data Breach

As a Medicaid provider, you are expected to report any breach of data to the Iowa Department of Health and Human Services (HHS). The form is available on the [School-based Medicaid page](#) of the Department's website. Please complete and submit the form with as much information as you know as soon as possible. Submit it to HHS Information Security and Privacy Office, 1305 E. Street, Des Moines, IA 50319-0114. HHS will want to know (1) where the breach originated, (2) specific student information involved, if applicable, and (3) any Medicaid information affected by the breach.

End Data for Retention of Protected Health Information from HHS

The Protected Health Information (PHI) that your Local Education Agency (LEA) or Area Education Agency (AEA) has from the HHS (e.g., Medicaid ID number and Eligibility) can only be used for certain

purposes and must be protected. In the case of School-based Medicaid services, those purposes are billing and audits. For purposes of billing, the end date for retention of eligibility PHI issued after June 30, 2022 will be June 2023, since this program allows claim submission to a maximum of 12 months from the date of service. For purposes of audit or documentation review, the end date for retention of the eligibility PHI issued before July 1, 2021 will be June 2023, as we have found that recent Payment Error Rate Measurement audits request documentation for claims up to two years prior to the date of the request. More details will be posted on the [School-based Medicaid page](#) of the Department's website, under the "Statement to Downstream Providers" heading.

If you have further Medicaid questions, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

School Budget Review Committee Hearing October 12

The School Budget Review Committee (SBRC) met in regular session to hold hearings on October 11. The Committee received final FY23 cash reserve levy amounts totaling \$191,705,908, down 6% from FY22. The Committee received an update on whole grade sharing districts making progress toward reorganization and took action to direct districts that were late filing financial reports to appear at the December 13 hearing to present corrective action plans.

The Committee approved a negative modified supplemental amount (MSA) in FY23 for one district that did not fully expend an award of MSA in FY22 that was based on anticipated costs totaling \$6,558. The Committee also approved MSA for three districts relating to hazard abatement and one request for a Certificate of Need (CON) to use SAVE funds to pay off general obligation bonds. The Committee also tabled a CON request that would have paid off a bank loan relating to new construction with SAVE funds. The [Summary of Action](#) is available on the SBRC website.

If you have further questions regarding the SBRC, please contact the SBRC Liaison, Cassandra Cline at kassandra.cline@iowa.gov, or 515-326-2242.

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 CFR 200.319\(a\)](#) require that all organizations that receive federal funding must 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 a 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](#).

If you have any questions, contact Shea Cook at shea.cook@iowa.gov or 515-326-1682.

Psychiatric Medical Institution for Children Placements and Psychiatric Hospital Stays: Who Pays?

If the student:

- 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.

Q: 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?

A: 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 TIB application.

Q: How is the resident district determined?

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

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

A: Yes, the current resident district is still responsible for the educational costs incurred for a student in a PMIC facility or psychiatric unit of a hospital. Iowa Code 282.27(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 with the PMIC facility will do the work for you - 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.

If you have questions related to billing, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Coding

Teacher Leadership and Compensation

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

- Source/Project Code 3116 is used for funding the district receives through the school funding formula. Unused funds should be restricted at the end of the year.
- A district's allocation is based on the budget enrollment x per pupil amount of \$357.80 for FY23 (Aid and Levy Line 4.46).

- The expenditure functions will depend on how the district uses the funds. Many of the expenditures will be coded to Instructional Staff Support Services (Function 221X). Keep in mind that use of the Instruction function code (Function 1XXX) requires instruction to students, not other teachers.
- Open enrollment in (Source 1323) and open enrollment out (Object 567) should include the TLC project code (3116). The resident district pays to the receiving district any monies received for a pupil. All districts should be using Project 3116 with these codes and will pay the open enrollment amount of \$349.07 per pupil.

If you have questions related to account coding, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

If you have questions related to the TLC program, please contact Lora Rasey at lora.rasey@iowa.gov or 515-419-2088.

Accounting for Local Food for Schools (LFS)

The Iowa Department of Agriculture & Land Stewardship was awarded over \$2.1 million through the Local Food for Schools Cooperative Agreement Program (LFS Source/Project 4911). These funds are available to schools to purchase local, domestic, unprocessed or minimally processed foods to help with the challenges of supply chain disruptions.

Schools that applied and agreed to the terms of the funding will work with a food hub sponsor for purchasing pre-authorization and payments. Purchases must be made directly from LFS registered vendors. Purchases from mainline distributors or grocery stores are not allowed for this sub-grant. Standard school [local procurement](#) regulations apply to all transactions and will be monitored through existing review processes.

The expenditures must be incurred between October 1, 2022 and February 28, 2024, and all funds must be spent prior to that date. Districts will record LFS funds similar to how commodities are recorded. Expenditures and revenues must be equal at the end of the fiscal year with Source/Project 4911.

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

FY23 Commercial and Industrial State Replacement Payment and Property Taxes

For FY23, school districts will not be receiving a Commercial and Industrial State Replacement payment. You should not see the separate payment on the statements from your county treasurer. Instead of the payment for FY23 and beyond, the Foundation Level was increased from 87.5% to 88.4%. The Foundation Level increase accounts for the approximately \$60 million statewide districts received from the Commercial and Industrial State Replacement Payment in prior years.

If you have further questions, please contact John Parker at john.parker@iowa.gov, or 515-281-8485.

GASB 96 Subscription-Based Information Technology Arrangements

Districts should be working toward final implementation of Governmental Accounting Standards Board Statement 96 ([GASB 96](#)) relating to Subscription-Based Information Technology Arrangements (SBITA). GASB 96 is effective for fiscal years beginning after June 15, 2022 (FY23).

GASB 96 addresses accounting and financial reporting for SBITAs, a type of information technology (IT) arrangement (e.g., software licensing). GASB 96 defines a SBITA as a contract that conveys control of the right to use another party's (i.e., a SBITA vendor's) IT software, alone or in combination with tangible capital assets (i.e., the underlying IT asset), as specified in the contract for a period of time in an exchange or exchange-like transaction.

In addition to defining a SBITA, Statement 96 establishes that a SBITA results in a right-to-use subscription asset (i.e., intangible asset) and a corresponding subscription liability, provides capitalization criteria, and requires footnote disclosure. The standards for SBITAs are based on the standards established in Statement 87 ([GASB 87](#)) relating to leases, as amended. GASB 87 was effective for fiscal years beginning after June 15, 2021 (FY22).

Scope

The definition of a SBITA excludes contracts that solely provide IT support services but includes contracts that contain both a right-to-use IT asset and an IT support services component.

A district should assess whether both of the items below are present for GASB 96 to apply.

- The right to obtain the present service capacity from use of the underlying IT assets.
 - Example: Districts may access a cloud based student information system.
- The right to determine the nature and manner of use of the underlying IT assets.
 - Example: District staff have control over information added into a cloud based student information system.

This guidance does not apply to the situations below.

- 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*.

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:
 - 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).

The following factors should be considered in evaluating the likelihood of an option exercise:

- Significant economic incentives,

- Potential changes in technological development that significantly affects the technology used by the IT asset,
- Potential significant changes in the district's demand for the SBITA vendor's IT asset,
- Significant economic disincentives, such as costs to terminate the SBITA and sign a new SBITA,
- Option exercise history, and
- The extent to which the SBITA's IT assets are essential to the provision of district services.\

Short-Term SBITAs

At the commencement of the subscription term, a short-term SBITA has 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 should be excluded from the maximum possible term. For a SBITA that has cancellable periods, such as a rolling month-to-month SBITA or a year-to-year SBITA, the maximum possible term of that SBITA is the non cancellable period, including any notice periods.

- Example: Cloud based curriculum software has a non-extendable term of nine months; this would be excluded from GASB 96.
- Example: Cloud based curriculum software has a term of two years with a cancellable option (without permission from other party) after nine months; this would be excluded from GASB 96.

Other information

A rolling month-to-month SBITA or a SBITA that continues into a holdover period until a new contract is signed would not be enforceable if both the district and the SBITA vendor have an option to terminate and either could cancel the SBITA at any time.

Provisions that allow for termination of a SBITA as a result of either payment of all sums due or default on subscription payments are not considered termination options.

Multi-year SBITA contracts which are paid in full at the commencement of the contract term will not recognize a subscription liability, however, the subscription asset should be valued at the amount of the subscription payment made to the vendor at the commencement of the contract term.

Identifying possible SBITAs:

Review the following:

- Active agreements and contracts – review list to determine if any may meet definition of an SBITA.
- Vendor list – review listing to identify which vendors could be providing subscription-based IT services.
- Recurring payments – review to identify vendors that may be providing subscription-based IT services.
- Expenditure account codes – review expenditures in account codes that may contain payments for subscription-based IT services (i.e. instruction, office, accounting based subscriptions).
- Memo line/invoice descriptions – search transaction details in accounting software for terms such as "subscription," "software," etc. to determine if the transactions are related to a subscription-based IT service.

Interview agency staff - conduct interviews or survey agency staff who can identify SBITAs in the areas below.

- Instructional services
- Non-instructional support services
- IT services
- General, administrative, and accounting services

Examples (cloud computing and other subscription-based software):

- Assessment software

- Communication software
- Curriculum software
- Social media software
- IT support software
- Class management software
- Accounting software
- Library software

Additional detailed guidance for GASB 96 implementation can be found on the GASB website (www.gasb.org) under “Standards & Guidance - Pronouncements”:

- [GASB Statement 96 - Summary](#)
- [GASB Statement 96 - Full Text](#)

Currently, districts should prioritize identifying existing SBITAs to prepare for implementation of GASB 96.

GASB 96 journal entry examples have been added to the [Uniform Financial Accounting](#) page on the “UFA journal entries” spreadsheet under the “GASB 96 SBITAs” tab.

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the [Uniform Financial Accounting](#) page of the Department website, is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent update is provided below.

October 2022

<i>Code</i>	<i>Description</i>
Source/Project 4322	Magnet Schools Assistance Program (MSAP) (FAL/CFDA 84.165A) (Oct22)
Source/Project 4358	Homeland Security Grant Program (FAL/CFDA 97.067) (Feb19) (Oct22)
Source/Project 4910	Other revenue for/on behalf of the LEA/AEA (Fund 61, Function 31XX)
Source/Project 4911	Local Food for Schools (LFS) (FAL/CFDA 10.185) (Fund 61) (Oct22)

November 2022

<i>Code</i>	<i>Description</i>
Account 291	Subscription Asset (GASB 96) (Nov22)
Account 591	Subscription Liability (GASB 96) (Nov22)
Source/Project 5700	Subscription Agreement Proceeds (GASB 96) (Nov22)

Applications

SBRC Application for MSA – Due December 1

The SBRC Application is currently open and available for optional requests of MSA in the following areas:

- **Increasing Enrollment**—for districts showing fall 2022 actual enrollment (formerly known as row 7) greater than fall 2021 actual enrollment. (Iowa Code section 257.31(5)(a))
- **Open Enrollment Out**—for students identified as open enrolled out in fall 2022 who were not included in the district's fall 2021 certified enrollment count, minus any increase in enrollment calculated above. (Iowa Code section 282.18(9)(e))
- **LEP Instruction Beyond Five (5) Years**—for resident students included in fall 2022 certified enrollment who have already received the maximum ELL supplementary weighting and who are continuing to receive ELL instructional services. (Iowa Code section 257.31(5)(j))

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

- Verify the accuracy of the data.
- Enter the amount of each request.
- Enter contact information.
- Click Submit.
- Upload board minutes.
- If board minutes will be uploaded after December 1, enter the date of the December board meeting when the board will act upon the request(s). If this option is not available, enter the date the board action will occur.
- Each request should be a separate action item on the board agenda.

Board Action: Each of the three areas for which MSA is requested should be noted separately. It should not be a single, combined amount.

Sample Format:

Sample formats were provided in the October 2022 SBA. In general, they read:

Title of Reason - The district's administration is authorized to submit a request to the School Budget Review Committee for a modified supplemental amount of \$XXXX related to (state reason). Ayes ____
Nays: ____ The motion ____ unanimously/by a vote of ____.

