



MINUTES

School Finance Formula Review Committee

Friday, December 13, 2019

MEMBERS PRESENT

Senator Amy Sinclair, Co-chairperson
Senator Tim Kraayenbrink
Senator Herman C. Quirnbach
Senator Jackie Smith
Senator Annette Sweeney

Representative David Kerr, Co-chairperson
Representative Cecil Dolecheck
Representative Heather Matson
Representative Tom Moore
Representative Cindy Winckler

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School Finance Formula Review Committee

I. Procedural Business

Call to Order. The School Finance Formula Review Committee was called to order by temporary Co-chairperson Sinclair at 9:04 a.m. on Friday, December 13, 2019, in Room 103, Supreme Court Chamber, at the State Capitol Building.

Election of Permanent Co-chairpersons. Members of the committee unanimously elected by voice vote temporary Co-chairpersons Senator Sinclair and Representative Kerr as permanent co-chairpersons.

Adoption of Rules. Members of the committee unanimously adopted the proposed rules by voice vote.

Opening Remarks. Co-chairperson Sinclair welcomed everyone in attendance. She noted that the transportation cost and district cost per pupil (DCPP) versus state cost per pupil (SCPP) inequities in the formula which were discussed by this committee five years ago became her focus when she became Chairperson of the Senate Education Committee three years ago. The General Assembly has made progress toward addressing those inequities and has a plan for moving forward to eliminate those inequities from the formula. She observed that the purpose for the meeting will be to review the progress on eliminating inequities, increases in flexibility, and changes to concurrent enrollment, as well as to review issues, such as at-risk funding, suggested by members of the minority. She invited people to submit written comments. Representative Matson, speaking on behalf of the minority-party members, noted that education stakeholders, parents, and teachers have identified the following as top priorities: providing adequate supplemental state aid, increasing the weighting for English language learners and special education, and addressing the cost of poverty and mental health.

Adjournment. Upon conclusion of the presentations and discussion and recommendations by the committee, the meeting was adjourned at 1:57 p.m.

II. School Finance Formula Overview

Mr. John Parker, Department of Management (DOM), and Mr. Michael Guanci, Fiscal Services Division, Legislative Services Agency, provided an overview of the basic operation of Iowa's current school finance formula for the state's 487,652 students enrolled in 327 school districts, served by nine area education agencies (AEAs). Mr. Guanci identified the various sources of school funding including state aid, property taxes, income surtaxes, sales tax revenue from the Secure an Advanced Vision for Education (SAVE) fund, federal funding, and other school district miscellaneous income. Mr. Guanci also identified the primary structural changes to the school finance formula that have occurred since the early 1970s. Mr. Guanci described the intent of the school finance formula as outlined in Iowa Code section 257.31 and the methods by which Iowa Code chapter 257 seeks to accomplish those goals.

Data presented to the committee included the annual state percent of growth between FY 2001 and FY 2020 and the resulting growth in the state cost per pupil and the current differential amounts for district cost per pupil among school districts in the state. Mr. Guanci described how certified enrollment, additional weightings, and weighted enrollment all factor into the calculation of a school district's regular program district cost and identified several other sources of additional school district funding through the various categorical funding supplements, funding for AEAs, and funding for the statewide voluntary preschool program. Mr. Guanci also described how the school finance formula acts not only as a method of calculating the amount of funding for each district but as a method of limiting each school district's spending authority.

Mr. Guanci then demonstrated the way in which the uniform levy, state foundation aid, and the additional levy interrelate within the school finance formula and how individual school district circumstances, such



as property valuations, can impact the operation of the formula and result in different property tax levy rates. Mr. Guanci also described how the mix of funding sources for certain programs, such as special education, preschool, categorical supplements, and AEAs, differs as compared to the regular program funding. Additionally, Mr. Guanci identified the state funding sources that reduce certain school districts' additional levy rates as well as the discretionary property tax levies that may be imposed by school districts, such as the cash reserve levy, management fund levy, public education and recreation levy, the physical plant and equipment levy, and the debt service levy.

