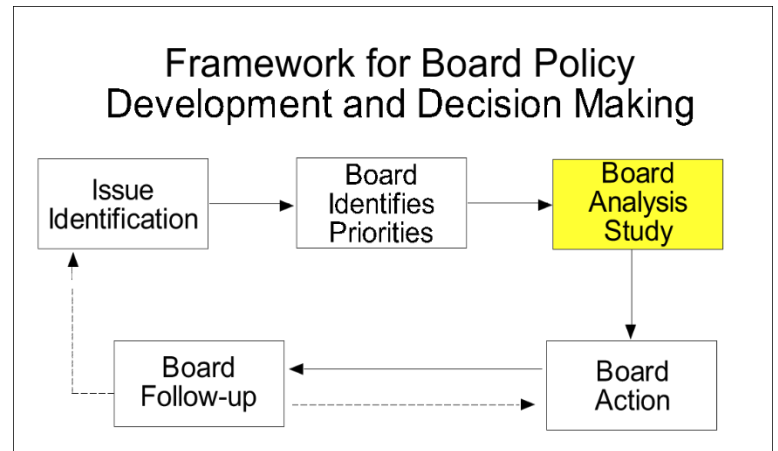


# Iowa State Board of Education

## Executive Summary

November 16, 2022



**Agenda Item:**

School Budget Review Committee Update

**State Board Priority:**

All

**State Board Role/Authority:**

The State Board acts in an advocacy role to promote effective and educational opportunities for all students in Iowa.

**Presenter(s):**

Kassandra Cline, Bureau Chief, SBRC Liaison  
Bureau of School Business Operations

**Attachment(s):**

October 11, 2022 SBRC Summary of Action

**Recommendation:**

It is recommended the State Board hear and discuss this information.

**Background:**

The School Budget Review Committee met for regularly scheduled hearing and its annual work session on October 11, 2022. This update will provide highlights from the hearing.

**SCHOOL BUDGET REVIEW COMMITTEE**  
**Summary of Action**  
**October 11, 2022**

The School Budget Review Committee met to hold hearings beginning at 10:00 a.m. on Tuesday, October 11, 2022, at the Department of Education, State Board Room, Second Floor, Grimes State Office Building, 400 E. 14<sup>th</sup> St., Des Moines, Iowa 50319-0146. Members of the Committee consist of the following: Department of Education Director Ann Lebo, Department of Management Director Kraig Paulsen, and public members: Leland Tack, Susan Battani, Keith England, and Patti Schroeder. The director of the Department of Education is a non-voting member and the chair.

All decisions by the Committee were made in accordance with reasonable and uniform policies which shall be consistent with chapter 257. All such policies of general application shall be stated in rules adopted in accordance with chapter 17A. The Committee shall take into account the intent of chapter 257 to equalize educational opportunity, to provide a good education for all the children of Iowa, to provide property tax relief, to decrease the percentage of school costs paid from property taxes, and to provide reasonable control of school costs. The Committee shall also take into account the amount of funds available (257.31(10)). The SBRC shall review a school district's unexpended fund balance prior to any decision regarding unusual finance circumstances. The SBRC shall review a school district's unspent balance prior to any decision to increase modified supplemental amount under subsection 257.31(5).

1. Committee informational item:

A. Cash Reserve Levy. The Committee reviewed the final listing of districts levying for the cash reserve authorized in Iowa Code section 298.10. This was an update to the cash reserve levy limit list discussed during the March 2022 hearing. Of 327 districts, 180 were unable to levy for cash reserve. Of the 139 districts levying for cash reserve, 62 did so at the maximum allowed level. Four districts had the ability to levy but did not levy. Total FY23 cash reserve levy amount is \$191,705,908, down 6% from 2022 cash reserve levy amount.

2. Late Filers of CAR, SES, or Transportation Reports

The Committee directed the districts and AEAs to file all future CAR, SES, and ATR in the manner and by the date prescribed by the Department of Education, including extensions granted for unusual circumstances that meet the definition of good cause. The date prescribed is September 15 following the close of the fiscal year.

The Committee also required each district or AEA that did not certify its COA, SES, or ATR by September 15, or by the extended due date if applicable, to appear before the committee at its regular session in December following the close of the fiscal year to present the procedures that the district or AEA will implement to prevent late filing of the Certified Annual Report (CAR), special education supplement (SES), and annual transportation report (ATR) in all future years.

This action applied to the district(s) below.

- Hamburg
- Sidney\*
- Waco

\*Indicates repeat late filer

3. Negative award for Unspent MSA. The Committee approved a negative modified supplemental amount for fiscal year 2022-2023 equal to the unused amount of MSA awarded in the prior year based on an anticipated amount for one district totaling \$6,558.
4. Reorganization Progress Reports. The Committee accepted the reports of progress toward reorganization submitted by the whole grade sharing districts listed in the exhibit for recommended approval and to allow those districts to request supplementary weighting for whole grade sharing on their October 1, 2022 certified supplementary weighting enrollment for eligible resident students.
5. Osage Community School District. The Committee approved modified supplemental amount for fiscal year 2022-2023 in the amount of \$49,950 for environmental hazard abatement.
6. Saydel Community School District. The Committee approved modified supplemental amount for fiscal year 2022-2023 in the amount of \$149,791 for environmental hazard abatement.
7. Williamsburg Community School District. The Committee approved modified supplemental amount for fiscal year 2022-2023 in the amount of \$13,389 for environmental hazard abatement.
8. Certificate of Need. The Committee tabled the recommendation of the task force regarding a certificate of need request from Charter Oak-Ute Community School District to use its annual SAVE allocations to pay off a new construction bank loan in the amount of \$2,579,850 and directed the district to appear at the December SBRC hearing to provide additional details of the request.
9. Certificate of Need. The Committee approved the recommendation of the task force regarding a certificate of need request from Hamburg Community School District to use its annual SAVE allocations to pay off general obligation bonds of \$3,100,000.