If you have questions as you complete the SBRC Application, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

At-Risk/Dropout MSA Application – Due January 17

The Department's intent is to open the SBRC application for At-Risk/Dropout MSA available via the [Iowa Education Portal](#) by early December. The application will not open until the Fall 2022 Certified Enrollment numbers have been finalized. Only those districts wishing to request SBRC-granted MSA (Project 1119) will need to complete a submission.

The purpose of the requested MSA is to provide additional resources for the 2023-2024 school year that are necessary to implement the at-risk, dropout prevention, and returning dropout services for identified students that are included in your local school board's adopted plan. The purpose is not for increasing regular program spending authority.

As in past years, the Department intends to maintain the general structure of the pre-2020 application for MSA as a tool for developing/housing the local program plan for those districts desiring to use it. This

includes planning components, including budget forms, which districts have reported as being useful in developing the program plans for the local school board's approval. Use of the planning components is not required; the planning components are not connected to the form used to request the MSA.

If you have questions relating to related programming or the application, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Nonpublic Transportation Parental Claims – Due December 1

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

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

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

As a reminder, second semester claims from parents to the districts will be due by May 2, 2023. Information regarding this program can be found in the [Nonpublic Reimbursement](#) page of the Department's website. If you have further questions, please contact Max Christensen at max.christensen@iowa.gov or 515-336-3965.



December 2022

Applications

School Board Officers Report - Due December 15

Updated contact information for school board officers and other key stakeholders in your district or AEA was due by December 15. Please be sure this information was updated this month and as staff change throughout the year. The School Board Officers application is available on the [EdPortal](#). This application is used by the Department for email distribution lists and other important communications so it is vital to keep the information current at all times to help ensure correct routing.

If you have any questions, please contact holti.marolf@iowa.gov or 515-281-5812.

At-Risk/Dropout MSA Application – Due January 17

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

The restricted use of related MSA is to provide additional resources for the 2023-2024 school year that are necessary to implement the at-risk, alternative school, dropout prevention, and returning dropout services for identified students that are included 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.

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

Technical note if uploading board minutes prior to certifying the MSA Application: On the At-Risk/Dropout 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 you enter or change these entries without saving and then upload board minutes, the amounts may not be retained.

If you have questions regarding the at-risk/dropout program or application, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Consolidated Accountability and Support Application (CASA)

The Department has received questions regarding whether auditors of record in the state can have access to CASA for the districts they support. The CASA team has confirmed that this is allowable and shared the following process:

1. Ensure the auditor has an A&A account set-up for accessing the EdPortal.
 - o [How to request access to applications in EdPortal](#)
2. Request access to CASA through the EdPortal.
 - o [Create an A&A Account](#)
3. Bob Barleen (robert.barleen@iowa.gov) at the Department reviews these requests, confirms with the local district that the access request is permitted, and then grants/denies access as directed by the district.

If you have any questions regarding access to the CASA application, please contact Jillian Dotson at jillian.dotson@iowa.gov or 515-979-7237.

Financial

Open Enrollment Billing Scenarios

The 2022-2023 open enrollment billing chart and scenarios guidance document has been updated. It can be found on the Department's Open Enrollment web page under the sub-heading "General Open Enrollment Guidance and Application," then under the link for "[Open Enrollment Billing Chart](#)".

If you have questions relating to open enrollment, please contact Sara Nickel at sara.nickel@iowa.gov or 515-971-7558, unless the question is billing specific then please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Message from the Department of Management

The December 2022 income surtax payment (to be paid by the end of December) represents three-quarters of the amount of income surtaxes collected for your district from January 1, 2022, through October 21, 2022. 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, 2023.

This payment is based upon the income surtax rates established for your 2021-2022 budget. If you didn't have a surtax for the Physical Plant and Equipment Levy (PPEL) Fund, the entire payment should be credited to your General Fund. On the other hand, if you had both General Fund and PPEL surtax, then split the income surtax in accordance with the rates. The PPEL Income Surtax rate can be found on line 19.4 of the FY 2022 Aid and Levy Worksheet. The General Fund Income Surtax rates can be found on lines 10.15 and 11.4 of the FY 2022 Aid and Levy Worksheet.

The Department of Education has posted the payment amount, rates for each fund, and dollar amount for each fund on the [State Payment Information FY23](#) webpage.

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

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the Uniform Financial Accounting page of the Department website, is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent update is provided below.

November 2022

<i>Code</i>	<i>Description</i>
Account 291	Subscription Asset (GASB 96) (Nov22)
Account 591	Subscription Liability (GASB 96) (Nov22)
Source/Project 5700	Subscription Agreement Proceeds (GASB 96) (Nov22)
Source 1870	Community or adult education (Generally Funds 65, 66, or 67)

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). If you notice a payment without the source code, please contact Song Luong at song.luong1@iowa.gov or 515-205-0259 so this can be included on the listing. If you have other questions about the payments, please contact Angie James at angela.james2@iowa.gov or 515-281-3646.

Payments may come from other state agencies as well. If the payment in question is not on the Department's page, it likely came from a different government agency. For all state payments, you may visit the Department of Administrative Services (DAS) [Vendor Payment Portal](#). You will also find this link at the bottom of the [State Payment Information FY23](#) page of the Department's website.

SAVE distribution questions can be directed to Barbara Lewison at barbara.lewison@iowa.gov or 515-314-5936, or Adam Floyd at adam.floyd@iowa.gov or 515-601-4229, at the Department of Revenue.

Medicaid

Use Place of Service Code Three for School-Based Claims

Iowa Medicaid has advised that claims for services delivered at school need to show school as the place of service. The correct place of service code is three. It sounds like many schools are using 99 which is incorrect and has been flagged by the Centers for Medicare and Medicaid Services in an audit of Iowa Medicaid's data. Past claims do not need to be corrected and resubmitted at this time; however, it is imperative that moving forward claims reflect the most appropriate place of service.

Please Use Securemail to Submit Quarterly Exclusions and Suspensions Checks Reports Starting with January Quarterly Report

The Department Bureau Chief of Information Technology Services has requested that all of the Exclusions and Suspensions checks reports be submitted by Securemail. If your district is not using Securemail then please send the name of the individual who will be submitting. The Department will send that individual an email with Securemail in the subject line. Recipients will receive a notification from ZixCorp that they have a secure message. The individual will click a link and open a ZixCorp account and when it is time to submit, the individual should login to their Securemail account and send the report.

Annual Reminder: Double-Check Billing for Dates of Service in Late December 2022 and January 2023

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

If you have further questions, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

General Information

New Iowa Entry-Level Driver Training (ELDT) Program

Governor Kim Reynolds recently announced the newly created Iowa ELDT Program to provide more opportunities for commercial driver's license (CDL) drivers to obtain a license in Iowa. The new Iowa ELDT Program will provide \$6 million to support employers, nonprofits, or related organizations who sponsor or partner on key training programs designed to prepare potential drivers for CDL skills or knowledge tests. The grant program hopes to remove costly barriers and, ultimately, create more drivers with CDL licenses across the state. This does include school bus drivers.

Grant funding for the Iowa ELDT Program will reimburse eligible organizations in Iowa that offer these critical training programs either in-house or through partnerships with certified training providers. If the program is provided in-house, reimbursement can be used on instructor wages, curriculum materials, and maintenance needs. If the program is offered via outside training providers, reimbursement must go towards ELDT program tuition.

Applications will be accepted at IowaGrants.gov beginning on Tuesday, December 13, 2022, and are due on Friday, February 3, 2023, at 11:59 AM. You can find a complete overview of the grant program at [ELDT Grant Funding Overview](#).

Questions about the program should be directed to Michael Cockrum, Iowa Workforce Development, at either michael.cockrum@iwd.iowa.gov or 641-684-5401 ext. 40027.

Federal Grants For School Energy Upgrades Launched

Applications are now open for the U.S. Department of Energy's (DOE) Renew America's Schools grant program. This initial funding round, up to \$80 million of the \$500 million program, is available to public schools nationwide to perform energy improvements in the highest-need K-12 districts.

The DOE is accepting applications for the Renew America's Schools Grant. **Concept Papers are the first step of applying and must be submitted by 5:00p.m. ET January 26, 2023 to be eligible for funding.** Funds will help school districts to make upgrades that will lower facilities' energy costs and foster healthier learning environments for students. Learn how to submit papers [HERE](#).

Add your email [HERE](#) to receive future updates about Grants for Energy Improvements at Public School Facilities.

Please note: DOE is compiling a list of questions that will be answered in a publicly available spreadsheet. To submit a question, please email schoolsFOA@doe.gov. This spreadsheet will be posted on the announcement page and updated on a weekly basis.



January 2023

Financial

Teacher Salary Supplement Balance Requirement

[Iowa Code section 284.3A\(5\)](#) established a one-year provision requiring that any unexpended, unobligated Teacher Salary Supplement (TSS) funds (Project 3204) remaining at the conclusion of FY22 that exceed five percent of the amount received for FY22 be allocated and paid to eligible employees based on their full- or part-time status. Distribution of these funds, if any, should be made to eligible individuals employed during the 2022-2023 school year. This requirement applies to both districts and AEAs. The FY22 allocation, related balances, and the amount exceeding five percent of the FY22 allocation are included in the [FY22 Preliminary TSS Carryover](#) spreadsheet.

[Iowa Administrative Code r. 281-98.24](#) identifies the appropriate uses of the categorical funding:

- Additional salary for teachers, including the amounts necessary for districts to comply with statutory teacher salary minimums, and
- The amount required to pay the employer's share of federal Social Security and IPERS, and
- Payments to another school district or districts as negotiated in a whole grade sharing agreement ([Iowa Code § 282.10\(4\)](#)).

Additional notes are provided below.

- TSS allocations are required to be fully expended each year (281 IAC 98.24(1)).
- In the event a small amount remains that is not cost-effective to redistribute, the balance can be retained and added to the following year's allocation (281 IAC 98.24(1)).
- Deference is given to school boards regarding related decisions (281 IAC 98.24(3)).
- All district expenditures, including spending TSS balances, are required to be approved by the board ([Iowa Code § 279.29](#)).
- If the use of a TSS balance increases an already-negotiated salary, a public purpose for incurring an additional cost should be documented by the board if it does not also result in additional benefit to the district.

Questions relating to this provision or uses of funds may be directed to Song Luong at song.luong1@iowa.gov or 515-205-0259.

Explanation of January 2023 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 FY23](#) screen 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@iowa.gov or 515-281-8485.

Preschool Registration and Other Fees

As districts plan for 2023-2024 Statewide Voluntary Preschool Program (SWVPP) programming, remember that districts have no authority to charge fees for SWVPP registration. In addition, fees may not be charged for items which are part of the SWVPP instructional program. It is highly recommended to clearly communicate the details of any fees to families at the time of registration, including hours of programming offered for which there are allowable associated fees, such as non-SWVPP programming and/or child care. For more details, see [SWVPP Frequently Asked Finance Questions](#).

If you have further questions, please contact Mary Breyfogle at mary.breyfogle@iowa.gov or 515-326-1030.

Coding

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the [Uniform Financial Accounting](#) page of the Department website, is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent update is provided below.

December 2022

<i>Code</i>	<i>Description</i>
Source/Project 4668	Stronger Connections Grant Program (FAL/CFDA 84.424F) (Dec22)

January 2023

<i>Code</i>	<i>Description</i>
Project 1116	Property Tax and State Aid Financed Weighted At-Risk, Alternative, Potential or Returning Dropout Programs (IC 257.11(4)) (General Fund only) (Used with program 420) (Name change Jan23)

Project 1119	SBRC Modified Supplemental Amount for At-Risk, Alternative, Potential or Returning Dropout Programs (IC 257.41) (Including the 25% required local match) (General Fund only) (Used with program 420) (Name change Jan23)
Program 420	At-Risk, Alternative, Potential or Returning Dropout Programs (Name change Jan23)

Applications

Statewide Voluntary Preschool Program for Four-Year-Old Children Application for New Districts - Due April 6

School districts not currently participating in the [Statewide Voluntary Preschool Program](#) (SWVPP) may apply to become part of the program. The [application](#) to begin a new preschool program in 2023-2024 is now available on the [Department's website](#). This non-competitive application, which is due April 6, 2023, will require districts to fund the preschool program using other funding sources in 2023-2024. In the second year of SWVPP implementation, districts will receive state aid based on the number of eligible children served in year one. Additional details will be included in the January Superintendent's Notes.

