

260C.18C State aid distribution formula.

1. *Purpose.* A distribution plan for general state financial aid to Iowa's community colleges is established for the fiscal year commencing July 1, 2025, and succeeding fiscal years. Funds appropriated by the general assembly to the department for general financial aid to community colleges shall be allocated to each community college in the manner provided under [this section](#) for the community colleges to provide the highest quality educational opportunities and services, as described in [section 260C.1](#), to the greatest number of students.

2. *Definitions.* As used in [this section](#) and [section 260C.18D](#), unless the context otherwise requires:

a. "Base funding allocation" means the amount of general state financial aid all community colleges received in the base year.

b. "Base year" means the fiscal year immediately preceding the budget year.

c. "Budget year" means the fiscal year for which moneys are appropriated by the general assembly.

d. "Combined support" for a community college means the total amount of moneys the community college received in general state financial aid in the base year plus the community college's general fund property tax revenue, including utility replacement, for the base year.

e. "Fiscal year" means the period of twelve months beginning on July 1 and ending on June 30.

f. "General fund property tax revenue" means the amount of moneys a community college raised or could have raised from a property tax of twenty and one-fourth cents per thousand dollars of assessed valuation on all taxable property in its merged area collected for the base year.

g. "General state financial aid" means the amount of general state financial aid the community college received from the general fund.

3. *Distribution formula.* Moneys appropriated by the general assembly from the general fund to the department for community college purposes for general state financial aid for a budget year shall be allocated to each community college by the department as follows:

a. Annually, on or before October 31 of each year, the presidents of the community colleges and the chancellors of the community colleges who serve as the chief executive officers of such community colleges shall establish a distribution formula for general state aid to the community colleges for the succeeding budget year. When determining the distribution formula pursuant to this paragraph, the presidents and chancellors shall consider the enrollment and combined support for each community college, along with any other factor deemed relevant by the presidents and chancellors. The distribution formula shall not allocate funding to a community college that is below the general state financial aid the community college received in any previous budget year, unless there is a reduction in the base funding allocation. The distribution formula requires the approval of at least ten of the presidents and chancellors. If the presidents and chancellors approve a distribution formula pursuant to this paragraph, the presidents and chancellors shall transmit the distribution formula to the department, and the department shall implement the distribution formula.

b. If the presidents of the community colleges and the chancellors of the community colleges who serve as the chief executive officers of such community colleges fail to approve a distribution formula on or before October 31 pursuant to paragraph "a", the department shall establish the distribution formula for general state aid to the community colleges for the succeeding budget year. When determining the distribution formula pursuant to this paragraph, the department shall consider the enrollment and combined support for each community college, along with any other factor deemed relevant by the department. The distribution formula shall not allocate funding to a community college that is below the general state financial aid the community college received in any previous budget year, unless there is a reduction in the base funding allocation.

4. *Information supplied by colleges and adoption of rules.*

a. Each community college shall provide information in the manner and form as determined by the department. If a community college fails to provide the information as requested, the department shall estimate the full-time equivalent enrollment of that college.

b. Each community college shall complete and submit an annual student enrollment audit to the department.

c. The department shall adopt rules under [chapter 17A](#) as necessary for the allocation of general state financial aid.

[2005 Acts, ch 169, §24](#); [2008 Acts, ch 1181, §25](#); [2009 Acts, ch 41, §263](#); [2024 Acts, ch 1142, §1, 2](#)

Referred to in [§260H.2, 260L2](#)

2024 amendment applies to budget years beginning on or after July 1, 2025; [2024 Acts, ch 1142, §2](#)
Section amended