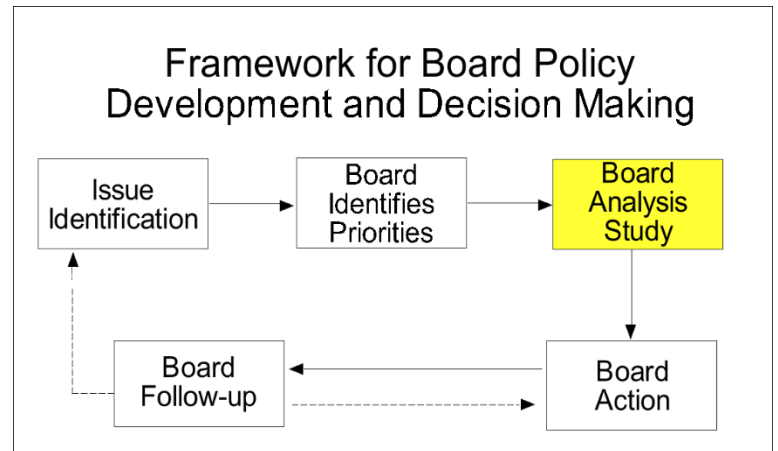


Iowa State Board of Education

Executive Summary

August 5, 2021



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, Consultant, SBRC Liaison
Bureau of School Business Operations

Attachment(s): June 17, 2021 Summary of Action

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

Background: The School Budget Review Committee met for a special hearing on June 17, 2021. This update will provide highlights from the hearing.

SCHOOL BUDGET REVIEW COMMITTEE
Summary of Action
June 17, 2021

The School Budget Review Committee (SBRC) met to hold hearings beginning at 10:00 a.m. on Thursday, June 17, 2021, 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 consisted of the following: Director Ann Lebo, Department of Education, Director Michael Bousset, Department of Management, and public members: Lee Tack, Keith England, and Mary Jo Hainstock. One public member position was vacant. 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. Notice of Intended Action. Noticed amendments for 289 Chapter 8, "Waivers or Variances from Administrative Rule," Iowa Administrative Code.
2. Sibley-Ocheyedan Community School District. Denied modified supplemental amount for the 2020-2021 school year of \$317,267.45 for back wages and directed the district to conduct further research locally to fully consider the justness of the perceived liability before using public funds to pay for this purpose.
3. Council Bluffs Community School District. The motion failed to approve modified supplemental amount for fiscal year 2020-2021 in the amount of \$23,121.61 due to an unusual and unanticipated increase in the cost of natural gas due to winter storm Uri. No motion to deny was offered.
4. Iowa City Community School District. The motion failed to approve modified supplemental amount for fiscal year 2020-2021 in the amount of \$170,000 due to an unusual and unanticipated increase in the cost of natural gas due to winter storm Uri. No motion to deny was offered.
5. Waterloo Community School District. Approved \$63,106.36 and denied \$164,073.09 of modified supplemental amount for the 2020-2021 school year for new program start-up costs.
6. Eagle Grove Community School District. Approved modified supplemental amount for fiscal year 2020-2021 in the amount of \$1,959.37 for environmental hazard abatement.
7. Davenport Community School District. Approved \$955,892, denied \$594,581, and tabled \$170 of modified supplemental amount for fiscal year 2020-2021 for environmental

hazard abatement, and granted negative modified supplemental amount for \$836,081 due to a prior award of MSA related to negative unspent balances occurring in FY16-FY19 that would have been reduced by this amount had the request for modified supplemental amount related to hazard abatement been made the year in which the costs were incurred.

8. Committee Informational Items. The Committee received updates on recent legislative action (HF602 and HF 868) as well as an update from the Department regarding the intervention by the Iowa State Board of Education within the Davenport Community School District.