For more information about SWVPP, contact Mary Breyfogle at mary.breyfogle@iowa.gov or 515-326-1030.

General Information

Happy New Year from the Bureau of School Business Operations

The year 2022 brought many changes for the Department's Bureau of School Business Operations. Most notably, the bureau welcomed six (yes, that's right!) new members to our team. We are fortunate and excited by the great work each has already accomplished, their collective commitment to providing quality service to the field, and, of course, the many great things to come in the new year. From our team to yours, we wish you health, productivity, happiness, simple reconciliations, and account codes that all work. Happy New Year!

Keep reading to the end of this newsletter for a look at the specific areas of contribution for all members.

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 never move during the course of the year. For these students, the serving district bills the resident district twice a year. This is relatively simple. All other situations - involving open enrollment and moving - are not as simple. The following information provides a brief review of how billing is to be handled when changes occur during the year ([281 IAC 17](#)).

1. A student is not utilizing open enrollment on count day, moves after count day, and utilizes open enrollment to remain enrolled in the former district of residence, known as Iowa's "continuation rule."
 - No district is billed for days served under open enrollment for the remainder of the school year. A district cannot bill for the 1.0 funds (last year's state cost per pupil) or special education costs. If a student utilizes open enrollment to remain enrolled in the same district, the district would have already counted the student in the fall's certified enrollment count. Billing to the new resident district will begin the following year.

2. A student is under open enrollment on count day, moves after count day, and continues to utilize open enrollment to remain enrolled in the same serving district.
 - The serving district will bill the district that generated the count on count day. The serving district can bill for 1.0 funds (last year's state cost per pupil) and, if applicable, actual special education costs incurred.

3. A student is identified as homeless and is temporarily living in a different district.
 - A homeless student can attend school in the district where the student is currently living or in the 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 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.
 - 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. A student is placed into foster care. When a foster care placement is made, a "best interest determination" decision will be made regarding the school of attendance, resulting in either 1) remaining in the school of origin or 2) enrolling in the district where the student resides in foster care.
 - 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.

- If the student does not have an Individualized Education Program (IEP), the student is a resident in the district where he or she is living while in foster care. There is no billing. The student will be included in the district's general education foster care claim, as long as the district identifies the student as being in foster care ([Iowa Code § 282.19\(3\)](#); [Iowa Code § 282.31\(1\)\(b\)](#)).
- If the student 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 Tuition in Billing application ([Iowa Code § 282.31\(2\)\(a\)](#)).
- If the student has an IEP and parents do not live or cannot be found living in Iowa, regardless of where the student attends school, the serving district will use the Look Back feature in Tuition in Billing to determine if a district counted the student in the October special education count. If a district counted the student, the district that counted the student will be billed for the student's educational costs. If no district counted the student on the October special education count, the serving district will bill the state under the foster care claim in the Tuition in Billing application at the end of the year ([Iowa Code § 282.31\(3\)](#); [281 IAC 41.907\(5\)\(c\)](#)).
- If the student has an IEP and parental rights have been terminated, the serving district will bill the state under Termination of Parental Rights in the Tuition in Billing application for days served from the date parental rights were terminated. Billing to the state is completed at the end of the year. A copy of the court action is to be shared with the area education agency (AEA) so the Information Management System (IMS) can be updated accordingly ([281 IAC 41.907\(6\)](#)).

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

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

For updated billing guidance, including prorated billing amounts, please refer to the [2022-2023 Open Enrollment Billing Chart](#).

For questions relating to serving homeless students, contact Emily Teeter at 515-669-8622 or emily.teeter@iowa.gov.

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

For questions relating to billing, contact Scott Dryer at 515-402-8700 or scott.dryer@iowa.gov.

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

2023 Legislative Session Begins

The 2023 legislative session began on Monday, January 9. There are various resources available to access information related to any action taken or progress made by the Legislature:

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

[Department of Education's Legislative Update Newsletter](#)

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

The School Budget Review Committee (SBRC) met in regular session to hold hearings on December 13, 2022. In this session, the Committee discussed the list of districts that preliminarily incurred a negative unspent balance; reviewed lists of late filers for Certified Enrollment, School Association Report, and the Facilities, Elections, and Sales Tax (FEST) Report; reviewed state decile rankings for unspent authorized budget (UAB) and UAB less categorical 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 2023-2024 hearing schedule. The Committee certified to the Department of Management the list of supplementary weightings for FY24 and approved modified supplemental amounts (MSA) for eligible and requesting districts related to excess costs of providing a limited English proficiency (EP) program in the prior fiscal year, increased enrollment applications, open enrollment out students not included in the prior year headcount, and EP programs offered beyond five years. The Committee reviewed AEA and district special education balances and approved MSA for eligible and requesting districts with deficit balances. The Committee also discussed special education weightings.

The Committee granted a certificate of need for one district to allow use of SAVE dollars for infrastructure purposes and authorized use of the unexpended General Fund for infrastructure purposes for one district. The Committee also accepted a corrective action plan from one district that preliminarily incurred a negative unspent balance, received two fiscal updates from districts required based on fiscal triggers, and accepted two corrective action plans, one contingent upon providing an updated plan, and tabled the approval of a third district's corrective action plan related to late filing of the CAR, SES, and/or ATR.

Approved requests for MSA can be found on the [SBRC Hearing Information](#) website under the December 13, 2022 Summary of Actions.

If you have further questions, please contact SBRC Liaison, Kassandra Cline, at kassandra.cline@iowa.gov or 515-326-2242.

Iowa School Business Management Academy

The Iowa School Business Management Academy will hold its Spring Academy May 8-10, 2023, at the Memorial Union, Iowa State University, 2229 Lincoln Way, Ames, IA. Sessions for Levels I-IV will be held May 8-10; graduate-level sessions will be held May 9-10.

Online registration will begin at 7 a.m. on Monday, February 27, 2023. A registration link will be available once the site is open.

Update in Supply Chain Assistance Fund Disbursement

The United States Department of Agriculture (USDA) has allocated a total of three rounds of Supply Chain Assistance (SCA) Funds. Schools had the option to accept or decline this funding. The first round of funding was disbursed in August 2022. The Bureau of Nutrition and Health Services had originally planned to combine monies from rounds two and three and disburse them as a single payment. However, due to unforeseen delays in receiving the third round of SCA funding from the USDA, rounds two and three will now be distributed in two separate payments. The second round of funding was disbursed on December 13. The third and final round disbursement is planned for January 2023. SCA Funds will be reported to Source/Project 4014, Supply Chain Assistance Funds (FAL/CFDA 10.555). The SCA Funds should be credited to FY23. For questions, please reach out to your assigned

Medicaid

Medicaid Exclusion/Suspension Verification Report Due January 31

Iowa Medicaid school-based providers must comply with checking two sources each month to capture employee exclusions and reinstatements: the federal list provided on the [HHS-OIG website](#) and the state's list, which is found on the [Iowa Medicaid Program Integrity website](#).



A search of these sources is to occur monthly to confirm individuals whose services are billed to Medicaid are not excluded. Please monitor to see if any exclusions and reinstatements have occurred since the last search. It is required that these checks are documented. A provider must report to the Iowa Medicaid Enterprise (IME) any exclusion information discovered through such searches. It is important that you do not bill for services provided by an excluded or suspended individual.

A [School-Based Provider Search Template](#) and a [Tip Sheet](#) have been posted on the School-based Medicaid page of the Department's website. Please include the names of individuals who oversee services such as the mental health professional, school nurse or special education teacher. The documentation checks are expected for school district individuals providing services to your students attending a non-resident district.

At the end of each quarter, please send the completed spreadsheet to Jim Donoghue, Iowa Department of Education Medicaid Consultant.

For any questions or assistance with checking the Exclusions database or Suspension list, please contact Jim Donoghue at 515-281-8505, 515-326-1032, or jim.donoghue@iowa.gov.

Meet the Bureau of School Business Operations

<i>Photo</i>	<i>Team Member</i>
	<p>Kassandra Cline Bureau Chief <i>Background: MS Ed, MBA, Ed.D., ISBMA graduate, former teacher and administrator</i></p> <p><u>Bureau Specialty:</u></p> <ul style="list-style-type: none"> • School Finance • School Budget Review Committee (SBRC)
	<p>Patricia Townsend Administrative Consultant <i>Background: CPA, CGFM, M.Acc, ISBMA graduate, former SBO</i></p> <p><u>Bureau Specialty:</u></p> <ul style="list-style-type: none"> • Bureau Guidance and Technical Documents • School Budget Review Committee (SBRC)



Kathy Bowers | Consultant

Background: CPA, CGFM, CPM, CIA, former governmental auditor

Bureau Specialty:

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



Jina Brincks | Consultant

Background: former SBO

Bureau Specialty:

- Uniform Financial Accounting Manual
- Iowa Chart of Account Coding
- Certified Annual Report (CAR)
- AEA Budgets
- Juvenile Home Claims



Max Christensen | Consultant

Background: former school transportation director

Bureau Specialty:

- Pupil Transportation



Jim Donoghue | Consultant

Background: ISBMA graduate, MS Psychology, former hospital /QI manager, therapist

Bureau Specialty:

- School-Based Medicaid Claiming
- Special Education Health Services



Scott Dryer | Consultant

Background: MS Ed, former teacher and school principal

Bureau Specialty:

- Applications: At Risk/Dropout, SBRC App, LEP Allowable Costs, FEST, and SAR
- Emergency Operations Planning/School Safety
- Facilities Accessibility for ADA and 504 Reorganization, Dissolution and Sharing
- PPEL/VPPEL
- SAVE

	<ul style="list-style-type: none"> • School Bonds • School Facilities • Tuition and Billing
	<p>Song Luong Consultant <i>Background: ISBMA graduate, former SBO</i></p> <p><u>Bureau Specialty:</u></p> <ul style="list-style-type: none"> • UFA Chart of Accounts • COA/CAR Applications • Student Activity Fund • Categorical Funds
	<p>Bill Roederer Consultant <i>Background: MS, Ed.S., former school superintendent</i></p> <p><u>Bureau Specialty:</u></p> <ul style="list-style-type: none"> • Special Education Finance
	<p>Joe Funk Bus Inspector (East) <i>Background: ASE Certified Master School Bus Technician, Certified D.O.T. Inspector</i></p> <p><u>Bureau Specialty:</u></p> <ul style="list-style-type: none"> • Pupil Transportation Safety
	<p>Tom Simpson Bus Inspector (West) <i>Background: former district transportation director</i></p> <p><u>Bureau Specialty:</u></p> <ul style="list-style-type: none"> • Pupil Transportation Safety



Verlan Vos | Bus Inspector (Central)

Background: ASE Certified Master School Bus Technician

Bureau Specialty:

- Pupil Transportation Safety



Holli Marolf | Bureau Secretary

Background: ISBMA graduate

Bureau Specialty:

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



February 2023

Financial

Data for FY23 Certified Annual Financial Report

The 2022-2023 District AEA Flowthrough Amounts, 2022-2023 Sources for Local Projects, and the 2022-2023 Preschool Funding (with Administrative reduction amounts) documents are available under the heading "Data Used to File FY23 CAR" on the [Certified Annual Financial Reports \(CAR\) webpage](#).

For further information, please contact Jina Brincks at jina.brincks@iowa.gov or 515-313-5942.

SBO Resource: FY23 Allocation Summary

The [FY23 Allocation Summary](#) includes selected federal, state, and local resources for the current fiscal year. A new tab with additional reference information has been added to the spreadsheet.

February 2023 Income Surtax Payments

Message from the Department of Management:

The February 2023 income surtax payment is the second and final income surtax payment for the 2021 income tax year. The payment represents one-quarter of the amount of income surtaxes collected for your district, plus or minus any adjustments made by the Department of Revenue.