The committee was provided information regarding the structure and use of the Instructional Support Program, which allows a school district to increase its budget by up to 10 percent or its regular program cost for any general fund purpose through a combination of property taxes, income surtax, and state aid. However, the state aid portion has been unfunded since FY 2012.

Discussion. In response to questions from committee members, Mr. Guanci agreed that the \$104.5 million used to provide property tax relief aid in FY 2020 is a mixture of state sales tax and income tax revenue, and is effectively the same as raising the foundation level from 87.5 percent to 89.1 percent, without changing the language of the Iowa Code or providing any additional dollars for classrooms. The state has been providing property tax relief in this manner since 2014. In response to a request from Senator Quimbach, Mr. Guanci noted that he would review data to determine whether the state percent of growth has kept up with inflation since 2011. Committee members also discussed the methodology and impacts of across-the-board funding cuts and receipt of federal funding during the economic downturn. Co-chairperson Sinclair requested that Mr. Guanci also forward to committee members the amount of income surtax related to school district instructional support funding.

III. Transportation Equity and District Cost per Pupil Equity

Mr. Tom Cooley, Department of Education (DE), and Mr. Parker, DOM, provided an update on the implementation of the Transportation Equity Program under Iowa Code section 257.16C, enacted in 2018. Funding under the program is prioritized for those districts with the highest transportation cost per pupil differential, as calculated by DE, using each district's actual transportation costs. The transportation cost data is largely sourced from the Transportation Annual Report, which is compiled by DE and includes specific revenues and expenditures, route and nonroute mile calculations, the number of students transported, number of weeks transported, and vehicle purchase data. Mr. Cooley identified DE's challenges in utilizing and modifying the existing transportation data sets in order to implement the program.

Mr. Cooley's presentation included data from the initial two years of the program, including the statewide average transportation cost per pupil, the number of districts above the statewide average, the number of districts receiving payments, the percentage of districts over the statewide average that received payments, the maximum payment received, the minimum payment received, and the remaining amount of transportation costs per pupil following application of the payments. The committee was also provided data on the various funds from which transportation expenditures are made by school districts.

Mr. Parker updated the committee on the progress made over the last two fiscal years in narrowing the difference among school districts between those with the highest district cost per pupil and those with a district cost per pupil that is equal to the state cost per pupil. The current maximum difference per pupil is \$165, down from \$175 per pupil when the statutory adjustments started after FY 2018. Mr. Parker provided cost projections for further implementation of state cost per pupil increase.

Discussion. Members of the committee discussed whether supplementary weighting or other incentives should be provided for school districts to reward those school districts that have made



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responsible decisions to maximize transportation funding, and whether the current system rewards districts that act less responsibly. Mr. Cooley noted that the data used is calculated on an annual basis and each district's decisions impact the statewide average transportation costs for that school year. Therefore, anything a district can do to decrease its cost will be of benefit to the district. Moneys distributed under the Transportation Equity Program are recalculated every year, so as long as a school district's costs exceed the statewide average transportation costs per pupil, the district will receive moneys under the program. Committee members also noted that, unlike the transportation equity program appropriation, continuing the DCPD equity approach requires legislative action each year.

Senator Quirnbach noted the differing impacts the current legislative approach to address DCPD inequity has had on districts like the Ames Community School District with a DCPD in excess of the SCPP as compared to those with a DCPD that is equal to the SCPP. Senator Quirnbach also noted that the Legislature's current five-dollar-per-year pace of addressing the DCPD inequity will result in elimination of the DCPD inequity in 30 years.

IV. Flexibility Accounts and Categorical Fund Balances

Mr. Cooley, DE, and Ms. Margaret Buckton, Iowa School Finance Information Services (ISFIS), presented information regarding the implementation of school district flexibility accounts, as authorized by statute, and the current status of school district categorical fund balances. Categorical funding is generally understood to be financial support from the state and federal governments that is targeted for particular categories of students, special programs, or special purposes. Legislation in 2017 and 2018 established the authority of school districts to transfer certain unexpended and unobligated categorical funds to a flexibility account to be used in future years for various categorical and general fund purposes. Mr. Cooley outlined the steps needed to be taken by school boards in order to make such transfers and approve expenditures from a flexibility account. The committee was provided data on the frequency, sources, and amounts of funds being transferred and expended. Mr. Cooley and Ms. Buckton both cautioned against the trend found in the expenditure data of using the flexibility account for ongoing expenses like salaries and benefits. Mr. Cooley's presentation also provided five years of data related to the statewide funding and carryforward amounts for homeschool assistance programs, professional development programs, and the statewide voluntary preschool program.

