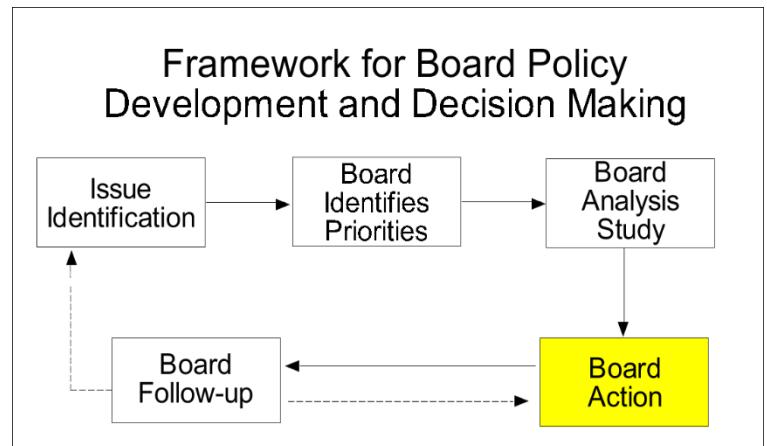


Iowa State Board of Education

Executive Summary

December 4, 2023



Agenda Item: Rules: 281 IAC Chapter 99 – “Business Procedures and Deadlines” (Adopt)

State Board Priority: Ensuring Equity in Education

State Board Role/Authority: This rule making is proposed under the authority provided in Iowa Code section 256.7.

Presenter(s): Thomas A. Mayes, General Counsel

Attachment(s): One

Recommendation: It is recommended that the State Board adopt this new Chapter 99.

Background: As part of the Department of Education’s review of rules under Executive Order 10, the Department proposes replacing restrictive words as unnecessary in this chapter’s context. The Department also proposes adding dates certain to external sources that are incorporated by reference (e.g., generally accepted accounting principles (GAAP)). The Department received one written public comment. The commenter questioned whether the phrase “affecting very few school districts or AEAs” is statutorily required in the definition of “unusual” in rule 99.1. The Department removes this clause because it adds no value to the definition of “unusual,” and removes a similar clause from the definition of “usual.” The commenter also questioned why the clause “as defined by GASB” was removed from the first sentence of rule 99.4, which requires GAAP basis of budgeting. As the commenter correctly surmised, this language was removed as unnecessary because GASB defines this method of budgeting. No change is made.

EDUCATION DEPARTMENT[281]

Adopted and Filed

The State Board of Education hereby rescinds Chapter 99, “Business Procedures and Deadlines,” Iowa Administrative Code, and adopts a new chapter with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 256.7 and chapters 24, 257, 285, and 291.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 24, 257, 285, and 291.

Purpose and Summary

As part of the Department of Education’s review of rules under Executive Order 10, the Department proposes replacing restrictive words as unnecessary in this chapter’s context. The Department also proposes adding dates certain to external sources that are incorporated by reference (e.g., generally accepted accounting principles (GAAP)).

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on October 4, 2023, as **ARC 7099C**.

Two public hearings were held on October 24, 2023: at 10:30 a.m., in the State Board Room, Grimes State Office Building, Des Moines, and at 5:30 p.m. in the Jim Hester Board Room, Davenport Schools Achievement Service Center, Davenport.

No one attended the hearings.

The Department received one written public comment. The commenter questioned whether the phrase “affecting very few school districts or AEAs” is statutorily required in the definition of “unusual” in rule 99.1. The Department removes this clause because it adds no value to the definition of “unusual,” and removes a similar clause from the definition of “usual.”

The commenter also questioned why the clause “as defined by GASB” was removed from the first sentence of rule 99.4, which requires GAAP basis of budgeting. As the commenter correctly surmised, this language was removed as unnecessary because GASB defines this method of budgeting. No change is made.

Adoption of Rulemaking

This rulemaking was adopted by the State Board of Education on December 4, 2023.

Fiscal Impact

{as applicable, fiscal impact statement pursuant to Iowa Code section 17A.4(4)}

This rulemaking has no fiscal impact to the state of Iowa. {explanation, as applicable}

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the State Board for a waiver of the discretionary provisions, if any, pursuant to 281—Chapter 4.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special

meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on January 31, 2024.

The following rulemaking action is adopted:

ITEM 1. Rescind 281—Chapter 99 and adopt the following **new** chapter in lieu thereof:

CHAPTER 99

BUSINESS PROCEDURES AND DEADLINES

281—99.1(257) Definitions.

“*Area education agency*” or “*AEA*” means a school corporation organized under Iowa Code chapter 273.