This payment is based upon the income surtax rates established for your 2021-2022 budget. If your district did not have a surtax for the Physical Plant and Equipment (PPEL) Fund, the entire payment should be credited to the General Fund. On the other hand, if you had both General Fund and PPEL surtax, then split the income surtax in accordance with the rates. The PPEL Income Surtax rate can be found on line 19.4 of the Aid and Levy Worksheet. The General Fund income surtax rates can be found on lines 10.15 and 11.4. The Department of Management has provided a summary, including the split between funds, which is posted on the [State Payment Information FY23 webpage](#).

Open Enrollment Transportation Assistance

The transportation reimbursement for the 2022-2023 school year for qualifying open enrolled families is \$652. Transportation assistance is only available to families who open enroll between contiguous districts. The cost of transportation reimbursement incurred by the resident district should be deducted from the tuition sent to the receiving district. If the application for transportation assistance is filed after the beginning of the school year, the cost of providing the transportation should be pro-rated. If a parent/guardian qualifies for school transportation assistance, the resident district has the authority to determine how the transportation assistance will be provided. The type of transportation assistance provided by the district is not a determination of the parent/guardian.

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

1. Provide transportation for the pupil(s) to a stop on the bus line of the receiving district.
2. Allow the receiving district to enter the resident district to pick up the pupil(s) if the receiving district requests this arrangement. If either the sending or receiving district does not approve the arrangement, the resident district is still obligated to provide transportation assistance.
3. The resident district may provide a parent/guardian with a cash reimbursement of \$652 per child each year for up to four children in a family. The maximum number of children can include only one secondary (9-12) child and up to three elementary (K-8) children ([281 IAC 17.9](#)).

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

For additional information on transportation assistance, please contact Max Christensen at max.christensen@iowa.gov or 515-336-3965.

For additional information on open enrollment, please contact Sara Nickel at sara.nickel@iowa.gov or 515-971-7558.

Property Tax and Utility Excise Replacement Tax

Friendly reminder: There is a difference between Property Tax and Utility Excise Replacement Tax. The former is a property tax and the latter is not a property tax. Federal reporting and the district budget process are affected by related coding choices.

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

To assist districts, the FY23 Utility Excise Replacement Taxes have been added to the Iowa Department of Education (Department) website. Go to [Certified Annual Reports](#) - see the category "Data Used to File FY23 CAR" and look for the document: [2022-2023 Utility Replacement Tax Payments](#). Only utility items labeled "Gas and Electric" or "Utility Replacement" or "Excise Tax" should be coded as Utility Excise Replacement Taxes, Source 1171. Items labeled "Utilities" or "Current/Delinquent Utilities" are coded as regular property tax, Source 1110 (1111).

There is also a document on the [Uniform Financial Accounting webpage](#) named [Property Taxes - Types and Coding](#) that has helpful information on how to code the different types of taxes. In addition, the [School Resources webpage](#) on the Department of Management's website has a document named [Outstanding Property Tax Levies and Maximum Levy Limits FY2023](#) which includes the estimates for FY23. FY24 estimates will be posted this summer and the district should check those estimated amounts to assist with FY24 coding.

If you have any coding questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

FY21 School-Level Per Pupil Expenditure Amounts

FY21 per pupil expenditures (i.e., school-level expenditures) are available on the [Iowa Performance Profiles](#) website.

Locating district or school data:

- Select year (2021).
- Enter and select the district or school name.
- Under “Additional Metrics”, select “Per Pupil Expenditures”.
- If a district was initially selected, school level data can be viewed by drilling into the name of the school.

Locating state level data:

- Select year (2021).
- Select “View State Report”.
- Under “Additional Metrics”, select “Per Pupil Expenditures”.

FY22 data is anticipated to be available in the summer of 2023. If you have questions regarding [school-level reporting](#), please contact Kassandra Cline at kassandra.cline@iowa.gov or 515-326-2242.

Medicaid

Medicaid - Federal Share Enhanced Rate Continues But Phasing Down

CARES Act funding included an increase of 6.2 percent in the Federal Medical Assistance Percentage (FMAP) of state Medicaid programs starting January 2020 and that enhanced funding is continuing. For claims paid through March 31, 2023, the federal share (i.e., the amount retained by a district) is 69.33 percent and the state share is 30.67 percent. With the winding down of the Public Health Emergency (PHE), a phase down of the COVID enhanced federal share will occur. The table below displays the phasing down.

Additional PHE FMAP - 6.2% through SFY23 Q3

PHE Phase-Down

<i>Timeframe</i>	<i>Decreased percentage</i>	<i>Total</i>
CY23 Q2 (SFY23 Q4; FFY23 Q3)	5.0%	68.13%
CY23 Q3 (SFY24 Q1; FFY23 Q4)	2.5%	65.63%
CY23 Q4 (SFY24 Q2; FFY24 Q1) *	1.5%	65.63%

CY24 Q1 (SFY24 Q3; FFY24 Q2) - resume regular FMAP

*CY23 Q4 is also FFY24 Q1, which is when on October 1 each year a new FMAP is issued for each state. As there will be an increase in Iowa’s FMAP, the phase down of 1.5% will still result in a federal share of

65.63%. Additional information related to the increased federal share will be shared by the Department through the School Business Alert.

If you have further questions or need additional clarification, please contact Jim Donoghue at jim.donoghue@iowa.gov, or 515-281-8505, or 515-326-1032.

Background Checks

In a recent document review of five districts by Iowa Medicaid Program Integrity, the districts were asked to provide certain elements about each individual providing services. One of those elements was whether background checks were done. Results letters for two of the five districts included an Education Issue about background checks but not a Finding needing a corrective action plan or recoupment. The Department is looking to learn more about the expectations for background checks and that will be shared by the Department in the School Business Alert.

If you have further questions or need additional clarification, please contact Jim Donoghue at jim.donoghue@iowa.gov, or 515-281-8505, or 515-326-1032.

Medicaid Exclusion/Suspension Verification Reports Findings

In September, the Department reported to Iowa Medicaid the names, dates of birth, and the last four digits of the social security number on over 18,500 individuals identified in LEA and AEA Exclusion Checks in the prior year. Iowa Medicaid Data Analytics reported in January of finding 21 name matches of individuals on the LEA/ AEA lists and individuals on the federal Exclusions list. Data Analytics provided those matches to the Department who identified four of the 21 as a match. All four were at LEAs, none at AEAs; all four names had already been reported by the districts to Iowa Medicaid Program Integrity as expected. One of the four had not been paid since 2014, but was still on the district list as a sub. Another of the four has worked as a behavioral coach and no services he provided were billed. However, two of the four had served as paraprofessionals and specialized transportation escorts with claims paid from 2018 to 2022. Total charges paid for services by the two reached nearly \$200,000. This is a reminder to do background checks at hiring including checking the Exclusions and Suspensions lists.

For any questions or assistance checking the Exclusions database or Suspension list, please contact Jim Donoghue at jim.donoghue@iowa.gov, or 515-281-8505, or 515-326-1032.

General Information

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 not only building level administrators and staff who will be included in the assessment process, but also staff who may be working with home school families to complete the assessment. Please remember the ISASP is not to be sent home for completion by students outside of the school building, area education agency (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.

Individuals or districts with questions are welcome to contact Buffy Campbell, the Department of Education's Home Schooling (Private Instruction) contact, at buffy.campbell@iowa.gov or 515-954-8651. Depending on the nature of the inquiry, you will be referred to the best possible resource to assist you.

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). A wide variety of goods and services are available

at rates that are already negotiated. Items range from copy paper to automobiles. Purchases from master agreements do not require a competitive bid process. The link to the DAS procurement website can be found [here](#).

AEA Purchasing

AEA Purchasing is an initiative of the Iowa Association of Area Education Agencies (IAAEA) with the mission of combining the purchasing power of Iowa schools to offer competitive pricing on materials, goods and services through a formal bid process. Serving as a local purchasing cooperative for education for over 20 years, AEA Purchasing has partnered with vendors from across the US – including Iowa and the Midwest – to supply schools with the products needed to operate their programs equitably, efficiently and effectively. From desks to groceries and everything in between, when a school makes a purchase using an AEA Purchasing contract, it is supporting all schools in Iowa by bringing purchase volumes up which, in turn, keeps prices low, enabling a sustainable investment to better serve Iowa students and communities. During the 2021-2022 school year, AEA Purchasing contracts saved Iowa schools an estimated \$9 million.

To learn more about the program's offerings and the advantages of cooperative purchasing, please contact Joni Puffett at joni@aeapurchasing.org or visit <http://www.aeapurchasing.org>.

Iowa School Business Management Academy

The [Iowa School Business Management Academy](#) will hold its Spring Academy May 8-10, 2023 at the Memorial Union, Iowa State University, [2229 Lincoln Way, Ames, IA](#). Sessions for Levels I-IV are May 8-10, 2023, and graduate-level sessions are May 9-10, 2023.

[Online registration](#) will be available at 7 a.m. on Monday, February 27, 2023.

Educational Savings Accounts

All current information regarding Educational Savings Accounts can be found [here](#).

Reminder on Concurrent Enrollment Textbooks

The Iowa Department of Education has received numerous questions and comments regarding the provision of textbooks for concurrent enrollment courses. 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 (high school credit only and 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 ([281 IAC 22.4\(1\)\(h\)](#)) as well as equate to charging tuition ([281 IAC 22.11\(6\)](#)), both of which are expressly prohibited in state law.

Please note the following:

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, which is not permissible.

Refer to additional information on page 27 of the [Senior Year Plus guide](#).

For questions or comments, contact Jen Rathje, Senior Year Plus, at jennifer.rathje@iowa.gov or 515-326-5389, or Scott Dryer, School Finance, at scott.dryer@iowa.gov or 515-402-8700.

NEW! Subscribe to the Department's Annual Notices and Deadlines Calendar

A new Google calendar is available on the [Annual Notices and Deadlines for Public and Nonpublic Schools webpage](#). This page displays important state and federal notices and deadlines for all public and nonpublic schools just as it did before. Now with the addition of the new feature, users can subscribe to the calendar in order to add the important deadlines to their own Google, Outlook and Apple calendars. The calendar information also includes the state/federal law citation and the appropriate contacts at the Department.

The subscription feature is something school administrators and business officials have asked the Department to provide, and we are excited to offer this additional functionality for schools. Users can subscribe to the entire calendar for all deadlines or select a specific deadline (Google calendar only) if they only want to copy a selected deadline to their calendar.

More information, including calendar links and subscription directions for the different technology options, is also provided on the webpage.

NEW! Green Ribbon Schools Application

The Iowa Department of Education is accepting applications for the [U.S. Department of Education's 2023 Green Ribbon Schools Award](#). The Green Ribbon Schools Award is a public engagement initiative structured as a federal recognition award for school sustainability. Recipients of the award are invited to a ceremony in Washington, D.C., where they receive a plaque and have their efforts celebrated. Other schools, in turn, learn from their practices.

Applicants must show combined progress in each of the award pillars described below.

- Pillar I: Reduce environmental impact and costs
- Pillar II: Improve the health and wellness of schools, students, and staff
- Pillar III: Provide effective environmental and sustainability education

Early learning centers, schools, districts, and postsecondary institutions demonstrating progress in every area will receive the highest scores in the nomination process. Quality and timely applications will be considered for nomination. Nominees (up to five early learning, schools, or districts, and up to one postsecondary institution) will be contacted directly for further documentation and acceptance of the nomination. Additional resources for each Pillar is available on the [Green Strides School Sustainability Resource Hub](#).

[Applications](#) are due Friday, February 10. Direct questions and the final submission to Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

NEW! U.S. Department of Energy \$4.5 million Energy CLASS Prize

Have you heard about the \$4.5 million [Energy CLASS Prize](#) that is now open for submissions?

Similar to Renew America's Schools grant, The Energy Champions Leading the Advancement of Sustainable Schools (CLASS) Prize was launched by The U.S. Department of Energy's (DOE) State and Community Energy Program Office (SCEP). The CLASS Prize will provide training and cash prizes to school districts working to make energy management a sustainable feature of their communities.

The CLASS Prize is designed to position Local Education Agencies (LEAs) to make meaningful infrastructure improvements that will reduce utility costs, improve indoor air quality, and improve learning environments long-term.