Ms. Buckton noted that a positive ending balance in most categorical funds is a good practice to employ, that carryforward balances are to be viewed as one-time funding, and that ISFIS has witnessed a learning curve associated with this new flexibility fund. Ms. Buckton noted the tension between directing resources to an identified need and preserving local control and she provided the committee with research conducted by the American Institutes of Research on the issue of determining how funding is distributed and regulated. Ms. Buckton also examined the state's current methodology of weighted funding for at-risk students and the resulting choices for school districts with high numbers or concentrations of students in poverty, noting specifically the Des Moines Public Schools.

Discussion. Committee members discussed the growth since 2001 in the number of school districts in which more than 50 percent of the students are eligible for free and reduced price lunches. Ms. Buckton noted that federal free and reduced price lunch eligibility requirements have not changed. That 77 percent of 33,000 children enrolled in the Des Moines School District are eligible for free and reduced price meals is an indicator of poverty and there is overlap with non-English speakers. Statewide, she stated, the percentage of students eligible for free and reduced price meals is 41 percent. There are a number of funding streams designated for these populations, though there are significant gaps and various solutions. While it is important to look at models from other states, it is also important to look at Iowa's values. She agreed to work with the committee to develop scenarios for additional



funding for school districts with high numbers of disadvantaged students. Committee members noted that geographic proximity does not equate to similarities in demographics or circumstances and there are often greater variances among districts within a state than overall differences between states. Discussions also occurred regarding the possibility of examining concentrations of students qualifying for free and reduced-price lunch and other measures of poverty.

V. Operational Sharing Incentives

Mr. Cooley, DE, Mr. Shawn Snyder, Iowa Association of School Boards (IASB), and Ms. Emily Piper, IASB, provided information on the current supplementary weighting program for shared operational functions that runs through FY 2025. Mr. Cooley described the timeline for school district requests and data on participation in the program over the past five fiscal years, including the types of positions being shared and data regarding the use of shared positions beyond those for which school districts receive supplementary weighting due to the 21 full-time equivalent pupil maximum. From fall 2014 to fall 2018, the total weightings received by school districts increased from 2,324 to 3,646. The resulting funding generated in FY 2020 has reached \$25,195,458. Mr. Cooley also provided data regarding the usage of shared operational function weighting by AEAs and described how the AEAs' maximum is applied. Data from IASB showed that for FY 2020, 236 districts were sharing at least one position and 91 districts were not sharing any positions.

Mr. Cooley identified administrative challenges in processing requests made by school districts, including discrepancies between information provided by each of the sharing districts and difficulties in verifying positions when sharing with a political subdivision that is not a school district. Mr. Cooley and Mr. Snyder also acknowledged the potential "funding cliff" when moving from shared operational functions to reorganization or if the operational function sharing were to discontinue. Mr. Snyder and Ms. Piper identified several potential options related to continuing shared function incentives, including extension of the applicable time period, expanding allowable positions, implementing phase-out provisions to minimize a "funding cliff," and enacting additional funding provisions for "necessarily small school districts."

Discussion. Committee members discussed the need for a comprehensive review of the timelines for setting supplemental state aid and for extension of operational sharing incentives. Ms. Piper noted that school districts can plan better with greater certainty. School districts that cannot reorganize due to greater transportation distances still have large needs that are not satisfied when their costs do not disappear at the same rate as their students disappear. Mr. Snyder offered to provide committee members with a summary relating to the issue. Mr. Cooley noted that each district can only generate funding for one shared position.

Committee members discussed the possibility of adding additional eligible positions for the sharing incentives including school resource officers and more categories of mental health counselors and professionals. Senator Quirnbach noted the amount of shared positions among school districts that are not receiving the supplementary weighting due to the statutory caps and questioned whether the incentives were too high because districts would share anyway.

