

**298A.2 General fund — flexibility account.**

1. All moneys received by a school corporation from taxes and other sources must be accounted for in the general fund, except moneys required by law to be accounted for in another fund.

2. a. A flexibility account shall be established in the general fund of each school corporation if the school corporation has authorized the transfer of all or a portion of the unexpended and unobligated funds from any of the following sources following a determination that the statutory requirements for such funds are met:

(1) An approved local program under the statewide preschool program for four-year-old children under [chapter 256C](#).

(2) Professional development funds received under [section 257.10, subsection 10](#).

(3) The home school assistance program under [section 299A.12](#).

b. In addition to the transfers to the flexibility account authorized by law, a school district may transfer to the flexibility account all or a portion of any unexpended and unobligated moneys in any other school district fund or school district general fund account if the program, purpose, or requirements for the expenditure of such moneys have been repealed or are no longer in effect.

c. Moneys deposited in the flexibility account may be used by the school district during a budget year beginning in or after the calendar year in which the moneys were transferred to the flexibility account for any of the following:

(1) Start-up costs for an approved local program under the statewide preschool program for four-year-old children under [chapter 256C](#).

(2) Professional development requirements under [chapter 284](#).

(3) The home school assistance program under [section 299A.12](#).

(4) At-risk pupils programs, alternative programs and alternative school programs, and returning dropout and dropout prevention programs under [section 257.40](#).

(5) Gifted and talented children programs under [section 257.46](#).

(6) Any school district general fund purpose.

d. Expenditures from the flexibility account shall be approved by resolution of the board of directors of the school corporation and shall be included in the budget certified in accordance with [chapter 24](#). Before the board of directors may adopt the resolution approving expenditures from the flexibility account, the board shall hold a public hearing on the proposed resolution. The proposed resolution must state the original source and purpose of the funds, the proposed use of such funds, the amount of the proposed expenditure, and the fiscal year from which the transfer of such funds to the flexibility account occurred. The proposed resolution must also include a certification that the statutory requirements for each original source of the money proposed to be used have been met, have been repealed, or are no longer in effect. The board shall publish notice of the time and the place of the public hearing in the same manner as required in [section 24.9](#). The department of education shall prescribe the form for public hearing notices. A copy of the resolution shall be provided by the board to the department of education and shall be made available by the board for any audit performed under [chapter 11](#).

e. (1) When exercising authority to carry out an agency action, as defined in [section 17A.2](#), or to perform an activity or make a decision specified in [section 17A.2, subsection 11](#), paragraphs “a” through “l”, if applicable, related to the provisions of [this subsection](#), the department of education, the director of the department of education, and the state board of education shall carry out, perform, or make such agency action, activity, or decision in a manner that gives deference to decisions of school districts’ boards of directors, promotes flexibility for school districts, and minimizes intrusions into school district operations and decision making by boards of directors.

(2) (a) In addition to subparagraph (1), the department of education, the director of the department of education, and the state board of education shall not issue guidance related to the provisions of [this subsection](#), that is inconsistent with any statute, rule, or other legal authority or that imposes any legally binding obligations or duties upon any person unless such legally binding obligations or duties are required or reasonably implied by any statute,

rule, or other legal authority. Guidance issued in violation of this subparagraph (2) shall not be deemed to be legally binding.

(b) For the purposes of this subparagraph (2), “*guidance*” means a document or statement issued by the department of education, the director of the department of education, or the state board of education that purports to interpret a law, a rule, or other legal authority and is designed to provide advice or direction to a person regarding the implementation of or compliance with the law, the rule, or the other legal authority being interpreted. “*Guidance*” does not include any action, activity, or decision governed by subparagraph (1), a document or statement required by federal law or a court, or a document or statement issued in the course of a contested case proceeding, an administrative proceeding, or a judicial proceeding to which the department, the state board, or the director is a party.

[94 Acts, ch 1029, §2](#); [2017 Acts, ch 154, §6](#)

Referred to in [§256C.4](#), [§257.10](#), [§257.41](#), [§257.46](#), [§284.6](#), [§299A.12](#)

Section amended