A total of \$4.5 million in awards is available, including \$3.75 million in cash prizes for selected LEAs to fund energy management professionals-in-training, and an additional \$750,000 in technical assistance from Energy CLASS Training Network partners. Experts in the Energy CLASS Training Network will provide professional development and support to Energy CLASS participants throughout the program.

1. Check out the CLASS Prize [FAQs](#) or watch the [Energy CLASS Prize Informational Webinar](#) for further information.
2. [Follow the Energy CLASS Prize on HeroX](#) to stay up-to-date on all prize-related news.
3. Note: Phase 1 submissions are due on February 28, 2023, by 4 p.m.

For more information about the CLASS Prize, or if you need additional support, please reach out to energyclassprize@nrel.gov.

Coding

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the [Uniform Financial Accounting](#) page of the Department website, is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent update is provided below.

February 2023

<i>Code</i>	<i>Description</i>
Project 1112	Property Tax and State Aid Financed Weighted English Learners (EL) and SBRC Modified Supplemental Amount for EL (General Fund only) (Used with program 41X) (Feb23 title change)

January 2023

<i>Code</i>	<i>Description</i>
Project 1116	Property Tax and State Aid Financed Weighted At-Risk, Alternative School, Returning Dropout and Dropout Prevention Programs (IC 257.11(4)) (General Fund only) (Used with program 420) (Name change Jan23)
Project 1119	SBRC Modified Supplemental Amount for At-Risk, Alternative School, Returning Dropout and Dropout Prevention Programs (IC 257.41) (Including the 25% required local match) (General Fund only) (Used with program 420) (Name change Jan23)

Program 420 At-Risk, Alternative School, Returning Dropout and Dropout Prevention Programs (Name change Jan23)

December 2022

<i>Code</i>	<i>Description</i>
Source/Project 4668	Stronger Connections Grant Program (FAL/CFDA 84.424F) (Dec22)



March 2023

Financial

Statewide Voluntary Preschool Program Funds

School districts should communicate regularly with community partners to share guidance based on statute and administrative rules regarding the use of Statewide Voluntary Preschool Program (SWVPP) funds. The local 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.

Financial best practices for districts with SWVPP community partners:

- At the beginning of the school year, the district informs each community partner of its maximum amount available for the year, including the value of the amount available for administrative and operational costs, which is limited to 10 percent of the community partner funding. The amount provided should exclude the five percent retained by the district for administrative costs, if applicable.
- Community partners submit detailed expenditure documentation monthly to the district.
 - Payroll records should include salary and benefit costs for each staff member.
 - Supply/equipment purchases should be reflected on itemized invoices.
 - Administrative and operational costs also require documentation.
- The district reviews the submitted documentation prior to reimbursement.
 - The district determines allowable expenditures based on the detailed documentation.
 - The district reimburses the community partners for allowable expenditures.
- The district continues monthly review/reimbursement to the community partners until the annual maximum amount is reached.

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 unexpended funds belong to the district. If the funds were paid prior to verification of expenditures, the community partner is required to return the funds at the close of the given fiscal year ([281 IAC 98.13\(2\)"b" and "c"](#)). Additionally, the district may withhold

reimbursement or require the return of any funds already reimbursed that do not have the documentation necessary to illustrate the funds were used appropriately.

Programming questions relating to the SWVPP can be directed to Mary Breyfogle at mary.breyfogle@iowa.gov or 515-326-1030. For more information regarding SWVPP finance, review the [SWVPP Finance FAQ](#) or contact Song Luong at song.luong1@iowa.gov or 515-205-0259.

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

If you had a 2021-2022 special education excess positive balance, this amount is being deducted beginning with the March 2023 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 FY23](#).

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

General Information

Special Education Reminders

Special Education Foster Care Claims

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

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

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

Special Education Termination of Parental Rights Claims

This student status should only be used if all of the following items 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 district needs to bill the district where the parents lived on the dates served prior to termination of rights. To find which district, if any, counted the student on the special education weighted headcount in October of the current school year, use the Look Back Tool within the Tuition In Billing application.

Special Education Nonpublic Claims

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

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

Special Education High-Cost Fund Claims

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

- The student is served pursuant to an IEP.
- The costs of educating the student exceed three times the state's average per-pupil expenditure, as calculated annually by the Department of Education (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. 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 timely filed.

Contracts and Agreements Between a District and Another Party

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

If you have further questions, please contact Bill Roederer at bill.roederer@iowa.gov or 515-281-7972.

Education Savings Accounts

All current information regarding Education Savings Accounts can be found [here](#).

Iowa School Business Management Academy

The [Iowa School Business Management Academy](#) will hold its Spring Academy May 8-10, 2023, at the Memorial Union, Iowa State University, [2229 Lincoln Way, Ames, IA](#). Sessions for Levels I-IV will be held May 8-10; graduate-level sessions will be held May 9-10. [Online registration](#) is open.

Transportation

Bus Evacuation Drills

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

If you have questions, please contact Max Christensen at max.christensen@iowa.gov or 515-336-3965.

School Bus Driver Licensing Information

As a reminder, if a school bus driver is operating a vehicle with a capacity of 16 passengers or more, including the driver, the driver is required to have a [Commercial Driver's License \(CDL\)](#). If a school bus driver is driving a vehicle with a capacity of 15 passengers or fewer, including the driver, the minimum requirement is a [Chauffeur's Class D3 license](#).

If you need further clarification, please contact Max Christensen at max.christensen@iowa.gov or 515-336-3965.

Use of 12-Passenger Vans for Student Transportation

In October 2019, new legislation authorized districts to use *new* vans up to 10-passenger and *used* vans up to 12-passenger ([Iowa Code § 321.373\(3\)](#)) for pupil transportation. If the district is considering purchasing vans for pupil transportation, helpful notes are provided below:

- Districts that purchase *new* passenger vans with a capacity of 11 or 12 may not use the vans for pupil transportation.
- The requirement for 11 or 12-passenger vans to be purchased in used condition if they'll be used for pupil transportation is a federal determination based on a number of [federal regulations](#).
 - Any vehicle over 10-passenger capacity being used for student transportation must be built to yellow school bus specifications. Vans do not meet those specifications, meaning 10-passenger vans are allowed and anything larger *and purchased new* must be a school bus.
 - Removing seats does not change the legal van capacity; van capacity is determined by the manufacturer at the time the vehicle is built.
- Any van over 10-passenger used for student transportation must be acquired in used condition. The definition of "used" is defined by Iowa Administrative Code 281 – 44.5(1)(b)(2) and emphasized below:
 - The manufacturer's rated capacity of this vehicle, which shall be determined only by the original equipment manufacturer (OEM) on the date of manufacture, shall not exceed 12 persons including the driver. The capacity rating may not be changed or modified except by the OEM.
 - Secondary stage or vehicle conversion manufacturers shall not establish vehicle capacity.

- Vehicles with a capacity of 10 or fewer passengers, including the driver, may be acquired new or used.
- Vehicles with a capacity of 11 or 12 passengers, including the driver, shall only be acquired used.
 - *For purposes of this sub-rule, a used vehicle is defined as a vehicle that has had a title transfer from a dealer to one or more previous retail owners.*

If you have questions, please contact Max Christensen at max.christensen@iowa.gov or 515-336-3965.

Bus Inspection Reminders

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

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

Pre-trip and post-trip inspections are a means of finding the day-to-day issues that happen during normal use of the school vehicles. Questions about the proper way to perform daily inspections can be directed to the assigned Department inspector. Sample pre-trip inspection forms are available from the [Forms – Inspections page](#) of the Department website.

Bus Inspector Contact Information:

<i>Region</i>	<i>Name</i>	<i>Email</i>	<i>Phone</i>
Eastern Region	Joe Funk	joe.funk@iowa.gov	515-669-4987
Western Region	Tom Simpson	tom.simpson@iowa.gov	515-326-1022
Central Region	Verlan Vos	verlan.vos@iowa.gov	515-669-4994

If you have questions, please contact Max Christensen at max.christensen@iowa.gov or 515-336-3965.

Coding

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding, found on the [Uniform Financial Accounting](#) page of the Department website, is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent update is provided below.

February 2023

<i>Code</i>	<i>Description</i>
Project 1112	Property Tax and State Aid Financed Weighted English Learners (EL) and SBRC Modified Supplemental Amount for EL (General Fund only) (Used with program 41X) (Feb23 title change)
Source/Project 4368	Clean School Bus Rebate Program (EPA) (FAL/CFDA 81.255) (Feb23)
Source/Project 4034	Coronavirus State and Local Fiscal Recovery Fund (CSLFR) – School Safety Improvement Fund (FAL/CFDA 21.027) (Reinstated for CSLFR ARP Feb23)
Source/Project 3419	Iowa Skilled Worker and Job Creation Fund (IC 8.75) (Rural Innovation Grant Program) (IAC 261-221) (STEM Best HD and Program Enhancement Awards) (HF871) (HF2564) (DED) (Dec20) (Mar22) (Name change Feb 23)

March 2023

<i>Code</i>	<i>Description</i>
Project 3190	Categorical Fund Accounts from Other Categorical Funds (Effective FY24 Reporting) (Mar23)
Project 3191	Teacher Salary Supplement Originating from Professional Development (Projects 3373 or 3376) Funds (IC 257.10) (HF68) (Effective FY24 Reporting) (Mar23)
Project 3192	Teacher Salary Supplement Originating from Teacher Leadership Supplement (Project 3116) Funds (IC 257.10) (HF68) (Effective FY24 Reporting) (Mar23)
Project 3193	Teacher Salary Supplement Originating from Gifted and Talented Programs (Project 1118) Funds (IC 257.10) (HF68) (Effective FY24 Reporting) (Mar23)
Source 319X	Reserved for Categorical Fund Account Projects
Object 959	Categorical Intrafund Transfers (General Fund Only) (Effective FY24 Reporting) (Mar23)

Friendly Reminders: Coding for School Meal Accounts

The Department has been asked a variety of account coding questions relating to school meal accounts in the Nutrition Fund. This article is organized into multiple subtopics as provided below.

- Deposits made to a school meal account
- How to determine and record bad debt
- Applying revenue to student meal debts
 - Funds donated from private sources
 - Funds from a 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 1XX)

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)

How to determine and record 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 moneys 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 1XX)

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"](#).

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 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)

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Medicaid Coding Reminders

Medicaid account coding is performed differently from the way most other account coding is completed by Area Education Agencies (AEAs) or Local Education Agencies (LEAs). Since the amount of reimbursement an AEA or LEA will receive from Medicaid for an expenditure is not known at the time the expenditure is incurred, a Medicaid expenditure is initially coded to the appropriate program and/or program levels of the students for whom the expenditure was incurred. When an LEA or AEA receives the Medicaid claim reimbursement, only the revenue retained by the LEA/AEA will be recorded as revenue.

The state share portion of the reimbursement received that will be paid to Iowa Health and Human Services (HHS) is recorded on the balance sheet as accounts payable rather than as an expenditure.

Medicaid reimbursement received:

Debit Cash (Fund 10, Account 10X)

Credit Intergovernmental Payables (Fund 10, Program 2XX, Project 3321, Account 410) state share amount due to HHS

Credit Medical Assistance Program-Medicaid (Fund 10, Program 2XX, Project 4634, Source 4634) revenue retained by LEA/AEA

Record state portion when paid back to HHS:

Debit Intergovernmental Payables (Fund 10, Program 2XX, Project 3321, Account 410)

Credit Cash (Fund 10, Account 10X)

Reclassify the expenditures originally charged to special education project codes:

Debit new expenditure code using (Fund 10, Program 2XX, Project 4634)

Credit original expenditure code

Record receivable if Medicaid not received by June 30 (estimate if amount is unknown):

Debit Intergovernmental Receivables (Fund 10, Project 4634, Account 141) for retained amount

Debit Intergovernmental Receivables (Fund 10, Project 3321, Account 141) for state portion

Credit Intergovernmental Payables (Fund 10, Project 3321, Account 410) for state portion

Credit Medicaid revenue (Fund 10, Project 4634, Source 4634) *if received within 60 days after year end*

OR

Credit Deferred Inflow (Fund 10, Project 4634, Account 623) *if received more than 60 days after year end*

Please see the full journal entry examples in the [UFA Journal Entries](#) on the Medicaid Journal Entries tab.