VI. Open Enrollment Trends and Funding

Mr. Cooley, DE, provided statewide data regarding use of open enrollment in Iowa. The number of students utilizing open enrollment has risen from 30,463 in fall 2015 to 33,591 in fall 2018. During that same period of time, the percentage of total enrollment using open enrollment has risen from 6.3 percent



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to 6.9 percent. Mr. Cooley also provided lists of the school districts with the highest number of students open enrolling into and out of the district.

Mr. Cooley provided an overview of the current amounts of funding that are statutorily required to be paid from the school district of residence to the receiving school district, which currently includes the previous year's state cost per pupil, any per pupil amount of teacher leadership and compensation funding, amounts resulting from a student's supplementary weighting for limited English proficiency, and eligible concurrent enrollment and Project Lead the Way weighting. For special education students, however, the amount paid is equal to the actual cost of the student's program rather than the state cost per pupil. Mr. Cooley noted that the teacher salary supplement, professional development supplement, early intervention supplement, and per pupil SAVE fund revenues are not paid to the receiving district. Mr. Cooley also noted that some of the funding supplement amounts are not uniform across school districts.

Mr. Joel Pedersen, Superintendent, Cardinal Community School District, was joined by Cardinal Community School District teacher Ms. Sabrina Morrison to discuss the challenges posed to the Cardinal Community School District by the current open enrollment system. Cardinal Community School District has the ninth highest number of open-enrolled students among all receiving districts in the state (306.5 for FY 2019). Superintendent Pedersen provided data to the committee regarding the financial impact open enrollment has on high-poverty districts like Cardinal and encouraged the committee to look at allowing more of the per pupil funding to follow the student so that districts like Cardinal could use those funds to remain competitive in compensation paid to teachers. Superintendent Pedersen noted Cardinal Community School District is unable to increase the capacity of schools within the district and the community is resistant to bond referendums to do so.

Ms. Morrison noted the challenges faced in her position as special education instructional coach and that the additional per pupil funding that could accompany open-enrolled students would help in addressing the struggles, trauma, and mental health conditions that many students in the district have.

Mr. Patrick Coen, Superintendent, Burlington Community School District, addressed the committee regarding the challenges being faced by school districts that have large numbers of students leaving through open enrollment. Burlington Community School District lost 613.4 students in FY 2019. Superintendent Coen acknowledged the pervasive poverty problem within his district and noted that any modification to the current open enrollment funding provisions would result in winners and losers. Superintendent Coen described how the current trend of open enrollment is creating pooled areas of poor families that compound the existing problems, including low parental educational attainment and the inability of those families to utilize open enrollment due to financial burdens and lack of access to services like transportation.

Discussion. In response to a request, Mr. Cooley will provide the committee with dual enrollment data relating to students who are participating in open enrollment in order to home school in another school district. The committee requested that Mr. Cooley and Mr. Michael Duster, Legislative Services Agency, provide members with a calendar of open enrollment count, request, and funding deadlines.

Senator Kraayenbrink noted that the current open enrollment funding provisions may not be rewarding those schools that are doing well and attracting open enrollment students. Representative Matson asked Superintendent Pedersen to identify the reasons why Cardinal Community Schools has seen such an increase in students open enrolling into the district. Superintendent Pedersen stated that the change in culture in the school district, rather than population or economic growth, has contributed to the increase. Committee members also discussed how the current open enrollment trends are impacted by school district diversity plans.



VII. Concurrent Enrollment Update

Mr. Cooley, DE, along with Dr. Laurie Wolf, Iowa Association of Community College Trustees, and Mr. Eric St. Clair, DE, provided the committee with an overview of the concurrent enrollment programs operated between school districts and community colleges. The concurrent enrollment program, also known as “dual credit,” promotes rigorous academic and career technical education (CTE) opportunities for high school students. The college courses are offered through contractual agreements between school districts and community colleges. Mr. Cooley provided a summation of the history of the various concurrent enrollment programs and emphasized the goals of supplementing, not supplanting, existing high school courses and providing coursework of the same quality as that offered at community colleges. Dr. Wolf noted that approximately 51,000 students participated in FY 2018, accounting for 423,544 semester hours of credit and 183 associate degrees earned by students before the end of high school senior year. Under the most recent enrollment data available for fall 2018, concurrent enrollment supplementary weighting equivalent to an additional 3,656.71 pupils was generated, resulting in \$25,225,358 generated through the funding formula.