“*Basis of accounting*” means the accrual/modified accrual accounting basis under generally accepted accounting principles (GAAP) as defined by the governmental accounting standards board (GASB) as of October 4, 2023.

“*Basis of budgeting*” means the accrual/modified accrual budgeting basis under GAAP as defined by the GASB as of October 4, 2023.

“*SBRC*” means the school budget review committee appointed pursuant to Iowa Code section 257.30.

“*School district*” means a school corporation organized under Iowa Code chapter 274.

“*Unique*” means highly unusual, extraordinary; unparalleled.

“*Unusual*” means not usual or common; rare; constituting or occurring as an exception; not ordinary or average.

“*Usual*” means that which past experience has shown to be normal or common or is anticipated

to become normal or common, hence an expected or predictable event.

281—99.2(256,257,285,291) Submission deadlines. It is the responsibility of the administrative officials and board members to submit information and materials as requested by the department of education, department of management, any other state agency, or any federal agency. Reports shall be filed electronically if an electronic format is available.

99.2(1) All school districts will submit program plans, reports, or data collections in the manner, by the procedures, and on the dates set by statute or by the department of education. Plans, reports, and data collections will include the following:

- Vehicle Information System September 1
- Annual Transportation Report September 15
- Certified Annual Report (CAR-COA) September 15
- Special Education Supplement September 15
- Facilities, Elections & Save Report September 30
- Certified Enrollment Report/PEACE October 15
- Certified Supplementary Weighting Report October 15
- School Board Officers Report November 1
- Annual Audit Report March 31
- Certified Budget April 15

99.2(2) All AEAs will submit program plans, reports, or data collections in the manner, by the procedures, and on the dates set by statute or by the department of education. Plans, reports, and data collections will include the following:

- Certified Annual Report (CAR-COA) September 15

- Facilities Report September 30
- Certified Supplementary Weighting Report October 15
- School Board Officers Report November 1
- Proposed Budget March 15
- Annual Audit Report March 31

99.2(3) If any plan, report, or data collection has not been received by the due date of the form or by the due date of a valid extension granted by the department of education, the following procedure will apply:

a. The superintendent of the school district or the administrator of the area education agency, and the president of the applicable board, will be notified of the unfiled report and the number of days it is past due.

b. The state board of education, the SBRC, or the Iowa board of educational examiners may be notified of the school districts or AEAs that were not timely in filing one or more reports.

c. The SBRC may implement the procedures described in 289—subrule 6.3(5).

281—99.3(257) Good cause for late submission.

99.3(1) The department of education may, upon request, allow a school district or AEA to submit reports, data collections, or program plans after the due dates listed in rule 281—99.2(256,257,285,291) for good cause.

a. Good cause includes illness or death of a school district or AEA staff member involved in developing the program plan or submitting the report or data collection; acts of God; technological problems at the department lasting at least seven days within the final two weeks prior to the deadline that prevent access necessary for the plan, report, or data collection submission; or unforeseeable unusual or unique circumstances, which, in the opinion of the director of the

department, constitute sufficient cause for allowing submission of program plans, reports, or data collections after the published due date.

b. Good cause does not include consequences of local time management or administrative decisions or when districts and AEAs have timed out or have encountered system overloads within the final three days before the due date.

99.3(2) A school district or AEA requesting permission to submit a program plan, report, or data collection after the published due date will notify the department staff member responsible for receiving the plan, report, or data collection as soon as possible upon determining that the district or AEA will not be able to meet the deadline, but no sooner than two weeks prior to the due date and no later than two days prior to the due date. When an extension of the submission deadline is allowed, the department will establish a date by which the school district or AEA will submit the plan, report, or data collection. Permission to submit a program plan, report, or data collection after the published due date expires upon receipt of the submission by the department and does not carry over into subsequent application or reporting cycles.

281—99.4(24,256,257,291) Budgets, accounting, and reporting. The school district or AEA will budget on the GAAP basis of budgeting. School districts and AEAs will use the chart of accounts defined in the Uniform Financial Accounting Manual for Iowa LEAs and AEAs (UFA manual). The school district or AEA will maintain its financial records and prepare financial reports, including the Certified Annual Report, in the manner and by the procedures set by the departments of education and management in the UFA manual and GAAP. School districts and AEAs will use the chart of accounts defined in the UFA manual. The UFA manual is based on the Financial Accounting for Local and State School Systems published by the United States Department of Education, as of October 4, 2023. If GAAP permits a choice of reporting methods for transactions,

or if GAAP conflicts with the UFA manual, the department of education staff will determine a uniform method of reporting to be used by all school districts and AEAs.

These rules are intended to implement Iowa Code chapters 24, 256, 257, 285 and 291.