

SCHOOL BUDGET REVIEW COMMITTEE
Summary of Action
March 26, 2024

The School Budget Review Committee met to hold hearings beginning at 9:00 a.m. on Tuesday, March 26, 2024 at the Department of Education, State Board Room, Second Floor, Grimes State Office Building, 400 E. 14th St., Des Moines, Iowa 50319-0146. Members of the Committee consist of the following: Department of Education Director McKenzie Snow, Department of Management Director Kraig Paulsen, and public members: Leland Tack, Susan Battani, Patti Schroeder, and Craig Hansel. Public member Patti Schroeder was absent. 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 Items

A. FY25 Preliminary Cash Reserve Levy limits were presented.

Districts	FY24 Final	FY25 Preliminary
Able to Levy for Cash Reserve	143	151
Not Able to Levy for Cash Reserve	182	174
Total Districts	325	325

B. TAG Districts and Budgets

As required by Iowa Code 257.45, the list of budget amounts for FY25 gifted and talented children program for each school district were provided to the SBRC. The amount provided in the DCPD is \$71 with an estimated required local match of \$24 from the regular program district cost per budget enrollment. Amounts for FY25 were calculated based on a zero percent increase of state supplemental aid since state supplemental aid for FY25 has not been set by the state legislature.

C. UAB Per Pupil Update

Per pupil amounts included in the UAB Report published January 11, 2024 by the Department of Management were reported. A decile of 1 reflects the highest UAB per pupil values and a decile rank of 10 represents the lowest UAB per pupil values. The ranges of UAB per pupil in each decile were presented as provided below.

Decile	UAB Per Pupil Range – High End	UAB Per Pupil Range – Low End	District Overall State Rank – High End	District Overall State Rank – Low End	Districts in Decile
1	\$28,156	\$9,331	1	32	32
2	\$9,229	\$7,677	33	64	33
3	\$7,653	\$6,520	66	97	32
4	\$6,517	\$5,532	98	129	33
5	\$5,516	\$4,797	131	162	33
6	\$4,787	\$4,079	164	195	32
7	\$4,050	\$3,466	196	227	33
8	\$3,463	\$2,832	229	260	32
9	\$2,825	\$2,275	261	292	33
10	\$2,251	-\$1,144	294	325	32

Regular program per pupil amounts are provided below.

Decile	UAB Per Pupil (Less Categ.) Range – High End	UAB Per Pupil (Less Categ.) Range – Low End	District Overall State Rank – High End	District Overall State Rank – Low End	Districts in Decile
1	\$27,720	\$7,420	1	32	32
2	\$9,044	\$6,821	33	64	33
3	\$7,474	\$5,254	66	97	32
4	\$6,358	\$4,612	98	129	33
5	\$5,365	\$3,297	131	162	33
6	\$4,724	\$3,059	164	195	32
7	\$3,920	\$2,541	196	227	33
8	\$3,265	\$948	229	260	32
9	\$2,684	\$336	261	292	33
10	\$1,942	-\$1,411	294	325	32

The unweighted average variance between the UAB per pupil and the UAB per pupil less categorical balances were presented as provided below.

Year	UAB Per Pupil Average	UAB Per Pupil Less Categoricals Average	Variance Average
2018-2019	\$3,525	\$2,994	\$531
2019-2020	\$4,260	\$3,707	\$553
2020-2021	\$4,849	\$4,286	\$563
2021-2022	\$5,317	\$4,760	\$557
2022-2023	\$3,971	\$3,600	\$371

The decile rankings for each district were included in the department analysis for each district making a request to the SBRC outside of class action requests which includes an amount for either modified supplemental amount, use of the unexpended General Fund, or an interfund transfer.

- D. Letter to School Finance Formula Review Committee. This item was tabled until the October hearing.

- E. Iowa Administrative Code 289 Review. The Committee reviewed prospective changes to its rules pursuant to Executive Order 10.
2. Special Education Administrative Costs. The Committee granted permission to use special education program funds for administrative costs of special education programs for fiscal year 2024-2025 to the districts approved by the Department of Education.
3. Returning Drop Out/ Drop Out Prevention. The Committee approved modified supplemental amount of \$149,546,473 for fiscal year 2024-2025 for on-time filing districts that have approved applications for At-Risk, Returning Dropout and Dropout Prevention programs.
4. Transportation Assistance. The Committee directed the Department to distribute the \$11,835 transportation assistance aid to the eligible districts on an equitable basis.
5. Hamburg Community School District. Approved the recommendation of the task force regarding the certificate of need request and made a recommendation to the Department to approve the request to use SAVE allocations and balance to pay off bank loans totaling \$1,000,000 for new construction.
6. Grinnell-Newburg Community School District. Approved modified supplemental amount for fiscal year 2023-2024 in the amount of \$74,420 for environmental hazard abatement.
7. Des Moines Independent School District. Approved modified supplemental amount for fiscal year 2023-2024 in the amount of \$293,713.80 for environmental hazard abatement.
8. South Central Calhoun Community School District. Approved modified supplemental amount for fiscal year 2023-2024 in the amount of \$43,161.90 for environmental hazard abatement.
9. Iowa City Community School District. Approved modified supplemental amount for fiscal year 2023-2024 in the amount of \$113,826.65 for environmental hazard abatement.

The Committee also approved modified supplemental amount of \$2,031,025 due to a negative unspent balance. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.