Dr. Wolf outlined the benefits to students, including increasing student motivation and academic confidence, expanding curriculum options for academically advanced and vocational students, and lowering postsecondary education costs for students and families. Such programs also expose students to experiences that increase their critical thinking, collaborative problem solving, behavioral skills, and career navigation skills. Students participating in dual credit programs have been shown to be more likely to enter, persist through, and perform well in college. Dr. Wolf described the supplementary weighting structure for funding concurrent enrollment programs, the general structure of contracts between schools and community colleges, the student eligibility criteria for program participation, course instructor criteria, and community college accreditation standards. Dr. Wolf also updated the committee on the implementation of the most recent changes to the program in 2019, including authorization to utilize concurrent enrollment to meet requirements for science, math, and CTE units, modification of the definition of “full time,” and authorization for nonpublic schools to enter into concurrent enrollment contracts with community colleges.

Mr. St. Clair noted that while the current system is durable and robust, for the first time data is showing a decline in participation. Dr. Wolf and Mr. St. Clair also discussed the reasons certain students are not participating in the program, including distance and transportation issues, scheduling conflicts, lack of qualified faculty, schools not meeting minimum student thresholds for courses, textbook and supply costs, and determinations by counselors that the student is not yet prepared for the coursework.

Discussion. Committee discussion focused on the importance of the changes made during the last session of the General Assembly and the need for the presenters to continue to provide committee members with updates on the progress made relating to concurrent enrollment, especially efforts targeted on reducing student debt levels and improving student access to advanced courses.

Mr. Cooley acknowledged the department is not certain that it will have the enrollment data necessary to disburse funds prior to the end of the fiscal year that were appropriated by the General Assembly for payments to community colleges for the concurrent enrollment of accredited nonpublic students, and suggested adding nonreversion language to the appropriation. Co-chairperson Sinclair indicated that the issue will be addressed during the next legislative session.

VIII. At-Risk and Dropout Prevention Programs

Mr. Cooley, DE, provided statewide data on the amount of funding generated for at-risk and dropout prevention programs, which is a combination of supplementary weighting and modified supplemental



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amounts. Total statewide expenditures for such programs have risen from \$156,101,626 in FY 2015 to \$186,098,666 in FY 2019. Mr. Cooley also provided expenditure data for both the supplementary weighting funds and the modified supplemental funds, which largely included expenditures on salaries and benefits for educational professional, paraprofessional, and other employees. The data presented also included statewide carryforward amounts for such programs.

Mr. Snyder, IASB, and Ms. Piper, IASB, noted that the free and reduced price lunch weighting accounted for 59 percent of the total at-risk weighting and the budget enrollment factor accounted for the remaining 41 percent. Funding for such programs using the modified supplemental amount is limited to between 2.5 percent and 5 percent of the school district's regular program amount and is funded through property taxes. Statewide maximum funding capacity for such programs through modified supplemental amounts is approximately \$143.6 million. According to Mr. Snyder, the limitations based on a percentage of the school district's regular program budget amount creates an inequity. Although not endorsing any specific solution, IASB provided two options to address the inequity. The first option is to both eliminate the percentage limitations that exist below 5 percent, and allow school districts the discretion to utilize the increased capacity. The second option included an increase to the supplementary weighting amounts through the funding formula by a factor of 10 and lowering the percentage limitation rate for all school districts to 2.5 percent. Mr. Snyder and Ms. Piper noted the possibility of phasing in either of the proposed options.