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.



April 2023

Top Stories

Open Position at the Department on the SBO Team!

The Bureau of School Business Operations (SBO) at the Iowa Department of Education (Department) welcomes applications for Bill Roederer's special education finance position. We are excited to continue building our team! The position closes on Sunday, April 30, 2023.

[Education Program Consultant - School Finance \(Special Education\)](#)

Action Required by May 12: Urgent Request from Iowa Health and Human Services Regarding Medicaid and Data Breaches

The Department holds an internal contract with the Department of Health and Human Services (Iowa HHS) Medicaid program in order to receive their confidential information on all Medicaid-eligible students. This contract requires the Department to keep this confidential Medicaid information secure and immediately report any breaches of information. The Business Associate agreement between school districts and the Department requires the district to keep this confidential Medicaid information secure and immediately report any breaches of information.

Because several districts have had data breaches in the past year, the Department has received a very important request from Iowa HHS Medicaid.

Iowa HHS wrote: "Because of the lack of or extremely slow reporting from the school districts that we know were breached, we feel we need assurances from all school districts that they can assure us that they were not breached or that they will report to us if they were breached. We will need all school districts to give us some sort of response."

On March 1, the Department made this request to the attorneys who serve school districts with a due date of March 31. Response has been quite limited; 13 total responses have been received.

Iowa HHS Medicaid is required to report any breach of confidential Medicaid information to the federal government, so when a breach occurs that could involve Medicaid information, Iowa HHS Medicaid must either obtain and provide the details of the breach to the federal government, or if no Medicaid information was breached, provide attested statements from the breached entity. This reporting to the federal

government is very time sensitive so it is imperative that Iowa HHS Medicaid become aware of any breach as soon as possible.

Action Item: Please complete one of the actions below by May 12.

- Send an email to Jim Donoghue attesting no data breach has occurred within the last three years.
- Send an email to Jim Donoghue providing the date of the data breach and whether it was already reported.

If you have any questions, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505 or 515-326-1032.

Coding

The Numbers are Finalized: All Thanks to Your Important Work!

Fiscal year 2022 (FY22) Certified Annual Report (CAR) data is finalized. Thank you for your hard work all year long, including assisting the Department with the CAR review. School districts managed over 10 billion dollars for Iowa's students across more than 430 revenue funding streams. Your work is important, essential, and appreciated every day. YOU are necessary!

FY22 CAR School District Final Data

Count	Category
437	Total number of revenue streams received in FY22 by all school districts
118	Highest number of revenue streams received in FY22 by a single school district
41	Lowest number of revenue streams received in FY22 by a single school district

School District Totals	All Funding Streams*	Unduplicated Funding Streams**
FY22 Total Revenues	\$10,084,005,033	\$9,341,733,493
FY22 Total Expenditures	\$9,797,766,049	\$9,073,259,406

*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)

Property Taxes – Types and Coding

The [Uniform Financial Accounting webpage](#) of the Department's website 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 the counties.

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent updates are provided below. Updates are posted each month to this document which can be found on the [Uniform Financial Accounting webpage](#).

March 2023

<i>Code</i>	<i>Description</i>
Object 638	Local Food for Schools Consumed (Mar23)
Project 3751	Governor's STEM Advisory Council STEM Programs (SF 2321) (Oct12) (Project for all, but source will depend on who it was received through) (Name change Mar23)
Source 3751	Governor's STEM Advisory Council STEM Programs (SF 2321) (Oct12) (source only if payment through a university or college. Otherwise, one of the other 37X0 sources with 3751 as the project) (Name change Mar23)
Project 3190	Categorical Fund Accounts from Other Categorical Funds (Effective FY24 Reporting) (Mar23)
Project 3191	Teacher Salary Supplement Originating from Professional Development (Projects 3373 or 3376) Funds (IC 257.10) (HF68) (Effective FY24 Reporting) (Mar23)
Project 3192	Teacher Salary Supplement Originating from Teacher Leadership Supplement (Project 3116) Funds (IC 257.10) (HF68) (Effective FY24 Reporting) (Mar23)
Project 3193	Teacher Salary Supplement Originating from Gifted and Talented Programs (Project 1118) Funds (IC 257.10) (HF68) (Effective FY24 Reporting) (Mar23)
Source 319X	Reserved for Categorical Fund Account Projects
Object 959	Categorical Intrafund Transfers (General Fund Only) (Effective FY24 Reporting) (Mar23)

Accounting for Local Food for Schools

The Iowa Department of Agriculture & Land Stewardship was awarded over \$2.1 million through the Local Food for Schools Cooperative Agreement Program (LFS Source/Project 4911). These funds are available to schools to purchase local, domestic, unprocessed, or minimally processed foods to help with the challenges of supply chain disruptions.

School districts will record LFS funds similar to how commodities are recorded.

- Revenues are coded to Source/Project 4911.
- Expenditures are coded to Object 638, Project 4911.
- Expenditures and revenues must equal at the end of the fiscal year.

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, 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

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.

Iowa HHS has launched a new [K-12 Schools Radon Information webpage](#) to provide important resources as listed below.

- Iowa Code Chapter 280 requirements
- Related radon legislation
- Radon training information for school district employees

If you have questions about radon testing training or how to become eligible to conduct radon tests, please reference the [K-12 Schools Radon Information webpage](#).

If you have questions about the radon testing [guidance](#), please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

504 Plans and Nonpublic Students

The Department occasionally receives inquiries about the responsibilities of the public school district when working with students who attend a nonpublic school and have been placed on a 504 Plan. A recent inquiry received from a public school district and the Department's related response is reflected below.

Question: A resident student who is hearing impaired attends a nonpublic school in our school district. We have provided hearing devices for students who attend our district and have an IEP, but I wasn't sure of our district's responsibility when the child is attending a nonpublic school and has been placed on a 504 Plan. What are our district's responsibilities for this student?

Answer: The public school district has no obligation if the student is only 504 eligible. The nonpublic school is independently covered by section 504 and is obligated to make "minor adjustments." If the solution recommended for the child is beyond minor adjustments and the nonpublic school is therefore unwilling to provide the solution, please contact the Department for alternative ideas.

If you have any questions, please contact Bill Roederer at bill.roederer@iowa.gov or 515-393-8349.

School Budget Review Committee (SBRC)

The SBRC met in regular session on Thursday, March 9, 2023. The SBRC reviewed preliminary district cash reserve levy limits, gifted and talented budget information, and updated unspent authorized budget

per pupil decile rankings. The SBRC took action to accept an updated corrective action plan from one district and separately reviewed an updated corrective action plan from another district as an informational item. The SBRC directed the Department to distribute transportation aid from the sale of license plates to eligible districts on an equitable basis. The SBRC granted requests for permission to use special education program funds for administrative costs of special education programs and separately approved modified supplemental amounts (MSA) for at-risk, alternative school, and returning dropout and dropout prevention (AR/DOP) programs. The SBRC also approved requests for MSA relating to hazard abatement for six districts and retention payments made to staff not otherwise eligible for the Governor's retention payments for two districts. Additional action included authorizing one district to transfer from the General Fund to an enterprise fund due to a deficit balance remaining after a closed enterprise effort.

The [Summary of Action](#) is available on the [Department's website](#). For further information, please contact SBRC liaison Patricia Townsend at patricia.townsend@iowa.gov or 515-689-2258.

Educational Savings Accounts

All current information regarding Educational Savings Accounts can be found [here](#).

Parking Fee: Iowa School Business Management Academy

The [Iowa School Business Management Academy's](#) Spring Academy on May 8-10, 2023 will be held at the Memorial Union, Iowa State University, [2229 Lincoln Way, Ames, IA](#).

The cost of parking in the Memorial Union Parking Ramp is included in the registration fee. However, a new option has been added if an Academy attendee will not require parking in the Memorial Union Parking Ramp. For this situation, if the Academy registration has not yet been submitted, enter **CARPOOLI-IV** (if registering for Level I through IV) or **CARPOOLGRAD** (if registering for graduate level) in the Promo Code field within Step 3 of the registration process; this will remove the associated parking fee. If an Academy attendee has already registered, this [form](#) can be completed to have the cost of parking removed from the registration fee. If payment has already been made, a refund will be issued in the same form as it was received.

Parking in the ISU Parking Ramp provides the most convenient parking for visitors to the campus and is connected to the Memorial Union. More information regarding conference room locations (2nd floor), parking ramp location, procedures for entering and exiting the ramp, and download availability for session materials will be sent to each Academy attendee.

Applications

School Information Update Application

Now is the time to update the School Information Update (SIU) application. Please do so as soon as possible to ensure the Consolidated Accountability and Support Application (CASA) is populated correctly for the 2023-2024 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 2023-2024 school year. Each grade sharing arrangement must be reviewed in order for the orange or red warning flag to disappear. **The SIU application does not need to be uncertified to complete the grade sharing review process.** To review the grade sharing information, select the grade sharing link at the top of the SIU homepage and select Grade Sharing.

- Districts entering into a new grade sharing arrangement must click the green "Add" button and complete the required questions.
- Districts terminating a grade sharing arrangement must click the red "Close" button.
- Districts continuing a grade sharing arrangement must click the blue "Edit" button and review the information from the 2022-2023 school year. Modify as needed, then click the blue "Save" button.

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

If you have questions regarding the grade sharing portion of the SIU application, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Districts in a Whole Grade Sharing Arrangement - Supplementary Weighting

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

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

The SBRC will act on requests for year two and year three whole grade sharing supplementary weighting during the October hearing.

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

If you have questions, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Transportation

Vehicle Information System Verification

Important Reminder: Check the Vehicle Information System (VIS) to verify specific vehicle information before July 1, 2023. This includes adding all eligible vehicles (i.e., vehicles used for transporting students) purchased during the year. As a reminder, when a vehicle is no longer used for this purpose (e.g., the vehicle is sold, salvaged) do not simply delete it from the fleet.

Before deleting it, click "Edit." Then, at the bottom of that screen, click the drop down menu for "Vehicle Status." Then select one of the three options to describe the disposition of the vehicle, or that it is no longer being used. Options include "Salvaged/Scrapped", "Sold", or "Suspended". Choose the condition that best reflects the situation for the vehicle. The information is used to help calculate the related depreciation. If the vehicle disposition information is not populated correctly, depreciation information cannot be calculated. Please be sure all information pertaining to the vehicles in the VIS is accurate and complete.

If you have further questions, please contact Max Christensen at max.christensen@iowa.gov or 515-336-3965.

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

The Transportation Security Administration (TSA), a branch of the United States Department of Homeland Security, is offering free security training and assessments for school transportation departments in Iowa. TSA Inspector Ron Gann is tasked with visiting 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.

For more information, to set up a transportation evaluation, or to set up training for school bus drivers, contact TSA Inspector Ron Gann at ronald.gann@tsa.dhs.gov or 402-672-4898.

Medicaid

Quarterly Medicaid Exclusion/Suspension Verification Report Due April 30

Iowa Medicaid school-based providers must comply with checking two sources each month to capture employee exclusions and reinstatements: the federal list provided on the [U.S. Department of Health & Human Services Office of Inspector General \(HHS-OIG\) website](#) and the state's list, which is found on the [Iowa Medicaid Program Integrity website](#).

A search of these sources is to occur **monthly** to confirm individuals whose services are billed to Medicaid are not excluded. Please monitor to see if any exclusions and reinstatements have occurred since the last search. It is required that these checks are documented. A provider must report to the Iowa Medicaid Enterprise (IME) any exclusion information discovered through such searches. It is important that you do not bill for services provided by an excluded or suspended individual.

At the end of each quarter, please send the completed three months spreadsheets to the Department's Medicaid consultant, Jim Donoghue.

For questions or assistance with checking the Exclusions database or Suspension list, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505 or 515-326-1032.



May 2023

Top Stories

HF68: Categorical Funds and Operational Sharing Timeline

[House File 68 \(HF 68\)](#), signed into law on January 24, 2023, was effective upon enactment. Related guidance is posted to the Department's website on the [Categorical Funding](#) page under the sub-heading Teacher Salary Supplement (TSS).

[HF68 Guidance: Categorical Funding and Operational Sharing](#) guidance document summarizes the additional uses authorized for specific categorical funding and provides an update to the operational function sharing supplementary weighting eligibility timeline. The legislation increases allowable uses of the following categorical funds: professional development (PD) ([Iowa Code § 257.10\(10\)"d"](#)), teacher leadership and compensation (TLC) ([Iowa Code § 257.10\(12\)"d"](#)), and gifted and talented (TAG) ([Iowa Code § 257.46\(3\)](#)).

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

Specific account coding guidance for the intrafund transfer is included in the guidance document linked above.

Account code questions may be sent to Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Certified Annual Report (CAR) Chart of Accounts (COA) Test Records Application is Open!

The CAR 2023 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. A district may test an individual account code or an entire 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 completely loaded during the testing period. This information is entered as it becomes available. The incomplete tables are noted on the homepage of the application. Also, districts may get stage four reconciliation messages, as all revenue, receivables, or restricted fund balances would not be entered prior to the end of the fiscal year in the district's accounting system.

We strongly urge districts to test 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 a text file. Districts should not "fix their books" 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](#). Once logged in, go to EdInfo, then Finance Applications.

The edits below have been added to the CAR 2023 COA test records application.

- Functions 231X are not used in Fund 40
- Source 1754 is not used in Fund 61
- Source 4911 is used in Fund 61
- Object 638 is used in Fund 61
- Amount reported in Object 638 must equal the amount reported in Source 4911

If you need access to the CAR 2023 COA test records application, the portal security officer at your district or AEA will be able to grant access. Any other login questions or issues may be directed to ed.portal@iowa.gov.

If you have coding questions, issues with the upload, or edits and/or warning messages, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, 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

Perkins Consortium and Regional Planning Partnerships Accounting

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

For Perkins or RPP questions, please contact Dennis Harden at dennis.harden@iowa.gov or 515-314-7852.

For coding questions, please contact Jina Brincks at jina.brincks@iowa.gov or 515-313-5942.

Friendly Reminder: Limited English Proficiency Allowable Cost Application

Although the annual Limited English Proficiency (LEP) Allowable Cost application is not available until September, it is important to remember that the data supporting the application is generated from 2022-2023 data.

Reminder: Continue to code English Learners (EL) (formerly LEP) expenditures to Programs 410-419, even when expenditures exceed the cost of revenues coded to Project 1112 or 4644. Excess expenditures will use Project 0000 and Programs 410-419.

For LEP Allowable Cost application questions, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

For coding questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Iowa Quality for Kids (IQ4K)

Iowa Quality for Kids (IQ4K) is Iowa's new Quality Rating and Improvement System (QRIS) for the Iowa Department of Health and Human Services (Iowa HHS) licensed child care centers and preschools, registered child development homes, and programs operating under the authority of an accredited school district or nonpublic school. IQ4K is replacing the Quality Rating System (QRS). IQ4K is funded through the Child Care and Development Block Grant (FAL/CFDA 93.575). The IQ4K Source/Project is 4625.

Source/Project 4625 - Child Care and Development Block Grants (Iowa HHS) (Iowa Quality for Kids (IQ4K)) (FAL/CFDA 93.575).

For coding questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Tuition-In Billing Application

The Tuition-In Billing (TIB) application is now available for districts to complete their FY23 final year billings. Please remember that all school districts will need to submit their final year billings by July 17.

You are required to enter student information by number of DAYS only. As in past years, an upload must be completed to activate the TIB program. Districts should also clear edits related to special education accounts in the CAR 2023 COA Test Records application prior to sending bills through TIB.

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

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

If you have further questions, please contact Bill Roederer at bill.roederer@iowa.gov or (515) 393-8349.

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent updates are provided below. Updates are posted each month to this document which can be found on the [Uniform Financial Accounting webpage](#).

April 2023

<i>Code</i>	<i>Description</i>
Source/Project 4625	Child Care and Development Block Grants (Iowa HHS) (Iowa Quality for Kids (IQ4K) (FAL/CFDA 93.575) (Used with program 840) (Apr23)
Source/Project 4683	Urban & Community Forestry (DNR) (FAL/CFDA 10.675) (Apr23) (Formerly Mine Health and Safety Grants) (FAL/CFDA 17.600)
Source/Project 3289	Community Forestry Grant (DNR) (Apr23) (Formerly Earth Year 2000 Grants) (DNR)
Source/Project 4035	Coronavirus State and Local Fiscal Recovery Fund (CSLFR) – Entry-Level Driver Training (ELDT) (FAL/CFDA 21.027) (Reinstated for CSLFR ARP Apr23)

Finance Roundtable

The Bureau of School Business Operations hosted the Finance Roundtable at the Grimes Building on Wednesday, April 26. Led by Bureau Chief Kassandra Cline, 24 members attended and discussed agenda topics including Executive Order 10, the Department's federal fiscal risk assessment evaluation tool and process, charter school payments and billing, school transportation, safety and security training offered through US Homeland Security & Transportation Security Agency, school-based Medicaid, and district employee recruitment and retention efforts. 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, 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 will meet again in October.

Educational Savings Accounts

All current information regarding Educational Savings Accounts can be found [here](#).

Applications

Nonpublic Transportation Reimbursement Application

The Nonpublic Transportation Reimbursement Application is now open. Please enter the data and certify the application by June 15. The Department intends to issue reimbursements to districts in July but will need to have all district data in by June 15 to meet this goal.

Information relating to the nonpublic transportation reimbursement process is found on the [Nonpublic Reimbursement webpage](#) of the Department's website. The reimbursement application is accessed through the [Iowa Education Portal](#).

If you have further questions, please contact Max Christensen at max.christensen@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](#). When computing the supplementary weighting, use the student's resident district cost per pupil of the year in which the course was taken. Directions for generating and verifying the bills are located on the [Supplementary Weighting – Certified Enrollment](#) page of the Department's website ([281 IAC 17.10\(8\)](#)).

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 will have already ended their school year. Be sure to bill the resident districts of your open enrolled students after the Non-Fall Supplementary Weighting application is available.

If you have further questions regarding the billing process for foster care reimbursements, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

If you have questions related to student reporting, please contact Rachel Kruse at rachel.kruse@iowa.gov and 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 Iowa HHS or the Iowa Juvenile Court System (JCS). [Iowa Code 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 your 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 your district's certified enrollment count.
2. For any students identified above who were NOT in your district's certified enrollment count, either:
 - Enter the student as a new student in the district's student information system and show enrollment corresponding to the period of time of the placement with a service/facility type of 2 and service provider/facility code of 97777777. This will usually be for students

who are homeschooled, attend a nonpublic school, or resident individuals who dropped out of school and were not enrolled on count date. During a hospital stay while placed in a psychiatric ward, the student is considered a public school student and must be entered into the student information system with an entry code of 1. Exit the student using the date when the student ended the hospital stay and an exit code to show the current status of the student (transferred to home school, transferred to a nonpublic school, dropped out of school).

OR

- Add a new enrollment record for any student already in your system for the period of time the student was placed in the hospital 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).

If you have further questions regarding PMIC placement foster care reimbursements, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

If you have questions related to reporting students in a hospital PMIC-placement, please contact Rachel Kruse at rachel.kruse@iowa.gov and 515-281-4153.

Operational Sharing Reminders

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

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

- Reporting salary and benefits to be paid by your district with the contract holder reporting the full amount and the district purchasing the services reporting their portion of the salary and benefits (using the purchased amount field).
- Reporting the type of shared arrangement and identifying the sharing partner(s).
 - Reporting the individual's full-time equivalent (FTE) with the contract holder reporting the full amount and the district purchasing the services reporting their portion of the FTE.

If you have further questions regarding operational function sharing eligibility, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

If you have questions about reporting positions part of an operational sharing agreement in Fall BEDS Staff, please contact Shelly Wolterman at shelly.neese@iowa.gov or 515-336-3859.

Medicaid

Coming Soon: Signatures Required - New Business Associate Agreement

Each district and AEA enrolled as a Medicaid provider signed a one-page Business Associate Agreement (Agreement) in 2022. The Iowa HHS Privacy and Security Office is now requiring a more detailed Agreement which will include more specific requirements about elements like data breach reporting.

Highlights include:

1. If you as the Business Associate discover any breach of unsecured protected health information (PHI), you will report it promptly to the Department as the Covered Entity and in no case later than 30 calendar days.
2. If you become aware of any security incident affecting electronic PHI of the Department, you will report it to the Department within five business days of becoming aware of the incident.
3. If you provide a subcontractor with Medicaid PHI relating to the Agreement, you are to notify the Department within 30 calendar days of subcontract agreement.

Next Steps: Within the next month, the Department will be sending the School Business Official (SBO) for each participating provider a new Agreement. Please complete the few blank fields, sign, date, and return the completed Agreement within 30 days.

If you have further questions, please contact Jim Donoghue at jim.donoghue@iowa.gov or 515-281-8505.

Transportation

\$400 Million EPA School Bus Grant Now Open

On April 24, the Environmental Protection Agency (EPA) announced the availability of at least \$400 million in grants for cleaner school buses. This grant opportunity through the EPA's Clean School Bus Program will fund electric, propane, and CNG (Compressed Natural Gas) school buses that will produce either zero or reduced tailpipe emissions compared to their older diesel predecessors. These reduced emissions will result in cleaner air for students, drivers, and other staff. Eligible applicants for this funding opportunity include:

1. State and local governmental entities that provide bus service
2. Public charter school districts
3. Indian tribes, tribal organizations, or tribally-controlled schools
4. Nonprofit school transportation associations
5. Eligible contractors (including Original Equipment Manufacturers (OEMs), dealers, school bus service providers, and private bus fleets)

Grant information and applications can be found at [Clean School Bus Program Grant](#). A [webinar](#) will be held on May 10 to more fully explain the grant process. The Clean School Bus Grant Program will be open for 120 days and will close on Tuesday, August 22, 2023. Questions about applying may be directed to CleanSchoolBus@epa.gov.



June 2023

Featured Question

Management Fund: Cybersecurity Vulnerability Scan

Question: My insurance carrier asked me to conduct a cybersecurity vulnerability scan. The scan's assessment will be used to adjust the district's cybersecurity liability rate. Can I use the Management Fund to pay the cost of the cybersecurity vulnerability scan?

Answer: Yes. The cost of a cybersecurity vulnerability scan is an allowable use of the Management Fund. In this case, a cybersecurity vulnerability scan is interpreted as the cost of a physical inventory in a physical and virtual space for the sole purpose of determining insurance coverage and/or rates.

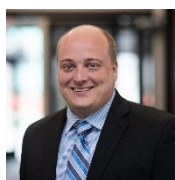
[Iowa Administrative Code r. 281 - 98.62\(2\)](#) defines the appropriate uses of the Management Fund:

1. Costs of a physical inventory conducted solely for the purpose of insurance.

One of the key elements of a cybersecurity insurance review will be confirming that there is a detailed and updated inventory of all IT assets (hardware, software, custom/vendor applications, etc.). A vulnerability scan or inventory is part of obtaining the correct cybersecurity insurance.

Top Stories

Staffing Update: Welcome Luke Markway!



The Iowa Department of Education (Department) Bureau of School Business Operations is pleased to announce the addition of Luke Markway to our team! Luke comes to us from Woodward-Granger Community School District, where he served as the School Business Official. He will be focusing his talents on all things special education finance and can be reached at luke.markway@iowa.gov and 515-339-8349. Welcome, Luke!

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 are currently accepting applications for the [Administrative Consultant - School Finance](#) position. Closes June 22, 2023.

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.

School Business Alert Newsletter: Annual Compilation

Annual compilations of the School Business Alert newsletter are now available for FY21, FY22, and FY23 on the Department [website](#).

Tuition-In Billing (TIB) Application is Open

The Tuition-In Billing (TIB) application is available for districts to complete their FY23 final year billings, which are due by July 17. If you have any questions, please contact Luke Markway at luke.markway@iowa.gov or 515-339-8349.

Coding

Reminder: Student Activity Fund Revenues

Is your district only using one or two source codes for the Student Activity Fund? If so, you might want to take a closer look at the revenue side of this fund for appropriate coding. Below are some 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
- 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)

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@iowa.gov or 515-205-0259.