Discussion. The committee discussed the restrictions placed on use of at-risk moneys. Ms. Piper noted that IASB would like to direct as much as possible to the supplemental state aid rate, and at a time when state aid is limited, would like an easing of those restrictions. Mr. Cooley noted that a few years ago the General Assembly allowed the at-risk and dropout prevention funding streams to be used to serve the same purposes and population. Local criteria determines identification of at-risk and the allowed uses for the at-risk and dropout prevention moneys have been expanded in recent years. He noted that anything a district identifies as being beneficial to the population is an allowed use of the funds, including use of the moneys for security and mental health professionals. The allowed uses are broad, he observed, but are intended to be aligned with a district's adopted program plan.

Committee members also questioned whether Iowa should be looking to alternative methodologies for measuring populations of students that are intended to be targeted by at-risk and dropout prevention funding. The committee also discussed funding measures used by other states, including application of a flat weighting based upon the number of students enrolled in a school district who qualify for free and reduced price meals, and whether the state needs to look at radical changes to the formula in order to achieve greater levels of fairness and adequacy.

IX. Committee Discussion and Recommendations

Senate and House of Representatives minority party members distributed to the full committee a document containing seven proposed recommendations, including adequate basic school funding, increasing English language learner weighting, accelerating implementation of per pupil equity between state and district cost per pupil, increasing preschool funding, increasing special education weighting, creating a school mental health study committee, and creating a poverty weighting study committee. Two additional recommendations were also verbally proposed: a recommendation that the standing education committee in each chamber consider adding school resource officers to the list of eligible positions for shared operational function weighting, and a recommendation that the standing education committee in each chamber review the open enrollment policy to determine which funding stream is transferred with the student when the student open enrolls.



During discussion, members identified reasons for and against each proposal. Some members cautioned against making recommendations without considering the level of state revenues. Other members stated that school districts must either use property tax dollars or reduce levels of service to students when the state fails to provide the same level of aid as in prior years or otherwise fails to keep up with inflation, that education should be the state's top priority and fully funded, and that the committee is charged with providing recommendations to the General Assembly. Discussion included the following: the number of households with children under the age of six, in which both parents work, necessitating the need for the state to provide high-quality preschool; the benefits of preschool in general; the benefits of providing services early to English language learners and low-income families; preschool infrastructure and capacity limitations; expansion of the number of hours under the statewide preschool program for four-year-old children; the impact of the statewide preschool program on local daycare centers; the need for wraparound services in preschool programs and daycare centers; consideration of special education weighting increases by the School Budget Review Committee (SBRC); higher property taxes for school districts requesting modified supplemental amounts from the SBRC for special education deficits; understanding the role school districts may have in the delivery of mental health services; the need to comprehensively review how other states are modifying their school funding formulas to place resources where needed; the benefits the Iowa Jobs for Graduates program provides to students, including dropout prevention workforce preparation, and the need to bring it into smaller schools; adding to the positions that qualify for operational sharing incentives, and addressing the limitations on the incentives to increase equity, and phasing out the funding cliff that results with reorganization or discontinuation of sharing; and other measures to improve the funding formula to provide adequacy, fund technology in the schools, and make Iowa's teacher salaries more competitive.

Proposals that failed to advance as committee recommendations are as follows:

- **Adequate Basic School Funding.** Per-pupil supplemental state aid for K-12 schools has fallen behind inflation by more than 2.1% over the last three years. In setting SSA for FY 2021, the Legislature must fund schools above the cost of inflation. Motion to eliminate this proposed recommendation was adopted by a vote of six in favor of elimination and four opposed to elimination.
 - Voting for elimination of the proposed recommendation: Co-chairperson Sinclair, Co-chairperson Kerr, Senator Kraayenbrink, Senator Sweeney, Representative Dolecheck, and Representative Moore
 - Voting against elimination of the proposed recommendation: Senator Quirnbach, Senator Smith, Representative Matson, and Representative Winckler
- **Increase Preschool Funding.** Increase preschool funding to ensure universal PreK is a universal option for all Iowa four-year-olds. Motion to adopt this proposed recommendation failed by a vote of six opposed to adoption and four in favor of adoption.
 - Voting against the proposed recommendation: Co-chairperson Sinclair, Co-chairperson Kerr, Senator Kraayenbrink, Senator Sweeney, Representative Dolecheck, and Representative Moore
 - Voting for the proposed recommendation: Senator Quirnbach, Senator Smith, Representative Matson, and Representative Winckler
- **Increase Special Education Weighting.** Currently, 80 percent of Iowa's school districts are running special education deficits. Motion to adopt this proposed recommendation failed by a vote of six opposed to adoption and four in favor of adoption.
 - Voting against the proposed recommendation: Co-chairperson Sinclair, Co-chairperson Kerr, Senator Kraayenbrink, Senator Sweeney, Representative Dolecheck, and Representative Moore



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Voting for the proposed recommendation: Senator Quirnbach, Senator Smith, Representative Matson, and Representative Winckler

The committee's recommendations to the General Assembly, adopted unanimously by voice vote of the members present, are as follows:

1. Increase English Language Learner (ELL) Weighting. Currently, students enrolled in an ELL program generate an additional 0.22 student weights through the school aid formula for a maximum of five years. The weight must be increased, and the potential eligibility period lengthened for students who need more time to become English proficient.
2. Accelerate the implementation of per pupil equity between state and district cost per pupil. At the current rate, the inequity will take over 30 years to eliminate. A different approach is needed to shorten the time, while increasing local control and making sure that increased support goes to making a difference in the classroom.
3. School Mental Health Study Committee. Create a study committee of education stakeholders to coordinate the implementation in the schools of recent child mental health legislation and specifically to identify the necessary increases in school personnel and the funding to pay for them.
4. Poverty Weighting Study Committee. As reported by the 2018 Condition of Education Report, 40.5 percent of Iowa students are on Free or Reduced Lunch (FRL), the most widely used measure of student poverty, up from 27 percent in the 2000-2001 school year. Students from low-income households often lack the educational resources and advantages at home that are common in more affluent homes. In order to create more equal educational opportunities, many states add additional dollars to their school funding formula to level up the playing field. Iowa should study the options to do so, too.
5. Recommend that the standing education committee in each chamber consider adding school resource officers to the list of eligible positions for shared operational function weighting.
6. Recommend that the standing education committee in each chamber review the open enrollment policy to determine which funding is transferred with the student when the student open enrolls.

X. Materials Filed with the Legislative Services Agency

The following materials listed were distributed at or in connection with the committee's meeting and are on file with the Legislative Services Agency. The materials may be accessed from the Committee Documents link on the committee's Internet site: www.legis.iowa.gov/committees/committee?ga=85&groupID=21383.

1. School Finance Formula Overview, Mr. Michael Guanci, Legislative Services Agency.
2. Transportation Equity and District Cost per Pupil Equity Update, Iowa Department of Education.
3. School District Flexibility Accounts and Categorical Balances, Iowa Department of Education.
4. School District Flexibility Accounts and Categorical Balances Supplemental Information, Iowa Department of Education.
5. Flexibility Accounts and Categorical Fund Balances Presentation, Iowa School Finance Information Services.
6. Analysis of Weighting/Categorical for At-Risk Students, Iowa School Finance Information Services.



7. Letter from Superintendent Dr. Thomas Ahart, Des Moines Public Schools.
8. Operational Sharing Initiatives Trends and Funding, Iowa Department of Education.
9. Shared Operational Functions — Current Situation, Iowa Association of School Boards.
10. Open Enrollment Trends and Funding, Iowa Department of Education.
11. Open Enrollment Discussion, Mr. Joel Pedersen, Superintendent, Cardinal Community School District.
12. Notes on Open Enrollment, Mr. Patrick Coen, Superintendent, Burlington Community School District.
13. Concurrent Enrollment Presentation, Iowa Department of Education.
14. Concurrent Enrollment Presentation, Iowa Association of Community College Trustees.
15. At-Risk and Dropout Prevention Funding, Iowa Department of Education.
16. Funding for At-Risk, Returning Dropouts, and Dropout Prevention Programs, Iowa Association of School Boards.
17. Option 1 — Increasing Maximum Dropout Prevention MSA Funding for All Districts, Iowa Association of School Boards.
18. Option 2 — At-Risk Weighting and Dropout Prevention Maximum Funding Option Comparison Tool, Iowa Association of School Boards.
19. Democrat Member Proposed Committee Recommendations.

Doc ID: 1126196