Iowa Chart of Account Coding Updates

The Iowa Chart of Account Coding is regularly updated to reflect changes necessary to meet fiscal reporting needs. The most recent updates are provided below. Updates are posted each month to this document which can be found on the Department's [Uniform Financial Accounting webpage](#).

May 2023

<i>Account Code</i>	<i>Description</i>
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Uniform Financial Accounting (UFA) Journal Entries

The UFA Journal Entries spreadsheet on the [Uniform Financial Accounting](#) page has been modified to include journal entry examples for intrafund and interfund transfers, Debt Service pre-levy, and GASB 87 Lessor.

Financial

Teacher Salary Supplement Funds: Recent Questions

Question: Is a nurse or social worker eligible for teacher salary supplement (TSS) funds?

Answer: The appropriate use of TSS funds is limited to additional salary for teachers. [Iowa Code Section 284.2](#) defines “teacher” as an individual who holds a practitioner’s license issued under chapter 272, or a statement of professional recognition issued under chapter 272, who is employed in a non-administrative position. Therefore, a nurse or social worker with a statement of professional recognition issued by the Iowa Board of Educational Examiners (BOEE) is eligible for TSS.

Question: Can I use TSS funds to pay the cost of a teacher’s retention payment?

Answer: TSS funds may be used to provide additional salary to eligible teachers ([Iowa Code § 284.3A](#)). Deference is given to districts when determining the appropriate use of locally awarded TSS funds pursuant to [Iowa Administrative Code rule 281–98.24\(3\)](#). Whether the district uses TSS dollars to fund negotiated salaries or pay additional payments (e.g., retention payment) is a local board determination.

Additional payments (e.g., retention payment), regardless of the funding source identified, should only be made according to a board-approved plan (e.g., retention program). Action related to payments above the negotiated and contracted rate should also establish a public purpose for the cost.

Question: June 30 is approaching and I need to spend down my TSS balance to below the 5% carryforward maximum. What are my options?

Answer: [Iowa Administrative Code r. 281-98.24](#) identifies the appropriate uses of TSS funds. Below are examples of how TSS funds may be used.

1. Additional salary to eligible teachers
 - Shall comply with the requirements of [Iowa Code section 284](#)
 - Distribution shall be pursuant to Iowa Code section 284
2. Additional payments (e.g., retention payment)
 - Made in accordance with board-approved plan
 - Public purpose established for costs above contracted rates
3. Code additional salary costs to TSS

If you have questions about the appropriate uses of TSS funds, please contact Song Luong at song.luong1@iowa.gov or 515-205-0259.

Indirect Cost Rates

The FY24 [indirect cost rates](#) for federal programs are available.

If you have further questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674.

Whole Grade Sharing Supplementary Weighting

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

Year 1

Districts in a whole grade sharing arrangement with a desire to work toward reorganization that have not passed a resolution to study reorganization must do so by October 1, 2023 in order to qualify for Year 1 whole-grade sharing supplementary weighting.

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

1. The resolution must be a separate action noted in the school board meeting minutes of each board. The resolution may also be included in the whole grade sharing agreement, but passing the whole grade sharing agreement alone will not qualify a district for the supplementary weighting.
2. The resolution must include these three phrases:
 - the board adopts this resolution jointly with the _____ Community School District
 - to study the question of undergoing a reorganization (or dissolution, if applicable)
 - to occur on or before July 1, 2024 [an earlier date is acceptable]

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

Year 2 and 3

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

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

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

If you have further questions, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Joint Employment Whole Grade Sharing

Districts in a whole grade sharing arrangement seeking to apply for joint employment must submit the School Information Update application by July 3, 2023 which shall include whole grade sharing details and the confirmation supplementary weighting is being requested. According to 281 IAC 97.2(4), the minimum requirements for joint employment are provided below.

- Joint teacher evaluation process and instruments
- Joint teacher professional development plan
- Single salary schedule

Examples of additional evidence that the partner districts, while not yet reorganized, are functioning as one may include the items below.

- Same student information system
- Same financial software
- Identical calendars
- One website for both districts

If you have further questions, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

Teacher Leadership and Compensation and Open Enrollment FY24

All districts receive Teacher Leadership and Compensation (TLC) through state aid. The TLC per pupil state aid amount for FY24 is \$368.53. In FY24, the open enrollment TLC billing rate, which is based on the prior year's amount, is \$357.80.

If you have questions about the TLC program, please contact Lora Rasey at lora.rasey@iowa.gov or 515-725-0648.

If you have account coding questions, please contact Song Luong at song.luong1@iowa.gov or 515-205-0259.

Supplemental Aid for FY22 Special Education Deficit

In accordance with [Iowa Code section 257.31\(14\)](#), the SBRC certified the FY22 special education balances of all school districts to the Department of Management (DOM) following the December 13, 2022 SBRC hearing.

For any school district with a positive special education certified balance:

- DOM will subtract the amount of the positive balance exceeding 10 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 FY23 budget year. See the LEA Monthly Payment Summaries starting in March on the [State Payment Information FY23](#) page.

- DOM will determine the amount of the positive balance exceeding 10 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 FY22 special education deficit payments to school districts that were granted the modified supplemental amounts requested during the SBRC December 13, 2022 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.

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

For coding questions, please contact Kathy Bowers at kathy.bowers@iowa.gov or 515-210-9674, Jina Brincks at jina.brincks@iowa.gov or 515-313-5942, or Song Luong at song.luong1@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. When computing the supplementary weighting, use the student's resident district cost per pupil of the year in which the course was taken. Directions for generating and verifying the bills are posted on the [Supplementary Weighting - Certified Enrollment](#) page of the Department website (281 IAC 17.10(8)).

Whole Grade Sharing and Concurrent Enrollment Supplementary Weighting

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

Shared Teacher and Supplementary Weighting

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

Other Billing Situations

1. Whole grade sharing billing for the second semester is based on the count of resident students from the sending district on the second Friday in January (Iowa Code 282.12(4)). In the 2022-2023 school year, second semester count for whole grade sharing occurred on January 13, 2023.
2. If a sharing district elects not to enter into a whole grade sharing agreement when sharing “all or a substantial portion of the students in any grade” with another school district for “all or a substantial portion of a school day, then no students in that grade level are eligible for supplementary weighting except as authorized by 281 IAC 97.5 pursuant to the supplementary weighting plan for whole-grade sharing (281 IAC 97.2(8)).” An exception to the “no students are eligible for supplementary weighting” is concurrent enrollment supplementary weighting. High school students attending another district, either through a whole grade sharing agreement or a tuition agreement because of the discontinuation of grades, are eligible for generating supplementary weighting when enrolled in eligible concurrent enrollment courses.
3. There is no billing of costs incurred for students taking high school, concurrent enrollment, or postsecondary enrollment options (PSEO) courses who are enrolled in the public district as: Competent private instruction (CPI) dual enrolled (Iowa Code 257.6(3) and (7)) Open enrolled CPI dual enrolled (Iowa Code 257.6(3) and (7)) Independent private instruction (IPI) for concurrent enrollment only (Iowa Code 261E.8(2)) Nonpublic shared time (Iowa Code 257.6(3) and (7)) Junior/Senior rule (Iowa Code 257.6(4)).

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

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

If you have questions regarding reorganizations, please contact Scott Dryer at scott.dryer@iowa.gov or 515-402-8700.

If you have questions regarding data in the SRI application, please contact Rachel Kruse at rachel.kruse@iowa.gov or 515-281-4153.

Applications

School Information Update

Thank you for the timely completion of the [School Information Update](#) review for the 2023-2024 school year. If your district experiences a superintendent or principal change over the summer, please remember to log into the portal and update the administrator information as soon as a replacement has been named. Superintendents and principals are listed in the [Iowa Educational Directory](#). This document is printed once a year. Being able to provide the most accurate information at the time of printing depends on each district keeping the School Information Update application updated as changes in administrators occur. If you have any questions, please contact Margaret Hanson at margaret.hanson@iowa.gov or 515-281-3214.

School Board Officers

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

[Portal](#) to reflect this change. This helps ensure the Department has the opportunity to communicate directly with key district stakeholders.

If you have any questions, please contact Holli Marolf at holli.marolf@iowa.gov or 515-281-5812.

General Information

Educational Savings Accounts

All current information regarding the Students First Education Savings Account (ESA) program can be found [here](#).

Medicaid

District and AEA Providers Must Revalidate District Information by July 31

Iowa Medicaid is requiring providers including districts and AEAs to revalidate their enrollment. Revalidation or reenrollment, last done in 2017, was delayed during the public health emergency. Details are provided in Informational Letter No. 24262-MC-FFS named “Covid-19 Phe Unwind – Provider Enrollment Renewal Flexibilities” located on the Iowa Department of Health and Human Services (Iowa HHS) [website](#). Please follow the steps below to complete the provider reenrollment process.

- Step One: Print and complete the [Designated Contact Person \(DCP\) \(form 470-5112\)](#), located on the Iowa Medicaid forms [webpage](#). Instructions are on the second page of the DCP form.
- Step Two: Submit the DCP form either by postal mail to Iowa Medicaid Provider Enrollment, PO Box 36450, Des Moines, IA 50315, or by email to IMEProviderEnrollment@dhs.state.ia.us.
 - Upon receipt of the DCP form, provider enrollment staff at Iowa Medicaid will assign the organization a unique personal identification number (PIN) associated with the organization’s tax identification (ID).
 - The designated contact person will receive an email containing the PIN.
- Step Three: Complete the Provider Reenrollment application.
 - The Provider Reenrollment application is available in the [Iowa Medicaid Portal Access](#) (IMPA).
 - The PIN, the provider’s tax ID, and national provider identifier (NPI) are used as the combination key to open the online application for enrollment renewal.
 - Directions for completing the application are provided in the IMPA at the link for “Provider Reenrollment and OCD User Guide.”
 - OCD refers to the Organizational Control and Disclosure Application. Each person logging into an application within IMPA must have their own IMPA account. New users will follow the User Registration Guide on the main page.
- All providers must have their revalidation submitted in IMPA by July 31, 2023. The provider enrollment team will process renewal documents and renewals submitted through IMPA as they are received.

If you no longer wish to be an Iowa Medicaid provider or have questions regarding the enrollment renewal process, please contact the enrollment department at IMEProviderEnrollment@dhs.state.ia.us or 1-800-338-7909, or Jim Donoghue at jim.donoghue@iowa.gov, 515-281-8505, or 515-326-1032.

Quarterly Medicaid Exclusion/Suspension Verification Report Due July 31

Iowa Medicaid school-based providers are required to check two sources each month to capture employee exclusions and reinstatements: the federal list provided on the [U.S. Department of Health & Human Services Office of Inspector General \(HHS-OIG\) website](#) and the state's list, which is found on the [Iowa Medicaid Program Integrity website](#).

These monthly searches will confirm individuals whose services are billed to Medicaid are not excluded. Please monitor to see if any exclusions and reinstatements have occurred since the last search. It is required that these checks are documented. A provider must report to the Iowa Medicaid Enterprise (IME) any exclusion information discovered through such searches. It is important that billing does not occur for services provided by an excluded or suspended individual.

At the end of each quarter, please send the completed three months excel spreadsheet to the Department's Medicaid consultant, Jim Donoghue.

For questions or assistance with checking the exclusions database or suspension list, please contact Jim Donoghue at jim.donoghue@iowa.gov, 515-281-8505, or 515-326-1032.

Transportation

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 IVE 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](#) website. 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 HHS case manager responsible for placement
- School District name
- School of Origin (SOO) name
- Receiving School District Name (aka District of Foster Care Placement)
- Distance in miles between the SOO and the foster care placement
- Number of days the student was transported
- Date HHS was notified of the transportation plan
- Date transportation began
- Date transportation ended (if applicable)
- 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
- Number of trips taken by staff to transport the student
 - 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 elisa.koler@iowa.gov using the [Secure Email system](#). 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 17th in order to be paid from the previous fiscal year's budget.

If you have questions or need assistance in supporting students in foster care, please contact Elisa Koler at elisa.koler@iowa.gov or 515-669-4052.